Stock Code: 000553 (200553) Stock abbreviation: ADAMA A (B) Announcement No. 2025-3

ADAMA Ltd.
2024 Full Year Performance Estimation

The Company and all the directors confirm that the information disclosed herein is true, accurate, complete and contains no false recording, misleading statement or material omission.

I. Performance Estimation

1. Estimation period: January 1, 2024 - December 31, 2024

2. Estimated performance: net loss

Item	Current reporting period January to December 2024	Same period last year January to December 2023
Net loss attributable to the shareholders of the listed company (RMB in millions)	(3,351)-(2,564)	(1,606)
Net loss excluding non-recurring profits and losses (RMB in millions)	(3,452)-(2,665)	(1,851)
Basic earnings per share (RMB)	(1.4384)-(1.1006)	(0.6893)
Sales (RMB in millions)	28,014-30,962	32,779
Sales after deduction* (RMB in millions)	28,014-30,962	32,730

Note: The 'non-recurring profits and losses' referred to above are as defined in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public-Non-Recurring Profit and Loss.

* Sales after deduction refers to sales after deducting sales unrelated to the main business and sales without commercial substance

II. Communication with External Auditor

The estimated results of this period are the preliminary estimation of the Company and have not been audited nor reviewed by certified accountants. The Company and the external auditor have preliminarily communicated regarding relevant matters of the performance estimation, and have no material disagreement.

III. Explanations for Performance Variation

Sales

For the full year of 2024, ADAMA is expecting to report a decline in revenues of approximately 6% - 15% in RMB terms (7% - 16% in USD terms), compared to the full year of 2023. The lower revenues mainly reflect lower prices in 2024, due to just-in-time purchasing patterns of the channel in light of price volatility and a higher interest rate environment, despite improved channel inventory levels.

Volumes in Q4 2024 were up compared with Q4 2023 despite the Company's shift away from selected low-profit products, marking the second consecutive quarter of volume growth.

EBITDA and Net Loss

In the full year of 2024, the Company is expecting to report a decrease in EBITDA but an increase in its margin, both in comparison to the full year of 2023. The EBITDA margin increased primarily due to an increase in the gross margin, mainly reflecting the positive impact of lower costs of new inventory sold, an improved sales mix towards higher-margin products, and continued control of operating expenses, all following implementation of the Company's Fight Forward plan, a strategic transformation plan launched in early 2024 and aimed at gradually delivering improved profit and cash-targets over a three-year period.

Despite this improvement, the Company is expected to report lower EBITDA and deepened net loss in the full year of 2024 compared with 2023. The reported financial results are expected to be affected, in addition to decline in revenue, by net expenses in respect of certain transitory, non-operational or non-cash items, including mainly:

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, with no impact on the ongoing performance of the companies acquired;

iii. Restructuring costs incurred as part of the implementation of the Fight Forward transformation plan;

iv. Fixed assets impairment related to improvement of operational efficiency, as part of the Fight Forward plan;

v. Provisions such as legal claims, registration impairment and update of registration depreciation;

vi. Soil and water cleanup and remediation;

vii. Financial expenses including non-cash adjustments related to revaluation of put options attributed to minority stakes in subsidiaries, and expenses deriving from tax claims surcharges and inflation.

The lower reported operating profit, as a result of above, and a higher tax burden led to deepened net loss, despite a decrease in financial expenses, in light of lower interest paid on loans, as well as the net impact of a lower Israeli CPI on the ILS-denominated CPI-linked bonds.

Excluding the impact of the abovementioned transitory, non-operational or non-cash items, the Company is expecting to deliver the following:

- Adjusted net loss attributable to shareholders in the full year is expected to be between RMB (1,860) - (1,073) million, compared to adjusted net loss of RMB 1,691 million in the same period last year.
- Adjusted basic earnings per share are expected to be between RMB (0.7982) - (0.4604) in the full year, compared to last year's earnings per share of RMB (0.726) in the full year.

IV. Other Remarks

The estimated results above are only preliminary calculations performed by the finance team of the Company based on initial financial data available to the Company and have not been audited or reviewed by the Company's independent auditors. These estimations may change, inter alia, as a result of the further processing and analysis of the financial data that the Company will perform for the preparation of its financial statements for the full year and fourth quarter of 2024. Please refer to the Report for the full year 2024 to be duly disclosed by the Company on March 14th, 2025 for specific and accurate financial information.

Investors are reminded to exercise caution when making investment decisions.

Media for Information Disclosure of the Company: China Securities Journal, Securities Times and Cninfo (www.cninfo.com.cn).

By order of the Board
ADAMA Ltd.
January 23, 2025