Business Update
Q3 and 9M 2019

ADAMA

Legal notice

This presentation is for marketing and information purposes only. By this presentation, neither ADAMA Ltd. nor Adama Agricultural Solutions Ltd. (together the “Company” or “ADAMA”) intend to give, and the presentation does not constitute, professional or business advice or an offer or recommendation to perform any transaction in the Company’s securities. The accuracy, completeness and/or adequacy of the content of this presentation, as well as any estimation and/or assessment included in this presentation, if at all, is not warranted or guaranteed and the Company disclaims any intention and/or obligation to comply with such content. The Company may make improvements and/or changes in the features or content presented herein at any time. The Company shall not be liable for any loss, claim, liability or damage of any kind resulting from your reliance on, or reference to, any detail, fact or opinion presented herein.

This presentation contains proprietary information of the Company and may not be reproduced, copied, disclosed or utilized in any way, in whole or in part, without the prior written consent of the Company.
The Company’s assessments may not materialize, inter alia, due to factors out of the Company's control, including the risk factors listed in the Company’s annual reports, changes in the industry or potential operations of the Company's competitors.

All information included in this presentation relates only to the date which it refers to, and the Company does not undertake to update such information afterwards.

Any content contained herein shall not constitute or be construed as any regulatory, valuation, legal, tax, accounting and investment advice or any advice of any kind or any part of it. Nor shall they constitute or be construed as any recommendation, solicitation, offer or commitment (or any part of it) to buy, sell, subscribe for or underwrite any securities, provide any credit or insurance or engage in any transactions. Without any written consent, any third party providing this document to you shall not act as your financial advisor or trustee. Before entering into any transactions, you shall ensure that you fully understand the potential risks and returns of such transactions. Before making such decisions, you shall consult the advisors you think necessary, including your accountant, investment advisor and legal and tax specialists. The Company and its affiliates, controlling persons, directors, officials, partners, employees, agents, representatives or their advisors shall not assume any responsibilities of any kind (including negligence or others) for the use of and reliance on such information by you or any person to whom such information are provided.

Strong growth driving record-high Q3 sales

Overcoming significant headwinds throughout the year

Adjusted, (million)	Q3 2019 USD	Q3 2018 USD	% Change	% Change CER	Jingzhou Old Site Disruption Constraints	Q3 2019 RMB	Q3 2018 RMB	% Change	Jingzhou Old Site Disruption Constraints
Sales	**953**	**872**	**+9%**	**+11%**	**-55**	**6,666**	**5,929**	**+12%**	**-385**
Gross Profit	295	279	+6%		-24	2,064	1,896	+9%	-170
% of Sales	*31.0%*	*32.0%*				*31.0%*	*32.0%*		
Operating Expenses	212	198				1,483	1,346		
Operating Income (EBIT)	83	81	+3%		-31	581	550	+6%	-218
% of Sales	*8.7%*	*9.3%*				*8.7%*	*9.3%*		
Net Income	42	40	+5%		-25	296	273	+8%	-175
% of Sales	*4.4%*	*4.6%*				*4.4%*	*4.6%*		
EBITDA	**144**	**134**	**+8%**		**-31**	**1,010**	**909**	**+11%**	**-218**
% of Sales	*15.1%*	*15.3%*				*15.1%*	*15.3%*		
Earnings per Share (USD)	0.0173	0.0164				0.1210	0.1117		

All income statement items contained in this release are presented on an adjusted basis. A detailed description and analysis of differences between the adjusted income statement and that reported in the financial statements is contained in the "Analysis of Gaps between Adjusted Income Statement and Income Statement in Financial Statements" in the quarterly results press release. EPS are the same for basic and diluted. Q3 and 9M 2019 include the results of joiners following the completion of their acquisition.

CER: Constant Exchange Rate

Continued growth driving record-high 9M sales

Overcoming significant headwinds throughout the year

Adjusted, (million)	9M 2019 USD	9M 2018 USD	% Change	% Change CER	Jingzhou Old Site Disruption Constraints	9M 2019 RMB	9M 2018 RMB	% Change	Jingzhou Old Site Disruption Constraints
Sales	**2,962**	**2,918**	**+2%**	**+3%**	**-162**	**20,282**	**18,955**	**+7%**	**-1,113**
Gross Profit	968	972	-0.4%		-64	6,624	6,308	+5%	-439
% of Sales	*32.7%*	*33.3%*				*32.7%*	*33.3%*		
Operating Expenses	643	618				4,402	4,023		
Operating Income (EBIT)	325	353	-8%		-89	2,222	2,285	-3%	-608
% of Sales	*11.0%*	*12.1%*				*11.0%*	*12.1%*		
Net Income	173	197	-12%		-71	1,183	1,272	-7%	-486
% of Sales	*5.9%*	*6.8%*				*5.9%*	*6.8%*		
EBITDA	**509**	**512**	**-1%**		**-89**	**3,481**	**3,321**	**+5%**	**-608**
% of Sales	*17.2%*	*17.6%*				*17.2%*	*17.6%*		
Earnings per Share (USD)	0.0708	0.0806				0.4836	0.5200		

All income statement items contained in this release are presented on an adjusted basis. A detailed description and analysis of differences between the adjusted income statement and that reported in the financial statements is contained in the "Analysis of Gaps between Adjusted Income Statement and Income Statement in Financial Statements" in the quarterly results press release. EPS are the same for basic and diluted. Q3 and 9M 2019 include the results of joiners following the completion of their acquisition.

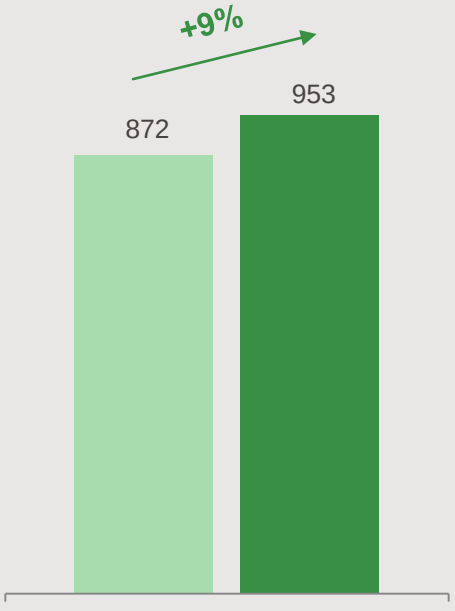
CER: Constant Exchange Rate

Overcoming significant headwinds throughout the year

Q3 USD

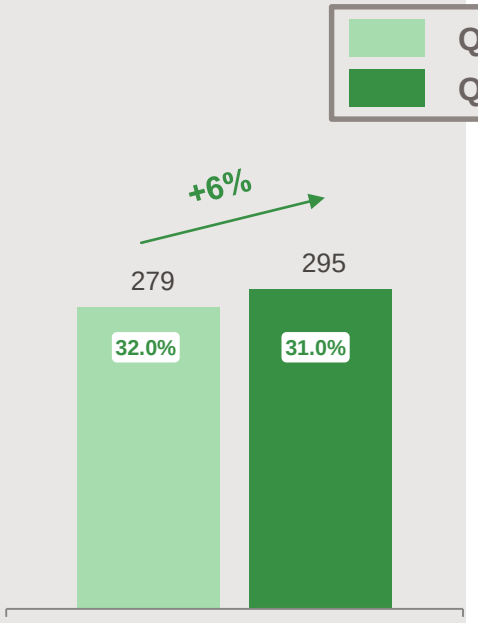
Sales

Robust +9% growth, Prices +2%



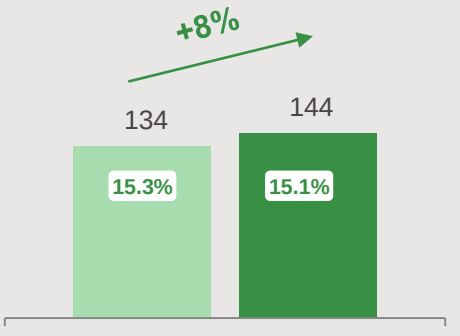
Sales ($mm)

Gross Profit



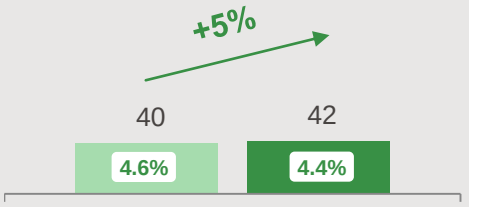
Gross Profit ($mm) and Margin (%)

EBITDA



EBITDA ($mm) and Margin (%)

Net Income



Net Income ($mm) and Margin (%)

ADAMA

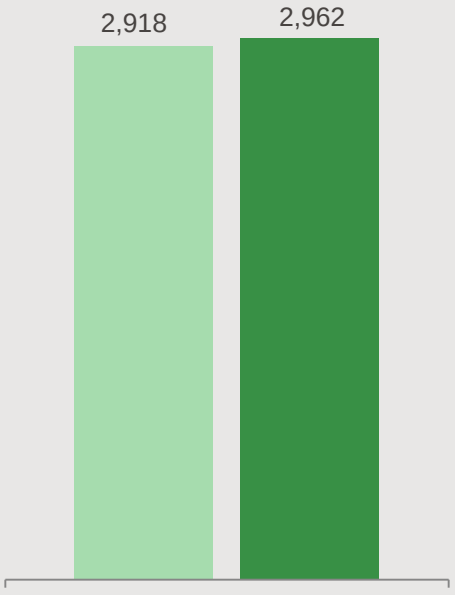
CER: Constant Exchange Rate

Overcoming significant headwinds throughout the year

9M USD

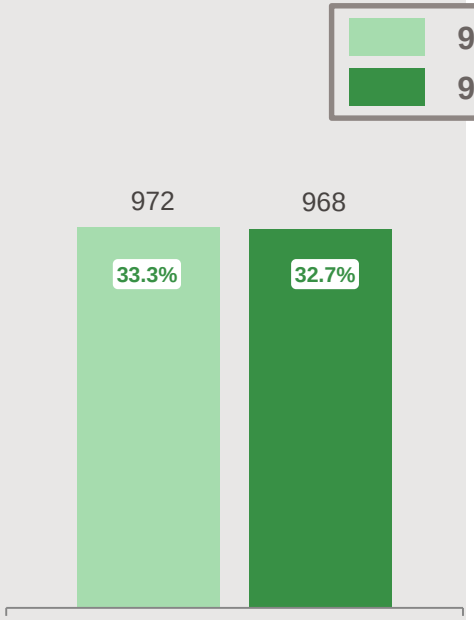
Sales

Growth +2%, Prices +3%



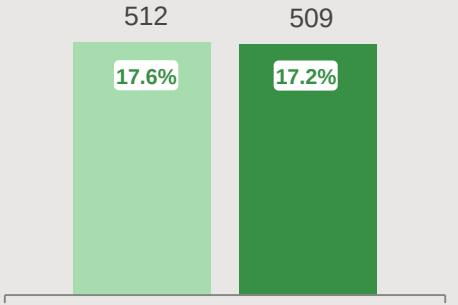
Sales ($mm)

Gross Profit



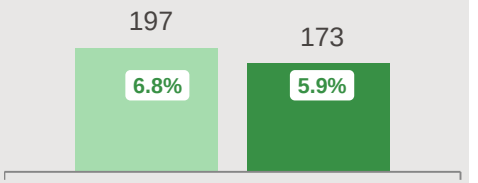
Gross Profit ($mm) and Margin (%)

EBITDA



EBITDA ($mm) and Margin (%)

Net Income



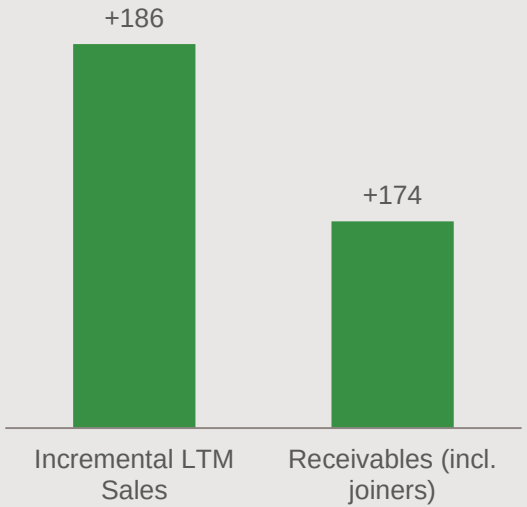
Net Income ($mm) and Margin (%)

CER: Constant Exchange Rate

Controlled working capital build-up to accommodate growth momentum

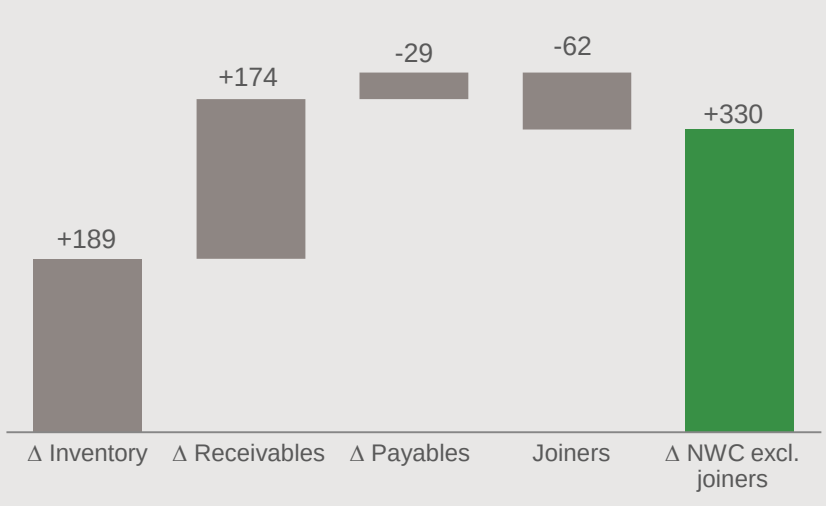
Last twelve month sales +5%

Strong collection; low DSO



Growth in Sales and Receivables
($mm)

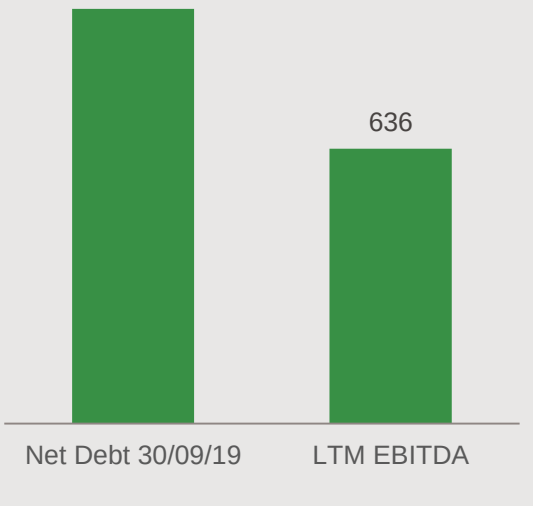
Working Capital



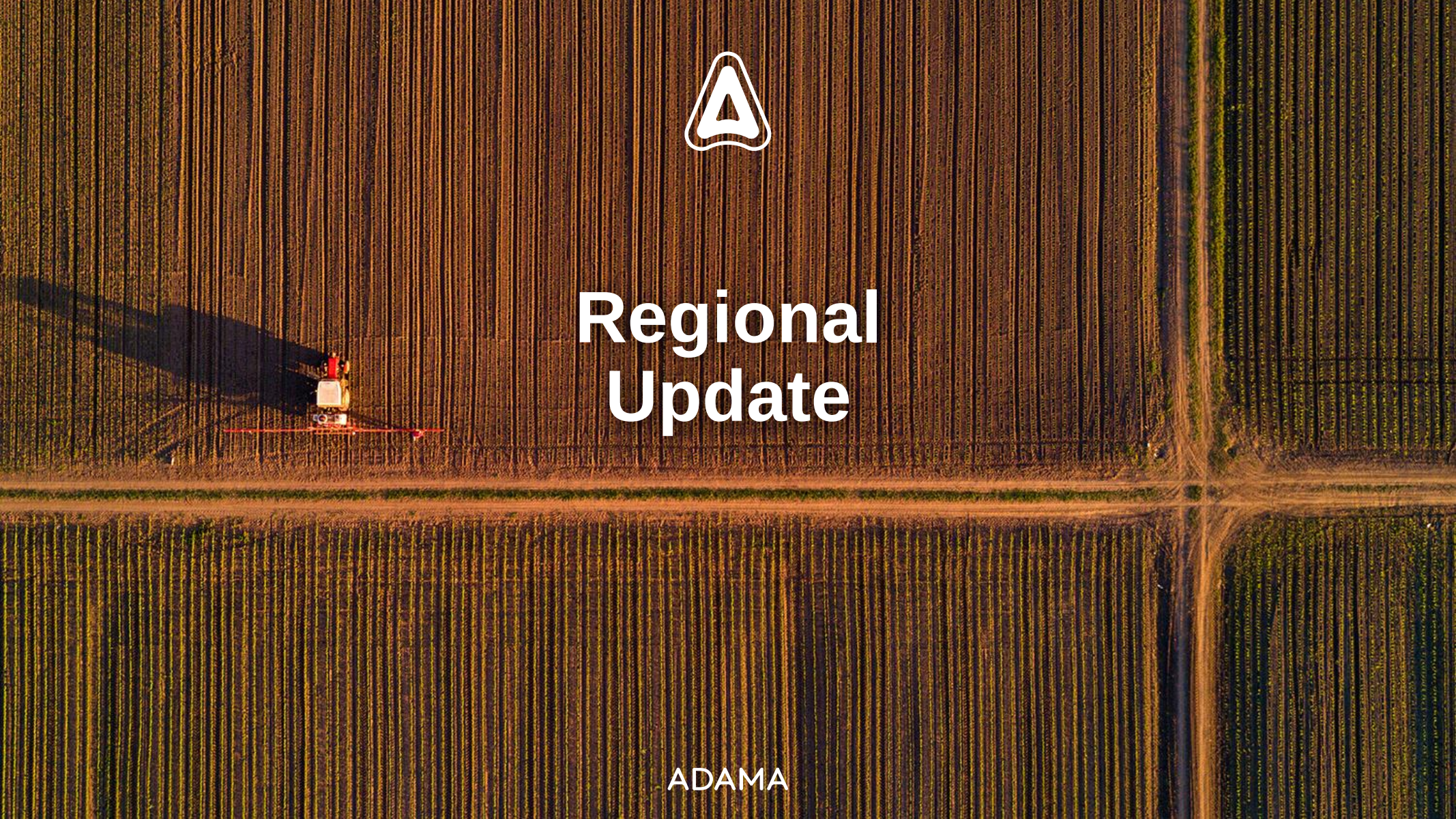
Working Capital

Net debt / EBITDA ratio of 1.5x

Increase mostly due to acquisitions outlay, assumption of their debt and 2018 dividend



Balance Sheet Net Debt
($mm and Net Debt / EBITDA)

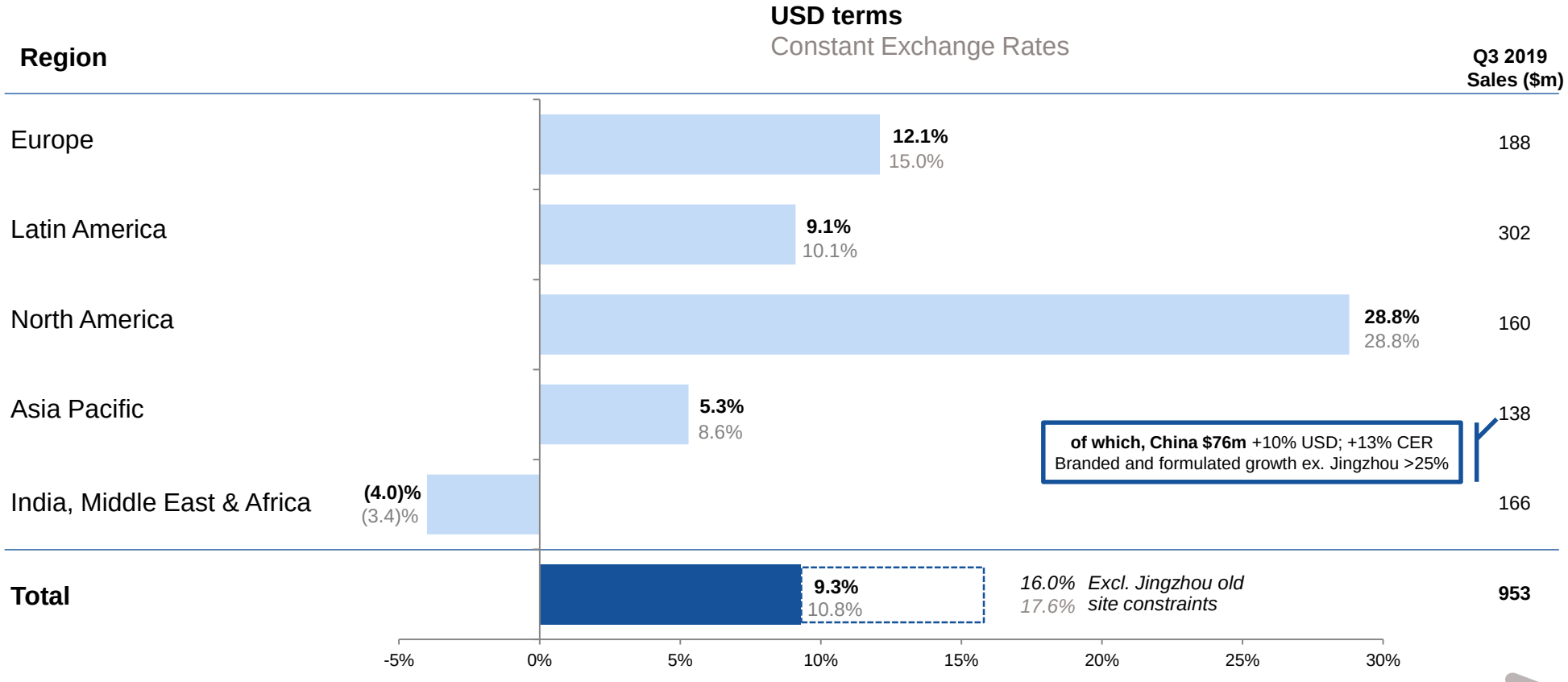


Regional Update

ADAMA

Robust Performance in Almost All Geographies

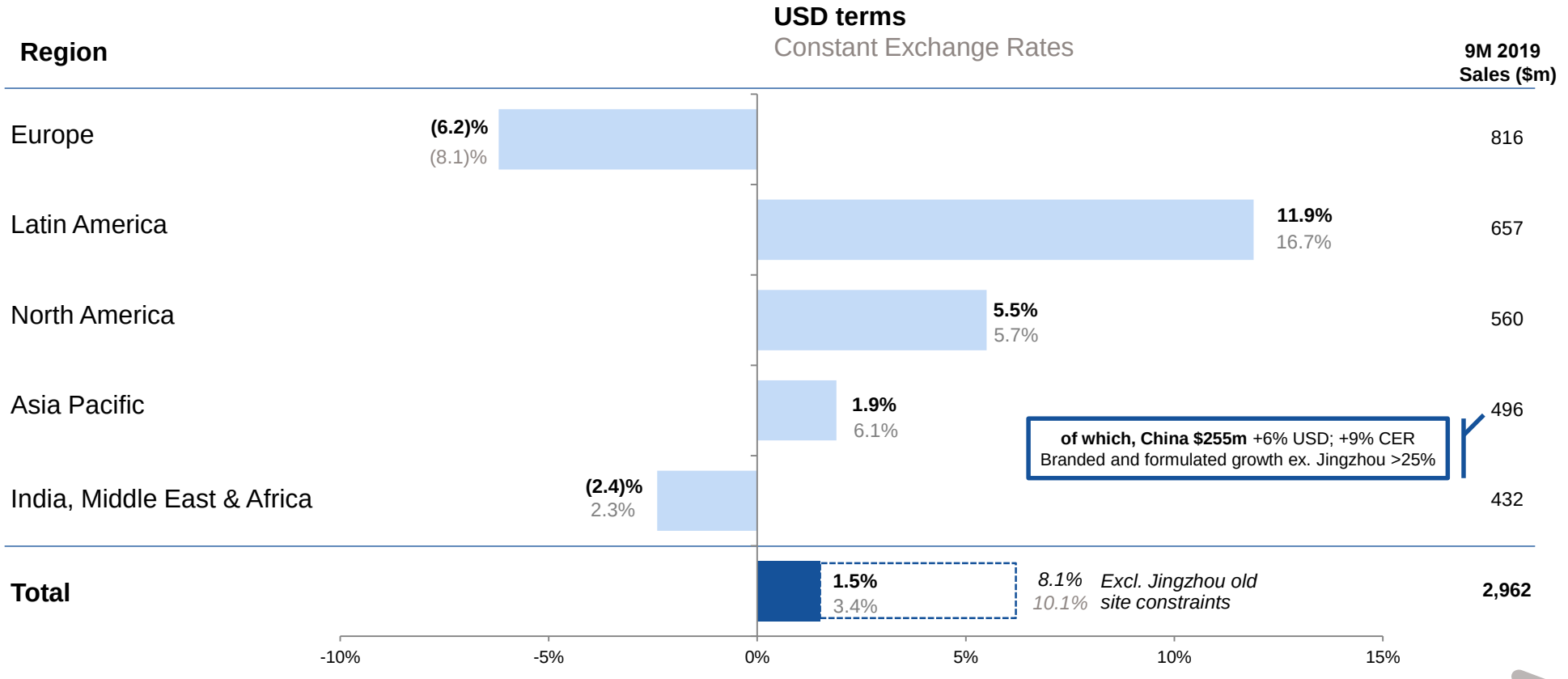
Sales change by region – Q3 2019 vs. Q3 2018



Sales Growth to a Nine-Month Record-High

Overcoming the significant headwinds throughout the year

Sales change by region – 9M 2019 vs. 9M 2018



Regional highlights

Europe

- Q3 sales of $188m (+15.0% in CER)
  - Strong performance in Q3 driven by business growth, despite severe drought delaying crop protection application
- 9M sales of $816m (-8.1% in CER)
  - Sales constrained due to supply shortages in key high-demand products

Northern Europe

- Strong Q3 performance driven by **Germany** and **Baltic** countries
- Restraining sales in Ukraine where liquidity remains challenging for distributors
- Registrations: FOLPAN® proprietary fungicide in Germany for key resistant diseases in cereals; PITCHER®, differentiated mixture fungicide for flower-bulbs in the Netherlands, increasing broad portfolio

Southern Europe

- Higher market share despite adverse weather conditions
- Strong insecticides demand compensating for weak disease pressure in grapes and orchards
- Robust performances in **France**, which experienced its second strongest harvest on record, as well as **Italy** and **Iberia**
- ZAKEO EXTRA®, a dual-action, wide spectrum fungicide in **Greece**

TRINITY™ differentiated triple-mode herbicide for winter wheat crops launched in Ukraine



Regional highlights

Latin America

- Q3 sales of $302m (+10.1% in CER)
  - Continued strong performance across the region
- 9M sales of $657m (+16.7% in CER)
  - Robust sales growth despite severe drought across the region, alongside continued price increases, more than offset the impact of constrained supply

Brazil

- Continued strong growth despite a delayed planting season in soybean and corn, driven by differentiated product portfolio and key recently launched products
- Solid performance in flagship CRONNOS®, the triple-action fungicide for soybean rust, GALIL®, a differentiated combination insecticide and TRIVOR®, a dual-action insecticide for rapid and extended control of sucking pests

LATAM

- Noteworthy performances recorded in Q3 in **Colombia**, **Bolivia**, **Mexico** and **Peru**, as well as **Peru** and **Colombia** in 9M
- **Several new product launches:**
  - TRIVOR®, dual-action insecticide for rapid and extended control of sucking pests in Colombia
  - EXPERTGROW® range of biostimulants promoting growth and development of multiple fruit, vegetables and flower crops in **Peru**, **Paraguay** and **Bolivia**



Competitor **EXPERTGROW®**

+30% increase in number of grains

Acquisition of AgroKlinge

- Leading Peruvian crop protection company
- Acquisition to further improve and expand ADAMA's business in Peru:
  - Broadening product portfolio
  - Creating a leading commercial platform throughout the country
  - Enhancing access to large scale industrial farmers

Regional highlights

North America

- Q3 sales of $160m (+28.8% in CER)
  - Robust business growth alongside increased prices in key backward-integrated products
- 9M sales of $560m (+5.7% in CER)
  - Strong Q3 recovering from H1 weather challenges

US Ag and Canada

- Strong Q3 growth in both US and Canada
- ADAMA exclusive partnership with **RiceTec** for technology-specific herbicides, expanding globally; opportunity to include additional products

Consumer & Professional Solutions

- Pleasing contribution from **Bonide** supported overall growth in region



Kickoff of RiceTec field day:

Preface™ and Postscript™ herbicides for FullPage™ rice cropping solution

Regional highlights

Asia-Pacific

- Q3 sales of $138m (+8.6% in CER)
  - Solid performance driven by business growth alongside continued price increases, while being affected by constrained supply of products of the Jingzhou old site
- 9M sales of $496m (+6.1% in CER)
  - Launched 12 new products in China in 9M, driving strong growth

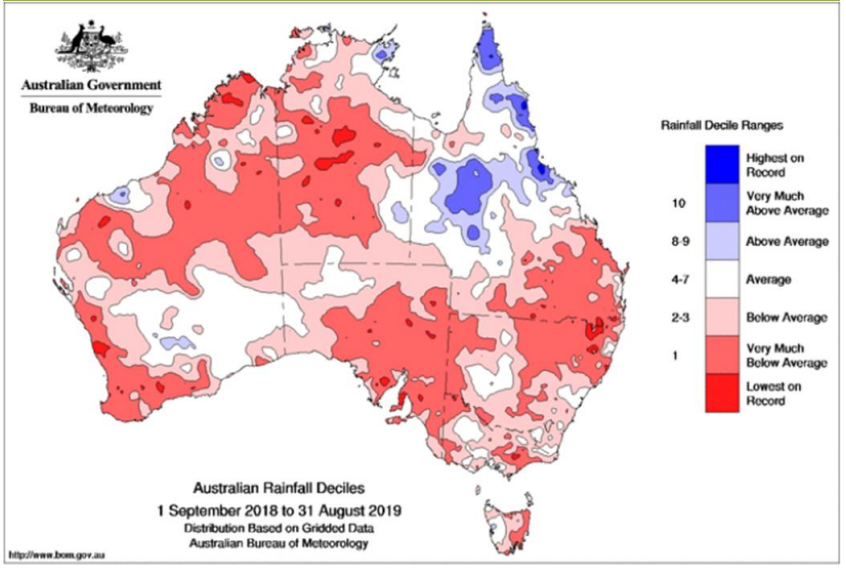
APAC

- Robust growth in **Japan** and **Australia** in Q3, despite the continued severe drought in the country which significantly reduced summer crops
- New differentiated product registrations in Australia:
  - SOPRANO®, a cereal fungicide, and SOMBRERO®, an insecticide seed dressing for a wide range of crops

China

- Continued strong demand for differentiated, formulated and branded products, with sales growth of more than 25% in both Q3 and 9M, excluding those from the Jingzhou old site
- Two new registrations of the NIMITZ® suite of products obtained
- Anpon delivered a solid performance, compensating for the interruption to supply experienced at the Jingzhou old site

Australia rainfall: lowest on record



Regional highlights

India, Middle East & Africa

- Q3 sales of $166m (-3.4% in CER)
  - Benefited from monsoon rains, but impacted by shortages of key products produced at the Jingzhou old site
- 9M sale of $432m (+2.3% in CER)
  - Strong performances in 9M in **India** and **Turkey**

India

- Noteworthy sales of SHAMIR®, novel dual-action combination fungicide for protection of multiple fruit and vegetable crops

Middle East & Africa

- Robust performance in Turkey
- South Africa impacted by supply shortages of key products

New Insecticide: TAKAF®

Controlling sucking pests in soybean, cotton, corn and chili

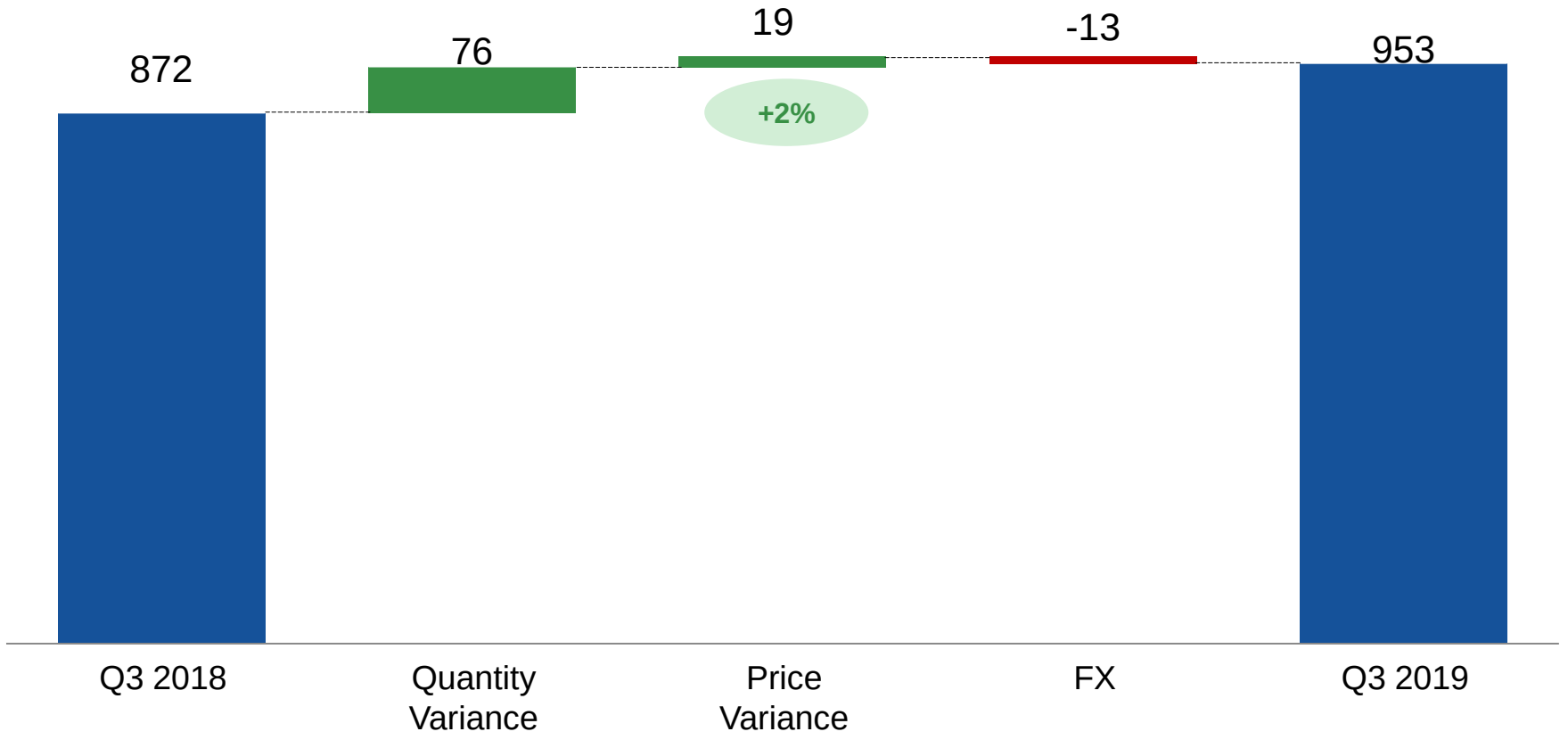




Bridge Analysis

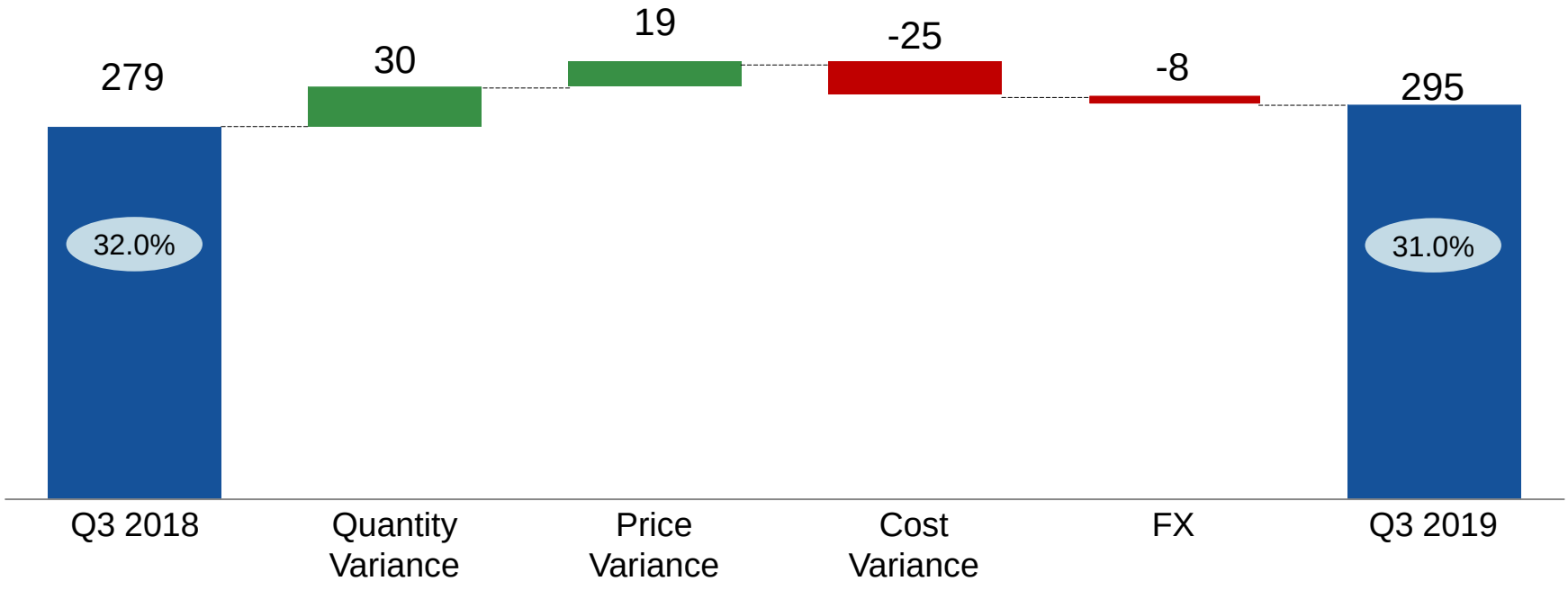
ADAMA

Sales ($m)
Q3 Bridge Analysis

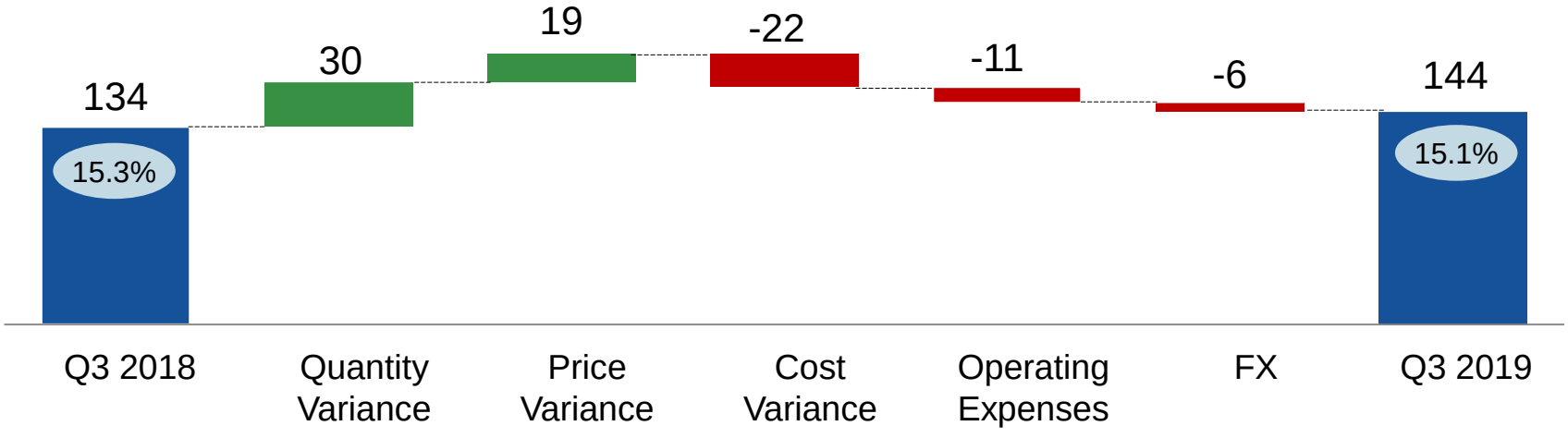


NOTE: FX includes currency effect on sales and hedging

Gross Profit ($m)
Q3 Bridge Analysis



EBITDA ($m)
Q3 Bridge Analysis

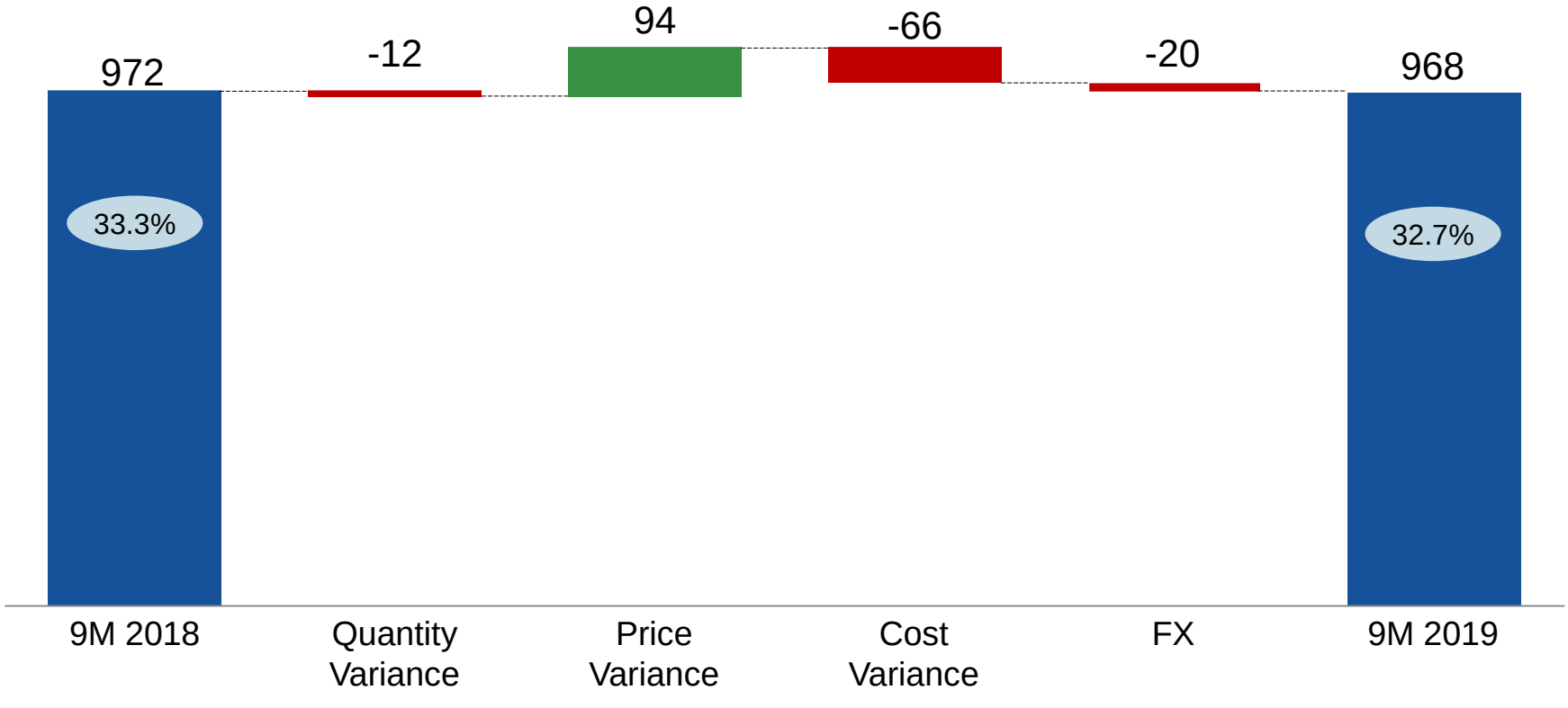


Sales ($m)
9M Bridge Analysis

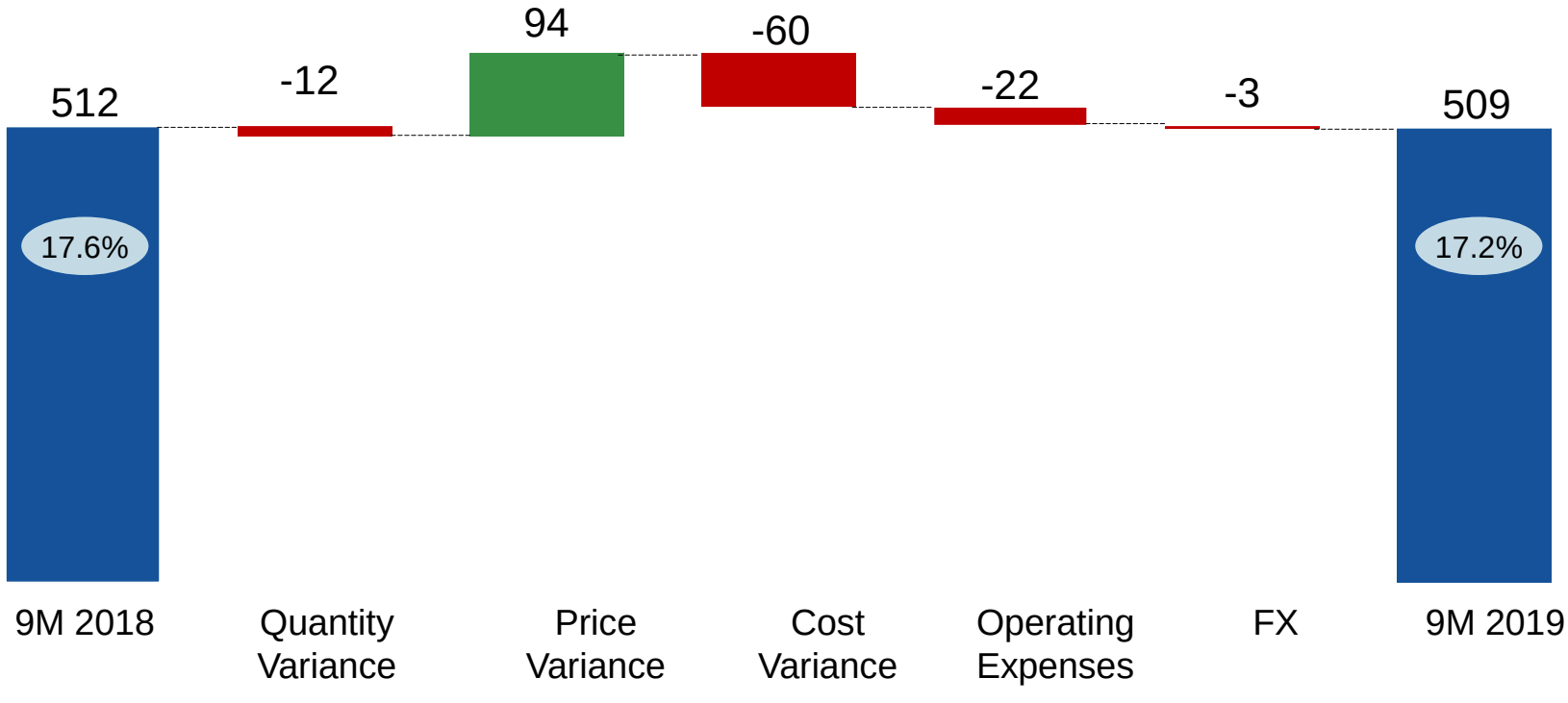


NOTE: FX includes currency effect on sales and hedging.

Gross Profit ($m)
9M Bridge Analysis



EBITDA ($m)
9M Bridge Analysis




ADAMA