ADAMA Ltd.

Announcement on Guarantees to be Provided by the Company in Favor of a Subsidiary

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 800 million.

According to the Listing Rules of the Shenzhen Stock Exchange, the 15th meeting of the 8th session of the Board of Directors of the Company approved a Proposal on Providing Guarantees in Favor of a Subsidiary, subject to the further approval of the Company's shareholders.

II. Basic Information of the Warrantee

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

Established Date: November 25, 1998

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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 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 March 31, 2019 (unaudited)	135,466.59	89,084.98	46,381.61	38,776.07	65.76%
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 detailed below.

1. Loans for Working Capital needs

(1) Huai'an Branch of Bank of Communications

On July 30, 2018, Anpon borrowed RMB 40 million, maturing on July 29, 2019, and on August 15, 2018, Anpon borrowed an additional RMB 40 million, maturing on August 14, 2019.

The Company intends to provide guarantees for the abovementioned loans and continue to provide future guarantees for the renewal of such loans after their

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maturity up to a total amount not exceeding RMB 80 million. The guarantee period is subject to the provisions of the loan renewal contracts.

(2) Huai'an Qing JiangpuBranch of Agricultural Bank

On December 21, 2018, Anpon borrowed RMB 11 million, maturing on June 20, 2019; on February 19, 2019, an additional RMB 64 million, maturing on February 18, 2020; and on February 25, 2019, an additional RMB 15 million, maturing on August 23, 2019.

The Company intends to provide guarantees for the abovementioned loans and after the maturity of such loans, to continue to provide guarantees for the renewal of the loans, up to a total amount not exceeding RMB 90 million. The guarantee period is subject to the provisions of the loan renewal contracts.

(3) Huai'an Branch of Shanghai Pudong Development Bank

On March 28, 2019, Anpon borrowed RMB 50 million, maturing on February 14, 2020.

The Company intends to provide guarantee for the abovementioned loan and after the maturity of such loan, to continue to provide guarantee for the renewal of the loan, up to a total amount not exceeding RMB 50 million. The guarantee period is subject to the provisions of the loan renewal contracts.

(4) Huai'an Qingpu Branch of China Construction Bank

On February 2, 2019, Anpon borrowed RMB 80 million, maturing on January 30, 2020.

The Company intends to provide guarantee for the abovementioned loan and

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after the maturity of such loan, to continue to provide guarantee for the renewal of the loan, up to a total amount not exceeding RMB 80 million. The guarantee period is subject to the provisions of the loan renewal contracts.

(5) Huai'an Branch of Industrial Bank

Anpon intends to obtain a loan not exceeding RMB 100 million from Huai'an Branch of Industrial Bank in 2019.

The Company intends to provide guarantee for the abovementioned loan and after the maturity of the loan, to continue to provide guarantee for the renewal of the loan, up to a total amount not exceeding RMB 100 million. The guarantee period is subject to the provisions of the loan renewal contracts.

(6) Huai'hai Donglu Branch of Jiangsu Bank

Anpon intends to obtain a loan not exceeding RMB 100 million from Huai'hai Donglu Branch of Jiangsu Bank.

The Company intends to provide guarantee for the abovementioned loan and after the maturity of the loan, to continue to provide guarantee for the renewal loan, up to a total amount not exceeding RMB 100 million. The guarantee period is subject to the provisions of the loan renewal contracts.

2. Guarantees for Project Loans

Anpon intends to obtain project loans from banks. The amounts are RMB 200 million and RMB 100 million, respectively. The Company intends to provide guarantees in favor of the above loans.

IV. Accumulated Quantity of External Guarantees and Overdue Guarantees

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Currently the balance of the guarantees that have been provided by the Company and/or its subsidiaries is USD 427.76 million (RMB2,944.71 million). After providing the above guarantee, the balance of the guarantees provided by the Company and/or its subsidiaries is USD 543.99 million (RMB 3,744.71 million) million. This amount accounts for approximately 16.81.4% 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.

V. Opinions of the Board of Directors

The Board of Directors are 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 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 15th Meeting of the 8th session of the Board of Directors of the Company.

It is hereby announced.

Board of Directors of ADAMA, Ltd.

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May 18, 2019

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