



## **ADAMA Signs MOU to Acquire Huifeng's Crop Protection**

**TEL AVIV, ISRAEL and BEIJING, CHINA, January 10, 2019** – Leading global crop protection company ADAMA Ltd. (the “Company”) (SZSE 000553) today reported it has entered into a non-binding memorandum of understanding (MOU) with Jiangsu Huifeng Bio Agriculture Co., Ltd (“Huifeng”) (SZSE 002496), a chemicals manufacturer located in Dafeng, Jiangsu Province, for the potential acquisition of key parts of its crop protection business.

With this potential acquisition, ADAMA aims to significantly enhance its business both globally and in China. Globally, ADAMA will gain access to backward-integrated and competitive positions in key molecules, which it intends to use to drive significant growth through its worldwide market reach. In China, Huifeng has a strong commercial presence and wide portfolio of product registrations which complement ADAMA's, and thereby will bolster its position and offering in this key market.

Huifeng has been a supplier of intermediates and active ingredients to ADAMA and other leading global crop protection companies, until in March of last year when production at Huifeng's sites was halted due to an investigation by environmental regulators.

ADAMA understands that Huifeng has since invested significant resources to rectify all outstanding environmental matters and is working towards full resumption of production as soon as possible. All of Huifeng's formulation lines have successfully passed environmental inspections, allowing its formulation activities to resume operation in November. Huifeng has recently announced that eight of its synthesis lines have now resumed operation following the latest inspections confirming their compliance with the relevant environmental requirements. ADAMA further understands that Huifeng is working intensively with the relevant authorities to expedite the full resumption of all production activities.

The two companies have agreed that any potential transaction will be subject to the rectification of all environmental matters which were identified, as well as the full resumption of at all in-scope production facilities.

The business to be acquired is expected to include the agrochemical-related commercial and operational activities of Huifeng's main site located in Dafeng, with the potential to expand the scope of the transaction to also include other selected relevant assets. It is envisaged that relevant assets will be transferred by Huifeng into a new, wholly-held subsidiary prior to Closing, which will then be acquired by ADAMA.

Any potential transaction will be subject to completion of a due diligence review, the execution of definitive agreements, as well as the receipt of all requisite corporate and regulatory approvals.



**About ADAMA:**

ADAMA (SZSE 000553) is one of the world's leading crop protection companies. We strive to Create Simplicity in Agriculture – offering farmers effective products and services that simplify their lives and help them grow. With one of the most comprehensive and diversified portfolios of differentiated, quality products, our 6,600-strong team reaches farmers in over 100 countries, providing them with solutions to control weeds, insects and disease, and improve their yields. For more information, visit us at [www.ADAMA.com](http://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. The company had total 2017 revenues of RMB 3.9 billion (approximately \$585 million), and net income of RMB 408 million (approximately \$60 million). Sales of agrochemicals in 2017 were RMB 3.4 billion (approximately \$506 million), of which RMB 2.6b (approximately \$389 million) active ingredients and intermediates, and RMB 787m (approximately \$117 million) formulated products. The company was founded on May 26, 1989 and is headquartered in Dafeng, Jiangsu Province, China.

**Contact:**

Ben Cohen  
Investor and Public Relations  
E-mail: [ir@ADAMA.com](mailto:ir@ADAMA.com)  
Tel: +972 73 232 1403

Zhujun Wang  
China Investor Relations  
E-mail: [irchina@adama.com](mailto:irchina@adama.com)  
Tel: +86 10 5671 8110