Stock Code: 000553(200553) Stock Abbreviation: ADAMA A (B) NO. 2020-24

ADAMA Ltd.

Announcement on Expected Related-Party Transactions in the Ordinary Course of Business in 2020

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. Basic Information on Related Party Transactions in the ordinary course of business

(1) Overview of related-party transactions in the ordinary course of business

The Company expects that the aggregated amount of related party transactions between it and/or its subsidiaries (together the "Group Companies") and the subsidiaries of China National Chemical Co., Ltd ("ChemChina", the actual control controller of the Company) in 2020 is RMB 3,631.56 million. It consists of (1) the Group Companies will purchase raw materials/products, receive certain services from subsidiaries controlled by ChemChina, in a total amount that will not exceed RMB 2,286.47million; and (2) the Group Companies will sell products, provide services, and be entrusted to sell products, in a total amount that will not exceed RMB1,345.09 million, to subsidiaries controlled by ChemChina. Such transactions hereinafter referred as the "related-party transactions".

Related-party transactions of the above type performed by the Company in 2019 in the ordinary course of business amounted to RMB 2,263.3 million.

These estimations were performed based on the current available data and may change, inter alia, as a result of changes to the Group Companies' business and/or due to market conditions as well as due to the formation of Syngenta Group Co., Ltd.("Syngenta Group"), comprising the Company, Syngenta AG and Sinochem's agriculture-related activities, which will further bolster the alignment between the companies and capitalize on the value creation and synergy opportunities identified.

The related-party transactions matter has been reviewed and approved at the 25th Meeting of the 8th session of the Board of Directors of the Company. Among the five directors of the Company, there were three affirmative votes, zero negative votes and zero abstentions, while the two related-party directors (Mr. Erik Fyrwald and Mr. Chen Lichtenstein) refrained from voting.

The related-party transactions matter shall be further approved by the Shareholders Meeting. China National Agrochemical Co., Ltd.and Jingzhou Sanonda Holdings Co., Ltd. will refrain from voting.

(2) The types and amounts of expected related-party transactions in the ordinary course of business

RMB'0000

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Type of related-party transaction	Related party	Content of related-party transaction	The pricing principle of related-party transaction	Contract amount or estimated amount not to exceed	Amount occurred in the previous year
Purchasing raw materials and products from related parties	Syngenta AG and its subsidiaries	Purchase of raw materials/products	Market price	151,940	117,685.34
	Bluestar (Beijing) Chemical Machinery Co., Ltd.	Purchase of raw materials/products	Market price	920	3,739.82
	Jiangsu Huaihe Chemicals Co., Ltd.	Purchase of raw materials/products	Market price	22,770	20,960
	Jiangsu Yangnong Chemical Co. and its subsidiaries Ltd.	Purchase of raw materials/products	Market price	48,990	--
	Zhonglan International Chemical Co., Ltd.	Purchase of raw materials/products	Market price	3,102.7	--
	Sub-total	-	-	227,722.7	142,385.16
Selling raw materials and products to related parties	Syngenta AG and its subsidiaries	Selling products	Market price	86,675.9	59,647.6
	Jiangsu Huaihe Chemicals Co., Ltd.	Selling products	Market price	26,668.5	24,096
	Sinofert	Selling products	Market price	941.85	--
	Sinochem Agriculture	Selling products	Market price	311.65	--
	Sino MAP	Selling products	Market price	272.55	--
	Jiangsu Yangnong Chemical Co., Ltd.	Selling products	Market price	88.55	--
	Jiangsu Youshi Chemical Co., Ltd.	Selling products	Market price	17,250	--
	Zhonglan International Chemical Co., Ltd.	Selling products	Market price	2,300	--
	Sub-total	-	-	134,509	83,743.6

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Receiving services from related parties	China National Chemical Information Center	Value-added OA services	Market price	261	202
	Shanghai Branch of Zhonglan Lianhai Design Institute Co., Ltd.	Design services	Market price	663	634
	Sub-total	-	-	924	836

(3) **Actual related-party transactions in the ordinary course of business performed in the previous year**

RMB'0000

Type of related-party transaction	Related party	Content of related transaction	Actually occurred amount	Estimated amount	Difference proportion (%)
Purchasing raw materials and products from related parties	ADAMA Anpon (Jiangsu) Ltd.	Purchase of raw materials/products (including the designated products)	130	31,904	-99.59%
	Syngenta AG and its subsidiaries	Purchase of raw materials/products	117,685.34	82,800	42.13%
	Beijing Grand AgroChem Co., Ltd.	Purchase of raw materials	455	1,800	-74.72%
	Shandong Dacheng Agrochemical Co., Ltd.	Purchase of raw materials/products	0	690	-100%
	Bluestar (Beijing) Chemical Machinery Co., Ltd.	Purchase of raw materials/products	3,739.82	3,843	2.68%
	Jiangsu Huaihe Chemicals Co., Ltd.	Purchase of raw materials/products	20,960	20,099	4.28%
	Zhonglan International Chemical Co., Ltd.	Purchase of raw materials/products	11,016	11,983	-8.07%
	Sub-total	-	153,986.16	153,119	0.56%
Selling products and goods to related parties	Syngenta AG and its subsidiaries	Selling products	59,647.6	69,000	-15.68%
	Jiangsu Huaihe Chemicals Co., Ltd.	Selling products	24,096	23,138	4.14%
	Sub-total	-	83,743.6	92,138	-9.11%
Receiving	China National Chemical	Value-added OA		65	

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services from related party	Information Center	services	202		210.7%
	Jiangsu Lianhai Testing Co., Ltd.	Testing Services	1	60	-98.33%
	Zhonglan Lianhai (Shanghai) Chemical Engineering Technology Co., Ltd.	Testing Services	0	144	-100%
	Shanghai Branch of Zhonglan Lianhai Design Institute Co., Ltd.	Design services	634	712	-10.96%
	Sub-total	-	837	981	-14.68%
Providing services to related parties	ADAMA Anpon (Jiangsu) Ltd.	Consultancy and management services	150	1,996	-92.48%
	Sub-total	-	150	1,996	-92.48%
Accepting the entrustment of the related party to sell its products	ADAMA Anpon (Jiangsu) Ltd.	Entrusted Sale	63	569	-88.93%
	Sub-total	-	63	569	-88.93%
Aggregated			**238,779.76**	**248,820**	**-4.04%**
An explanation by the board of directors for the major difference between the actual occurred amount of daily related transactions and the estimated amount			The expected amount of the related party transactions in 2019 is RMB 2,488.03million while the occurred amount in 2019 is RMB 2,387.79million. No material difference between the expected figure and the occurred figure.		
An explanation by the independent directors for the major difference between the actual occurred amount of daily related transactions and the expected amount			Not applicable		

Notes:

1. Please refer to the announcements on February 22, 2019 and April 30, 2019 for the 2019 expected related-party transactions of the Company (Announcement number 2019-11 and 2019-31).

2. The Company is a global crop protection company, with sales amounting to RMB 27,563.239 million in 2019, such that the total amount of related party transactions performed in 2019 represents only a relatively low proportion of the overall business of the Company, 3.29% of its total 2019 sales.

II. Introduction to Related Parties and Their Relationships with the Company

1. Syngenta AG (legal representative: n/a; registered address: Schwarzwaldallee 215 4058 Basel) has the registered capital of RMB 41.33 million and mainly undertakes the businesses related to

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crop protection, seeds. The main financial data as of the date December 31, 2019 are: operating revenue of RMB93,661,472,000 yuan, total assets of RMB156,245,951,400 yuan, net assets of RMB31,190,590,200 yuan.

Relationship with the Company: It is a legal person controlled by ChemChina, the actual control holder of the Company. According to the Article 10.1.3(2) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

Analysis of contract performance capability: Syngenta AG and its subsidiaries produce and operate normally andare in good operational and financial conditions and thus have a good contract performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to enforcement.

2. Bluestar (Beijing) Chemical Machinery Co., Ltd. (legal representative:Qiao Xiaofeng; registered address: No. 5, Xingye Street, Beijing Economic and Development Zone) has registered capital of RMB200 million and mainly undertakes the businesses related to production of chemical machinery and equipment, production of type III pressure vessels, design, maintenance and installation of chemical machinery and equipment, technical consultation, technical services, technical training. The main financial data as of the date December 31, 2019 are: operating revenue of RMB632.91 million, net profit of RMB 34.50 million, total assets of RMB1,032.84 million, net assets of RMB 559.04 million.

   Relationship with the Company: It is a legal person controlled by ChemChina, the actual control holder of the Company. According to the Article 10.1.3(2) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

   Analysis of contract performance capability: To the best knowledge of the Company, Bluestar (Beijing) Chemical Machinery Co., Ltd. operates normally and is in good operational and financial conditions and thus has a good contract performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to enforcement.

3. Jiangsu Huaihe Chemical Co., Ltd. (legal representative: Xia Wenbiao; registered address: Yutai County, Jiangsu Province) has registered capital of RMB 24.7million and mainly undertakes the businesses related to manufacturing and sale of chemical products. The main financial data as of December 31, 2019 are: operating revenue of RMB919.02 million, net profit of RMB24.81 million, total assets of RMB638.71 million, net assets of RMB152.68million.

   Relationship with the Company: It is a legal person controlled by ChemChina, the actual control holder of the Company. According to the Article 10.1.3(2) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

   Analysis of performance capability: To the best knowledge of the Company, Jiangsu Huaihe Chemical Co., Ltd. produces and operates normally and is in good operational and financial conditions and thus has a good performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to enforcement

4. Zhonglan International Chemical Co., Ltd. (legal representative: Yang Hongbin; registered address: No. 1202-1207, 12/F, No.62 North 4th Ring West Road, Haidian District, Beijing) has registered capital of RMB 100 million and mainly undertakes the wholesale chemical products, technology import and export, technology and information consulting services. The main

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financial data as of September 30, 2019 are: operating revenue of RMB 2,650,627,406.10 yuan, net profit of RMB9,855,233.90 yuan, total assets of RMB863,538,774.38 yuan, net assets of RMB -7,669,944.53 yuan.

Relationship with the Company: It is a legal person controlled by ChemChina, the actual control holder of the Company. According to the Article 10.1.3(2) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

Analysis of contract performance capability: To the best knowledge of the Company, Zhonglan International Chemical Co., Ltd. produces and operates normally and is in good operational conditions and thus has a good contract performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to enforcement.

5. Zhonglan Lianhai Design Institute Co., Ltd. (Legal Representative: Huang Zhenwei; registered address:No.51, Chaoyang West Road, Haizhou District, Lianyungang) has registered capital of RMB128 million and mainly undertakes the businesses related to project consultation and evaluation, design and project management, engineering construction (excluding blasting), general contracting, technical services. The main financial data as of September 30, 2019 are: operating revenue of RMB 277,563,142.17 yuan, net profit of RMB9,375,882.71 yuan, total assets of RMB969,721,326.13 yuan, net assets of RMB638,737,455.15 yuan.

   Relationship with the Company: It is a legal person controlled by ChemChina, the actual control holder of the Company. According to the Article 10.1.3(2) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

   Analysis of contract performance capability: To the best knowledge of the Company, Shanghai Branch of Zhonglan Lianhai Design Institute Co., Ltd. operates normally and is in good operational and financial conditions and thus has a good contract performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to enforcement.

6. China National Chemical Information Center (legal representative:Shui Min; registered address: No. 53 Anwai Xiaoguan Street, Chaoyang District, Beijing) has registered capital of RMB150 million and mainly undertakes the businesses related to chemical information analysis and consultation, software development and network technologies and services. The main financial data as of the date September 30, 2019 are: operating revenue of RMB181,249,046.78 yuan, net profit of RMB 17,972,020.94 yuan, total assets of RMB823,925,088.30 yuan, net assets of RMB679,043,422.54 yuan.

   Relationship with the Company: It is a legal person controlled by ChemChina, the actual control holder of the Company. According to the Article 10.1.3(2) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

   Analysis of contract performance capability: To the best knowledge of the Company, China National Chemical Information Center operates normally and is in good operational and financial conditions and thus has a good contract performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to enforcement.

7. Jiangsu Yangnong Chemical Co., Ltd. (legal representative: Qin Hengde; registered address: No. 39, Wenfeng Road, Yangzhou) has registered capital of RMB 309.8989 million and mainly undertakes the manufacture of agrochemicals and fine chemicals. The main financial

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data as of December 31, 2019 are: operating revenue of RMB 7,061.92 million, net profit of RMB1,069.57 million, total assets of RMB 9,567.13 million, net assets of RMB 5,021.77 million. Jiangsu Youshi mentioned in this announcement as expected related parties is a subsidiary of Jiangsu Yangnong Chemical Co., Ltd.

Relationship with the Company: It is a legal person whose shares are indirectly held by ChemChina, the actual control holder of the Company. According to the Article 10.1.3(5) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

Analysis of contract performance capability: To the best knowledge of the Company, Zhonglan International Chemical Co., Ltd. produces and operates normally and is in good operational and financial conditions and thus has a good contract performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to enforcement.

8. Sinofert Holdings Limited (Executive Director & CEO: Qin Hengde; registered office: Clarendon House 2 Church Street Hamilton HM11 Bermuda) is a company listed on the Main Board of the Stock Exchange of Hong Kong (stock code:00297), which has registered capital of HKD 7,024,456 million and mainly undertakes the production, import and export, distribution and retail of fertilizer raw materials and finished products, provision of technological research and development and services relating to the fertilizer business and products, exploration and exploitation of phosphate mine, and production of monocalcium/dicalcium phosphate (MCP/DCP). The main financial data as of September 30, 2019 are: operating revenue of RMB 18,719.86 million, net profit of RMB 470.65 million, total assets of RMB 18,324.8 million, net assets of RMB 5,664.61 million.

   Relationship with the Company: It is a legal person controlled by SinoChem Group Co.,Ltd.. According to the Article 10.1.3(2) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

   Analysis of contract performance capability: To the best knowledge of the Company, Sinofert Holdings Limited produces and operates normally and is in good operational and financial conditions and thus has a good contract performance capability.

9. Sinochem Agriculture Holdings (legal representative: Ying Minjie; registered address: Room 818, No. 28 Fuxingmennei street, Xicheng district, Beijing) has registered capital of RMB 1,000 million and mainly undertakes sales of agricultural production materials; grain purchases; services for agriculture ; technology development and technology consultation on soil improvement and restoration, etc. The main financial data as of September 30, 2019 are: operating revenue of RMB 1,112.7107 million, net profit of RMB -250.4939 million, total assets of RMB 2,411.1988 million, net assets of RMB 489.7226 million.

   Relationship with the Company: It is a legal person controlled by SinoChem Group Co.,Ltd.("SinoChem"). SincoChem is transferring its total share equity in this company to Syngenta Group Co., Ltd, a subsidiary of the Company's controller ChemChina. According to the Article 10.1.6(1) of the Rules of Shenzhen Stock Exchange for the Listing of Stocks, it is a related party of the Company.

   Analysis of contract performance capability: To the best knowledge of the Company, Sinochem Agriculture Holdings produces and operates normally and is in good operational and financial conditions and thus has a good contract performance capability. After searching on the website of disclosure of enforcement information of China, it is not a dishonest party subject to

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enforcement.

III. Main Content of Related-Party Transactions

1. Main content

   (1) All related-party transactions between the Group Companies and the relevant related parties should be carried out based on market terms and according to the principles of voluntariness, equality, mutual benefit, justice and fairness and without prejudice to the interests of the Company.

   (2) If there is any available state fixed price, then the state fixed price shall prevail; if the state fixed price is inapplicable or not applicable any more, then the market price shall prevail; if the market price is inapplicable or not applicable any more, then both parties shall determine the exact and fair pricing standards they believe to be based on relevant data.

2. Signing of transaction agreement

   The Group Companies will conclude contracts with the relevant related parties according to their production and operation requirements and their ordinary course business practices.

IV. Purpose of Related-Party Transaction and its Impact on the Company

These related-party transactions are necessary for the daily business operation of the Group Companies. They mainly aim to capitalize on the Group Companies' unique positioning and profile, including as part of the Syngenta Group, achieve cost savings, increase the Company's sales and market share and to drive its profitable growth. Based on the understanding of the related-parties' business performance, credit status and performance capability, the Group Companies have selected them to conduct transactions in the ordinary course of business. The related-party transaction activities follow the principle of fairness and justice, they will not adversely affect the Company and its non-related party shareholders. The Board of Directors of the Company holds that the related-party transactions benefit the continuity and stability of the Company's business operations and has a positive impact on the normal operations of the Company. Those transactions will not impact the independence of the Company.

V. Independent Directors' Opinions

The Company's independent directors have given separate opinions on the related party transactions matter: The Group's related-party transactions performed in the ordinary course of business are mainly to purchase or sell goods, materials and services from/to the related parties based on the principles of justice and fairness and the pricing standards consistent with those of non-related parties, in order to capitalize on the Group's unique positioning and profile including as part of the Syngenta Group, achieve cost savings, increase the Company's sales and market share and to drive its profitable growth. All such transactions shall conform to relevant national laws and regulations, as applicable, and market-oriented principles, and shall not influence the independence of the Company or damage the interests of the Group Companies and their other shareholders. The decision-making procedures for these related party transactions conform to the *Company Law of the People's Republic of China*, the *Rules of Shenzhen Stock Exchange for the Listing of Stocks*, the *Articles of Association* and other laws and regulations. We agree on this proposal and submit it to the General Meeting of Shareholders for deliberation.

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VI. Documents for Future Reference

1. The resolution made at the 25th Meeting of the 8th session of the Board of Directors of the Company;
2. Independent directors' prior written approval;
3. Independent directors' opinions.

It is hereby resolved.

The Board of Directors of ADAMA Ltd.

April 28, 2020

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