



ADAMA Provides Performance Estimation for Full Year of 2023

TEL AVIV, ISRAEL and BEIJING, CHINA, January 30, 2024 – ADAMA Ltd. (the “Company”) (SZSE 000553), today provided an estimate regarding its financial performance for the full year of 2023.

Sales

For the full year of 2023, ADAMA is expecting to report a decline in sales of approximately 12% - 21% in USD terms (8% - 17% in RMB terms), compared to the full year of 2022, reflecting lower volumes and prices as well as the negative impact of exchange rates. The lower sales reflect market dynamics of high channel inventories, last-minute purchasing following channel destocking in light of high interest rates and pressure on crop protection product pricing due to the lower channel demand and lower active ingredient pricing.

Adjusted EBITDA

In the full year of 2023, the Company is expecting to report a decrease in adjusted EBITDA and its margin, in comparison to the full year of 2022. The decrease in adjusted EBITDA is due to the decline in sales, as described above, high-cost inventory, inventory impairment, the negative impact of exchange rates and despite a decrease in operating expenses and its margin as well as an improvement in the Company's sales mix of higher margin products. In response to the market conditions the Company has taken active measures to manage its COGS, procurement and OPEX that have led to a decrease in the level of inventory held and a decrease in operating expenses.

Net Loss

In the full year of 2023, the Company is expecting to report **Adjusted & Reported Net Loss**, compared to adjusted & reported net income in the full year of 2022. This is due to lower Operating Profit and an increase in financial expenses in light of higher bank interest expenses due to an increase in interest rates and in short-term loans. These financial expenses were moderated by the lower Israeli CPI.

Adjusted Net Income (Loss)	Estimated FY 2023	FY 2022
Net income (loss) attributable to shareholders (USD millions)	(211)-(261)	118
Earnings (loss) per share (USD)	(0.0906)-(0.1121)	0.0505
Net income (loss) attributable to shareholders (RMB millions)	(1,513)-(1,870)	740
Earnings (loss) per share (RMB)	(0.6493)-(0.8026)	0.3177

Adjusted Net Income (loss) excludes the impact of transitory, non-operational or non-cash items, mainly including:

- i. Non-cash, non-recurring provision for asset impairment and income due to revaluation of put options attributed to minority stake in a subsidiary and holdback release.



- ii. Non-cash amortization charges in respect of Transfer assets received from Syngenta related to the 2017 ChemChina-Syngenta acquisition;
- iii. 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;
- iv. Company measures to improve efficiencies;
- v. Incentive plans: ADAMA granted certain of its employees, a long-term incentive (LTI) in the form of 'phantom' awards linked to the Company's share price. As such, the Company records an expense, or recognizes income, depending on the fluctuation in the Company's share price, regardless of award exercises. To neutralize the impact of such share price movements on the measurement of the Company's performance and expected employee compensation and to reflect the existing phantom awards, in the Company's adjusted financial performance, the LTI is presented on an equity-settled basis in accordance with the value of the existing plan at the grant date.

Reported Net Income (Loss)	Estimated FY 2023	FY 2022
Net income (loss) attributable to shareholders (USD millions)	(209)-(259)	96
Earnings (loss) per share (USD)	(0.0895)-(0.1110)	0.0413
Net income (loss) attributable to shareholders (RMB millions)	(1,491)-(1,848)	609
Earnings (loss) per share (RMB)	(0.6400)-(0.7933)	0.2616

These estimations are preliminary and have not been audited or reviewed by the Company's 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 which will be released after the trading hours on March 26, 2024.

Investors are reminded to exercise caution when making investment decisions.

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About ADAMA

ADAMA Ltd. (SZSE: 200553) 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).

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