



ADAMA Reports First Quarter 2026 Results

Sales growth with improvement in net profit

BEIJING, CHINA and TEL AVIV, ISRAEL, April 29, 2026 – ADAMA Ltd. (the “Company”) (SZSE 000553), today reported its financial results for the first quarter ended March 31, 2026.

First Quarter 2026 Highlights:

- **Sales** increased 4% (0.5% in RMB) to \$1,037 million, mainly reflecting a 3% increase in volumes
- **Adjusted gross profit** up 5% to \$318 million, with an improvement in gross margin from 30.3% in Q1 2025 to 30.6% in Q1 2026, reflecting the benefits of higher volumes and improved business quality
- **Reported net profit** increased 2.9 times to \$82 million vs \$21 million in Q1 2025; **Adjusted net profit** increased 35% to \$59 million from \$44 million in Q1 2025
- **Adjusted EBITDA** amounted to \$150 million vs \$160 million in Q1 2025
- **Operating cash outflow** was -\$141 million in Q1 2026 vs. -\$29 million in Q1 2025
- **Free cash outflow** was -\$139 million in Q1 2026 vs. -\$86 million in Q1 2025

Gaël Hili, President and CEO of ADAMA, said "The strong foundation built through our Fight Forward transformation plan now provides the base for the next phase of our strategy execution, focused on profitable growth. In the first quarter of 2026, ADAMA delivered sales and gross profit growth and higher net income, reflecting improved volumes and continued progress in portfolio quality. At the same time, profitability and cash generation in the quarter were affected by higher operating expenses and increased working capital, reflecting investments to support growth and inventory build up to capture recovering market momentum. I remain confident that ADAMA is well positioned to capture market opportunities and deliver sustainable long-term value for our customers and investors."



Table 1. Financial Performance Summary

USD (m)	As Reported			Adjustments		Adjusted		
	Q1 2026	Q1 2025	% Change	Q1 2026	Q1 2025	Q1 2026	Q1 2025	% Change
Revenues	1,037	1,000	4%	0	0	1,037	1,000	4%
Gross profit	287	272	6%	30	31	318	303	5%
% of sales	27.7%	27.2%				30.6%	30.3%	
Operating income (EBIT)	110	70	57%	(22)	26	88	96	-8%
% of sales	10.6%	7.0%				8.5%	9.6%	
Income before taxes	60	18	228%	(22)	23	38	42	-8%
% of sales	5.8%	1.8%				3.7%	4.2%	
Net profit	82	21	289%	(23)	23	59	44	35%
% of sales	7.8%	2.1%				5.7%	4.4%	
EPS								
- USD	0.0352	0.0090				0.0253	0.0188	
- RMB	0.2443	0.0649				0.1760	0.1350	
EBITDA	182	144	27%	(33)	16	150	160	-6%
% of sales	17.6%	14.4%				14.5%	16.0%	

Notes:

- “As Reported” denotes the Company’s financial statements according to the Accounting Standards for Business Enterprises and the implementation guidance, interpretations and other relevant provisions issued or revised subsequently by the Chinese Ministry of Finance (the “MoF”) (collectively referred to as “ASBE”). Note that in the reported financial statements, according to the ASBE guidelines [IAS 37], certain items (specifically certain transportation costs and certain idleness charges) are classified under COGS. Please see the appendix to this release for further information.
- Relevant income statement items contained in this release are also presented on an “Adjusted” basis, which exclude items that are of a transitory or non-cash/non-operational nature that do not impact the ongoing performance of the business, and reflect the way the Company’s management and the Board of Directors view the performance of the Company internally. The Company believes that excluding the effects of these items from its operating results allows management and investors to effectively compare the true underlying financial performance of its business from period to period and against its global peers. A detailed summary of these adjustments appears in the appendix below.
- The number of shares used to calculate both basic and diluted earnings per share in both Q1 2026 and 2025 is 2,329.8 million shares.
- In this table and all tables in this release numbers may not sum due to rounding.

The general crop protection (CP) market environment

Recent geopolitical developments are introducing market volatilities that could prove either transitory or structural as events unfold, with higher oil prices posing a potential inflationary pressure on the market and potentially pressuring farmer profitability. While channel demand has rebounded in 2025 and inventory levels have largely returned to pre-pandemic norms, in the first quarter of 2026 pricing pressures remain elevated due to persistent oversupply and production over-capacity of active ingredients. Crop commodity prices are stabilizing at relatively low levels but remain sensitive to geopolitical risks, limiting upside for farmer income. As a result, ongoing pressure on farmer profitability continues to drive just-in-time purchasing behavior, even as volumes normalize across most markets, after growth achieved in the market in 2025.¹

¹ Sources AgbiInvestor Crop protection 2025 Summary and 2026 outlook (November 2025), peer quarterly financial results, internal sources



Strategy execution

In 2026 ADAMA entered the next phase of its strategy execution, building on the achievements of the Fight Forward program. With a stronger cost base, better operational efficiency, and enhanced capabilities, the Company is now focused on driving profitable top-line growth while continuing to improve business quality. ADAMA aims to deliver this by strengthening commercial capabilities, accelerating differentiated innovation, improving portfolio quality, and shaping a lighter and competitive global supply and manufacturing network.

Sustainability

ADAMA has published its 2025 ESG Report, highlighting progress across key ESG areas, including a 21% reduction in Scope 1 and Scope 2 greenhouse gas emissions and the training of more than 680,000 farmers and agricultural workers on the safe and responsible use of crop protection products. This progress reflects continued efforts to improve operational efficiency, strengthen safety and stewardship practices, and manage ESG-related risks across the business. For further details, please refer to the full ESG Report released on the 29th of April, 2026.

Portfolio development update

During Q1 2026 ADAMA continued to register and launch multiple new products in markets across the globe, adding on to its differentiated product portfolio. The Company continued to focus on advanced, value-driven formulations supporting optimization of its product portfolio.

Q1 2026 **launches** of differentiated products included:

- **FORABAZ[®] (India):** Launched as an SC (suspension concentrate) formulation combining Chlorantraniliprole and Novaluron. It provides fruit and vegetable growers with early and long-lasting caterpillar control, supporting yield protection and resistance management.
- **BREVIS[™] SC (Canada):** A novel Metamitron-based plant growth regulator delivering consistent and reliable fruitlet thinning in pome fruits such as apples and pears.
- **MARATHON[®] (Australia):** ADAMA's first high-load Pyrasulfotole formulation with an in-built crop safener. Marathon delivers early post-emergence control of challenging and herbicide-resistant weeds in wheat and barley, with flexible tank-mix options and robust performance for yield protection and resistance management.
- **ATEKA[™] (USA):** Ateka insecticide is a high-load, Spirotetramat based, fully systemic solution designed to help fruit and vegetable growers clean out tough sucking pests with speed and staying power. Powered by the proprietary Ayalon[™] Formulation Technology, Ateka enhances leaf penetration and plant uptake, delivering earlier population control and enhanced performance.
- **COSAYR[®] (Germany, Poland, Romania and Czech Republic):** A long-lasting Chlorantraniliprole-based suspension, to deliver fast and effective control of chewing insects across a wide range of horticultural and field crops.
- **Prothioconazole-based Products Expansion:** ADAMA continued to extend its Prothioconazole-based portfolio, launching several combinations and solo formulations



across EU and other key markets. Products such as MAGANIC[®], MAXENTIS[®], AVASTEL, and SORATEL[®] leverage ADAMA's proprietary ASORBITAL[®] Formulation Technology for enhanced uptake and systemic performance.

Notable differentiated product registrations included:

- **GALIL[®] nano (Brazil):** ADAMA's Bifenthrin and Imidacloprid SC insecticide with nanotechnology-enhanced coverage, delivering reliable control of stink bugs and corn leafhoppers in soybean and corn across diverse weather conditions.
- **TELAVEX[®] (Germany and Belgium):** A powerful OD formulation for corn that combines Mesotrione and Thien carbazono-methyl with a safener to deliver robust control of grass and broad-leaf weeds for both pre- and early post-emergence application.
- **SPIROTETRAMAT Active ingredient (India):** Registration approved, enabling ADAMA to advance its insect control solutions in key crops across the Indian market.
- **PLEMAX[®] (Israel):** A dual-mode-of-action SC insecticide combining Novaluron and Indoxacarb, Plemax delivers robust knockdown and residual control of key chewing pests in brassicas, leafy, and fruiting vegetables, protecting yield and supporting resistance management.
- **EDAPTIS[®] (Hungary and Belgium):** An innovative post-emergence herbicide that combines Pinoxaden and Mesosulfuron-methyl to provide effective control of a broad spectrum of grasses, including resistant populations, with a patented formulation that ensures stable and reliable performance.
- **SAFLIX[®] (Argentina):** Easy-to-use liquid Saflufenacil formulation that delivers enhanced control of tough broadleaf weeds
- **LEAXO[®] (Germany):** A universal systemic insecticide based on Acetamiprid, providing a reliable solution for the protection of rapeseed, cereals, beetroot and potatoes.

In addition, **patents** granted during Q1 2026 included ones for **Gilboa** Liquid composition in Brazil and Japan, in addition to synthetic processes in India and Israel, as well as patents for **Chlorantraniliprole** process in Brazil, Korea and Israel.

Geopolitical Situation

ADAMA is a global company with manufacturing and formulation facilities in several locations around the world, principally in Israel, China and Brazil. It is headquartered and has three manufacturing sites in Israel. Despite regional tensions that have escalated more recently on February 28, 2026, the Company's Israeli production sites and supply chain, including ports, continued to operate without significant delays allowing the Company to support its markets, and ongoing activities.

During March and early April 2026, the Company's Neot Hovav site suffered limited and localized damage caused by falling debris following missile interceptions in the southern region of Israel. No bodily injuries were reported, and an immediate safety-driven closure of the facilities was carried out, followed by a phased shutdown, also for safety reasons. The Company initiated comprehensive damage assessments. The direct damage to its core production facilities was not meaningful and was



primarily limited to a finished goods warehouse, certain ancillary equipment and systems and an open storage area. Thereafter, the Company undertook certain restoration activities, and as of the date of this release Neot Hovav site has mostly returned to normal operational status with the remaining facilities undergoing a safe and orderly repair process, expected to be completed within the next few weeks, with full restoration to optimal production capacity anticipated soon thereafter. The Company currently expects the overall impact of these occurrences to be non-material. ADAMA's global production operations have continued largely uninterrupted, except for the abovementioned occurrences, with no material impact expected on production or business continuity.

Additionally, in respect to changes in global tariff policies, the Company's management appointed a dedicated task force to analyze implications of global tariff policies on ADAMA and its sector, and to closely monitor and manage the situation and the potential impact on ADAMA's global network. Despite the uncertainty regarding changes to trade and tariff policies around the world, the Company currently expects that the impact on its operations and business results will continue to be immaterial.

Financial Highlights

Revenues in the first quarter increased by approximately 4% (0.5% in RMB; -1% in CER) to \$1,037 million compared to last year, reflecting 3% increase in volumes and positive foreign exchange impacts, partially offset by 4% decrease in prices.

In the first quarter, sales increased reflecting higher volumes and improved demand in the market, supported by new product introductions while the Company reduced the manufacturing and sale of certain basic chemicals and low-margin products. Lower prices reflected the overall lower market pricing and weaker farmer purchasing power.

Table 2. Regional Sales Performance

	Q1 2026 \$m	Q1 2025 \$m	Change USD	Change CER
Europe, Africa & Middle East	406	356	14%	5%
North America	237	219	8%	8%
Latin America	144	147	(2%)	(7%)
Asia Pacific	249	278	(10%)	(12%)
<i>Of which China</i>	134	166	(19%)	(21%)
Total	1,037	1,000	4%	(1%)

Notes:

CER: Constant Exchange Rates

Numbers may not sum due to rounding

Europe, Africa & Middle East (EAME): Strong growth in sales led by higher volumes in Europe building on the momentum gained in the close out to 2025. Higher sales were achieved following good market positioning in an overall positive market, mainly in off-patent products, and despite varied weather conditions and intense market competition.

North America: In the North America **Ag** market, higher sales volume in the first quarter was



supported by good market positioning in a price sensitive market with positive momentum on product launches (ex CAZADO™) and pre-seed presence despite pressured farmer profitability and high competition in commodity products. In **Consumer & Professional Solutions** in the first quarter on the **Consumer** side sales increased supported by favorable spring weather, and low retailer inventories. On the **Professional** side, sales were impacted by just-in-time purchasing patterns and lower pricing mainly in commoditized products.

Latin America: In **Brazil**, sales were slightly lower reflecting a major decline in market pricing against the backdrop of lower farmer profitability and high competition in all segments and especially in commodity products. The lower pricing was mostly offset by an increase in volumes due to seizing market opportunities and experiencing good Soybean and the Winter Corn seasons.

In the **rest of LATAM** sales in the first quarter were lower than prior year, driven primarily by a decline in market pricing against the backdrop of lower farmer profitability and oversupply in the market.

Asia-Pacific (APAC): The sales in **India** increased in the first quarter supported by favorable weather conditions. In the **rest of APAC (excluding India and China)**, sales in the first quarter were impacted by just-in-time purchasing patterns despite favorable weather as well as lower pricing and high competition in commoditized products.

In **China**, sales declined mainly reflecting the Company's decision to reduce manufacturing and sale of certain basic chemicals and low-margin products, as well as time-phasing of customized AI products. The decline was partially compensated by higher sales of brand formulations, driven by new product launches and improved market penetration.

Reported gross profit in the first quarter increased 6% to \$287 million (gross margin of 27.7%) compared to \$272 million (gross margin of 27.2%) last year.

Adjustments to reported results: The adjusted gross profit includes mainly reclassification of inventory impairment, taxes and surcharge and excludes certain transportation costs (classified under operating expenses).

Adjusted gross profit in the first quarter increased 5% to \$318 million (gross margin of 30.6%) compared to \$303 million (gross margin of 30.3%) last year.

Gross profit and its margin improved in the first quarter, mainly reflecting favorable foreign exchange impacts as well as higher sales and improved quality of the business, more than compensating for lower prices and cost increase.

Reported operating expenses in the first quarter were \$178 million (17.1% of sales) compared to \$202 million (20.2% of sales) last year.

Adjustments to reported results: Please refer to the explanation regarding adjustments to the gross profit in respect to certain transportation costs, taxes and surcharges and inventory impairment.

The Company recorded certain non-operational items within its reported operating expenses amounting to an income of \$24 million in Q1 2026 in comparison to expenses of \$25 million in Q1 2025. These items in 2026 mainly include: (i) non-cash amortization charges in respect of transfer assets received from Syngenta related to the 2017 ChemChina-Syngenta acquisition; (ii) non-cash amortization net charges related to intangible assets created as part of the Purchase Price Allocation (PPA) on acquisitions;



(iii) capital gain from sale of a subsidiary's logistics center in Israel; and (iv) restructuring costs which significantly decreased as part of the implementation of the Fight Forward transformation plan. For further details on these non-operational items, please see the appendix to this release.

Adjusted operating expenses in the first quarter were \$230 million (22.2% of sales) compared to \$207 million (20.7% of sales) last year.

The operating expenses were higher in the first quarter reflecting the negative impact of exchange rates, an increase in employee compensation and an increase in expenses supporting sales growth.

Reported operating income increased 57% to \$110 million (10.6% of sales) in the first quarter compared to \$70 million (7.0% of sales) last year.

Adjusted operating income in the first quarter decreased 8% to \$88 million (8.5% of sales) from \$96 million (9.6% of sales) last year. The decline was attributed to the increase in operating expenses which more than offset the higher gross profit.

EBITDA reported in the first quarter increased 27% to \$182 million (17.6% of sales) from \$144 million (14.4% of sales) last year.

Adjusted EBITDA in the first quarter declined 6% to \$150 million (14.5% of sales) from \$160 million (16.0% of sales) last year.

Adjusted financial expenses decreased to \$50 million in the first quarter compared to \$54 million last year. The lower financial expenses in the first quarter mainly reflected the favorable CPI as well as the better debt structure and despite higher hedging costs related to foreign exchange.

Adjusted taxes on income amounted to an income of \$21 million in the first quarter compared to an income of \$2 million last year. The tax income in the first quarter of 2026 was higher compared to the first quarter of 2025 mainly due to higher tax income, recognized according to the accounting method of calculation of tax assets related to unrealized profits.

Reported net profit increased 289% to \$82 million in the first quarter compared to \$21 million last year.

After reflecting the impact of the above-mentioned extraordinary and non-operational charges, **adjusted net profit** in the first quarter increased 35% to \$59 million from \$44 million last year.

Trade working capital as of March 31, 2026, was \$2,297 million compared to \$2,256 million as of March 31, 2025. The increase in working capital was due to higher receivables which reflected sales growth and an increase in the inventory level, in preparation to capture momentum as the market recovers and to provide business continuity during the merging of entities in Israel, compensated by higher payables as a result an increase in procurement.

Cash Flow: Operating cash outflow of \$141 million in the first quarter compared to \$29 million last year. The negative operating cash flow, which is seasonally typical for ADAMA in the first quarter, reflected lower collections due to timing differences.



Net cash inflow from investing activities was \$23 million in the first quarter compared to an outflow of \$37 million last year.

The Company continued the execution of its strategy to prioritize the most critical investments in infrastructure, portfolio and innovation while optimizing existing assets to enable new growth projects, leading to the sale of a logistics center in Israel, resulting in proceeds from the sale of this real estate asset.

Free cash outflow of \$139 million was consumed in the first quarter compared to \$86 million last year, reflecting the aforementioned operating and investing cash flow dynamics.

Table 3. Revenues by operating segment

Sales by segment

	Q1 2026 USD (m)	%	Q1 2025 USD (m)	%
Crop Protection	972	94%	906	91%
Intermediates and Ingredients	65	6%	94	9%
Total	1,037	100%	1,000	100%

Sales by product category

	Q1 2026 USD (m)	%	Q1 2025 USD (m)	%
Herbicides	461	44%	445	45%
Insecticides	274	26%	243	24%
Fungicides	237	23%	217	22%
Intermediates and Ingredients	65	6%	94	9%
Total	1,037	100%	1,000	100%

Notes:

- *The sales split by product category is provided for convenience purposes only and is not representative of the way the Company is managed or in which it makes its operational decisions.*
- *Numbers may not sum due to rounding.*

Further Information

All filings of the Company, together with a presentation of the key financial highlights of the period, can be accessed through the Company website at www.adama.com.



About ADAMA

ADAMA Ltd. is a global leader in crop protection, providing practical solutions to farmers across the world to combat weeds, insects and disease. Our culture empowers ADAMA's people to actively listen to farmers and ideas from the field. ADAMA's diverse portfolio of existing active ingredients, coupled with its leading formulation capabilities and proprietary formulation technology platforms, uniquely position the company to develop high-quality, innovative and sustainable products, to address the many challenges farmers and customers face today. ADAMA serves customers in dozens of countries globally, with direct presence in all top 20 markets. For more information, visit us at www.ADAMA.com.

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Abridged Adjusted Consolidated Financial Statements

The following abridged consolidated financial statements and notes have been prepared as described in Note 1 in this appendix. While prepared based on the principles of Chinese Accounting Standards (ASBE), they do not contain all of the information which either ASBE or IFRS would require for a complete set of financial statements, and should be read in conjunction with the consolidated financial statements of both ADAMA Ltd. and Adama Agricultural Solutions Ltd. as filed with the Shenzhen and Tel Aviv Stock Exchanges, respectively.

Relevant income statement items contained in this release are also presented on an “Adjusted” basis, which exclude items that are of a one-time or non-cash/non-operational nature that do not impact the ongoing performance of the business, and reflect the way the Company’s management and the Board of Directors view the performance of the Company internally. The Company believes that excluding the effects of these items from its operating results allows management and investors to effectively compare the true underlying financial performance of its business from period to period and against its global peers.

Abridged Consolidated Income Statement for the First Quarter

<i>Adjusted²</i>	Q1 2026 USD (m)	Q1 2025 USD (m)	Q1 2026 RMB (m)	Q1 2025 RMB (m)
Revenues	1,037	1,000	7,206	7,173
Cost of Sales	712	694	4,951	4,981
Other costs	7	3	47	20
Gross profit	318	303	2,208	2,172
<i>% of revenue</i>	<i>30.6%</i>	<i>30.3%</i>	<i>30.6%</i>	<i>30.3%</i>
<i>Selling & Distribution expenses</i>	172	155	1,198	1,116
<i>General & Administrative expenses</i>	40	37	281	267
<i>Research & Development expenses</i>	15	14	105	103
<i>Other operating expenses</i>	2	0	14	2
Total operating expenses	230	207	1,598	1,487
<i>% of revenue</i>	<i>22.2%</i>	<i>20.7%</i>	<i>22.2%</i>	<i>20.7%</i>
Operating income (EBIT)	88	96	610	686
<i>% of revenue</i>	<i>8.5%</i>	<i>9.6%</i>	<i>8.5%</i>	<i>9.6%</i>
Financial expenses	50	54	344	387
Income before taxes	38	42	266	298
Taxes on Income	(21)	(2)	(145)	(16)
Net profit	59	44	410	315
<i>% of revenue</i>	<i>5.6%</i>	<i>4.4%</i>	<i>5.6%</i>	<i>4.4%</i>
Adjustments	(23)	23	(159)	163
Reported net profit	82	21	569	151
<i>% of revenue</i>	<i>7.9%</i>	<i>2.1%</i>	<i>7.9%</i>	<i>2.1%</i>
Adjusted EBITDA	150	160	1,041	1,149
<i>% of revenue</i>	<i>14.5%</i>	<i>16.0%</i>	<i>14.4%</i>	<i>16.0%</i>
Adjusted EPS³ – Basic	0.0253	0.0188	0.1760	0.1350
– Diluted	0.0253	0.0188	0.1760	0.1350
Reported EPS⁴ – Basic	0.0352	0.0090	0.2443	0.0649
– Diluted	0.0352	0.0090	0.2443	0.0649

² For an analysis of the differences between the adjusted income statement items and the income statement items as reported in the financial statements, see below “Analysis of Gaps between Adjusted Income Statement and Income Statement in Financial Statements”.

³ The number of shares used to calculate both basic and diluted earnings per share in both Q1 2026 and 2025 is 2,329.8 million shares.



Abridged Consolidated Balance Sheet

	March 31 2026 USD (m)	March 31 2025 USD (m)	March 31 2026 RMB (m)	March 31 2025 RMB (m)
Assets				
Current assets:				
Cash at bank and on hand	468	518	3,238	3,720
Bills and accounts receivable	1,434	1,400	9,919	10,049
Inventories	1,687	1,604	11,672	11,510
Other current assets, receivables and prepaid expenses	230	238	1,591	1,708
Total current assets	3,818	3,760	26,421	26,988
Non-current assets:				
Fixed assets, net	1,542	1,623	10,666	11,649
Rights of use assets	83	77	571	551
Intangible assets, net	1,305	1,360	9,030	9,760
Deferred tax assets	222	197	1,536	1,413
Other non-current assets	127	94	878	673
Total non-current assets	3,278	3,350	22,681	24,046
Total assets	7,096	7,110	49,102	51,034
Liabilities				
Current liabilities:				
Loans and credit from banks and other lenders	1,595	1,056	11,040	7,583
Bills and accounts payable	860	771	5,954	5,537
Other current liabilities	860	834	5,951	5,983
Total current liabilities	3,316	2,661	22,944	19,103
Long-term liabilities:				
Loans and credit from banks and other lenders	200	285	1,382	2,044
Debentures	701	865	4,851	6,207
Deferred tax liabilities	31	37	214	266
Employee benefits	80	77	553	554
Other long-term liabilities	180	519	1,243	3,725
Total long-term liabilities	1,191	1,783	8,243	12,796
Total liabilities	4,507	4,444	31,187	31,899
Equity				
Total equity	2,589	2,666	17,915	19,135
Total liabilities and equity	7,096	7,110	49,102	51,034



Abridged Consolidated Cash Flow Statement for the First Quarter

	Q1 2026 USD (m)	Q1 2025 USD (m)	Q1 2026 RMB (m)	Q1 2025 RMB (m)
Cash flow from operating activities:				
Cash flow from operating activities	(141)	(29)	(983)	(207)
Cash flow from operating activities	(141)	(29)	(983)	(207)
Investing activities:				
Acquisitions of fixed and intangible assets	(39)	(44)	(271)	(317)
Net cash received from sale of fixed assets, intangible assets and others	50	2	350	14
Other investing activities	11	6	77	41
Cash flow from investing activities	23	(37)	157	(262)
Financing activities:				
Receipt of loans from banks and other lenders	97	137	676	980
Repayment of loans from banks and other lenders	(27)	(66)	(185)	(472)
Interest payment and other	(20)	(20)	(139)	(146)
Other financing activities	43	23	301	162
Cash flow from financing activities	94	73	652	523
Effects of exchange rate movement on cash and cash equivalents	1	1	(47)	(1)
Net change in cash and cash equivalents	(24)	8	(221)	53
Cash and cash equivalents at the beginning of the period	477	499	3,353	3,584
Cash and cash equivalents at the end of the period	453	507	3,132	3,637
Free Cash Flow	(139)	(86)	(963)	(615)



Notes to Abridged Consolidated Financial Statements

Note 1: Basis of preparation

Basis of presentation and accounting policies: The abridged consolidated financial statements for the quarters ended March 31, 2026 and 2025 incorporate the financial statements of ADAMA Ltd. and of all of its subsidiaries (the “Company”), including Adama Agricultural Solutions Ltd. (“Solutions”) and its subsidiaries.

The Company has adopted the Accounting Standards for Business Enterprises (ASBE) issued by the Ministry of Finance (the “MoF”) and the implementation guidance, interpretations and other relevant provisions issued or revised subsequently by the MoF (collectively referred to as “ASBE”).

The abridged consolidated financial statements contained in this release are presented in both Chinese Renminbi (RMB), as the Company’s shares are traded on the Shenzhen Stock Exchange, as well as in United States dollars (\$) as this is the major currency in which the Company’s business is conducted. For the purposes of this release, a customary convenience translation has been used for the translation from RMB to US dollars, with Income Statement and Cash Flow items being translated using the quarterly average exchange rate, and Balance Sheet items being translated using the exchange rate at the end of the period.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimated.

Note 2: Abridged Financial Statements

For ease of use, the financial statements shown in this release have been abridged as follows:

Abridged Consolidated Income Statement:

- “Gross profit” in this release is revenue less costs of goods sold, taxes and surcharges, inventory impairment and other idleness charges (in addition to those already included in costs of goods sold); part of the idleness charges is removed in the Adjusted financial statements
- “Other operating expenses” includes impairment losses (not including inventory impairment); gain (loss) from sale of assets and non-operating income and expenses
- “Operating expenses” in this release differ from those in the formally reported financial statements in that certain transportation costs have been reclassified from COGS to Operating Expenses.
- “Financial expenses” includes net financing expenses and gains/losses from changes in fair value.

Abridged Consolidated Balance Sheet:

- “Other current assets, receivables and prepaid expenses” includes financial assets held for trading; financial assets in respect of derivatives; prepayments; other receivables; and other current assets
- “Fixed assets, net” includes fixed assets and construction in progress
- “Intangible assets, net” includes intangible assets and goodwill
- “Other non-current assets” includes other equity investments; long-term equity investments; long-term receivables; investment property; and other non-current assets
- “Loans and credit from banks and other lenders” includes short-term loans and non-current liabilities due within one year
- “Other current liabilities” includes financial liabilities in respect of derivatives; payables for employee benefits, taxes, interest, dividends and others; advances from customers and other current liabilities
- “Other long-term liabilities” includes long-term payables, provisions, deferred income and other non-current liabilities



Income Statement Adjustments

	Q1 2026 USD (m)	Q1 2025 USD (m)	Q1 2026 RMB (m)	Q1 2025 RMB (m)
Reported Net Profit	82	21	569	151
<u>Adjustments to COGS & Operating Expenses:</u>				
1. Amortization of acquisition-related PPA and other acquisition related costs	4	4	25	26
2. Amortization of Transfer assets received and written-up due to 2017 ChemChina-Syngenta transaction (non-cash)	6	5	39	39
3. ASBEs classifications COGS impact	(29)	(30)	(199)	(215)
4. ASBEs classifications OPEX impact	29	30	199	215
5. Capital gain from sale of a subsidiary's logistics center in Israel	(37)	-	(254)	-
6. Restructuring costs	4	16	25	115
7. Other	2	1	12	5
Total Adjustments to Operating Income (EBIT)	(22)	26	(153)	185
Total Adjustments to EBITDA	(33)	16	(217)	118
<u>Adjustments to Financing Expenses:</u>				
8. Arbitration decision related to a controlled subsidiary	-	(4)	-	(32)
9. Other financing expenses	-	2	-	13
<u>Adjustments to Taxes:</u>				
Taxes impact	(1)	0	(6)	(3)
Total Adjustments to Net Profit	(23)	23	(159)	163
Adjusted Net Profit	59	44	410	315



Notes:

1. **Amortization of acquisition-related PPA and other acquisition related costs:**
 - a. **Amortization of Legacy PPA of 2011 acquisition of Solutions (non-cash):** Under ASBE, since the third combined reporting for Q3 2017, the Company has inherited the historical “legacy” amortization charge that ChemChina previously was incurring in respect of its acquisition of Solutions in 2011. This amortization is done in a linear manner on a quarterly basis, most of which will have been completed by the end of 2020.
 - b. **Amortization of acquisition-related PPA (non-cash) and other acquisition-related costs:** Related mainly to the non-cash amortization of intangible assets created as part of the Purchase Price Allocation (PPA) on acquisitions, with no impact on the ongoing performance of the companies acquired, as well as other M&A-related costs.
2. **Amortization of Transfer assets received and written-up due to 2017 ChemChina-Syngenta transaction (non-cash):** The proceeds from the Divestment of crop protection products in connection with the approval by the EU Commission of the acquisition of Syngenta by ChemChina, net of taxes and transaction expenses, were paid to Syngenta in return for the transfer of a portfolio of products in Europe of similar nature and economic value. Since the products acquired from Syngenta are of the same nature and with the same net economic value as those divested, and since in 2018 the Company adjusted for the one-time gain that it made on the divested products, the additional amortization charge incurred due to the written-up value of the acquired assets is also adjusted to present a consistent view of Divestment and Transfer transactions, which had no net impact on the underlying economic performance of the Company. These additional amortization charges will continue until 2032 but at a reducing rate, yet will still be at a meaningful level until 2028.
3. & 4. **ASBEs classifications COGS and OPEX impact:** according to the ASBE guidelines [IAS 37], certain items (specifically certain transportation costs) are classified under COGS.
5. **Capital gain from sale of a subsidiary's logistics center in Israel:** A subsidiary of the Company sold a logistic center in Israel as part of optimizing its asset base and received capital gain
6. **Restructuring costs:** The Company initiated its Fight Forward transformation plan in early 2024. Part of the plan includes restructuring its organizational structure, workforce and managerial processes, and as a result thereof, the Company recorded restructuring costs.
7. **Other:** Mainly attributable to accelerated depreciation associated with operational efficiency improvement project.
8. **Arbitration decision related to a controlled subsidiary:** An arbitration case related to a controlled subsidiary incurred a one-time income.



Exchange Rate Data for the Company's Principal Functional Currencies

	March 31			Q1 Average		
	2026	2025	Change	2026	2025	Change
EUR/USD	1.15	1.08	6.2%	1.17	1.05	11.3%
USD/BRL	5.22	5.74	9.1%	5.27	5.85	9.9%
USD/PLN	3.74	3.86	3.2%	3.62	4.00	9.4%
USD/ZAR	17.18	18.21	5.7%	16.33	18.49	11.7%
AUD/USD	0.59	0.63	-6.1%	0.60	0.63	-4.6%
GBP/USD	1.32	1.29	2.2%	1.35	1.26	7.1%
USD/ILS	3.16	3.72	14.9%	3.12	3.61	13.6%
USD L 3M	3.7%	4.3%	-0.6pb	3.6%	4.3%	0.7bp

	March 31			Q1 Average		
	2026	2025	Change	2026	2025	Change
USD/RMB	6.92	7.76	-10.9%	6.95	7.76	-10.5%
EUR/RMB	7.95	7.18	10.7%	7.98	7.18	11.3%
RMB/BRL	0.75	0.80	5.7%	0.76	0.81	7.0%
RMB/PLN	0.54	0.54	-0.4%	0.52	0.56	6.5%
RMB/ZAR	2.48	2.54	2.1%	2.35	2.58	8.8%
AUD/RMB	4.76	4.49	6.2%	4.83	4.50	7.2%
GBP/RMB	9.15	9.02	1.5%	9.20	9.29	-1.0%
RMB/ILS	0.46	0.52	11.7%	0.46	0.50	9.1%
RMB L 3M	1.51%	1.91%	-0.41bp	1.57%	1.81	-0.24bp



Forward looking statement:

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