



ADAMA Reports First Quarter 2025 Results

Positive net profit reported for Q1 2025

BEIJING, CHINA and TEL AVIV, ISRAEL, April 28, 2025 – ADAMA Ltd. (the “Company”) (SZSE 000553), today reported its financial results for the first quarter ended March 31st, 2025.

First Quarter 2025 Highlights:

- **Sales** down 5% (-4% in RMB; -3% in CER) to \$1,000 million, mainly reflecting stable volume and 4% decrease in prices
- **Adjusted gross profit up 5%** to \$303 million, representing an improvement of gross margin from 27.2% in Q1 2024 to 30.3% in Q1 2025, mainly reflecting the benefits of lower costs
- **Adjusted EBITDA up 21%** to \$160 million representing an improvement of EBITDA margin from 12.5% in Q1 2024 to 16.0% in Q1 2025
- **Adjusted net income of \$44 million** compared to a loss of \$10 million in Q1 2024; Reported net income up to \$21 million from a loss of \$32 million in Q1 2024
- **Operating cash flow** improved by \$75 million; -\$29 million in Q1 2025 vs. -\$103 million in Q1 2024
- **Free cash flow** improved by \$108 million, -\$86 million in Q1 2025 vs. -\$194 million in Q1 2024

Gaël Hili, President and CEO of ADAMA, said, “I’m encouraged to see additional positive data, which can be attributed to the ongoing implementation of ADAMA’s *Fight Forward* strategic transformation plan. In addition to improved operational and free cash flow and continued growth of adjusted gross profit and EBITDA and their margins, in Q1 2025 we saw a positive quarterly net profit. I congratulate ADAMA’s team for their efforts to improve operational efficiencies. Despite challenging market conditions, I’m optimistic our recent achievements provide momentum towards further success as we focus on providing long-term value both to our investors and to farmers throughout the world.”



Table 1. Financial Performance Summary

USD (m)	As Reported			Adjustments		Adjusted		
	Q1 2025	Q1 2024	% Change	Q1 2025	Q1 2024	Q1 2025	Q1 2024	% Change
Revenues	1,000	1,057	(5%)	-	-	1,000	1,057	(5%)
Gross profit	272	256	6%	31	32	303	288	5%
% of sales	27.2%	24.2%				30.3%	27.2%	
Operating income (EBIT)	70	51	38%	26	21	96	72	34%
% of sales	7.0%	4.8%				9.6%	6.8%	
Income (loss) before taxes	18	(21)		23	23	42	2	2189%
% of sales	1.8%	(2.0%)				4.2%	0.2%	
Net Income (loss)	21	(32)		23	22	44	(10)	
% of sales	2.1%	(3.0%)				4.4%	(0.9%)	
EPS								
- USD	0.0090	(0.0138)				0.0188	(0.0042)	
- RMB	0.0649	(0.0977)				0.1350	(0.0297)	
EBITDA	144	120	19%	16	12	160	132	21%
% of sales	14.4%	11.4%				16.0%	12.5%	

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 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

Continuing the trend from 2024, key commodity crop prices remained subdued in Q1 2025, pressuring farmer income, despite some ease in the prices of inputs.

While channel inventory levels continue to ease following pandemic-era stockpiling, the high-interest rate environment coupled with ample product supply driven by significant over-capacity production of active ingredients in China, continue to contribute to low active ingredient (“AI”) prices and a just-in-time purchasing approach by the channel.¹

Portfolio Development Update

In Q1 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* 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.

¹ Sources: AgbiolInvestor Market Insight (February 2025), peer quarterly financial results, internal sources



In Q1 2025, **launches** of differentiated products included:

- **Cazado** in Canada: A novel OD herbicide formulation combining Pinoxaden and Thien carbazole-methyl, offering wheat growers the first in-crop solution to effectively control wild oats and proactively combat grassy weed resistance.
- **Prothioconazole-based Products Expansion:** ADAMA continued to extend its Prothioconazole-based portfolio, launching several combination and solo formulations across EU and other key markets. Products such as Forapro[®], Maganic, PYRADRA[®], AVASTEL[®], and Soratel[®] leverage ADAMA's proprietary Asorbital[®] Formulation Technology for enhanced uptake and systemic performance. Additionally, Maxentis[®]—a unique combination of Prothioconazole and Azoxystrobin—was introduced to provide broad-spectrum disease protection across multiple crops.
- **Gengfule** in China: A powerful pre-emergent herbicide combining S-metolachlor and Flumioxazin, utilizing TOV oil dispersion formulation technology to offer broad-spectrum weed control with significant residual effect.
- **Stemper** in the United Kingdom and Denmark: A Trinexapac-ethyl formulation that enhances crop resilience and lodging resistance, supporting improved harvest outcomes for cereal growers.
- **Timeline FX** in Romania and Poland, a post-emergence triple-active herbicide combining Pinoxaden, Florasulam, and Fluroxypyr. This combination offers broad-spectrum control of both broadleaf and grassy weeds in cereal crops, providing farmers with an effective tool to manage weed resistance and enhance crop yields.

Registrations of differentiated products during Q1 2025 included:

- **Temper More:** Registered in the US. This new highly effective EW herbicide formulation was developed using ADAMA's proprietary SESGAMA platform. It combines Glufosinate-ammonium and S-metolachlor for a dual mode of action, providing broad-spectrum burndown weed control and robust residual control of grass and small-seeded broadleaf weeds.
- **Metamitron:** Newly registered active ingredient in the US with both fruit thinning and herbicide activities, depending of the formulation.
- **Brevis:** Registered in the US, this highly effective fruit thinner based on Metamitron offers a powerful solution for managing flowering and fruiting on pome fruits.
- **Klinner:** Registered in Brazil, this three-way mixture of Picoxystrobin, Prothioconazole and Mancozeb is formulated using a unique technology that enables broad-spectrum control of foliar diseases in soybeans.
- **Lince:** Registered in Brazil. A WG formulation combining Atrazine and Mesotrione, delivering effective control of a broad spectrum of weeds in corn and sugarcane.

In addition, notable **patents** granted during Q1 2025 included:

- **New Zealand:** A patent was granted for SESGAMA's proprietary formulation technology.
- **China:** A patent was granted for the proprietary formulation of Sierra[®]
- **Australia:** A patent was granted for the proprietary formulation of Zulu[®] XT



Geopolitical Situation

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

Regarding US tariff policies, the Company continues 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. This plan has three main pillars: Optimize financial management, streamline ADAMA's operating model and focus on the Value Innovation segment. As part of the Fight Forward transformation plan, the Company has initiated organizational changes to improve efficiencies.

ESG update

ADAMA has published the Environmental, Social, and Corporate Governance (ESG) report for the year ended 31 December 2024 ([Link](#)).

Financial Highlights

Revenues in the first quarter declined by approximately 5% (-4% in RMB; -3% in CER) to \$1,000 million, reflecting stable volumes, a decrease of 4% in prices and negative foreign exchange impacts. The Company maintained stable volumes, with declines in Turkey (for which Q1 is generally the most significant quarter of a year) and the continued shifting away from selected low profit products, amid improvement of channel inventories in most regions. The lower prices were due to just-in-time purchasing patterns of the channel and the pressure of low AI prices in light of overcapacity and a higher interest rate environment.

Table 2. Regional Sales Performance

	Q1 2025 \$m	Q1 2024 \$m	Change USD	Change CER
Europe, Africa & Middle East	356	377	(6%)	(4%)
North America	219	191	15%	15%
Latin America	147	191	(23%)	(15%)
Asia Pacific	278	298	(7%)	(5%)
Of which China	166	154	8%	8%
Total	1,000	1,057	(5%)	(3%)

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): Revenues in Q1 2025 were down compared to Q1 2024, with slight decrease in pricing and stable volume. Volume improvements in Europe were more than offset by declines in Turkey. Channel levels have returned to normal, but competition remains strong.

North America: Consumer & Professional Solutions: Q1 sales grew significantly compared to Q1 2024, and margins remained strong. ADAMA's **US Ag** market grew, with slight improvements in volumes and pricing. Pricing in **Canada** continues to experience increased competition and downward price pressure, though sales are currently up on significantly stronger volume, partially due to normalized channel stocking behavior.

Latin America: In **Brazil**, Q1 revenues declined YoY due to lower prices, lower volumes and weak currency. Similarly, in the **rest of LATAM**, sales were weaker in Q1 as compared to Q1 2024, mostly due to increased competition and just-in-time purchasing patterns.

Asia-Pacific (APAC): Sales continued to experience pricing pressure, with sales declining compared to Q1 2024. The declines reflected both the ample over supply of Chinese generics and the Company's decision to optimize regional layouts.

In **China**, first quarter sales were up. AI sales increased, driven by significant business growth which more than offset weak prices, amid gradual recovery of global demand. Non-ag sales also increased supported mainly by higher prices of caustic soda. Declines in the branded formulations business mainly reflected the impacts of market competition on prices and volumes.

Reported gross profit in the first quarter increased 6% to \$272 million (gross margin of 27.2%) from \$256 million (gross margin of 24.2%) in the same quarter last year.

Adjustments to reported results: The adjusted gross profit includes 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 \$303 million (gross margin of 30.3%) from \$288 million (gross margin of 27.2%) in the same quarter last year.

The higher gross profit and margin in the first quarter mainly reflected the positive impact of lower costs of new inventory sold, more than compensating for lower prices and negative exchange rate impacts.

Operating expenses reported in the first quarter were \$202 million (20.2% of sales), compared to \$206 million (19.4% of sales) in the corresponding period 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. 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 \$25 million in Q1 2025 in comparison to \$19 million in Q1 2024. These include 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; 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 first quarter were \$207 million (20.7% of sales), compared to \$216 million (20.5% of sales) in the corresponding period last year.



The lower operating expenses mainly reflected benefits from continued tight OPEX management measures as part of the Company's transformation plan, and the positive impact of foreign exchange rates.

Operating income reported in the first quarter increased 38% to \$70 million (7.0% of sales) compared to \$51 million (4.8% of sales) in the same quarter last year.

Adjusted operating income in the first quarter increased 34% to \$96 million (9.6% of sales) from \$72 million (6.8% of sales) in the same quarter last year. The increase in operating income was a combined result of higher gross profit and lower operating expenses.

EBITDA reported in the first quarter increased 19% to \$144 million (14.4% of sales) from \$120 million (11.4% of sales) in the same quarter last year.

Adjusted EBITDA in the first quarter increased 21% to \$160 million (16.0% of sales) from \$132 million (12.5% of sales) in the same quarter last year.

Adjusted financial expenses amounted to \$54 million in the first quarter, compared to \$70 million in the corresponding period last year.

In the first quarter of 2025, financial expenses were lower mainly due to lower hedging costs and lower interest paid on debt following improved efficiency of cash management in light of the positive cash flow achieved in the previous twelve months.

Adjusted taxes on income in the first quarter amounted to an income of \$2 million, compared to expenses of \$12 million in the corresponding period last year. The tax income in the first quarter of 2025 was mainly due to the non-cash impact of the stronger BRL and the method of calculation of tax assets related to unrealized profits.

Net income reported in the first quarter increased to \$21 million, compared to a net loss of \$32 million in the corresponding period last year.

After reflecting the impact of the abovementioned extraordinary and non-operational charges, **adjusted net income** in the first quarter increased to \$44 million, compared to a loss of \$10 million in the corresponding period last year.

Trade working capital as of March 31, 2025, was \$2,256 million compared to \$2,583 million as of March 31, 2024. The decrease in working capital was mainly because of the decline in the level of inventory, including that of finished goods, from \$1,807 million as of March 31, 2024 to \$1,604 million as of March 31, 2025. The decline of inventories resulted from continued implementation of selective procurement and enhanced inventory management. As the Company improved its payable terms following implementation of initiatives as part of the Company's transformation plan, trade payables slightly increased while procurement was strictly managed. The decrease in receivables reflected the intensive collections and the lower sales.

Cash Flow: Operating cash flow of \$29 million was consumed in the first quarter of 2025, compared to \$103 million in the same quarter last year. The negative operating cash flow, which is seasonally typical for ADAMA in the first quarter, was significantly improved due to intensive collection and improved business earnings.

Net cash used in investing activities was \$37 million in the first quarter of 2025, compared to \$67 million in the same quarter last year. The lower cash used in investing activities in Q1 2025 reflected prioritization of investments in ADAMA's manufacturing facilities and portfolio optimization.

Free cash flow of \$86 million was consumed in the first quarter of 2025, compared to \$194 million in the same quarter last year, reflecting the aforementioned operating and investing cash flow dynamics.



Table 3. Revenues by operating segment

Sales by segment

	Q1 2025 USD (m)	%	Q1 2024 USD (m)	%
Crop Protection	906	91%	961	91%
Intermediates and Ingredients	94	9%	96	9%
Total	1,000	100%	1,057	100%

Sales by product category

	Q1 2025 USD (m)	%	Q1 2024 USD (m)	%
Herbicides	445	45%	454	43%
Insecticides	243	24%	290	27%
Fungicides	217	22%	217	21%
Intermediates and Ingredients	94	9%	96	9%
Total	1,000	100%	1,057	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 and follow us on X at [@ADAMAAGri](https://twitter.com/ADAMAAGri).

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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 2025 USD (m)	Q1 2024 USD (m)	Q1 2025 RMB (m)	Q1 2024 RMB (m)
Revenues	1,000	1,057	7,173	7,509
Cost of Sales	694	767	4,981	5,450
Other costs	3	2	20	13
Gross profit	303	288	2,172	2,046
<i>% of revenue</i>	<i>30.3%</i>	<i>27.2%</i>	<i>30.3%</i>	<i>27.2%</i>
<i>Selling & Distribution expenses</i>	155	169	1,116	1,198
<i>General & Administrative expenses</i>	37	36	267	254
<i>Research & Development expenses</i>	14	16	103	112
<i>Other operating expenses</i>	0	(4)	2	(26)
Total operating expenses	207	216	1,487	1,538
<i>% of revenue</i>	<i>20.7%</i>	<i>20.5%</i>	<i>20.7%</i>	<i>20.5%</i>
Operating income (EBIT)	96	72	686	508
<i>% of revenue</i>	<i>9.6%</i>	<i>6.8%</i>	<i>9.6%</i>	<i>6.8%</i>
Financial expenses	54	70	387	495
Income before taxes	42	2	298	13
Taxes on Income	(2)	12	(16)	82
Net income (loss)	44	(10)	315	(69)
<i>% of revenue</i>	<i>4.4%</i>	<i>(0.9%)</i>	<i>4.4%</i>	<i>(0.9%)</i>
Adjustments	23	22	164	158
Reported net income (loss)	21	(32)	151	(228)
<i>% of revenue</i>	<i>2.1%</i>	<i>(3.0%)</i>	<i>2.1%</i>	<i>(3.0%)</i>
Adjusted EBITDA	160	132	1,149	938
<i>% of revenue</i>	<i>16.0%</i>	<i>12.5%</i>	<i>16.0%</i>	<i>12.5%</i>
Adjusted EPS³				
– Basic	0.0188	(0.0042)	0.1350	(0.0297)
– Diluted	0.0188	(0.0042)	0.1350	(0.0297)
Reported EPS⁵				
– Basic	0.0090	(0.0138)	0.0649	(0.0977)
– Diluted	0.0090	(0.0138)	0.0649	(0.0977)

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 2025 and 2024 is 2,329.8 million shares.



Abridged Consolidated Balance Sheet

	March 31 2025 USD (m)	March 31 2024 USD (m)	March 31 2025 RMB (m)	March 31 2024 RMB (m)
Assets				
Current assets:				
Cash at bank and on hand	518	523	3,720	3,710
Bills and accounts receivable	1,400	1,521	10,049	10,789
Inventories	1,604	1,807	11,510	12,824
Other current assets, receivables and prepaid expenses	238	230	1,708	1,663
Total current assets	3,760	4,081	26,988	28,955
Non-current assets:				
Fixed assets, net	1,623	1,767	11,649	12,533
Rights of use assets	77	86	551	607
Intangible assets, net	1,360	1,447	9,760	10,267
Deferred tax assets	197	223	1,413	1,585
Other non-current assets	94	106	673	755
Total non-current assets	3,350	3,629	24,046	25,747
Total assets	7,110	7,710	51,034	54,703
Liabilities				
Current liabilities:				
Loans and credit from banks and other lenders	1,056	1,039	7,583	7,369
Bills and accounts payable	771	754	5,537	5,350
Other current liabilities	834	749	5,983	5,312
Total current liabilities	2,661	2,541	19,103	18,031
Long-term liabilities:				
Loans and credit from banks and other lenders	285	476	2,044	3,374
Debentures	865	965	6,207	6,848
Deferred tax liabilities	37	41	266	294
Employee benefits	77	97	554	687
Other long-term liabilities	519	536	3,725	3,806
Total long-term liabilities	1,783	2,115	12,796	15,009
Total liabilities	4,444	4,657	31,899	33,040
Equity				
Total equity	2,666	3,053	19,135	21,663
Total liabilities and equity	7,110	7,710	51,034	54,703



Abridged Consolidated Cash Flow Statement for the First Quarter

	Q1 2025 USD (m)	Q1 2024 USD (m)	Q1 2025 RMB (m)	Q1 2024 RMB (m)
Cash flow from operating activities:				
Cash flow from operating activities	(29)	(103)	(207)	(735)
Cash flow from operating activities	(29)	(103)	(207)	(735)
Investing activities:				
Acquisitions of fixed and intangible assets	(44)	(66)	(317)	(468)
Net cash received from disposal of fixed assets, intangible assets and others	2	1	14	4
Other investing activities	6	(1)	41	(8)
Cash flow used for investing activities	(37)	(67)	(262)	(473)
Financing activities:				
Receipt of loans from banks and other lenders	137	172	980	1,218
Repayment of loans from banks and other lenders	(66)	(195)	(472)	(1,383)
Interest payment and other	(20)	(24)	(146)	(168)
Other financing activities	23	49	162	349
Cash flow from financing activities	73	2	523	17
Effects of exchange rate movement on cash and cash equivalents	1	0	(1)	13
Net change in cash and cash equivalents	8	(167)	53	(1,178)
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	507	519	3,637	3,679
Free Cash Flow	(86)	(194)	(615)	(1,376)



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, 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

	Q1 2025 USD (m)	Q1 2024 USD (m)	Q1 2025 RMB (m)	Q1 2024 RMB (m)
Reported Net Income (Loss)	21	(32)	151	(228)
Adjustments to COGS & Operating Expenses:				
1. Amortization of acquisition-related PPA and other acquisition related costs	4	4	26	26
2. Amortization of Transfer assets received and written-up due to 2017 ChemChina-Syngenta transaction (non-cash)	5	5	39	36
3. ASBEs classifications COGS impact	(30)	(30)	(215)	(214)
4. ASBEs classifications OPEX impact	30	30	215	214
5. Restructuring and advisory costs	16	11	115	80
6. Other	1	1	5	6
Total Adjustments to Operating Income (EBIT)	26	21	185	148
Total Adjustments to EBITDA	16	12	118	82
Adjustments to Financing Expenses:				
7. Non-cash adjustment related to put options revaluation	3	1	24	5
8. Arbitration decision related to a controlled subsidiary	(4)	-	(32)	-
9. Other financing expenses	(1)	1	(10)	11
Adjustments to Taxes:				
Taxes impact	-	(1)	(3)	(6)
Total adjustments to Net Income (Loss)	23	22	164	158
Adjusted Net Income (Loss)	44	(10)	315	(69)

Notes:

- 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.
- 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.
- & 4. ASBEs classifications COGS impact:** according to the ASBE guidelines [IAS 37], certain items (specifically certain transportation costs) are classified under COGS.
- 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.
- Other:** Mainly attributable to accelerated depreciation associated with facilities upgrade.
- Non-cash adjustment related to put options revaluation:** expenses due to revaluation of put options attributed to minority stake in subsidiaries
- 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		
	2025	2024	Change	2025	2024	Change
EUR/USD	1.082	1.081	0.1%	1.051	1.086	-3.2%
USD/BRL	5.742	4.996	-14.9%	5.845	4.953	-18.0%
USD/PLN	3.864	3.989	3.1%	3.996	3.992	-0.1%
USD/ZAR	18.21	18.87	3.5%	18.492	18.896	2.1%
AUD/USD	0.625	0.651	-4.0%	0.627	0.658	-4.6%
GBP/USD	1.294	1.264	2.4%	1.259	1.268	-0.8%
USD/ILS	3.718	3.681	-1.0%	3.613	3.660	1.3%
USD L 3M	4.30%	5.30%		4.30%	5.32%	

	March 31			Q1 Average		
	2025	2024	Change	2025	2024	Change
USD/RMB	7.765	7.095	9.4%	7.763	7.103	9.3%
EUR/RMB	7.178	7.670	-6.4%	7.176	7.678	-6.5%
RMB/BRL	0.800	0.704	-13.6%	0.815	0.697	-16.8%
RMB/PLN	0.538	0.704	23.6%	0.557	0.562	0.9%
RMB/ZAR	2.538	2.659	4.6%	2.577	2.660	3.1%
AUD/RMB	4.487	4.619	-2.9%	4.502	4.672	-3.6%
GBP/RMB	9.016	0.562	-0.1%	9.288	8.969	3.6%
RMB/ILS	0.518	0.519	0.2%	0.503	0.515	2.3%
RMB L 3M	1.912	2.157%	-11.4%	1.811%	2.284%	-20.7%