

Stock Code: 000553(200553) Stock Abbreviation: ADAMA A(B) Announcement No. 2023-35

The Company and all members of its board of directors hereby confirm that all information disclosed herein is true, accurate and complete with no false or misleading statement or material omission.



ADAMA LTD.

THIRD QUARTER REPORT 2023

ADAMA Ltd. (hereinafter referred to as “**the Company**”) 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.

Please see important additional information and further details included in the Annex.

October 2023

Important Notice

The Company's Board of Directors, Board of Supervisors, directors, supervisors and senior managers confirm that the content of the Report is true, accurate and complete and contains no false statements, misleading presentations or material omissions, and assume joint and several legal liability arising therefrom.

Steve Hawkins, the person leading the Company (President and Chief Executive Officer) as well as its legal representative, and Efrat Nagar, the person leading the accounting function (Chief Financial Officer), hereby assert and confirm the truthfulness, accuracy and completeness of the Financial Report.

The Third Quarter Report has not been audited.

This Report has been prepared in both Chinese and English. Should there be any discrepancy between the two versions, the Chinese version shall prevail.

I. Main accounting and financial results

1. Whether the Company performs any retroactive adjustments to, or restatements of, its accounting data of last year due to change in accounting policies or correction of accounting errors

Yes No

	July - September 2023	+/- (%)	January - September 2023	+/- (%)
Operating revenues (RMB'000)	7,406,903	-20.20%	24,660,104	-12.17%
Net profit (loss) attributable to shareholders of the Company (RMB'000)	(800,317)	-2,320.27%	(1,042,473)	-235.71%
Net profit (loss) attributable to shareholders of the Company excluding non-recurring profit and loss (RMB'000)	(818,268)	-18,897.79%	(1,123,234)	-270.35%
Net cash flow from operating activities (RMB'000)	590,706	377.54%	525,830	133.74%
Basic EPS (RMB/share)	(0.3435)	-2,316.19%	(0.4474)	-235.70%
Diluted EPS (RMB/share)	N/A	N/A	N/A	N/A
Weighted average return on net assets	-3.46%	-3.62%	-4.55%	-7.99%
	End of Reporting Period	End of last year	+/- (%)	
Total assets (RMB'000)	58,239,864	57,980,489	0.45%	
Net assets attributable to shareholders (RMB'000)	22,642,235	23,124,655	-2.09%	

2. Non-Recurring profit/loss

√ Applicable Not applicable

Unit: RMB'000

Item	July - September 2023	January - September 2023	Note
Gains/losses on the disposal of non-current assets (including the offset part of asset impairment provisions)	4,820	28,222	
Government grants recognized through profit or loss (excluding government grants closely related to business of the Company and given at a fixed quota or amount in accordance with government's uniform standards)	4,401	23,454	
Recovery or reversal of provision for bad debts which is assessed individually during the years	17,395	44,720	
Other non-operating income and expenses other than the above	1,724	15,293	
Other profit or loss that meets the definition of non-recurring profit or loss	(2,149)	(4,900)	Mainly provision for early retirement plan of employees at the Company's Israeli manufacturing facilities.
Less: Income tax effects	8,240	26,028	
Total	17,951	80,761	

Explanation of other profit or loss that meets the definition of non-recurring profit or loss

√ Applicable Not applicable

Mainly provisions for early retirement plan of employees at the Company's Israeli manufacturing facilities as explained above in the note.

Explanation of why the Company classified an item as non-recurring profit/loss according to the definition in the Explanatory Announcement No. 1 on Information Disclosure for Companies Offering their Securities to the Public. Non-recurring Profit and Loss, and reclassified any non-recurring profit/loss items are given as examples in the said explanatory announcement to recurrent profit/loss

 Applicable √ Not applicable

No such cases in the Reporting Period.

3. Changes in main accounting statement items and financial indicators in the Reporting Period, as well as reasons for the changes

√ Applicable Not applicable

General Crop Protection (CP) Market Environment¹

High crop protection channel inventories across all geographies due to channel loading in 2022 continued to negatively impact channel consumption over Q3 2023. In addition, the distribution channel is opting to buy crop inputs on a "just in time" basis and striving to carry minimal inventory given wide high interest rate environment outside China and abundant supply of CP products. As a result, customers are buying much closer to the season, leading to a phasing of purchases into later quarters vs last year. The Brazilian CP market, the largest crop protection market, was down significantly in USD terms², mostly driven by lower volumes. This trend, coupled with the ongoing decline in Active Ingredients prices coming out of China, is also putting pressure on commodity crop protection prices.

Over Q3 2023 the price trend of crop commodities continued to be mixed. Farmer CP consumption remained positive across most regions supported by strong planted area.

Update on the War Situation in Israel

On October 7th 2023, an unprecedented attack was launched against Israel, which thrust Israel into a state of war.

ADAMA is headquartered in Israel and has three manufacturing sites in the country. ADAMA is continuing the production in its manufacturing sites in Israel, with certain non-significant restrictions, and globally and, at this time, does not expect this situation to have a material impact on ADAMA's ability to support its markets or on ADAMA's consolidated financial results.

ADAMA continues to monitor the situation closely and support its people through these challenging times.

	January - September 2023 (000'RMB)	Same period last year (000'RMB)	+/-%	January - September 2023 (000'USD)	Same period last year (000'USD)	+/-%
Operating income (Revenues)	24,660,104	28,077,814	-12.17%	3,524,283	4,257,997	-17.23%
Cost of goods sold	19,435,730	20,838,317	-6.73%	2,775,876	3,159,552	-12.14%
Sales & Marketing expenses	3,206,154	3,231,093	-0.77%	457,749	489,682	-6.52%
General & Administrative expenses	713,482	972,450	-26.63%	101,885	147,192	-30.78%
R&D expenses	372,361	415,855	-10.46%	53,240	63,027	-15.53%
Financial Expenses	686,670	132,048	420.02%	97,891	15,496	531.72%
Gain (loss) from Changes in Fair Value	(1,068,797)	(1,364,883)	-21.69%	(152,786)	(210,040)	-27.26%
Total Net Financial Expenses	1,755,467	1,496,931	17.27%	250,677	225,536	11.15%
Total profits (loss)	(1,104,176)	901,110	-222.54%	(154,701)	138,853	-211.41%

¹ Sources: Rabobank, Agri Commodity Markets Research, Sep 2023; Agbiolnvestor-Quarterly-Briefing-Service-PLUS_Q3-2023;

² Year-to-date as of Aug 2023, Source: Brazil Industry Panel

	January - September 2023 (000'RMB)	Same period last year (000'RMB)	+/-%	January - September 2023 (000'USD)	Same period last year (000'USD)	+/-%
Income tax expenses (income)	(61,703)	132,966	-146.41%	(8,894)	20,121	-144.20%
Net profit (loss) attributable to shareholders of the Company	(1,042,473)	768,144	-235.71%	(145,807)	118,732	-222.80%
EBITDA	2,209,544	3,983,221	-44.53%	318,310	604,598	-47.35%

	Q3 2023 (000'RMB)	Q3 2022 (000'RMB)	+/-%	Q3 2023 (000'USD)	Q3 2022 (000'USD)	+/-%
Operating income (Revenues)	7,406,903	9,281,986	-20.20%	1,032,600	1,359,044	-24.02%
Cost of goods sold	6,077,003	7,015,562	-13.38%	847,196	1,027,235	-17.53%
Sales & Marketing expenses	1,044,955	1,072,004	-2.52%	145,675	156,961	-7.19%
General & Administrative expenses	252,336	330,137	-23.57%	35,177	48,309	-27.18%
R&D expenses	109,983	141,117	-22.06%	15,335	20,664	-25.79%
Financial Expenses	230,815	570,273	-59.53%	32,164	83,487	-61.47%
Gain (loss) from Changes in Fair Value	(286,579)	(23,165)	1,137.12%	(39,952)	(3,392)	1,077.83%
Total Net Financial Expenses	517,394	593,438	-12.81%	72,116	86,879	-16.99%
Total profits (loss)	(785,587)	67,736	-1,259.78%	(109,501)	9,918	-1,204.06%
Income tax expenses	14,730	31,690	-53.52%	2,054	4,639	-55.72%
Net profit (loss) attributable to shareholders of the Company	(800,317)	36,046	-2,320.27%	(111,555)	5,279	-2,213.18%
EBITDA	268,554	1,211,159	-77.83%	37,444	177,324	-78.88%

Note: Since the functional currency of main overseas subsidiaries is the USD, and the Company's management review of the Company's performance is based on the USD results, following explanations and analysis are based on USD-denominated numbers as listed above.

Analysis of Financial Highlights

(1) Revenues

Revenues in the third quarter declined by approximately 24% (-20% in RMB terms; -25% in CER terms) to \$1,033 million, reflecting a decrease of 12% in volumes and a decrease of 13% in prices. 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.

These results brought the revenues in the first nine months of 2023 to \$3,524 million, a decline of approximately

17% (-12% in RMB terms; -15% in CER terms), reflecting a decrease of 10% in volumes and a decrease of 5% in prices. This is in comparison to the record sales the Company achieved in 2022, which reflected the high demand due to supply uncertainty in the market.

Regional Sales Performance

	Q3 2023 \$m	Q3 2022 \$m	Change USD	9M 2023 \$m	9M 2022 \$m	Change USD
Europe, Africa & Middle East (EAME)*	235	257	-8.8%	999	1,051	-4.9%
North America	133	174	-23.9%	568	736	-22.8%
Latin America	350	548	-36.1%	912	1,161	-21.4%
Asia Pacific	315	380	-17.0%	1,044	1,310	-20.3%
Of which China	130	156	-16.5%	453	605	-25.1%
Total	1,033	1,359	-24.0%	3,524	4,258	-17.2%

* 2022 denote proforma sales. As of 2023, the India, Middle East & Africa (IMA) region has been reorganized such that the countries formerly included in this region are now included in the Europe region (renamed EAME) or in the Asia Pacific region.

Note: the numbers in this table may not sum due to rounding.

Europe, Africa & Middle East (EAME): Sales in EAME decreased in the third quarter and nine-month period following overall crop protection market slow down leading to lower volumes and pressure on prices. In Europe this trend was particularly notable in Northern Europe with high channel inventory and in Central Europe, where cheap grain from Ukraine impacted farmers' investments in crops. The Company succeeded in increasing its sales in France, Italy and Iberia following weak seasons last year and with the company seizing opportunities in the cereal market in France.

North America: Consumer & Professional Solutions - Sales in the third quarter and nine-month period were impacted by softening demand both in the consumer and professional solutions markets following a decline in disposable income, an outcome of inflationary pressures and high interest rates, and high channel inventories. Additionally, sales shifted from the third quarter to the fourth quarter to align with season use.

In the US Ag market sales in the third quarter and the nine-month period declined reflecting the overall dynamic of the channel lowering inventory levels due to high interest rates with demand focusing on "just-in-time" supply from producers.

Sales in Canada were significantly impacted in the third quarter among others due to the negative effect of the weather on fungicide sales and pricing pressure. In the nine-month period the decline in sales was more moderate as the sales were supported by the strong performance in the first half of the year following expansion of the Company's portfolio during 2022 and relatively stable pricing in the market.

Latin America: Brazil - CP market contraction, characterized by channel destocking and softening pricing, led to a decline in the company's sales in the third quarter and nine-month period.

In the rest of **LATAM**, sales in the third quarter and nine-month period decreased, following pressure on prices and dryer weather than expected. This is despite the strong performance of the biologicals portfolio and gaining market share in some key countries.

Asia-Pacific: In China, the market is experiencing oversupply and pricing pressure impacting both the branded formulation

and non-ag sales, partially offset by the increase of AI sales as a result of active efforts to expand the markets and customers along with the Sanonda Jingzhou site reaching high utilization after relocation.

Sales in the wider **APAC** and in **India** decreased in the third quarter and first nine-month period despite an increase in volumes sold in Asia and Pacific regions. Sales were negatively impacted by pressure on prices, especially in Australia and India with the beginning of El Niño and a weak monsoon season.

(2) Cost of Goods and Gross Profit

The decline in the gross profit in the first nine months was due to the decline in sales, as described above, high-cost inventory and negative exchange rates moderated by lower transportation and logistics costs. In the third quarter, these impacts had a higher adverse effect, though moderated by lower transportation and logistics costs and slightly moderated by the positive impact of exchange rates and the initial effect of new inventory sold, priced at market levels.

(3) Operating Expenses:

Operating expenses include Sales and Marketing, General and Administration and R&D.

The Company recorded certain non-operational charges within its operating expenses amounting to RMB 49 million (\$7 million) in Q3 2023 in comparison to RMB 20 million (\$3 million) in Q3 2022, and RMB 153 million (\$22 million) in 9M 2023 in comparison to RMB 202 million (\$31 million) in 9M 2022, mainly as follows:

(i) Non-cash amortization charges in respect of Transfer assets received and written-up related to the 2017 ChemChina-Syngenta acquisition. 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, the Divestment and Transfer transactions 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; (ii) Charges 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; and (iii) Incentive plans - share-based compensation.

Excluding the impact of the abovementioned non-operational items, the lower operating expenses in the third quarter and first nine-month period of 2023 were mainly due to OPEX management measures, an adjustment of a provision for success-based compensation and the positive impact of exchange rates. Additionally, in the first nine months year of 2022 the Company recorded a provision for doubtful debts in Ukraine.

(4) Financial Expenses

“Financial Expenses” alone mainly reflect interest payments on corporate bonds and bank loans as well as foreign exchange gains/losses on the bonds and other monetary assets and liabilities before the Company carries out any hedging.

The impact of Financial Expenses (before hedging) is an expense of RMB 687 million (\$98 million) for the nine months of 2023 compared with an expense of RMB 132 million (\$15 million) for the corresponding period in 2022. Given the global nature of its operational activities and the composition of its assets and liabilities, the Company, in the ordinary course of its business, uses foreign currency derivatives (forwards and options) to hedge the cash flow risks associated with existing monetary assets and liabilities that may be affected by exchange rate fluctuations.

“Gains/Losses from Changes in Fair Value” amounted to a net loss of RMB 1,069 million (\$153 million) in the

first nine months of 2023, mainly due to hedging transactions, compared with a net loss of RMB 1,365 million (\$210 million) in the corresponding period in 2022

The aggregate of Financial Expenses and Gains/Losses from Changes in Fair Value (hereinafter as "Total Net Financial Expenses"), which more comprehensively reflects the financial expenses of the Company in supporting its main business and protecting its monetary assets/liabilities, amounts to RMB 1,755 million (\$251 million) in the nine months of 2023 compared with RMB 1,497 million (\$226 million) in the corresponding period in 2022.

The higher Total Net Financial Expenses were mainly due to higher bank interest expenses as stated above partially offset by lower bond interest and CPI.

(5) Credit and Asset Impairment Loss

During the first nine months of 2023, the Company recorded provisions for asset and credit loss impairments totaling RMB 275 million (approximately \$39 million). These provisions are mainly related to impairment of inventories mainly due to the decline in the market price of certain products and other inventory management issues part of the ordinary course of the Company's business and credit loss impairment of accounts receivables made during the ordinary course of the Company's business. For details, please refer to Asset Impairment Announcement (Announcement No. 2023-36) disclosed on October 31, 2023 at cninfo.com.

(6) Income Tax Expenses

Despite reaching losses before tax, the Company recorded tax expenses in the third quarter and recorded a low tax income in the first nine-month period of 2023, mainly because the generation of the losses were primarily by subsidiaries with relatively lower tax rates than the subsidiaries that generated profit. Additionally, in the third quarter the company recorded tax expenses due to the non-cash impact of the weakness of the BRL in the third quarter that effect the value of non-monetary tax assets. In the first nine months of 2022, the company recognized a high deferred tax asset, related to inter-group sales, that led to a decline in the tax on income.

Changes in main assets and liabilities

Unit: RMB'000

Assets and liabilities	End of Reporting Period	End of last year	+/- (%)	Explanation
Cash at bank and on hand	5,294,442	4,290,961	23.39%	Additional financing and less procurement
Derivative financial assets	308,208	233,809	31.82%	Changes due to revaluation of derivatives
Other receivables	684,280	1,021,824	-33.03%	Mainly decrease in receivables in respect of securitization transaction
Inventories	15,283,558	16,927,241	-9.71%	Decrease in the procurement of goods
Deferred tax assets	1,758,080	1,347,263	30.49%	Mainly due to losses carried forward
Short-term loans	6,513,139	3,342,921	94.83%	Supporting the on-going business activities
Derivative financial liabilities	792,872	545,516	45.34%	Changes due to revaluation of derivatives
Bills payable	469,390	1,114,775	-57.89%	Decrease in the procurement of goods
Accounts payable	4,727,821	7,527,269	-37.19%	Decrease in the procurement of goods
Employee benefits payable	847,842	1,370,786	-38.15%	Adjustment of a provision for success-based compensation
Other payables	2,422,564	1,611,282	50.35%	Mainly increase liabilities in respect of securitization transaction and accrued expenses for interests
Other non-current liabilities	2,389,178	1,255,875	90.24%	Increase in loan from related party

II. Information regarding the Shareholders

1. Total number of ordinary shareholders and preference shareholders who had resumed their voting rights, and shareholdings of top 10 shareholders at the period-end

Unit: share

Total number of ordinary shareholders at the end of the Reporting Period	41,822 (the number of ordinary A share shareholders is 28,918; the number of B share shareholders is 12,904)	Total number of preference shareholders who had resumed their voting right at the end of the Reporting Period (if any)	0			
Shareholdings of top 10 shareholders						
Name of shareholder	Nature of shareholder	Shareholding percentage	Number of shares held	Number of restricted shares held	Pledged or frozen shares	
					Status	Number
Syngenta Group Co., Ltd.	State-owned legal person	78.47%	1,828,137,961	--	--	--
China Cinda Asset Management Co., Ltd.	State-owned legal person	1.34%	31,115,916	--	--	--
Bosera Funds-China Merchants Bank-Bosera Funds Xincheng No.2 Collective Asset	Others	0.28%	6,500,000	--	--	--

Management Plan						
Wu Feng	Domestic Natural Person	0.26%	6,156,969	--	--	--
Bosera Funds-Postal Savings Bank- Bosera Funds Xincheng No.3 Collective Asset Management Plan	Others	0.26%	6,000,000	--	--	--
Zhu Shenglan	Domestic Natural Person	0.25%	5,756,000	--	--	--
Hong Kong Securities Clearing Company Ltd. (HKSCC)	Overseas Legal Person	0.24%	5,566,301			
China Universal Asset Management Fund-Industrial Bank-CUAM-Strategic Enhancement No.3 Collective Asset Management Plan	Others	0.19%	4,400,000	--	--	--
Qichun County State-owned Assets Supervision and Administration Bureau	State-owned Legal Person	0.18%	4,169,266	--	--	--
Bosera Funds-Postal Savings Bank- Bosera Funds Xincheng No.4 Collective Asset Management Plan	Others	0.17%	4,000,000	--	--	--

Shareholdings of top 10 non-restricted shareholders

Name of shareholder	Number of non-restricted shares held at the period-end	Type of shares	
		Type	Number
Syngenta Group Co., Ltd.	1,828,137,961	RMB ordinary share	1,828,137,961
China Cinda Asset Management Co., Ltd.	31,115,916	RMB ordinary share	31,115,916
Bosera Funds-China Merchants Bank- Bosera Funds Xincheng No.2 Collective Asset Management Plan	6,500,000	RMB Ordinary Share	6,500,000
Wu Feng	6,156,969	RMB Ordinary Share	6,156,969
Bosera Funds-Postal Savings Bank- Bosera Funds Xincheng No.3 Collective Asset Management Plan	6,000,000	RMB Ordinary Share	6,000,000
Zhu Shenglan	5,756,000	RMB Ordinary Share	5,756,000
Hong Kong Securities Clearing Company Ltd. (HKSCC)	5,566,301	RMB Ordinary Share	5,566,301
China Universal Asset Management Fund-Industrial Bank-CUAM-Strategic Enhancement No.3 Collective Asset Management Plan	4,400,000	RMB Ordinary Share	4,400,000
Qichun County State-owned Assets Supervision and Administration Bureau	4,169,266	RMB Ordinary Share	4,169,266
Bosera Funds-Postal Savings Bank- Bosera Funds Xincheng No.4 Collective Asset Management Plan	4,000,000	RMB Ordinary Share	4,000,000

Related or act-in-concert parties among the shareholders above
 Syngenta Group Co., Ltd. is not a related party or acting-in-concert party as prescribed in the *Administrative Methods for Acquisition of Listed Companies* to other shareholders. It is unknown to the Company whether shareholders above are related parties or acting-in-concert parties as prescribed in the *Administrative Methods for Acquisition of Listed Companies*.

Top 10 ordinary shareholders
 Shareholder Wu Feng held 4,776,243 shares of the Company through an ordinary

conducting securities margin trading	securities trading account and 1,380,726 shares of the Company through a credit collateral securities trading account, the total sum of which is 6,156,969 shares. Shareholder Zhu Shenglan held 5,756,000 shares of the Company through a credit collateral securities trading account.
--------------------------------------	--

2. Total number of preference shareholders and shareholdings of the top 10 of such at the period-end

Applicable Not applicable

III. Other Significant Events

Applicable Not applicable

IV. Financial Statements

i. Financial Statements

1. Consolidated balance sheet

Prepared by ADAMA Ltd.

30 September 2023

Unit: RMB'000

Item	September 30, 2023	December 31, 2022	Item	September 30, 2023	December 31, 2022
Current assets:			Current liabilities:		
Cash at bank and on hand	5,294,442	4,290,961	Short-term loans	6,513,139	3,342,921
Financial assets held for trading	1,881	1,685	Derivative financial liabilities	792,872	545,516
Derivative financial assets	308,208	233,809	Bills payable	469,390	1,114,775
Bills receivable	129,839	112,297	Accounts payable	4,727,821	7,527,269
Accounts receivable	8,655,994	9,018,375	Contract liabilities	1,657,021	1,776,573
Receivables financing	191,102	63,639	Employee benefits payable	847,842	1,370,786
Prepayments	348,360	341,102	Taxes payable	419,240	459,574
Other receivables	684,280	1,021,824	Other payables	2,422,564	1,611,282
Inventories	15,283,558	16,927,241	Non-current liabilities due within one year	2,519,292	2,262,131
Other current assets	1,117,735	1,129,688	Other current liabilities	748,337	703,794
Total current assets	32,015,399	33,140,621	Total current liabilities	21,117,518	20,714,621
Non-current assets:			Non-current liabilities:		
Long-term receivables	73,126	82,510	Long-term loans	3,037,852	3,662,870
Long-term equity investments	28,955	26,368	Debentures payable	7,199,797	7,353,511
Other equity investments	163,503	158,341	Lease liabilities	506,316	431,076
Investment properties	22,554	3,168	Long-term accounts payable	102,463	107,686
Fixed assets	9,386,997	8,952,184	Long-term employee benefits payables	648,046	792,153
Construction in progress	3,241,534	2,961,401	Provisions	291,561	222,181
Right-of-use assets	646,491	555,889	Deferred tax liabilities	304,898	315,861
Intangible assets	5,392,647	5,342,754	Other non-current liabilities	2,389,178	1,255,875
Goodwill	5,068,366	4,805,157	Total non-current liabilities	14,480,111	14,141,213
Deferred tax assets	1,758,080	1,347,263	Total liabilities	35,597,629	34,855,834
Other non-current assets	442,212	604,833	Shareholders' equity:		
Total non-current assets	26,224,465	24,839,868	Share capital	2,329,812	2,329,812
Total assets	58,239,864	57,980,489	Capital reserves	12,950,464	12,986,333
			Other comprehensive income	1,829,985	1,080,590
			Special reserves	16,852	15,818
			Surplus reserves	242,498	242,498
			Retained earnings	5,272,624	6,469,604
			Total equity attributed to the shareholders of the company	22,642,235	23,124,655
			Non-controlling interests	-	-
			Total equity	22,642,235	23,124,655
			Total liabilities and equity	58,239,864	57,980,489

Steve Hawkins

Legal representative

Efrat Nagar

Chief of the accounting work

Efrat Nagar

Chief of the accounting organ

2. Consolidated income statement for the period from the year-beginning to the end of the Reporting Period

Unit: RMB'000

Item	January-September, 2023	January-September, 2022
1. Total operating income	24,660,104	28,077,814
Less: Cost of sales	19,435,730	20,838,317
Taxes and surcharges	79,817	80,507
Selling and Distribution expenses	3,206,154	3,231,093
General and Administrative expenses	713,482	972,450
Research and Development expenses	372,361	415,855
Financial expenses	686,670	132,048
Including: Interest expense	873,611	525,681
Interest income	235,730	111,595
Add: Investment income, net	17,134	10,889
Including: Income from investment in associates and joint ventures	4,393	10,889
Loss from changes in fair value	(1,068,797)	(1,364,883)
Credit impairment losses	(46,205)	(97,785)
Asset Impairment losses	(228,926)	(132,121)
Gain from disposal of assets	26,971	62,491
2. Operating profit (loss)	(1,133,933)	886,135
Add: Non-operating income	61,910	38,257
Less: Non-operating expense	32,153	23,282
3. Total profit (loss)	(1,104,176)	901,110
Less: income tax expense (income)	(61,703)	132,966
4. Net profit (loss)	(1,042,473)	768,144
4.1 Classified by nature of operations		
4.1.1 Continuing operations	(1,042,473)	768,144
4.2 Classified by ownership		
4.2.1 Shareholders of the Company	(1,042,473)	768,144
4.2.2 Non-controlling interests	-	-
5. Other comprehensive income net of tax	749,395	1,797,634
Other comprehensive income net of tax attributable to shareholders of the Company	749,395	1,797,634
5.1 Items that will not be reclassified into profit/loss	15,564	75,796
5.1.1 Re-measurement of defined benefit plan liability	15,564	75,796
5.2 Items that were or will be reclassified to profit or loss	733,831	1,721,838
5.2.1 Effective portion of gains or loss of cash flow hedge	56,675	(24,433)
5.2.2 Translation differences of foreign financial statements	677,156	1,746,271
Other comprehensive income net of tax attributable to Non-controlling interests	-	-
6. Total comprehensive income (loss) for the period	(293,078)	2,565,778
Total comprehensive income (loss) attributable to shareholders of the Company	(293,078)	2,565,778
Total comprehensive income attributable to Non-controlling interests	-	-
7. Earnings (loss) per share		
7.1 Basic earnings (loss) per share (RMB/ share)	(0.4474)	0.3297
7.2 Diluted earnings per share (RMB/ share)	N/A	N/A

Steve Hawkins

Legal representative

Efrat Nagar

Chief of the accounting work

Efrat Nagar

Chief of the accounting organ

3. Consolidated cash flow statement for the period from the year-beginning to the end of the Reporting Period

Unit: RMB'000

Item	January-September, 2023	January-September, 2022
1. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	24,801,386	26,141,756
Refund of taxes and surcharges	120,349	240,522
Cash received relating to other operating activities	360,690	729,056
Sub-total of cash inflows from operating activities	25,282,425	27,111,334
Cash paid for goods and services	18,461,118	22,192,149
Cash paid to and on behalf of employees	3,439,222	3,130,092
Payments of taxes and surcharges	487,549	771,897
Cash paid relating to other operating activities	2,368,706	2,575,896
Sub-total of cash outflows from operating activities	24,756,595	28,670,034
Net cash flows from operating activities	525,830	(1,558,700)
2. Cash flows from investing activities:		
Cash receipts from disposal of investments	171,646	5,887
Cash received from investment income	4,637	1,588
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	36,850	71,850
Cash received for other investing activities	37,984	2,325
Sub-total of cash inflows from investing activities	251,117	81,650
Cash paid to acquire fixed assets, intangible assets and other long-term assets	1,706,970	1,968,585
Cash paid for acquisition of investments	2,843	-
Net cash paid to acquire subsidiaries or other business units	148,460	-
Cash paid for other investing activities	6,481	89,395
Sub-total of cash outflows from investing activities	1,864,754	2,057,980
Net cash flows from investing activities	(1,613,637)	(1,976,330)
3. Cash flows from financing activities:		
Cash received from borrowings	4,458,035	3,909,042
Cash received relating to other financing activities	1,191,050	26,750
Sub-total of cash inflows from financing activities	5,649,085	3,935,792
Cash repayment of borrowings	1,973,706	1,324,163
Cash payment for dividends, profit distributions or interest	915,438	571,867
Including: dividends paid to non-controlling interest	91,597	39,074
Cash paid relating to other financing activities	723,786	932,457
Sub-total of cash outflows from financing activities	3,612,930	2,828,487
Net cash flows from financing activities	2,036,155	1,107,305
4. Effect of foreign exchange rate changes on cash and cash equivalents	107,187	311,082
5. Net increase (decrease) in cash and cash equivalents	1,055,535	(2,116,643)
Add: Cash and cash equivalents at the beginning of the period	4,225,253	5,759,480
6. Cash and cash equivalents at the end of the period	5,280,788	3,642,837

ii. Impact of initial application of new accounting standards on the opening balances of current year

Applicable Not applicable

iii. Auditor's report

Is this Report audited?

Yes No

This Report is unaudited.

Board of Directors
ADAMA Ltd.
October 31, 2023