



2018 Q1 Presentation

April 25th 2018



Disclaimer

- This document has been produced by Bluestar Adisseo Company Limited. ("the Company") and is only used in the Company's investor meetings.
- There is information in this document which have not been independently verified by third parties. A number of factual or predictive descriptions in this document are from external and are not audited independently by the Company or its directors, supervisors, officers, employees, agents, affiliates, consultants or representatives
- There are no representations or warranties, either express or implied, about the fairness, accuracy, completeness or correctness of the information in this document. Therefore, no one shall have any dependence on the fairness, accuracy, completeness or correctness of the information and opinions contained in this document. The information stated or contained in this document may be changed without notice and will not be updated as the significant developments that occur after the road shows. The Company or its directors, supervisors, officers, employees, agents, affiliates, consultants or representatives, will not be liable (for any negligence or otherwise) for any losses arising from any use of this document or its contents or any other reasons in relation to this document
- There are forward-looking statements in this document, such as those relating to the global economy, trend of the animal nutrition industry and company-related statements, which are based on a number of assumptions. Whether these assumptions are true or not is influenced by a range of unknown or known factors, including those beyond the control of the Company that could cause the actual performance of the Company materially differ from the forward-looking statements, or implied opinions contained in the statements. It is reminded that readers should not unreasonably rely on the forward-looking statements in this document as the actual results may be seriously deviated from the forward-looking statements contained in the document. Neither the Company nor its directors, supervisors, officers, employees, agents, affiliates, consultants or representatives, shall be responsible for updating the above opinions or forward-looking statements regarding events or circumstances that occur after the presentation
- This document does not constitute, nor is it intended to be, nor should it be construed as an offer or solicitation to sell, issue or invite to purchase or subscribe for securities issued in any jurisdiction by the Company, holding company or subsidiaries of the Company, nor does it constitute an investment inducement for the above securities. No part of this document, nor any distribution of this document, shall form the basis of any contract or commitment and no contract or promise shall be relied upon any part of this document
- This information is for your own use only and no part of this document may be reproduced in whole or in part, for any purpose, in any way, disclosed or distributed, directly or indirectly, to anyone else (insiders or outsiders). The Company, or its directors, supervisors, officers, employees, agents, affiliates, consultants or representatives, bears no responsibility and accepts no liability as to the copying or distribution of this document to anyone without the authorization, or as to the distribution of the information contained therein.

Table of Contents

1. Business Update
2. Financial Performance
3. Outlook





Business Update

By Jean-Marc Dublanc



Q1 2018: Key highlights

- TRIR: 1.31
- Q1 2018 revenues and gross margin had a Y.o.Y growth of 22% and 26% respectively mainly driven by
 - Double-digit volume growth in liquid methionine as well as high Vitamin A&E prices
 - Specialties products enjoyed accelerated growth in new products including Nutriad offerings
- 3rd platform ground-breaking ceremony in Nanjing @23/3
- A dry + project on schedule
- Nutriad integration project on good track targeting to extract full value by the end of 2018 and onwards with 1st synergies delivered
- AVF fund launched with screening of more than 100 start ups so far

Strong Q1 2018 business performance in line with expectation

Unit: CNY100mil	Operating revenue		Var.	Gross Profit		Var.	Gross Margin		Var.
	Q1 18	Q1 17	(%)	Q1 18	Q1 17	(%)	Q1 18	Q1 17	(ppt)
Performance products	23.2	19.4	19%	8.8	6.9	28%	38%	36%	+2ppt
Specialty products	5.4	4.1	32%	2.7	2.3	17%	51%	57%	-6ppt
Other products	1.6	1.2	33%	0.6	0.5	37%	40%	39%	+1ppt
Total	30.1	24.7	22%	12.2	9.7	26%	41%	39%	+2ppt

Sales performance in Q1 2018 remained strong with the combined factors of

- Double-digit volume growth in liquid methionine
- Exceptional good Vitamin business
- Accelerated growth in specialty products portfolio

Although facing with difficult and uncertain macro-environment, such as the increase in raw material cost, negative FX impact and thanks to our balanced manufacturing capability, the gross margin is still maintained at a solid level of 41%

Performance Products: Q1 2018 Dynamics

Methionine

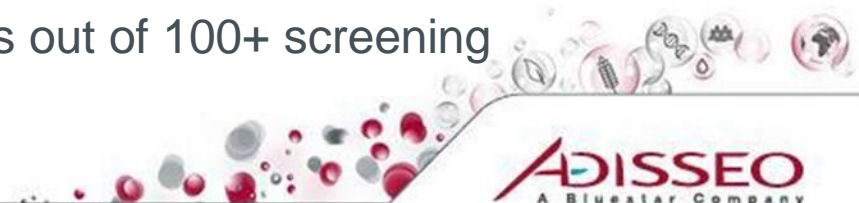
- Double-digit growth in liquid methionine, still far above market growth
- Margin remains under pressure due to change in supply dynamics and raw material cost increase
- Distinctive operating performance in Q1 thanks to our global industrial footprint with two platforms in Europe and China which demonstrates continuous strong reliability and sustainability
- Industrial projects: Polar, A-dry and 3rd platform in good progress

Vitamins

- Despite the difficulties linked to BASF shut-down, Adisseo is delivering very strong results
- With the relaunching of the plants of BASF, the market is now experiencing high volatility as well as uncertainties for the outlook.

Specialties: Q1 2018 Dynamics

- Innovation and portfolio expansion are the sources of new growth
 - Target of launching 1 new product each year is well on-track: 3 new products to be launched in 2018
 - Nutriad closing in February 2018
- Strong dynamics have been seen in all our new product offerings
 - Enzymes volume grew steadily at double-digit growth with successful application of Feedase technology and continuous introduction of new product, such as Rovabio Advance Phy
 - Alterion® & Selisseo® are still growing very fast. Among which, probiotic products almost tripled, which is reflecting the trend of banning antibiotics in the industry
- Adisseo & Nutriad Integration Project on track to extract full synergy value in 2018 and onwards
- AVF is now actively working on 8 targets out of 100+ screening





Financial Performance

By Virginie CAYATTE



Q1 2018 Financial Performance

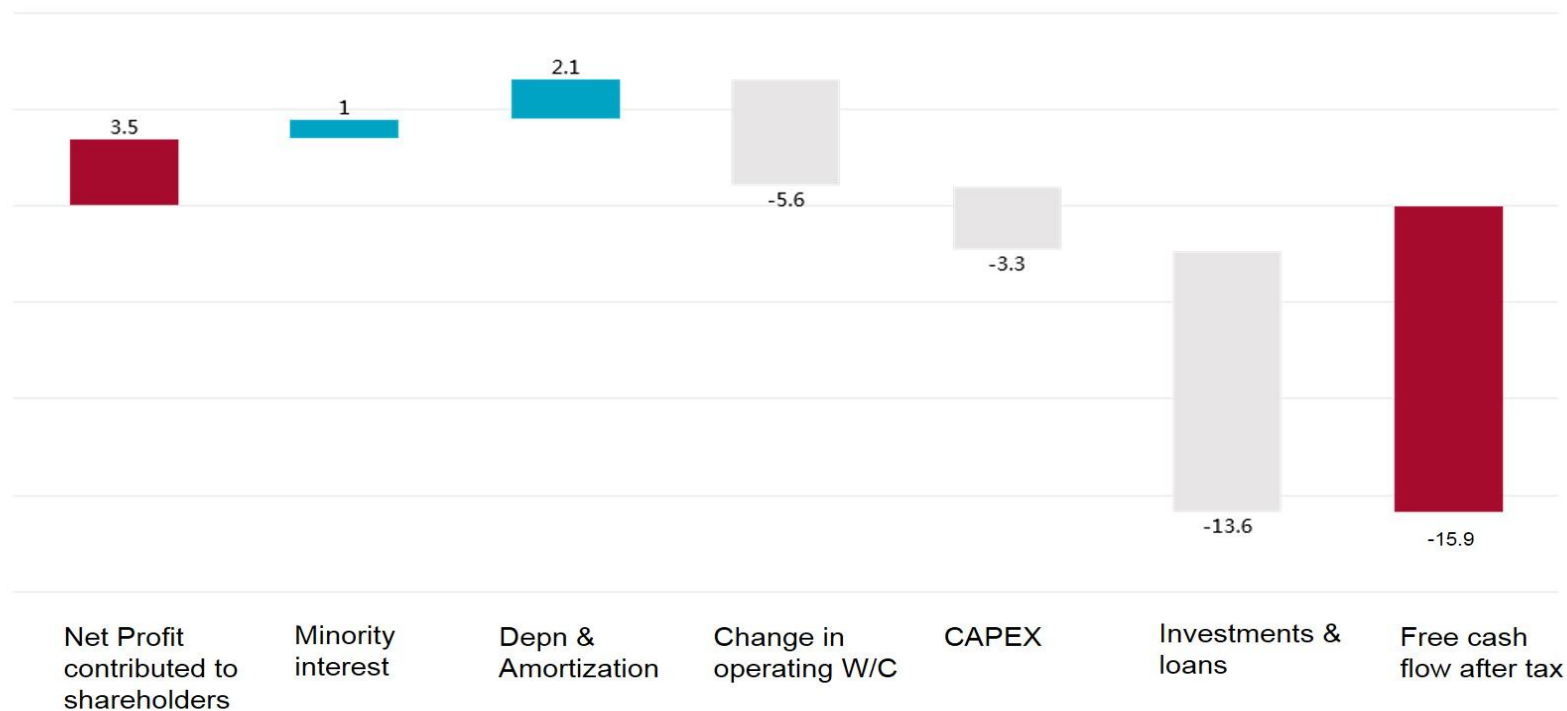
CNY 100mil	2018 Q1	2017 Q1	Variance
Operating revenues	30.1	24.7	22%
Gross profit	12.2	9.7	26%
EBITDA	8.5	7.3	16%
Depn & Amortization	-2.1	-1.9	11%
Financial Expenses	0	0.3	
Operating profit	6.4	5.7	13%
Income tax	-1.9	-1.7	13%
Net profit	4.5	4.0	11%
- Contributed to shareholders	3.52	3.17	11%
- Contributed to non-controlling interests	0.95	0.87	9%

- 11% growth in net profit contributed to shareholders mainly driven by the strong business growth
- Adisseo is heavily investing in the future, i.e. R&D as well as in the business development of new products, to prepare for the future leap



Cash flow statement

Unit: 100 million CNY



Beside M&A transactions, sufficient cash flow allows to fund working capital requirements mainly to prepare plant maintenance of Nanjing plant and to fund our long-term investment in Capex.

Strong balance sheet allows us to invest in the future

Unit: 100 million Yuan



The cash balance remains at high level, despite high level of investments in Q1 2018 with external growth (Nutriad), early redemption of preferred shares, additional working capital required for plant maintenance shutdown as well as Capex investment, which will allow Adisseo

- *To be able to execute better-than-market dividend distribution policy (35% pay-out ratio)*
- *Be ready for any external growth opportunities whenever needed*



Outlook

By Jean-Marc Dublanc



Outlook for Half-Year 2018

The business performance will be under pressure, facing with adverse macro-environment, such as raw material and FX impact.

2018 H1 outlook: sales growth momentum maintained

- Adisseo is benefiting from past investments to boost the volume growth in methionine, especially in liquid methionine
- Innovation is the spirit of Adisseo, which will boost the further development of specialty business with great vitality and strong sustainability
- On-going investment in specialty business are planned throughout 2018 while continued volume growth is expected thanks to the product line expansion as well as new product development



Thank you!

Q&A

