ADAMA Reports Second Quarter and First Half Year 2025 Results

Year-over-year quarterly sales grew for first time since Q3 2022 with improvements in key financial metrics for both the quarter and half year periods

BEIJING, CHINA and TEL AVIV, ISRAEL, August 26, 2025 – ADAMA Ltd. (the "Company") (SZSE 000553), today reported its financial results for the second quarter and first half of 2025 that ended June 30, 2025.

Second Quarter 2025 Highlights:

- **Sales** up 5% (6% in RMB) to $1,092 million, driven by an 8% increase in volume, which more than offset a 3% decrease in prices
- **Adjusted gross profit** up 18% to $318 million, representing an improvement of gross margin to 29.1% from 25.8% last year, reflecting the benefits of lower costs and higher volumes
- **Adjusted EBITDA** up 25% to $150 million, representing an improvement of EBITDA margin to 13.7% from 11.5% last year
- **Adjusted net income** turned positive to $6 million from a loss of $61 million last year; **Reported net loss** improved by $62 million to $32 million compared to $94 million last year

First Half Year 2025 Highlights:

- Stable **Sales** (0% in USD, 1% in RMB) of $2,091 million, mainly reflecting volume growth of 4% offset by a 3% decrease in prices
- **Adjusted gross profit** up 11% to $620 million, representing an improvement of gross margin to 29.7% from 26.5% last year, reflecting the benefits of lower costs and higher volumes
- **Adjusted EBITDA** up 23% to $310 million, representing an improvement of EBITDA margin to 14.8% from 12.0% last year
- **Adjusted net income** turned positive to $49 million compared to a loss of $71 million last year; **Reported net loss** improved by $115 million to $11 million compared to $126 million last year
- **Operating cash flow** of $242 million generated vs. $243 million last year
- **Free cash flow** increased to $90 million vs. $51 million last year

Gaël Hili, President and CEO of ADAMA, said, "As we reach the midpoint of 2025, I am encouraged by the tangible progress we are making through our Fight Forward transformation plan. In the second quarter, ADAMA returned to year-over-year revenue growth for the first time since Q3 2022, while also achieving our fifth consecutive quarter of year-over-year EBITDA growth. We strengthened our capital structure through improved cash generation and disciplined inventory management. Operationally, we have sharpened our geographic focus and centralized key support functions, enabling greater agility, enhanced customer proximity, and improved focus on commercial execution. These strategic shifts aim to create the conditions for sustainable growth and allow us to concentrate on delivering differentiated, high-value solutions to our Value Innovation customer segment. We remain committed to advancing a portfolio of innovative formulations and technologies that provide real value to farmers — improving performance, ease of use, and return on investment for our customers and other stakeholders."

Table 1. Financial Performance Summary

USD (m)	As Reported			Adjustments		Adjusted		
	Q2 2025	Q2 2024	% Change	Q2 2025	Q2 2024	Q2 2025	Q2 2024	% Change
Revenues	**1,092**	**1,041**	**5%**	-	-	**1,092**	**1,041**	**5%**
Gross profit	284	227	25%	33	41	318	269	18%
% of sales	*26.0%*	*21.8%*				*29.1%*	*25.8%*	
Operating income (loss) (EBIT)	55	(16)		29	69	85	52	63%
% of sales	*5.1%*	*(1.6%)*				*7.8%*	*5.0%*	
Income (loss) before taxes	(36)	(59)	39%	39	42	3	(17)	
% of sales	*(3.3%)*	*(5.7%)*				*0.3%*	*(1.7%)*	
Net income (loss)	**(32)**	**(94)**	**66%**	**38**	**33**	**6**	**(61)**	
% of sales	*(2.9%)*	*(9.0%)*				*0.5%*	*(5.8%)*	
EPS								
- USD	(0.0138)	(0.0403)				0.0024	(0.0261)	
- RMB	(0.0994)	(0.2864)				0.0171	(0.1855)	
EBITDA	**130**	**76**	**71%**	**20**	**44**	**150**	**120**	**25%**
% of sales	*11.9%*	7.3%				*13.7%*	*11.5%*	

USD (m)	As Reported			Adjustments		Adjusted		
	H1 2025	H1 2024	% Change	H1 2025	H1 2024	H1 2025	H1 2024	% Change
Revenues	**2,091**	**2,098**	**0%**	-	-	**2,091**	**2,098**	**0%**
Gross profit	556	484	15%	65	73	620	557	11%
% of sales	*26.6%*	*23.0%*				*29.7%*	*26.5%*	
Operating income (EBIT)	125	34	264%	55	89	181	124	46%
% of sales	*6.0%*	*1.6%*				*8.6%*	*5.9%*	
Income (loss) before taxes	(17)	(80)	78%	62	65	45	(16)	
% of sales	*(0.8%)*	*(3.8%)*				*2.1%*	*(0.7%)*	
Net income (loss)	**(11)**	**(126)**	91%	**61**	**55**	**49**	**(71)**	
% of sales	*(0.5%)*	*(6%)*				*2.4%*	*(3.4%)*	
EPS								
- USD	(0.0048)	(0.0541)				0.0212	(0.0303)	
- RMB	(0.0345)	(0.3841)				0.1521	(0.2152)	
EBITDA	**273**	**196**	**39%**	**36**	**55**	**310**	**252**	**23%**
% of sales	*13.1%*	9.4%				*14.8%*	*12.0%*	

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 Q2 and H1 2025 and 2024 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

In H1 2025 channel inventory returned to pre-pandemic levels in most countries, allowing crop protection demand recovery. Pricing pressure remains high, driven by production over-capacity of active ingredients. Crop commodity prices remain stably low and coupled with the high-interest rate environment, farmer profitability remains tight leading to just-in-time purchasing patterns.[1]

Portfolio Development Update

In Q2 2025, ADAMA continued to register and launch multiple new products in markets across the globe, adding on to its differentiated product portfolio. As part of the *Fight Forward* transformation plan, the Company is focused on improving its overall portfolio mix, particularly by targeting the Value Innovation segment, with the intent of improving value delivered to all stakeholders.

In Q2 2025, launches of differentiated products included:

- **Brevis™ SC (USA):** A fruit thinner for managing flowering and fruiting in pome fruits such as apples and pears.
- **Prothioconazole-Based Portfolio Expansion** including Maxentis® in Argentina and Forapro® in Latvia
- **Upturn® (India):** Officially launched following its soft introduction in 2024, this blend of Fomesafen and Propaquizafop offers broad-spectrum control of hard-to-kill weeds.
- **Jumbo® (Brazil):** A herbicide combining Sulfentrazone and Tebuthiuron, offering broad-spectrum, high-efficiency weed control in sugarcane.
- **Temper™ More (USA):** A herbicide developed with ADAMA's SESGAMA™ technology, combining Glufosinate-ammonium and S-metolachlor for dual-action burndown and residual control of grasses and small-seeded broadleaf weeds.

Notable differentiated product registrations during Q2 2025 included:

- **COSAYR®:** Chlorantraniliprole suspension registered in Croatia, Germany, and Slovakia; In Czech Republic registered under the name **RYNO-A®**.
- Prothioconazole-Based Formulations Registrations **MAGANIC®, AVASTEL® VAZANTI®** in several European countries.
- **MAXENTIS®** (Azoxystrobin + Prothioconazole SC) in Bulgaria, Canada, and Denmark, and in Poland under the name **BODEGA®**
- **FORAPRO®** (Fenpropidin + Prothioconazole EC) – Latvia
- **DOMAGO® (China):** A formulation combining Penoxsulam and Pretilachlor for effective weed control in rice.
- **MATTOK® (Mexico):** A unique combination of Azoxystrobin and Tebuconazole enriched with a biostimulant, for fungal disease control and boosting plant health and crop quality in cereals, cotton, and corn.

[1]Sources: AgbioInvestor Quarterly report (June 2025), peer quarterly financial results, internal sources

- **RAVARI® (Mexico):** A combination of Chlorantraniliprole and Novaluron offering superior control of Spodoptera and other caterpillars, with extended residual protection for row crop growers.
- **FERALLA®:** The active substance FERALLA®, was approved in the EU as a low-risk active substance.

In addition, **Gilboa®** , a proprietary fungicide, was recognized by the Fungicide Resistance Action Committee (FRAC) for having a new mode of action for use in cereals. As well, a patent was allowed in the EU for the proprietary stabilization of the Edaptis® formulation, and in Australia a patent was granted for deploying carbetamide before or during sowing.

ESG

In July, ADAMA achieved a fifth consecutive year of improved ESG performance ratings from EcoVadis, a leading global sustainability assessment platform. The Company placed among the top 23% of companies in its sector, and in the top 14% for environmental performance. This recognition reflects ADAMA's ongoing commitment to responsible business practices and continuous improvement across key ESG areas.

Geopolitical Situation

ADAMA is headquartered and has three manufacturing sites in Israel. The regional tensions which escalated on October 7, 2023 and briefly escalated in June 2025 continued to have no material impact to-date on the Company's ability to support its markets or its consolidated financial results.

Regarding US tariff policies, ADAMA's management appointed a dedicated task force to analyze implications of US tariff policies and to closely monitor the situation and the potential impact on its global network.

'Fight Forward' Transformation Plan

In early 2024, ADAMA launched 'Fight Forward', a strategic transformation plan aimed at gradually delivering improved profit and cash targets over a three-year period. The plan aims to optimize financial management and to streamline ADAMA's operating model in order to increase focus on the Value Innovation segment in which differentiated, high-impact solutions are developed to deliver greater value to farmers.

Financial Highlights

Revenues in the second quarter increased by approximately 5% (6% in RMB; 5% in CER) to $1,092 million, reflecting a volume growth of 8%, more than offsetting a decrease of 3% in prices. The higher volumes reflected the gradual recovery of market demands and improvement of channel inventories in most regions, while the Company has been shifting away from selected low profit products and businesses. Prices were weak mainly due to low prices of active ingredients in light of overcapacity, as well as a high interest rate environment and low commodity prices, which put pressure on distributors and farmers.

Supported by the growth of revenues in the second quarter, ADAMA reported flat sales for the first half of 2025 (0% in USD, 1% in RMB, 1% in CER), compared to the first half of 2024. The stabilization of revenues in the first half was driven by volume growth of 4% offsetting a decrease in prices of 3%.

Table 2. Regional Sales Performance

	Q2 2025 $m	Q2 2024 $m	Change USD	Change CER	H1 2025 $m	H1 2024 $m	Change USD	Change CER
Europe, Africa & Middle East	314	318	(1%)	(4%)	670	695	(4%)	(4%)
North America	276	223	24%	25%	495	414	19%	20%
Latin America	216	209	3%	7%	363	400	(9%)	(4%)
Asia Pacific	286	292	(2%)	(1%)	564	590	(4%)	(3%)
Of which China	*143*	*121*	*18%*	*18%*	309	275	12%	13%
Total	**1,092**	**1,041**	**5%**	**5%**	**2,091**	**2,098**	**0%**	**1%**

Notes:

- *CER: Constant Exchange Rates*
- *As part of ADAMA's business optimization program, on January 1, 2025, ADAMA's South Africa business was reclassified from APAC operations to EAME operations. To enable meaningful comparisons, the 2024 data presented here includes South Africa under EAME.*
- *Numbers may not sum due to rounding*

Europe, Africa & Middle East (EAME): Volumes and revenue in Europe have generally improved year-over-year in H1 and were similar in Q2, though EAME results were negatively impacted by significant Q1 declines in Turkey which also impacted H1. Pricing continued to decline in light of intense competition. Weather challenges in Northern Europe were offset by good conditions in France and other countries.

North America: In the **US Ag** market, reduction of stock in the channel and good weather conditions in key markets such as corn and soybean led to volume increases. Just-in-time purchasing behavior continues with slight improvements in prices. Similarly in **Canada** while AI pricing pressures remain, volumes for ADAMA's overall portfolio have improved significantly in Q2 and H1. **Consumer & Professional Solutions** experienced flat Q2 revenues with a slight increase in volume offset by a slight decline in prices. However, for the half-year revenues increased with declining prices more than offset by higher volumes. End users did not consume as much inventory as normal due to rain and adverse weather conditions.

Latin America: In **Brazil**, volumes are up resulting in Q2 revenue improvements, partially offsetting a weaker Q1. Competition remains strong, resulting in lower pricing. In the **rest of LATAM** pricing pressures continue in light of generics competition and just-in-time purchasing behaviors, with lower volumes and revenues reported in Q2 and H1.

Asia-Pacific (APAC): Sales continue to experience pricing pressure, with declines in Q2 and H1. These declines reflect both ample oversupply and the Company's decision to optimize regional layouts. In **India**, irregular weather including flooding in some regions and deficient rainfall in others, impacted sales, though volumes increased in both the quarter and half year.

In **China**, sales increased both in the second quarter and first half. Non-ag sales increased led by strong chlor-alkali markets with stronger margin due to higher operational efficiency. AI sales also increased, driven by volume growth due to the expansion of new distribution channels and supported by the recovery of global demand. Lower prices and volumes of branded formulations reflected the impacts of market competition.

Reported gross profit in the second quarter increased 25% to $284 million (gross margin of 26.0%) from $227 million (gross margin of 21.8%) last year, and increased 15% to $556 million (gross margin of 26.6%) in the half year period from $484 million (gross margin of 23.0%) last year.

Adjustments to reported results: The adjusted gross profit mainly includes reclassification of inventory impairment, taxes and surcharge, and excludes certain transportation costs (classified under operating expenses) and the remediation costs by a wholly-owned subsidiary for its plant in Israel.

Adjusted gross profit in the second quarter increased 18% to $318 million (gross margin of 29.1%) from $269 million (gross margin of 25.8%) last year, and increased 11% to $620 million (gross margin of 29.7%) in the half year period from $557 million (gross margin of 26.5%) last year.

The higher adjusted gross profit and margin in the quarter and half year mainly reflected the positive impacts of higher volume as well as lower costs due to improved operational efficiency and lower costs of inventory sold, more than compensating for lower prices.

Operating expenses reported in the second quarter were $229 million (21.0% of sales), compared to $244 million (23.4% of sales) last year, and reached $431 million (20.6% of sales) in the half year period compared to $449 million (21.4% of sales) last year.

Adjustments to reported results: Please refer to the explanation above regarding adjustments to the gross profit in respect to certain transportation costs, taxes and surcharges and inventory impairment. Non-operating income and expenses are also reclassified into adjusted operating expenses.

The Company recorded certain non-operational items within its reported operating expenses amounting to $22 million in Q2 2025 in comparison to $56 million in Q2 2024 and $47 million in H1 2025 in comparison to $76 million in H1 2024. These items in 2025 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; and iii. restructuring and advisory costs incurred 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 second quarter were $233 million (21.3% of sales), compared to $216 million (20.8% of sales) last year, and were $440 million (21.0% of sales) in the half year period compared to $433 million (20.6% of sales) last year.

In the first half, there was positive impact in adjusted operating expenses following implementation of the Fight Forward plan and the positive impacts of exchange rates. These benefits were offset mainly by expected credit loss in Q2 in LATAM due to liquidity issues of some local distributors.

Reported operating income in Q2 was $55 million (5.1% of sales) compared to a loss of $16 million (-1.6% of sales) last year, and increased 264% to $125 million (6.0% of sales) in H1 from $34 million (1.6% of sales) last year.

Adjusted operating income in Q2 increased 63% to $85 million (7.8% of sales) from $52 million (5.0% of sales) last year, and increased 46% to $181 million (8.6% of sales) in H1 from $124 million (5.9% of sales) last year. The increase in operating income was a combined result of higher gross profit partially offset by higher operating expenses.

Reported EBITDA in Q2 increased 71% to $130 million (11.9% of sales) from $76 million (7.3% of sales) last year, and increased 39% to $273 million (13.1% of sales) in H1 from $196 million (9.4% of sales) last year.

Adjusted EBITDA in Q2 increased 25% to $150 million (13.7% of sales) from $120 million (11.5% of sales) last year, and increased 23% to $310 million (14.8% of sales) in H1 from $252 million (12.0% of sales) last year.

Adjusted financial expenses were $82 million in Q2 compared to $70 million last year, and were $136 million in H1 compared to $139 million last year.

The higher financial expenses in the second quarter were largely attributable to higher hedging costs on exchange rates in LATAM, primarily Brazil, and lower deposit income as the Company prioritized repaying debts for better cash management. In the first half, financial expenses were slightly lower compared to last year following strengthening of our debt structure also through improved cash generation.

As part of strengthening debt structure, a subsidiary of the Company repurchased a significant part of its bond principal in the second quarter for the purpose of improving financing structure and efficiency. As the repurchase was completed late in the quarter, the impacts on improving the financial costs were minor during the reporting periods.

Adjusted taxes on income in the second quarter were an income of $3 million, compared to expenses of $43 million in the corresponding period last year, and amounted to an income of $5 million in the half year period compared to expenses of $55 million last year. The tax income in 2025 was mainly due to the accounting method of calculation of tax assets related to unrealized profits and the non-cash impact of the stronger BRL.

In the 2024 periods despite reaching losses before tax, the Company recorded tax expenses mainly because (1) the losses were primarily incurred by subsidiaries with relatively lower tax rates, while some of them did not create deferred tax assets on the losses and on the other hand, the subsidiaries that generated profit have a higher tax rate, and (2) non-cash impact of the weaker BRL.

Net loss reported in the second quarter was narrowed by 66% to $32 million from $94 million last year, and narrowed by 91% to $11 million in the first half from $126 million last year.

After reflecting the impact of the aforementioned extraordinary and non-operational charges, **adjusted net income** in the second quarter turned positive to $6 million from a loss of $61 million last year, and in the first half to $49 million from a loss of $71 million last year.

Trade working capital as of June 30, 2025 was $2,089 million compared to $2,289 million as of June 30, 2024. The decrease in working capital was mainly due to the decline in the level of inventory to $1,622 million as of June 30, 2025 from $1,728 million as of June 30, 2024. The decline of inventories was a result of continued implementation of selective procurement, enhanced inventory management and lower AI and raw material costs. The slight decrease in receivables reflected the intensive collections and similar sales in the same period. Trade payables increased as the Company increased procurement in preparation to capture momentum as the market recovers.

Cash Flow: Operating cash flow of $271 million and $242 million was generated in the second quarter and first half year periods respectively, compared to $347 million and $243 million generated in the corresponding periods last year. The lower operating cash flow generated in the second quarter was mainly due to higher procurement payment in preparation to capture growth momentum, which exceeded the positive impacts from improved business earnings. The dynamics in the half-year period reflected an improvement in collection, offsetting higher outflow due to higher procurement payments.

Net cash used in investing activities was $52 million in the second quarter and $88 million in the first half period, compared to $48 million and $115 million in the corresponding periods last year, respectively. The higher cash used in investing activities in the second quarter was mainly payment for earn out related to Agrinova, a controlled subsidiary of the Company. Other than that, cash used in investing activities in both the quarter and the first half was lower, reflecting continued prioritization of investments in ADAMA's manufacturing facilities and portfolio optimization.

Free cash flow of $176 million was generated in the second quarter and $90 million generated in the half-year period compared to $245 million and $51 million in the corresponding periods last year, respectively, reflecting the aforementioned operating and investing cash flow dynamics.

Table 3. Revenues by operating segment

Sales by segment

	Q2 2025 USD (m)	%	Q2 2024 USD (m)	%	H1 2025 USD (m)	%	H1 2024 USD (m)	%
Crop Protection	998	91%	945	91%	1,904	91%	1,906	91%
Intermediates and Ingredients	94	9%	96	9%	187	9%	192	9%
Total	**1,092**	**100%**	**1,041**	**100%**	**2,091**	**100%**	**2,098**	**100%**

Sales by product category

	Q2 2025 USD (m)	%	Q2 2024 USD (m)	%	H1 2025 USD (m)	%	H1 2024 USD (m)	%
Herbicides	474	43%	414	40%	919	44%	868	41%
Insecticides	302	28%	304	29%	546	26%	594	28%
Fungicides	222	20%	227	22%	439	21%	444	21%
Intermediates and Ingredients	94	9%	96	9%	187	9%	192	9%
Total	**1,092**	**100%**	**1,041**	**100%**	**2,091**	**100%**	**2,098**	**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 ideate 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 Second Quarter

Adjusted[2]		Q2 2025 USD (m)	Q2 2024 USD (m)	Q2 2025 RMB (m)	Q2 2024 RMB (m)
Revenues		**1,092**	**1,041**	**7,851**	**7,401**
Cost of Sales		765	769	5,503	5,466
Other costs		9	3	64	26
Gross profit		**318**	**269**	**2,285**	**1,910**
% of revenue		*29.1%*	*25.8%*	*29.1%*	*25.8%*
Selling & Distribution expenses		*166*	*169*	*1,196*	*1,203*
General & Administrative expenses		*39*	*33*	*279*	*233*
Research & Development expenses		*16*	*15*	*113*	*106*
Other operating expenses (income)		*12*	*(1)*	*86*	*(4)*
Total operating expenses		233	216	1,674	1,538
% of revenue		*21.3%*	*20.8%*	*21.3%*	*20.8%*
Operating income (EBIT)		**85**	**52**	**611**	**371**
% of revenue		*7.8%*	*5.0%*	*7.8%*	*5.0%*
Financial expenses		82	70	589	495
Income (loss) before taxes		**3**	**(17)**	**22**	**(123)**
Taxes on Income		(3)	43	(18)	309
Net income (loss)		**6**	**(61)**	**40**	**(432)**
% of revenue		*0.5%*	*(5.8%)*	*0.5%*	*(5.8%)*
Adjustments		38	33	271	235
Reported net loss		**(32)**	**(94)**	**(232)**	**(667)**
% of revenue		*(2.9%)*	*(9%)*	*(2.9%)*	*(9%)*
Adjusted EBITDA		**150**	**120**	**1,078**	**851**
% of revenue		*13.7%*	*11.5%*	*13.7%*	*11.5%*
Adjusted EPS[3]	– Basic	*0.0024*	*(0.0261)*	*0.0171*	*(0.1855)*
	– Diluted	*0.0024*	*(0.0261)*	*0.0171*	*(0.1855)*
Reported EPS[2]	– Basic	*(0.0138)*	*(0.0403)*	*(0.0994)*	*(0.2864)*
	– Diluted	*(0.0138)*	*(0.0403)*	*(0.0994)*	*(0.2864)*

[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 Q2 2025 and 2024 is 2,329.8 million shares.

Abridged Consolidated Income Statement for the First Half of 2025

Adjusted[4]		H1 2025 USD (m)	H1 2024 USD (m)	H1 2025 RMB (m)	H1 2024 RMB (m)
Revenues		**2,091**	**2,098**	**15,024**	**14,910**
Cost of Sales		1,459	1,536	10,484	10,915
Other costs		12	6	83	39
Gross profit		**620**	**557**	**4,457**	**3,956**
% of revenue		*29.7%*	*26.5%*	*29.7%*	*26.5%*
Selling & Distribution expenses		*322*	*338*	*2,311*	*2,401*
General & Administrative expenses		*76*	*69*	*546*	*487*
Research & Development expenses		*30*	*31*	*216*	*218*
Other operating expenses (income)		*12*	*(4)*	*88*	*(30)*
Total operating expenses		440	*433*	3,161	3,076
% of revenue		*21.0%*	*20.6%*	*21.0%*	*20.6%*
Operating income (EBIT)		**181**	**124**	**1,297**	**880**
% of revenue		*8.6%*	*5.9%*	*8.6%*	*5.9%*
Financial expenses		136	139	977	990
Income (loss) before taxes		**45**	**(16)**	**320**	**(110)**
Taxes on Income		(5)	55	-34	391
Net income (loss)		**49**	**(71)**	**354**	**(501)**
% of revenue		*2.4%*	*(3.4%)*	*2.4%*	*(3.4%)*
Adjustments		61	55	435	393
Reported net loss		**(11)**	**(126)**	**(80)**	**(895)**
% of revenue		*(0.5%)*	*(6%)*	*(0.5%)*	*(6%)*
Adjusted EBITDA		**310**	**252**	**2,226**	**1,789**
% of revenue		*14.8%*	*12.0%*	*14.8%*	*12.0%*
Adjusted EPS[5]	– Basic	*0.0212*	*(0.0303)*	*0.1521*	*(0.2152)*
	– Diluted	*0.0212*	*(0.0303)*	*0.1521*	*(0.2152)*
Reported EPS[4]	– Basic	*(0.0048)*	*(0.0541)*	*(0.0345)*	*(0.3841)*
	– Diluted	*(0.0048)*	*(0.0541)*	*(0.0345)*	*(0.3841)*

[4] 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”.
[5] The number of shares used to calculate both basic and diluted earnings per share in both H1 2025 and 2024 is 2,329.8 million shares.

Abridged Consolidated Balance Sheet

	June 30 2025 USD (m)	June 30 2024 USD (m)	June 30 2025 RMB (m)	June 30 2024 RMB (m)
Assets				
Current assets:				
Cash at bank and on hand	489	561	3,497	3,995
Bills and accounts receivable	1,249	1,314	8,942	9,368
Inventories	1,622	1,728	11,613	12,316
Other current assets, receivables and prepaid expenses	355	279	2,542	1,986
Total current assets	**3,715**	**3,882**	**26,595**	**27,665**
Non-current assets:				
Fixed assets, net	1,610	1,754	11,522	12,499
Rights of use assets	74	81	528	576
Intangible assets, net	1,346	1,407	9,635	10,027
Deferred tax assets	212	203	1,518	1,449
Other non-current assets	127	89	906	638
Total non-current assets	**3,368**	**3,534**	**24,109**	**25,189**
Total assets	**7,083**	**7,416**	**50,703**	**52,854**
Liabilities				
Current liabilities:				
Loans and credit from banks and other lenders	1,187	928	8,498	6,611
Bills and accounts payable	831	761	5,946	5,424
Other current liabilities	856	794	6,132	5,659
Total current liabilities	**2,873**	**2,483**	**20,576**	**17,695**
Long-term liabilities:				
Loans and credit from banks and other lenders	244	406	1,746	2,892
Debentures	719	960	5,147	6,844
Deferred tax liabilities	36	41	251	292
Employee benefits	77	80	542	572
Other long-term liabilities	494	502	3,536	3,578
Total long-term liabilities	**1,569**	**1,989**	**11,222**	**14,177**
Total liabilities	**4,442**	**4,472**	**31,798**	**31,872**
Equity				
Total equity	**2,641**	**2,944**	**18,905**	**20,982**
Total liabilities and equity	**7,083**	**7,416**	**50,703**	**52,854**

Numbers may not sum due to rounding

Abridged Consolidated Cash Flow Statement for the Second Quarter of 2025

	Q2 2025 USD (m)	Q2 2024 USD (m)	Q2 2025 RMB (m)	Q2 2024 RMB (m)
Cash flow from operating activities:				
Cash flow from operating activities	271	347	1,946	2,466
Cash flow from operating activities	**271**	**347**	**1,946**	**2,466**
Investing activities:				
Acquisitions of fixed and intangible assets	(38)	(47)	(273)	(332)
Net cash received from disposal of fixed assets, intangible assets and others	1	4	4	27
Payment in respect of business combination	(8)	-	(56)	-
Other investing activities	(7)	(5)	(48)	(37)
Cash flow used for investing activities	**(52)**	**(48)**	**(373)**	**(342)**
Financing activities:				
Receipt of loans from banks and other lenders	200	21	1,435	151
Repayment of loans from banks and other lenders	(366)	(198)	(2,635)	(1,410)
Interest payment and other	(53)	(59)	(381)	(419)
Other financing activities	(43)	(26)	(309)	(184)
Cash flow used for financing activities	**(263)**	**(262)**	**(1,890)**	**(1,861)**
Effects of exchange rate movement on cash and cash equivalents	1	2	(3)	29
Net change in cash and cash equivalents	**(43)**	**39**	**(321)**	**292**
Cash and cash equivalents at the beginning of the period	507	519	3,637	3,679
Cash and cash equivalents at the end of the period	**463**	**557**	**3,316**	**3,971**
Free Cash Flow	**176**	**245**	**1,266**	**1,740**

Abridged Consolidated Cash Flow Statement for the First Half of 2025

	H1 2025 USD (m)	H1 2024 USD (m)	H1 2025 RMB (m)	H1 2024 RMB (m)
Cash flow from operating activities:				
Cash flow from operating activities	242	243	1,739	1,731
Cash flow from operating activities	**242**	**243**	**1,739**	**1,731**
Investing activities:				
Acquisitions of fixed and intangible assets	(82)	(113)	(590)	(800)
Net cash received from disposal of fixed assets, intangible assets and others	2	4	17	30
Payment in respect of business combination	(8)	-	(56)	-
Other investing activities	(1)	(6)	(6)	(45)
Cash flow used for investing activities	**(88)**	**(115)**	**(635)**	**(815)**
Financing activities:				
Receipt of loans from banks and other lenders	336	193	2,415	1,369
Repayment of loans from banks and other lenders	(432)	(393)	(3,107)	(2,792)
Interest payments and other	(73)	(83)	(527)	(587)
Other financing activities	(20)	23	(147)	165
Cash flow used for financing activities	**(190)**	**(260)**	**(1,367)**	**(1,845)**
Effects of exchange rate movement on cash and cash equivalents	1	2	(5)	42
Net change in cash and cash equivalents	**(35)**	**(129)**	**(268)**	**(886)**
Cash and cash equivalents at the beginning of the period	499	686	3,584	4,857
Cash and cash equivalents at the end of the period	**463**	**557**	**3,316**	**3,971**
Free Cash Flow	**90**	**51**	**651**	**364**

Numbers may not sum due to rounding

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 June 30, 2025 and 2024 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 disposal 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

	Q2 2025 USD (m)	Q2 2024 USD (m)	Q2 2025 RMB (m)	Q2 2024 RMB (m)
Reported Net Loss	**(32)**	**(94)**	**(232)**	**(667)**
<u>Adjustments to COGS & Operating Expenses:</u>				
1. Amortization of acquisition-related PPA and other acquisition related costs	4	4	26	28
2. Amortization of Transfer assets received and written-up due to 2017 ChemChina-Syngenta transaction (non-cash)	5	5	39	36
3. Cleanup and remediation costs for plants in Israel	7	11	48	78
4. ASBEs classifications COGS impact	(26)	(29)	(190)	(208)
5. ASBEs classifications OPEX impact	26	29	190	208
6. Restructuring and advisory costs	13	4	94	26
7. Other	1	1	5	6
8. Provisions such as legal claims, registration impairment and update of registration depreciation	-	44	-	312
Total Adjustments to Operating Income (EBIT)	**29**	**69**	**212**	**488**
Total Adjustments to EBITDA	**20**	**44**	**144**	**312**
<u>Adjustments to Financing Expenses:</u>				
9. Non-cash adjustment related to put options revaluation	0	(34)	(3)	(238)
10. Repurchase of debentures by a controlled subsidiary	9	-	68	-
12. Other financing expenses	0	7	3	48
<u>Adjustments to Taxes:</u>				
Taxes impact	(1)	(9)	(8)	(62)
Total adjustments to Net Loss	**38**	**33**	**271**	**235**
Adjusted Net Income (Loss)	**6**	**(61)**	**40**	**(432)**

	H1 2025 USD (m)	H1 2024 USD (m)	H1 2025 RMB (m)	H1 2024 RMB (m)
Reported Net loss	**(11)**	**(126)**	**(80)**	**(895)**
Adjustments to COGS & Operating Expenses:				
1. Amortization of acquisition-related PPA and other acquisition related costs	7	8	52	54
2. Amortization of Transfer assets received and written-up due to 2017 ChemChina-Syngenta transaction (non-cash)	11	10	78	72
3. Cleanup and remediation costs for plants in Israel	7	11	48	78
4. ASBEs classifications COGS impact	(56)	(59)	(405)	(421)
5. ASBEs classifications OPEX impact	56	59	405	421
6. Restructuring and advisory costs	29	15	209	107
7. Other	1	2	10	12
8. Provisions such as legal claims, registration impairment and update of registration depreciation	-	44	-	312
Total Adjustments to Operating Income (EBIT)	**55**	**89**	**397**	**635**
Total Adjustments to EBITDA	**36**	**55**	**262**	**394**
Adjustments to Financing Expenses:				
9. Non-cash adjustment related to put option revaluation	3	(33)	20	(233)
10. Repurchase of debentures by a controlled subsidiary	9	-	68	-
11. Arbitration decision related to a controlled subsidiary	(4)	-	(32)	-
12. Other financing expenses	(1)	8	(8)	59
Adjustments to Taxes:				
Taxes impact	(2)	(10)	(11)	(68)
Total adjustments to Net loss	**61**	**55**	**435**	**393**
Adjusted Net Income (Loss)	**49**	**(71)**	**354**	**(501)**

Notes:

1. **Amortization of acquisition-related PPA 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. **Cleanup and remediation costs for plants in Israel**: a wholly-owned indirect subsidiary of the Company recorded remediation costs for its plants in Israel in 2025 and 2024.
4. & 5. **ASBEs classifications COGS impact:** according to the ASBE guidelines [IAS 37], certain items (specifically certain transportation costs) are classified under COGS.

6. **Restructuring and advisory 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 and advisory costs.
7. **Other:** Mainly attributable to accelerated depreciation associated with facilities upgrade.
8. **Provisions such as legal claims, registration impairment and update of registration depreciation**: Legal claims related to product liabilities was settled and incurred expenses in 2024. Registration impairment and update of registration depreciation is mainly related to the management's strategic decision in 2024 to increase focus on products in line with the optimization of the Company's portfolio, and hence to focus on the quality of business to achieve a better sales mix of higher margin products.
9. **Non-cash adjustment related to put options revaluation:** expenses/income due to revaluation of put options attributed to minority stake in subsidiaries
10. **Repurchase of debentures by a controlled subsidiary**: As part of strengthening its debt structure, a subsidiary of the Company repurchased a significant part of its bond principal in the second quarter for the purpose of improving its long-term financing structure and efficiency. A loss was recorded due to the premium between the buyback price and its issuance price. As the repurchase was completed late in the quarter, the impacts on improving the financial costs were minor during the reporting periods.
11. **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

	June 30			Q2 Average			H1 Average		
	2025	2024	Change	2025	2024	Change	2025	2024	Change
EUR/USD	1.173	1.069	9.67%	1.134	1.08	5.41%	1.091	1.081	0.96%
USD/BRL	5.457	5.559	1.83%	5.666	5.22	-8.61%	5.756	5.085	-13.19%
USD/PLN	3.616	4.032	10.31%	3.757	4.00	6.01%	3.877	3.994	2.94%
USD/ZAR	17.794	18.448	3.55%	18.285	18.58	1.57%	18.388	18.736	1.86%
AUD/USD	0.653	0.663	-1.49%	0.641	0.66	-2.78%	0.634	0.658	-3.71%
GBP/USD	1.371	1.264	8.50%	1.335	1.26	5.81%	1.296	1.265	2.43%
USD/ILS	3.372	3.759	10.30%	3.584	3.73	3.95%	3.599	3.696	2.63%
USD L 3M	4.30%	5.32%	-19.33%	4.30%	5.33%	-19.37%	4.30%	5.32%	-19.25%

	June 30			Q2 Average			H1 Average		
	2025	2024	Change	2025	2024	Change	2025	2024	Change
USD/RMB	7.159	7.127	0.45%	7.191	7.108	1.18%	7.840	7.105	10.34%
EUR/RMB	8.397	7.622	10.16%	8.158	7.650	6.65%	7.840	7.681	2.07%
RMB/BRL	0.762	0.780	2.27%	0.788	0.762	-3.36%	0.801	0.716	-11.95%
RMB/PLN	0.505	0.568	11.11%	0.522	0.596	12.37%	0.540	0.619	12.77%
RMB/ZAR	0.402	0.386	-4.14%	0.393	0.383	-2.79%	0.391	0.381	-2.63%
AUD/RMB	4.677	4.727	-1.05%	4.607	4.683	-1.63%	4.554	4.678	-2.64%
GBP/RMB	9.816	9.007	8.98%	9.602	8.969	7.06%	9.309	8.989	3.56%
RMB/ILS	0.471	0.527	10.69%	0.498	0.525	5.07%	0.501	0.520	3.70%
RMB L 3M	1.630%	1.92%	-14.97%	1.700%	1.991%	-14.63%	1.754%	2.135%	-17.83%