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Hubei Sanonda Co., Ltd.

Announcement of External Guarantee Limit for 2018

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 statement, misleading statement or material omission.

On June 7, 2018, Hubei Sanonda Co., Ltd. (the "Company") held the 4th meeting of the 8th session of the Board of Directors, reviewing the Proposal on the External Guarantee Limit of the Company for the year 2018 as follows.

I. Overview

To effectively promote the Company and its subsidiaries' business development, and based on their business needs and operations, the Company and its controlled subsidiaries may provide guarantee/s in the year of 2018 to their controlled subsidiaries and/or held companies in favor of their business and activities ("**Guarantee/s**").

The Guarantees shall be provided for the purposes detailed hereunder and shall not exceed the amounts detailed hereunder (or their equivalent value in foreign currencies):

Guarantees provided by the Company or any of its controlled subsidiaries to any of their controlled subsidiaries and/or held companies in favor of their activities in bank accounts and/or other financial institutions, such as bank credit lines, financing and credit activities, or to any of their controlled subsidiaries and/or held companies in favor of their activities towards suppliers, lenders, contractors, etc. – such as for purchasing raw materials and other materials and services, or to any of their controlled subsidiaries and/or held companies in favor of their lease agreements, and RMB 2,250 million for all guarantees, per calendar year.

The above guarantees are not related party guarantees.

With respect the providing guarantees to held companies (not under control), the guarantees will be provided subject to the condition that all shareholders of the held company have provided the same guarantee pro-rata to their holdings in the held company.

Any Guarantee exceeding said limits shall be submitted for approval to the Board of Directors of the Company and/or to the shareholder meeting, as applicable, according to relevant laws, regulations and rules.

The aforementioned guarantee limits were set based on the Group's current available data and may change, inter alia, as a result of changes in the Group`s business needs and activities.

The proposal is subject to the approval of the shareholder meeting of the Company.

II. Basic Information of the Guarantees - Please see the appendix.

III. Main Contents of the Guarantee Contracts

The parties, value and term of any specific guarantee that the Company and/or any of its controlled subsidiaries (the "**Guarantee Provider**") will provide to the aforementioned controlled subsidiaries and/or held companies will be detailed in the guarantee contract/s. The Guarantee Provider shall be required to make sure that the guarantee is provided strictly according to the resolutions passed by the Board of Directors Meeting and Shareholders Meeting.

IV. Opinion of the Board of Directors

The 4th meeting of the 8th session of the Board of Directors of the Company has approved the aforementioned Guarantee matter. All the warrantees to which the Guarantees may be provided to are controlled subsidiaries and/or held companies of the Company that have stable business operations and there is no concern of them not being able to repay their debts. Additionally, the Company can control the management risk and financial risk of the controlled subsidiaries, and requires that all shareholders of the held company provide the same guarantee pro-rata to their holdings in the held company. Therefore, the Board of Directors is of the opinion that providing Guarantees to these controlled subsidiaries and/or held companies is in line with the business needs of the Company, conducive to promoting the Group's business development, and will not harm the interest of the Company even without counter guarantee provided by the warrantees. The Board of Directors approved to submit the aforementioned proposal to the shareholder meeting for approval.

V. Opinion of the Independent Directors

The guarantees referred to herein are in line with the actual needs of the business operations of the Company. The risk involved in providing such guarantees is controllable and will not harm the interests of the shareholders of the Company. The deliberation procedure of the proposal is in line with the laws and regulations. The Independent Directors agree to submit the proposal to the shareholders meeting for approval.

VI. Accumulated Quantity of External Guarantees and Overdue Guarantees

The total guarantee limits (which mainly include guarantees to controlled subsidiaries) approved by the 4th meeting of the 8th session of the Board of Directors will not exceed RMB 2,250 million. This amount accounts for approximately 11.98% of the latest audited net assets of the Company. The Company and its controlled subsidiaries do not have overdue Guarantees.

VII. List of Reference Documents

1. Decision of the 4th Meeting of the 8th session of the Board of Directors
2. Opinion of Independent Directors

It is hereby announced.

Board of Directors of Hubei Sanonda Co., Ltd.

June 7, 2018

Appendix: Basic Information of Guarantees:

Name of the Guaranteed Party	Established Date	Shareholding Ratio	Registered Capital	Registered Address	Legal Representative	Scope of Business	By December 31st, 2017				
							Total Assets	Total Debts	Equity	Equity attributed to the Owner of the Parent Company	Assets Liability Ratio
Adama India Private Ltd.	27.7.1998	100%	57 M INR	Plot no. DS – 13, IKP Knowledge Park, Sy. No. 542/2, Genome Valley, Turkapally, Shameerpet, R.R. Dist, Hyderabad, 500 078 Telangana, India.	N/A - not required under applicable law	Crop protection	11,947,280 M INR (*figures are as at 31/03/2017 since their financial year ends on 31st of March)	11,807,740 M INR (*figures are as at 31/03/2017 since their financial year ends on 31st of March)	139,540, M INR (*figures are as at 31/03/2017 since their financial year ends on 31st of March)	56,970 M INR (*figures are as at 31/03/2017 since their financial year ends on 31st of March)	99%
Adama Brasil S/A	20.11.1997	100%	303 M BRL	Rua Pedro Antonio de Souza 400, Londrina, 86031-610 Paraná, Brazil	N/A - not required under applicable law	Crop protection	1,639 M BRL	1,127 M BRL	512 M BRL	37 M BRL	69%
Adama Turkey Tarım Sanayi ve TicaretLtd.	16.1.2014	100%	13 M TRY	Çınarlı Mahallesi Şehit Polis Fethi Sekin Caddesi, No:3 Sunucu Plaza B Blok Kat:8 Daire: 806-807-808-809-810, Konak, Izmir, Turkey	N/A - not required under applicable law	Crop protection	71 M TRY	47 TRY	15.563.489,06 TRY	13 M TRY	66%
Adama Makhteshim Ltd.	17.07.1952	100%	212 M ILS	PO Box 60 Industrial Zone, Beer Sheva, 8410001, Israel	N/A - not required under applicable law	Crop protection	1,585 M USD	1,189 M USD	396 M USD	396 M USD	75%
Adama Agan Ltd.	7.5.1954	100%	50 M ILS	PO Box 262, Northern Industrial Zone, Ashdod, 7710201, Israel	N/A - not required under applicable law	Crop protection	1,374 M USD	1,108 M USD	266 M USD	266 M USD	81%

Name of the Guaranteed Party	Established Date	Shareholding Ratio	Registered Capital	Registered Address	Legal Representative	Scope of Business	By December 31st, 2017				
							Total Assets	Total Debts	Equity	Equity attributed to the Owner of the Parent Company	Assets Liability Ratio
ADAMA (Beijing) Agricultural Technology Company Limited	14.12.2015	100%	33.5 M	4F A7 Building, No.10, Chaoyang Park Sough Road, Beijing, Chaoyang, China	Cheng Cheng	Distribution	170.25 M RMB	181,12 M RMB	-1,087	-10.87 M RMB	106%
Adama Fahrenheit B.V., Curacao branch	6-Dec-2002	100%	Does not have registered share capital since it is a branch.	Pos Cabai Office Park, Unit 13, P.O.Box. 403, Willemstad, Curacao	N/A - not required under applicable law	Distribution	65,544,000 USD	17,764,000 USD	47,780,000 USD	47,780,000 USD	27%