Stock Code: 000553(200553) Stock Abbreviation: ADAMA A (B) NO. 2022-13

ADAMA Ltd.

Announcement on Providing Guarantees in favor of the Company's Subsidiaries

The Company and all members of the Company's Board of Directors 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 ADAMA Anpon (Jiangsu) Ltd. (hereinafter referred to as "Anpon"), a wholly-owned subsidiary of ADAMA Ltd. (hereinafter referred to as "the Company"), the Company intends to provide guarantees in favor of certain financing banks that are to provide annual loans to Anpon, under which it will guarantee Anpon's repayment of such loans, in a total amount not exceeding RMB 1,041 million.

In order to meet the daily operation and business development needs of Hubei Sanonda Foreign Trade Co., Ltd. (hereinafter referred to as "Foreign Trade Company"), a wholly-owned subsidiary of the Company, the Company intends to provide joint liability guarantees in favor of the financing bank that is to provide credit line to Foreign Trade Company. Under this guarantee, the Company will guarantee Foreign Trade Company's repayment of such loan up to a total amount not exceeding RMB 150 million.

Additionally, in order to meet the daily operation and business development needs of ADAMA Huifeng (Jiangsu) Ltd. (hereinafter referred to as "ADAMA Huifeng"), a controlled subsidiary of the Company, the Company intends to provide joint liability guarantees in favor of certain banks that are to provide banking facilities to ADAMA Huifeng. Under such guarantees, the Company will guarantee ADAMA Huifeng's repayment of such debt up to a total amount up to RMB 680 million.

According to the Listing Rules of the Shenzhen Stock Exchange, the 9th meeting of the 9th

session of the Board of Directors of the Company approved the *Proposal on Providing Guarantees in favor of the Company's Subsidiaries*. The decision to provide such guarantees is within the rights of the Board of Directors. No additional approval for the aforesaid guarantees is required from the shareholders of the Company.

II. Basic Information of the Warrantees

1. Basic Information of Anpon

Name of the Warrantee: ADAMA Anpon (Jiangsu) Ltd.

Established Date: November 25, 1998

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

Legal Representative: Jiang Yutian

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 dishonest person subject to judicial enforcement.

The most recent financial situation of the Warrantee is as follows:

Unit: '0000 RMB

	At Feb 28 2022 (unaudited)	At Dec 31,2021 (audited)
Total Assets	182,116	168,843
Total Liabilities	108,275	100,148
Bank Loans	41,040	27,750
Other Current Liabilities	0	0
Contingency	0	0
Net Assets	73,840	68,696
	January to February 2022 (unaudited)	2021 (audited)
Revenue	48,245	207,639
Total Profit	6,415	25,964
Net Profit	5,453	22,208

2. Basic Information of Foreign Trade Company

Name of the Warrantee: Hubei Sanonda Foreign Trade Co., Ltd.

Established Date: July 29, 1998

Registered Address: No.1, Beijing Donglu Road, Jingzhou City, Hubei Province.

Legal Representative: Liu Jianhua

Registered Capital: RMB 10,000,000

Business Scope: Import and export business.

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

Credit status: After searching on the website of disclosure of enforcement information of China, Foreign Trade Company is not a dishonest person subject to judicial enforcement.

The most recent financial situation of the Warrantee is as follows:

Unit: '0000 RMB

	At Feb 28, 2022 (unaudited)	At Dec 31,2021 (audited)
Total Assets	15,874.95	14,257.03
Total Liabilities	3,704.61	2,414.89
Bank Loans	0	0
Other Current Liabilities	0	0
Contingency	0	0
Net Assets	12,170.33	11,842.14
	January to February 2022 (unaudited)	2021 (audited)
Revenue	5,609.06	25,209.41
Total Profit	437.59	1,933.73
Net Profit	328.19	1,450.25

3. Basic Information of ADAMA Huifeng

Name of the Warrantee: ADAMA Huifeng (Jiangsu) Ltd.

Established Date: June 11, 2018

Registered Address: South of Wanggangzha, Dafeng District, Yancheng City, Jiangsu Province.

Legal Representative: Weng Botao

Registered Capital: RMB 1,000,000,000

Business Scope: Manufacture and sale of pesticides.

Relationship with the Company: The Company's controlled subsidiary.

Credit status: After searching on the website of disclosure of enforcement information of China, ADAMA Huifeng is not a dishonest person subject to judicial enforcement.

The most recent financial situation of the Warrantee is as follows:

Unit: '0000 RMB

	At Feb 28, 2022 (unaudited)	At Dec 31,2021 (audited)
Total Assets	228,411.43	217,159.91
Total Liabilities	62,580.21	51,641.70
Bank Loans	13,000.00	13,000.00
Other Current Liabilities	538.31	284.96
Contingency	0	0
Net Assets	165,831.22	165,518.21
	January to February 2022 (unaudited)	2021 (audited)
Revenue	32,171.46	124,846.05
Total Profit	308.27	-16,259.54
Net Profit	313.01	-11,101.32

III. Main Contents of the Guarantees

A. Guarantees in favor of the Company's wholly-owned subsidiary Anpon

1. The Company intends to provide joint liability guarantees for the below loans of Anpon which will not exceed a period of one year.

（1）Loan for working capital which will not exceed RMB 90 million in 2022 to be provided by Huai'an Rural Commercial Bank.

（2）Loan for working capital which will not exceed RMB 70 million in 2022 to be provided by Huai'an South City Branch of Industrial and Commercial Bank of China.

（3）Loan for working capital, L/C and trade finance which will not exceed RMB 90 million in 2022 to be provided by Huai'an Qing Jiangpu Branch of Agricultural Bank of China.

（4）Loan for working capital which will not exceed RMB 80 million in 2022 to be provided

by Huai'an Branch of Bank of Communications.

（5）Loan which will not exceed RMB 100 million in 2022 to be provided by Huai'an Branch of Industrial Bank.

（6）Loan which will not exceed RMB 100 million in 2022 to be provided by Sinochem Finance Co., Ltd.

（7）Loan for working capital which will not exceed RMB 100 million in 2022 to be provided by Huai'an Qingjiangpu Branch of China Construction Bank.

（8）Loan for working capital which will not exceed RMB 100 million in 2022 to be provided by Huai'an Huahuai Branch of Bank of Jiangsu.

（9）Loan for working capital which will not exceed RMB 50 million in 2022 to be provided by Huai'an Branch of Bank of Huaxia.

2. The Company intends to provide joint liability guarantees for the project loans of Anpon detailed below.

（1）Project loan which will not exceed RMB 105 million to be provided by Huai'an Qing Jiangpu Branch of China Construction Bank.

（2）Project loan which will not exceed RMB 156 million to be provided by Huai'an Qing Jiangpu Branch of Agricultural Bank of China.

B. Guarantees in favor of the Company's wholly-owned subsidiary Foreign Trade Company

The Foreign Trade Company, based on its operation needs, intends to apply to Wuhan Branch of Bohai Bank for a working capital loan which will not exceed 150 million, with a term of one year. The Company intends to provide joint liability guarantees in favor of the above financing bank that is to provide loans to Foreign Trade Company.

C. Guarantees in favor of the Company's controlled subsidiary ADAMA Huifeng

ADAMA Huifeng intends to apply for financing facilities in a total amount of up to RMB 680 million (including working capital loans, project loans, bank acceptance bills, trade finance, letters of credit, letters of guarantee, factoring business, etc.) from certain banks, as listed below, to meet its daily operation and business development needs.

Banks	**Amount (RMB, Ten thousand)**	**Period**

Yancheng Dafeng Branch of China Construction Bank	23,000	One year
Jiangsu Dafeng Rural Commercial Bank Co., LTD	10,000	One year
Shanghai Pudong Development Bank Co., LTD. Yancheng Branch	8,000	One year
Dafeng Branch of Bank of China	10,000	One year
Industrial and Commercial Bank of China Limited Yancheng Dafeng Sub-Branch	7,000	One year
Sinochem Finance Co., Ltd.	10,000	One year

The Company intends to provide the financing banks joint liability guarantees for the above-mentioned banking facilities.

IV. Opinions of the Board of Directors

With regard to the guarantees to be provided by the Company in favor of the Company's wholly-owned subsidiaries, Anpon and the Foreign Trade Company, the Board of Directors is of the opinion that: (i) the guaranteed funds are used for the daily operation needs of the Company's wholly owned subsidiaries; (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.

With regard to the guarantees to be provided by the Company in favor of the Company's controlled subsidiary ADAMA Huifeng, the Board of Directors is of the opinion that: (i) the guaranteed funds are to be used for the daily operation and business development needs of the Company's controlled subsidiary, ADAMA Huifeng; (ii) although Jiangsu Huifeng Agrichemical Co., Ltd., the minority shareholder of ADAMA Huifeng, holding 49% equity stake, (hereinafter referred to as "Jiangsu Huifeng"), did not provide a respective guarantee in proportion to its capital contribution, and in view of (1)ADAMA Huifeng's stable

operation and actual debt repayment ability; (2) the control that the Company has over ADAMA Huifeng, its understanding of ADAMA Huifeng's business condition and the Company's ability to make decisions on certain major issues of ADAMA Huifeng; (3) the guarantee fee of 0.3% per annum that the Company will charge Jiangsu Huifeng, according to the shareholders agreement, on its respective share covered by the Company (49%), the financial risk provided by the guarantees is within the Company's control. The guarantees neither significantly impact the regular operations of the Company, nor violate the relevant provisions of the CSRC and the Articles of Association of the Company and do not harm the legitimate interests of the Company and its minority shareholders.

V. Accumulated Quantity of External Guarantees and Overdue Guarantees

The balance of the guarantees that have been provided by the Company and/or its subsidiaries is RMB 4,302.59 million. After providing the above guarantees, the balance of the guarantees provided by the Company and its subsidiaries will be RMB 6,173.59 million, accounting for approximately 29.29% of the latest audited net assets of the Company.

No guarantee is provided by the Company and/or its subsidiaries for the favor of entities not consolidated in the Company's financial statements.

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

VI. List of Reference Documents

Resolutions of the 9th Meeting of the 9th Session of the Board of Directors of the Company.

The Announcement is hereby made.

The Board of Directors of ADAMA Ltd.

March 31, 2022