

Stock Code: 000553(200553)

Stock Abbreviations: ADAMA A(B)

Announcement No.2023-10

Abstract of the 2022 Annual Report of ADAMA Ltd.

I. Important Reminder

The Abstract is from the full text of the Annual Report. Investors are advised to read the full text of the Annual Report published on the media designated by China Securities Regulatory Commission for having a round understand of the Company's performance, financial status and future development plan.

All the directors attended the Board of Directors meeting to review the Annual Report. No disagreement was raised by the directors, supervisors, and senior managements.

Non-standard auditor report

Applicable Not applicable

Plan approved by the Board of Directors for dividend distribution of ordinary shares or increasing the capital by the transfer of capital reserves.

Applicable Not applicable

Whether increase the capital by the transfer of capital reserves

Yes No

The pre-plan of the dividend distribution approved by the meeting of the Board of Directors refers to the total outstanding 2,329,811,766 shares of the Company as the basis for the distribution as cash dividend of RMB 0.27 (before tax) per 10 shares, to all the shareholders of the Company. No shares will be distributed as share dividend, and no reserve will be transferred to equity capital.

Plan approved by the Board of Directors for dividend distribution of preferred shares

Applicable Not applicable

II. Basic information about the Company

1. Company profile

Stock name	ADAMA A, ADAMA B	Stock code	000553, 200553
Stock exchange	Shenzhen Stock Exchange		
Contact Information	Board Secretary	Securities Affairs Representative & Investor Relations Manager	
Name	Guo Zhi	Wang Zhujun	
Address	6/F, No.7 Office Building, No.10 Courtyard, Chaoyang Park South Road, Chaoyang District, Beijing		
Tel.	010-56718110	010-56718110	
E-mail	irchina@adama.com	irchina@adama.com	

2. Main Business or Products during the Reporting Period

Main Business and Products

The Company is a global leader in crop protection, engaging in the development, manufacturing and commercialization of a wide range of crop protection products, that are largely off-patent. The Company provides

solutions to farmers to combat weeds, insects and disease, and sells its products in over 100 countries, through approximately 60 subsidiaries worldwide.

The Company's business model integrates end-customer access, regulatory expertise, state-of-the art global R&D, production and formulation facilities, thereby providing the Company a significant competitive edge and allowing it to launch new and differentiated products that meet local farmers and customer needs in key markets.

The Company's primary operations are global, spanning activities in Europe, North America, Latin America, Asia-Pacific (including China) and India, the Middle-East and Africa.

The Company also utilizes its expertise to adapt such products also for the development, manufacturing and commercialization of similar products for non-agricultural purposes (Consumer and Professional Solutions).

In addition, the Company leverages its core capabilities in the agricultural and chemical fields and operates in several other non-agricultural areas, none of which, individually, is material for the Company. These activities, collectively reported as Intermediates and Ingredients, include primarily, (a) the manufacturing and marketing of dietary supplements, food colors, texture and flavor enhancers, and food fortification ingredients; (b) fragrance products for the perfume, cosmetics, body care and detergents industries; (c) the manufacturing of industrial products and (d) other non-material activities.

General crop protection market environment

During 2022, crop prices reached record levels in May 2022, driven by tight stocks, adverse weather conditions and the Ukraine-Russia conflict which disrupted the supply of commodities. Prices have since declined but are expected to remain above pre-pandemic levels. The high crop prices drove strong farmer income, despite the higher cost environment (fertilizer, chemicals, labor, energy) faced by farmers. As a result, crop protection demand stayed strong in 2022 and farmers were able to absorb crop protection price increases. Going into 2023, crop protection channel inventories in some regions are above average, which may dampen demand in the near future.

The cost environment has improved throughout the second half of 2022, as raw material and active ingredient prices in China continued to decline, logistic prices normalized and energy prices eased. However, costs are still higher than pre-pandemic levels, with some areas still experiencing especially high costs, like European co-formulants and inland transportation.

Market Competition and the Company's Market Share

The global crop protection market is dominated by seven multinational companies, including the Group, five of which are originator companies. In the past decade, a number of mergers and acquisitions were completed among the largest players in the crop protection industry. Nonetheless, the crop protection industry as a whole is relatively decentralized, with a number of local manufacturers competing in each country against the global multinational companies. The Group believes that entry barriers for the crop protection market are relatively high, although they vary from region to region.

ADAMA is a leading company (in sales terms) among the crop-protection companies that focus on off-patent crop protection solutions. The Company's global crop protection market share was approximately 6.5% in 2022, based on AgBio Investor's preliminary estimation of the global agrochemical industry in 2022 (compared with 6.0% in 2021).

3. Main Accounting Data and Financial Indicators

(1) Main Accounting Data and Financial Indicators of the Latest Three Years

Whether the Company performed any retroactive adjustments to or restatement of its accounting data

Yes No

Reasons for Retroactive Adjustments or Restatement of the Accounting Data: Changes to the Accounting Policies

Unit: RMB'000

	2022	2021		+/- (%)	2020	
		Before adjustment	After adjustment		Before adjustment	After adjustment
Operating revenue (RMB'000)	37,381,915	31,038,605	31,038,605	20.44%	28,444,833	28,444,833
Net profit attributable to the shareholders (RMB'000)	609,391	157,397	157,397	287.17%	352,753	352,753
Net profit attributable to the shareholders, excluding non-recurring profit and loss (RMB'000)	490,428	77,853	77,853	529.94%	287,724	287,724
Net cash flows from operating activities (RMB'000)	940,745	4,561,875	4,561,875	-79.38%	2,023,015	2,023,015
Basic EPS (RMB/share)	0.2616	0.0676	0.0676	286.98%	0.1505	0.1505
Diluted EPS (RMB/share)	N/A	N/A	N/A	N/A	N/A	N/A
Weighted average return on equity	2.76%	0.74%	0.74%	2.02%	1.61%	1.61%
	31.12.2022	31.12.2021		+/- (%)	31.12.2020	
		Before adjustment	After adjustment		Before adjustment	After adjustment
Total assets (RMB'000)	57,980,489	50,235,308	50,235,308	15.42%	46,801,034	46,801,034
Net assets attributable to the shareholders (RMB'000)	23,124,655	21,075,083	21,075,083	9.73%	21,353,752	21,353,752

Reason for retroactive adjustments: According to ASBE 22 - Financial Instruments Recognition and Measurement, starting from 2022 the Group recorded the gain or loss from the disposal of derivative instruments in the "Gain(loss) from Changes in Fair Value". Before 2022, the Group recorded the abovementioned gain of loss in the "Investment income, net". The Company reclassified the "Gain(loss) from Changes in Fair Value" and the "Investment income, net" in the corresponding period in 2021. Such change did not impact the operating results or net assets of the reporting period.

(2) Main Accounting Data by Quarter

Unit: RMB'000

	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Operating revenue	9,015,991	9,779,837	9,281,986	9,304,101
Net profit attributable to the shareholders	427,652	304,446	36,046	(158,753)
Net profit attributable to the shareholders excluding non-recurring profit and loss	413,345	241,678	4,353	(168,948)
Net cash flows from operating activities	(1,813,846)	467,985	(212,839)	2,499,445

Any material differences between the financial indicators above or their summations and those which have been disclosed in quarterly or semi-annual reports

Yes No

4. Shares and Shareholders

(1) Number of Common Shareholders and Preferred Shareholders with Vote Right Restored and Shareholding Table of Top-10 Shareholders

Unit: share

Total number of shareholders at the reporting period	39,975	Total number of shareholders on the 30th trading day before the disclosure date of the annual report	40,664	Total number of preferred stockholder with vote right restored	0	Total number of preferred stockholder with vote right restored on the 30th trading day before the disclosure date of the annual report	0
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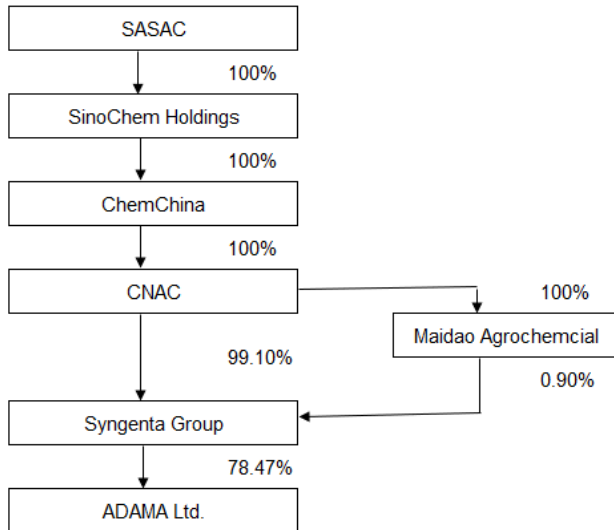
Shareholding of Top-10 Shareholders						
Name of shareholder	Nature of shareholder	Holding percentage	Number of shares	Number of shares held subject to trading moratorium	Pledged or frozen shares	
					Status of shares	Amount
Syngenta Group Co., Ltd.	State-owned legal person	78.47%	1,828,137,961	--	--	--
China Cinda Asset Management Co., Ltd.	State-owned legal person	1.34%	31,115,916	--	--	--
Portfolio No.503 of National Social Security Fund	Others	0.56%	13,000,000	--	--	--
CITIC Securities - Huarong Ruitong Equity Investment Management Co., Ltd. - CITIC Securities - Changfeng Single Asset Management Plan	Others	0.55%	12,885,900	--	--	--
Hong Kong Securities Clearing Company Ltd. (HKSCC)	Overseas legal person	0.46%	10,606,080	--	--	--
Wang Xiuqin	Domestic Individual	0.36%	8,487,715	--	--	--
Bosera Funds-China Merchants Bank-Bosera Funds Xincheng No.2 Collective Asset Management Plan	Others	0.28%	6,500,000	--	--	--
Bosera Funds-Postal Savings Bank-Bosera Funds Xincheng No.3 Collective Asset Management Plan	Others	0.26%	6,000,000	--	--	--
Wu Feng	Domestic Individual	0.24%	5,479,915	--	--	--
China Universal Fund-Industrial Bank-China Universal-Strategic Enhancement No.3 Collective Asset Management Plan	Others	0.19%	4,400,000	--	--	--
Explanation on associated relationship or/and persons	Syngenta Group Co., Ltd. is not 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.					
Particular about shareholder participate in the securities lending and borrowing business (if any)	Shareholder Wang Xiuqin held 616,261 shares through an ordinary securities trading account and 7,871,454 shares through a credit collateral securities trading account, thus holding a total of 8,487,715 shares of the Company. Shareholder Wu Feng held 3,967,889 shares through an ordinary securities trading account and 1,512,026 shares through a credit collateral securities trading account, thus holding a total of 5,479,915 shares of the Company.					

(2) Number of Preferred Shareholders and Shareholding Table of Top-10 Preferred Shareholders

□ Applicable √ Not applicable

None in the Reporting Period.

(3) Block Diagram of Equity and Control Relationship between the Company and Actual controller



5. Corporate Bonds on the Reporting Date

Applicable Not applicable

III. Important Matters

None.

For introduction to Company business during the reporting period, please refer to Section III. Management Discussion and Analysis of the full text of 2022 Annual Report.

ADAMA Ltd.

Legal Representative: Ignacio Dominguez

March 19th, 2023