

# **ADAMA Ltd.**

## **2025 Working Report of the Board of Directors**

In 2025, the Board of Directors (the BOD) of Adama Ltd. (hereinafter referred to as the “Company”) has strictly abided by the “*Company Law*”, “*Shenzhen Stock Exchange Stock Listing Rules*”, and “*Self-Regulatory Guidelines No. 1 for Companies Listed in Shenzhen Stock Exchange - Standardized Operations of Main board Listed Companies*” and other relevant laws and regulations, implemented the regulatory provisions of China Securities Regulatory Commission (CSRC) and the Shenzhen Stock Exchange (SZSE), earnestly performed the duties entrusted by the *Articles of Association* and *the Rules of Procedure of the Board of Directors*, and conscientiously executed the resolutions passed by the shareholders' meeting in the spirit of being responsible to all shareholders of the Company. During the reporting period, all directors fulfilled their duties diligently and gave full play to their core role in corporate governance. The work in 2025 is now reported as follows.

### **I. 2025 Business Review**

Through 2025, channel inventory returned to pre-pandemic levels in most countries, following crop protection demand recovery. Pricing pressures remain high, driven by production over-capacity of active ingredients (AI). Crop commodity prices remain stably low, while farmer profitability remains tight leading to just-in-time purchasing patterns.

ADAMA continued to implement its Fight Forward transformation plan launched at the beginning of 2024, promoting its goal to improve profit and cash performance. The plan sharpened ADAMA’s focus on priority countries and products, optimized its global assets and enhanced cost competitiveness, and established a more agile and streamlined operating model.

Revenues for the full year were RMB 28.9 billion, a decline of approximately 2% compared to the full year of 2024, following implementation of the Company’s strategic decisions to optimize its portfolio and geographical presence and reduce selling some basic chemical products, as well as under the impacts of extreme weather conditions in some key countries. Despite lower sales, reported gross profits for the full year increased by 13% and reported gross margin improved by 3 percentage

points, mainly reflecting the positive impacts of lower costs due to improved operational efficiency and lower costs of inventory sold. Reported operating expenses declined compared to 2024 under the positive impacts of the Fight Forward plan. Reported net loss for the full year was reduced by 64% compared to 2024. In addition, both operating and free cash flow improved significantly, attributed to better collection and continued investment optimization.

For detailed analysis about the Company's performance in 2025, please refer to the 2025 Annual Report and appendix to be disclosed on March 28, 2026, on [www.cninfo.com.cn](http://www.cninfo.com.cn).

## **II. Work of the Board of Directors**

### **(I) Build-up of the Board of Directors**

In 2025, in line with the latest regulatory policies of the China Securities Regulatory Commission (CSRC) and the Shenzhen Stock Exchange, the Company amended its Articles of Association and the appendices thereto. Under the amended Articles, the board of directors shall consist of seven directors, including one employee director. The Company will no longer have a supervisory board and instead, the audit committee shall exercise the supervisory powers and functions of a supervisory board as stipulated in the Company Law.

Pursuant to the Articles of Association, the Company convened an employees' representatives meeting, at which Mr. Niu Limin was elected as the employee representative director of the tenth Board of Directors. Together with the three non-independent directors and three independent directors previously elected by the shareholders' general meeting, he forms the seventh member of the tenth session of the board of directors of the Company.

### **(II) Convention of Board Meetings**

In 2025, the Company held a total of eight board meetings, at which 43 resolutions were considered and approved and none was rejected. The details of the meetings are as follows:

<b>Number of Sessions</b>	<b>Convening Date</b>	<b>Disclosure Date</b>	<b>Meeting Resolutions</b>
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<p>The 10<sup>th</sup> Meeting of the 10<sup>th</sup> Session of the Board of Directors</p>	<p>March 12, 2025</p>	<p>March 14, 2025</p>	<p>The meeting reviewed and approved:</p> <ol style="list-style-type: none"> <li>1. Proposal on the 2024 Annual Report and its Abstract</li> <li>2. Proposal on the 2024 Financial Statements</li> <li>3. Proposal on the Pre-Plan of the 2024 Dividend Distribution</li> <li>4. Proposal on the Self-Assessment Report on the 2024 Internal Control of the Company</li> <li>5. Proposal on the 2024 Working Report of the Board of Directors</li> <li>6. Proposal on the 2024 Risk Appraisal Report of Sinochem Finance Co., Ltd.</li> <li>7. Proposal on the Remuneration of Senior Executives</li> <li>8. Proposal on the Change of Accounting Firm and the Engagement with an Audit Firm for the Audit of the Financial Statements and Internal Control of the Company for 2025</li> <li>9. Proposal on the Report on Performance Evaluation of Audit Firm in 2024 and the Performance of Supervision Duties by the Audit Committee</li> <li>10. Proposal on the Expected Related Party Transactions in the Ordinary Course of Business in 2025</li> <li>11. Proposal on the Special Opinion on Self-examination of the Independence of Independent Directors</li> <li>12. Proposal on Formulating the Valuation Enhancement Plan of the Company</li> <li>13. Proposal on Revisions to the Company's Management Policy for Currency Risk Hedging</li> <li>14. Proposal on the Expected Derivatives Transactions for Hedging</li> <li>15. Proposal on Calling for the 2024 Annual General Meeting</li> </ol> <p>The 2024 Working Reports of the Independent Directors were also presented and reviewed during the meeting.</p>
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The 11 <sup>th</sup> Meeting of the 10 <sup>th</sup> Session of the Board of Directors	April 28, 2025	April 29, 2025	<p>The meeting reviewed and approved:</p> <ol style="list-style-type: none"> <li>1. Proposal on the Q1 2025 Report</li> <li>2. Proposal on ADAMA's 2024 Social Responsibility Report</li> <li>3. Proposal on Providing Guarantees in favor of the Company's Subsidiaries</li> <li>4. Proposal on Bank Loans</li> <li>5. Proposal on Adjusting the Remuneration of the President and CEO</li> <li>6. Proposal on the Appointment of the Head of the Internal Auditing Department of the Company</li> </ol>
The 12 <sup>th</sup> Meeting of the 10 <sup>th</sup> Session of the Board of Directors	May 27, 2025	May 28, 2025	<p>The meeting reviewed and approved:</p> <ol style="list-style-type: none"> <li>1. Proposal on Bonds Buyback Plan of the Company's Overseas Wholly-owned Subsidiary</li> </ol>
The 13 <sup>th</sup> Meeting of the 10 <sup>th</sup> Session of the Board of Directors	June 12, 2025	June 13, 2025	<p>The meeting reviewed and approved:</p> <ol style="list-style-type: none"> <li>1. Proposal on the Remuneration Related Matters of Senior Executives</li> </ol>
The 14 <sup>th</sup> Meeting of the 10 <sup>th</sup> Session of the Board of Directors	August 25, 2025	August 27, 2025	<p>The meeting reviewed and approved:</p> <ol style="list-style-type: none"> <li>1. Proposal on the 2025 Semi-Annual Report and its Abstract</li> <li>2. Proposal on the 2025 Semi-annual Risk Appraisal Report of Sinochem Finance Co., Ltd.</li> <li>3. Proposal on the Adjustment to President and CEO Remuneration Terms</li> </ol>
The 15 <sup>th</sup> Meeting of the 10 <sup>th</sup> Session of the Board of Directors	October 28, 2025	October 30, 2025	<p>The meeting reviewed and approved:</p> <ol style="list-style-type: none"> <li>1. Proposal on the Q3 2025 Report</li> <li>2. Proposal to Amend the Articles of Association of the Company and its appendices</li> <li>3. Proposal on Revisions to Implementation Rules of the Special Committees of the Board</li> <li>4. Proposal on Revisions to the Information Disclosure Management Rules of ADAMA Ltd.</li> <li>5. Proposal on Providing Guarantees by a Wholly-owned Subsidiary to its Subsidiary</li> <li>6. Proposal on Signing of Supplemental</li> </ol>

			<p>Agreement III to the Entrusted Operation and Management Agreement on Anhui Petro &amp; Chemical</p> <p>7. Proposal on Calling for the 2nd Interim Shareholders Meeting in 2025</p>
The 16 <sup>th</sup> Meeting of the 10 <sup>th</sup> Session of the Board of Directors	December 1, 2025	December 2, 2025	<p>The meeting reviewed and approved:</p> <p>1. Proposal on the 2026 STI Change</p>
The 17 <sup>th</sup> Meeting of the 10 <sup>th</sup> Session of the Board of Directors	December 22, 2025	December 23, 2025	<p>The meeting reviewed and approved:</p> <ol style="list-style-type: none"> <li>1. Proposal on the 2026 Work Plan</li> <li>2. Proposal on the Expected Related Party Transactions in the Ordinary Course of Business in 2026</li> <li>3. Proposal on the Expected Derivatives Transactions for Hedging</li> <li>4. Proposal on Formulating the Information Disclosure Suspension and Exemption Management Policy</li> <li>5. Proposal on Formulating the Management Policy for the Departure of Board Members and Senior Executives</li> <li>6. Proposal on Revisions to the Insider Registration Management Rules</li> <li>7. Proposal on Revisions to the Related-party Transactions Management Rules</li> <li>8. Proposal on the Internal Audit Management Rules</li> <li>9. Proposal on Calling for the 1st Interim Shareholders Meeting in 2026</li> </ol>

### **(III) Convention of the General Meetings of Shareholders**

In 2025, the BOD, in accordance with the resolutions and authorization of the shareholders' general meeting, duly implemented the proposals approved by the shareholders' general meeting and completed all matters required to be handled pursuant to such resolutions.

In 2025, the BOD called for 3 general meetings of shareholders to review 12 proposals. The procedures of the general meeting of shareholders all complied with

the prescribed requirements, and lawyers were engaged to ensure that all shareholders, especially the minority shareholders, have exercised their rights to know, participate and vote on major matters. Please see the details below.

Number of Sessions	Convening Date	Consideration of Proposals
First Extraordinary General Meeting of Shareholders in 2025	January 3, 2025	1. Proposal on Providing Guarantees by a Wholly owned Subsidiary to its Subsidiaries
2024 Annual General Meeting	April 7, 2025	<ol style="list-style-type: none"> <li>1. Proposal on the 2024 Annual Report and its Abstract</li> <li>2. Proposal on the 2024 Financial Statements</li> <li>3. Proposal on the Pre-Plan of the 2024 Dividend Distribution</li> <li>4. Proposal on the Self-Assessment Report on the 2024 Internal Control of the Company</li> <li>5. Proposal on the 2024 Working Report of the Board of Directors</li> <li>6. Proposal on the Change of Accounting Firm and the Engagement with an Audit Firm for the Audit of the Financial Statements and Internal Control of the Company for 2025</li> <li>7. Proposal on the Expected Related Party Transactions in the Ordinary Course of Business in 2025</li> <li>8. Proposal on the 2024 Working Report of the Board of Supervisors</li> <li>9. Proposal on the Expected Derivatives Transactions for Hedging</li> </ol>
Second Extraordinary General Meeting of Shareholders in 2025	November 11, 2025	<ol style="list-style-type: none"> <li>1. Proposal to Amend the Articles of Association of the Company and its appendices</li> <li>2. Proposal on Providing Guarantees by a Wholly-owned Subsidiary to its Subsidiary</li> </ol>

#### **(IV) Performance of Duties by Special Committees of the Board of Directors**

Three special committees are set up under the BOD, namely the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee. In 2025, the special committees of the BOD performed their duties in strict accordance with *the Articles of Association* and the implementation rules of each special committee based on the principle of diligence and responsibility, provided advisory opinions for the

decision-making of the BOD, and played a positive role in the standardized operation and the scientific decision-making.

In 2025, the Audit Committee held five meetings to review periodical statements, the appointment of audit institutions, internal control, internal audit, risk assessment of the group finance corporation, profit distribution, hedging and other matters. It effectively supervised the Company's financial status, strictly controlled risks, and submitted all the proposals to the BOD after approval.

The Remuneration and Appraisal Committee held five meetings to review the performance evaluation, the remuneration and policies of compensation and incentives of the senior management of the Company, to ensure that relevant policies are in line the transformation stage the Company is at.

The Nomination Committee didn't hold any meetings in 2025 as there was no change to board members or senior management.

#### **(V) Performance of Board Members, including Independent Directors**

All board members have fulfilled their duties conscientiously, exercised their powers in accordance with the law, and taken a proactive interest in the Company's operational and management information, financial performance and significant matters. They have engaged in thorough discussions on all proposals submitted to the Board for consideration by expressing their views freely and offering suggestions on operation and development, thereby ensuring sound decision-making and proper governance.

In accordance with relevant provisions of *the Company Law*, *the Measures for the Administration of Independent Directors of Listed Companies* and the requirements of *the Articles of Association* and *the Independent Director Policy*, the independent directors of the Company faithfully and diligently performed their duties, actively paid attention to the operating and financial status, attended relevant meetings on time, and carefully considered various proposals of the board of directors and special committees. In 2025, the independent directors held five special meetings to consider dividend distribution, related party transactions, hedging, the risk assessment report of the group finance corporation, and bond buyback by a subsidiary, which were submitted to the BOD for consideration after the approval of all independent directors. Independent directors visited the operation sites and attended management meetings to understand the business progress and industry trends. They exchanged ideas with

auditors on the audit work plans and other important issues, and earnestly performed supervisory duties. They also participated in the annual report performance roadshow to understand investors' concerns and demands for the Company.

In 2025, the meeting participation of independent directors is as follows:

<b>Participation of independent directors in BOD meetings and shareholders' meetings in 2025</b>			
<b>Name of Director</b>	<b>Number of Board meetings to be attended</b>	<b>Actual number of board meetings attended</b>	<b>Attendance at general meetings</b>
Ge Ming	8	8	3
Yang Guangfu	8	8	3
Huang Jingsheng	8	8	3

Pursuant to the “*Remuneration Scheme for Non-Independent Directors*” approved by the Company’s shareholders’ meeting (Announcement of the Resolutions of the First Extraordinary General Meeting of Shareholders for 2018, No. 2020-7), any non-independent director holding management positions within the Company and/or any of its subsidiaries shall receive remuneration commensurate with his or her management position and shall not separately collect other remuneration for the directorship of the board. And the relevant performance appraisals have been completed. Pursuant to the “*Proposal on the Remuneration of Independent Directors*” approved by the Company’s shareholders’ meeting (Announcement of Resolutions of the First Extraordinary General Meeting of Shareholders for 2020, No. 2018-11), independent directors shall receive allowances from the Company and shall not be entitled to any salary.

## **(VI) Information Disclosure and Management of Insider Information**

In 2025, in accordance with the latest regulatory policies of CSRC and SZSE, the Company revised its Administrative Measures for Information Disclosure and the Registration and Management Policy of Insider Information, and formulated the Administrative Measures for Postponement and Exemption of Information Disclosure. The Company strictly fulfils its information disclosure obligations in accordance with the relevant information disclosure provisions of CSRC and SZSE, as well as the requirements of the Company’s Administrative Measures for Information Disclosure, and continuously enhances the quality of its information disclosure. In 2025, it released a total of 93 periodical statements and interim reports, and most announcements were disclosed in Chinese and English to truly, accurately and

completely disclose major events and production and business information. Moreover, the Company strictly and effectively implemented *the Registration and Management Policy of Insider Information*, registered and reported insider information according to law, strengthened insider information management, standardized information transmission process, strengthened employees' awareness of confidentiality and compliance, and strictly prevented insider trading.

### **(VII) Investor Relations Management**

The BOD of the Company attaches great importance to investor relations management, pays close attention to investors' opinions and the Company's market value, and strengthens communication with the capital market through multiple platforms and channels. In 2025, the BOD considered and approved the Valuation Enhancement Plan, which is based on improving the quality of the Company's business, focuses on the implementation of the Company's Fight Forward transformation plan, and aims to enhance market recognition of the Company's value by strengthening investor communication and improving information disclosure, among other measures.

In 2025, the Company proactively held four public performance online roadshows, through which it communicated the Company's value in a comprehensive and objective manner, and was granted the Best Practice Award for 2024 Annual Results Online Roadshow of Listed Companies by the China Association for Public Companies during the reporting period. In addition, the Company maintained close communication with investors by participating in online group reception events and brokers' strategy meetings, and by receiving investor visits and research.

### **III. Focus of the BOD in 2026**

In 2026, the BOD will continue to be responsible to all shareholders, with the goal of building a high-quality listed company, faithfully and diligently perform its duties, actively play its core role in business operations and corporate governance, supervise the management to effectively carry out the 2026 Work Plan and consolidate the results of the "Fight Forward" transformation plan, promote value realization with innovation as the fundamental driving force, and comprehensively improve management quality. While leading the management to continuously enhance the quality of the Company's operations, the BOD will place a particular emphasis on

shareholder returns, continuously improving the standard of information disclosure and strengthening investor relations management, so as to promote a reasonable reflection of the Company's investment value in light of its fundamentals. In addition, the BOD will further refine various corporate governance systems in accordance with the latest regulatory and operational requirements, enhance the level of internal control and management, and ensure that the Company remains in compliant operation.

Board of Directors  
of ADAMA Ltd.  
March 26, 2026