



ADAMA completes acquisition of majority stake in Huifeng's crop protection manufacturing facilities

Acquisition of one of China's leading crop protection producers, bolstering ADAMA's operations in China and its global product offering

TEL AVIV, ISRAEL and BEIJING, CHINA, May 31, 2021 – ADAMA Ltd. (“ADAMA”) (SZSE 000553) and Jiangsu Huifeng Bio Agriculture Co., Ltd (“Huifeng”) (SZSE 002496) today reported that they have completed the second and final phase of their previously announced transaction. In this phase, ADAMA has closed the acquisition of a 51% stake in Huifeng's key crop protection synthesis and formulation facilities.

Transaction Overview:

- Phase I: As previously announced, in December 2020 ADAMA acquired a 51% stake in Shanghai Dibai Plant Protection Co., Ltd. (“Dibai”, soon to be renamed ADAMA Huifeng (Shanghai) Agricultural Technology Co., Ltd.), a then wholly-owned subsidiary of Huifeng focused on the sale and distribution of key formulated crop protection products in China;
- Phase II: In the transaction that has now been completed, ADAMA has acquired a 51% stake in a recently established, wholly-owned subsidiary of Huifeng, ADAMA Huifeng (Jiangsu) Co., Ltd, created to incorporate Huifeng's key crop protection synthesis and formulation facilities;
 - Closing of Phase II follows the satisfaction or waiver of the relevant Closing conditions, including the obtaining of the required regulatory and other corporate approvals as well as the resumption of production at Huifeng's key production facilities;
- The total cash consideration for both phases of the transaction is approximately RMB 1,224 million (approximately \$192 million at the current exchange rate), of which:
 - RMB 306 million (approximately \$48 million) has been paid in respect of Phase I;
 - RMB 663 million (approximately \$104 million) has been paid in respect of Phase II;
 - RMB 255 million (approximately \$40 million) is being held back to secure the future post-Closing obligations of Huifeng.

Following the completion of both Phases I and II, ADAMA now owns 51% of the equity in both Dibai and ADAMA Huifeng (Jiangsu) Co., Ltd., providing ADAMA with a majority stake in one of China's leading crop protection manufacturers, and significantly bolstering ADAMA's commercial presence in the China crop protection market. Through this transaction, ADAMA now gains access to backward-integrated and competitive positions in key global molecules, expected to drive significant growth through ADAMA's worldwide market reach.

“With the completion of the acquisition of the majority stakes in both Huifeng's commercial and operational activities, we are better positioned than ever to succeed in achieving our growth ambitions in China and globally, with significantly bolstered commercial reach in China and



competitive operational capabilities to support our global business. We welcome the Huifeng team to the ADAMA family, and look forward to further realizing our vision of creating a leading crop protection business in China,” said Mr. An Liru, SVP China for ADAMA.

About ADAMA

ADAMA Ltd. is a global leader in crop protection, providing solutions to farmers across the world to combat weeds, insects and disease. ADAMA has one of the widest and most diverse portfolios of active ingredients in the world, state-of-the art R&D, manufacturing and formulation facilities, together with a culture that empowers our people in markets around the world to listen to farmers and ideate from the field. This uniquely positions ADAMA to offer a vast array of distinctive mixtures, formulations and high-quality differentiated products, delivering solutions that meet local farmer and customer needs in over 100 countries globally. For more information, visit us at www.ADAMA.com and follow us on Twitter® at [@ADAMAagri](https://twitter.com/ADAMAagri).

About Huifeng

Jiangsu Huifeng Bio Agriculture Co., Ltd. (SZSE: 002496) engages in the research, development, production and sale of agrochemical products as well as in the storage and transportation of petrochemical products in China. It is a producer of key active ingredients, most notably Prochloraz, Epoxiconazole, Trinexapac, Bromoxynil, MCPA and 2,4-D, as well as Glufosinate which has commenced operations in a newly built facility. The company was founded in 1989 and is headquartered in Dafeng, Jiangsu Province, China.

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