

Bluestar Adisseo Company

2025 Annual Report

Important Notice

- I. The Company's Board of Directors, Board of Supervisors, directors, supervisors, and senior management guarantee that, the content of the annual report is authentic, accurate and complete, and contains no false statement, misleading presentation or material omissions, and they assume individual and several & joint legal responsibilities for the annual report.**
- II. All of the Company's directors have attended the meeting of the Board of Directors.**
- III. KPMG Huazhen LLP issued an unqualified audit opinion.**
- IV. Zhigang HAO, the Company's principal, Virginie CAYATTE, the person in charge of the accounting function, and Virginie CAYATTE, the person in charge of the accounting department (the personnel in charge of accounting) state that they ensure the authenticity, accuracy and completeness of the financial statements in the annual report.**
- V. The Board of Directors has reviewed the profit distribution plan and the plan to use the statutory reserve to perform a capital increase in the reporting period.**

As audited by KPMG Huazhen LLP, the net profit attributable to the shareholders of the Company at the consolidated level for the year ended December 31, 2025, amounted to RMB 1,154,532,027 and the accumulated profits available for distribution at parent company level as at December 31, 2025 amounted to RMB 546,269,833. Therefore, in order to share the Company's operation achievements with all shareholders, as well as enabling the Company for further development in consideration of the Company's actual operation situations, the Company proposes the final dividend distribution plan that based on the Company's total share capital on registration date, the Company will distribute to all shareholders, cash dividend of RMB 1.00 yuan per 10 shares (inclusive of tax). The total amount of cash dividends to be distributed is RMB 307,977,925.70. This proposal is still subject to the approval of 2025 Annual General Shareholders' Meeting.

In addition, the Company has deliberated the interim dividend distribution plan on the twelfth

meeting of the 9th session of the Board of Directors of the Company to distribute cash dividend with total amount of RMB 157,068,742.11 yuan, i.e. RMB 0.51 yuan per 10 shares (inclusive of tax). According to the authorization by the 2024 Annual Shareholders' Meeting, the interim dividend plan does not need to be submitted to the Shareholders' Meeting for deliberation. The dividend has been distributed on 27th February 2026.

In total, the expected total amount of cash dividends to be distributed is RMB 465,046,667.81 yuan and the annual payout ratio of 2025 is 40.28%.

VI. Statement on the risks of forward-looking information

Applicable Not applicable

The forward-looking information such as future plans and development strategy, etc. described in the report do not constitute in any manner whatsoever the Company's substantial commitment to investors. Investors should pay special attention to assessing investment risks.

VII. Has the capital held by the controlling shareholder and its related parties been used for purposes other than for transaction purposes?

No.

VIII. Has the guarantee been granted externally in violation of regulated decision-making procedures?

No.

IX. Has more than half of the directors not guaranteed the authenticity, accuracy and completeness of the annual report disclosed by the company?

No.

X. Risk factors

Applicable Not applicable

During the reporting period, no material risks have been identified that will have a substantial impact on the operations of the Company. The Company has disclosed the relevant kinds of business and production risks as well as their corresponding solutions. For more information, please refer to Section 3 Management's Discussion and Analysis VI. Discussion and Analysis of the Company's Future Development 4 "Possible risks in the future".

XI. Other information

√ Applicable Not applicable

Chinese version of this report

This is an English translation of the Annual Report of Bluestar Adisseo Company. If there is any conflict between the Chinese version and its English translation, the Chinese version will prevail.

CONTENTS

<i>Section 1 Interpretations</i>	5
<i>Section 2 Company Profile and Financial highlights</i>	8
<i>Section 3 Management’s Discussion and Analysis</i>	13
<i>Section 4 Corporate Governance, Environment and Society</i>	61
<i>Section 5 Significant Matters</i>	106
<i>Section 6 Share Change and Shareholders</i>	122
<i>Section 7 Corporate bonds</i>	133
<i>Section 8 Financial Report</i>	134

Reference file	Financial statements signed and chopped by the company's legal representative, the person in charge of accounting work and the person in charge of accounting department.
	Original audit report sealed by the accounting firm, signed and sealed by the certified public accountant.
	Originals of all publicly disclosed documents and originals of public announcements during the reporting period

Section 1 Interpretations

I. Interpretations

Unless otherwise specified, the following terms in the report shall have the meanings shown below:

Interpretations of the terms in common use		
a. General terms		
Company, the Company	Indicate	Bluestar Adisseo Company
BNCM	Indicates	Bluestar New Chemical Material Co., Ltd
Nutriad	Indicates	The Nutriad Holding B.V. company and its subsidiaries acquired by Adisseo in February 2018
Calysta	Indicates	A US-based technology firm that has developed a proprietary Single Cell Protein and its innovative associated manufacturing process
Calysseo	Indicates	Adisseo has formed a joint-venture company called Calysseo together with Calysta in March 2020
FRAmelco	Indicates	The Franklin Group BV and its subsidiaries acquired by Adisseo in December 2020
Nor-feed	Indicates	A French group that designs, manufactures and markets plant-based specialty ingredients and plant extracts for animal nutrition acquired by Adisseo in February 2023
Nanjing Plant	Indicate	Bluestar Adisseo Nanjing Co., Ltd.
Group, the Group, or Adisseo	Indicate	Bluestar Adisseo Company and its subsidiaries
ChemChina	Indicates	China National Chemical Corporation
SinoChem	Indicates	SinoChem Group Co., Ltd.
SinoChem Holdings	Indicates	SinoChem Holdings Co., Ltd. is a new company established by the SASAC of the State Council on behalf of the State Council to perform the duties of investor for the purpose of joint reorganization between SinoChem Group and ChemChina. SinoChem Group and ChemChina will be included in the new company as a whole.
China Bluestar	Indicates	China National Bluestar (Group) Co., Ltd.
BANG	Indicates	Bluestar Adisseo Nutrition Group Ltd
Board of Directors	Indicates	The Board of Directors of Bluestar Adisseo Company
Board of Supervisors	Indicates	The Board of Supervisors of Bluestar Adisseo Company
Shareholders' General Meeting	Indicates	The Shareholders' General Meeting of Bluestar Adisseo Company
Articles of association ("AOA")	Indicate	The Articles of Association of Bluestar Adisseo Company
CSRC	Indicates	China Securities Regulatory Commission
SSE	Indicates	Shanghai Stock Exchange
SASAC of the State Council	Indicates	State Assets Supervision and Administration Commission of China of the State Council
Yuan, 10 thousand Yuan, 100 million Yuan	Indicate	RMB Yuan, RMB ten thousand Yuan, RMB one hundred million Yuan
Reporting period	Indicates	1 st Jan 2025 ~ 31 st Dec 2025

Interpretations of the terms in common use		
Transaction and restructuring	Indicates	In 2015, the company purchased 85% of the common stock of Adisseo through major asset restructuring with related party by issuing shares and cash payment and disposed of all the original businesses of the listed company.
Company Law	Indicates	Company Law of the People's Republic of China
Securities Law	Indicates	Securities Law of the People's Republic of China
Listing Rules	Indicates	Listing Rules of the Shanghai Stock Exchange
b. Technical terms		
Feed additives for animal nutrition	Indicates	Feed additives are food supplements for farm animals that cannot get enough nutrients from regular feeds and have to be added to the feed for nutritional purpose; which could promote the growth, development and wellbeing of animals.
Methionine / Methionine product	Indicate	One of the naturally occurring, sulfur-containing essential amino acid, which cannot be synthesized by animals and need to be added to the feed. Methionine product refers to those contain methionine itself or chemicals that can be bio-transformed to methionine in animals.
Liquid methionine ("HMTBA")	Indicates	A methionine hydroxyl analogue, which can be naturally transformed to methionine in animals and is in a liquid state at ambient temperature.
Powder methionine	Indicates	Methionine in a powdery state at ambient temperature.
Ammonium sulfate	Indicates	A colorless crystalline salt, which is a by-product during the liquid methionine production process, and mainly be used as a fertilizer.
Sodium sulfate	Indicates	A white crystalline compound, which is a by-product during the powder methionine production process, and used especially in detergents as well as the production of paper, glass, fuel and pharmaceutical products.
Enzyme	Indicates	A protein molecule function as a biological catalyst and effectively promote certain biological reactions in animals, and also can be used to accelerate the reaction processes in chemical industrial production. Enzymes can be added to feed to ameliorate the feed utilization and nutrition, health and immune status of animals.
Ruminants	Indicate	Refers to animals whose stomach usually divided into four compartments, namely rumen, reticulum, omasum, and abomasum, and chew a cud consisting of regurgitated, particularly digested food. Ruminants include cattle, sheep, goats, deer, giraffes, camels, etc.
Rumen	Indicates	The first stomach of a ruminant, which receives food or cud from the esophagus, particularly digests it with the aid of bacteria and passes it to the reticulum.
Performance products*	Indicate	The following products: methionine, methionine hydroxyl analogue, vitamins, ammonium sulfate, sodium sulfate and sulfur products.
Specialty products	Indicate	The specialties used for poultry, swine., ruminant and aqua products, including feed digestibility, animal resilience, feed integrity & quality, product quality & value., Norfeed, Innovia (drying formulation services) and FeedKind is also included.
MMP	Indicates	3-(Methylthio) propionaldehyde. This substance is the first intermediate in the synthesis of methionine. It is generated by the chemical reaction between methane thiol and propylene.

Interpretations of the terms in common use		
FeedKind	Indicates	FeedKind protein is a natural, traceable and safe non-animal source of high protein produced using the world's unique gas fermentation process with extra nutrition value, which has been successfully applied in aqua and pet market.
KT	Indicates	Kilo ton
TWh	Indicates	The unit of measurement of the amount of electricity produced

**Note: The definition here is only for internal financial reporting purpose as we consolidate the result of main products together with its by-products, which is different from the definition used in animal nutrition industry (i.e. technically, ammonium sulfate should not belong to Performance products if considering from the point of view of animal nutrition industry).*

Section 2 Company Profile and Financial highlights

I. Company profile

The Company's Chinese name	蓝星安迪苏股份有限公司
The Company's Chinese abbreviation	安迪苏
The Company's English name	Bluestar Adisseo Company
The Company's English abbreviation	Adisseo
The Company's legal representative	Hao Zhigang

II. Contact Person and Contact Methods

	Secretary to the Board of Directors	Security Affair Representative
Name	Ms. Cai Yun	Mr. Ma Teng
Contact address	9 West Beitucheng Road, Chaoyang District, Beijing	9 West Beitucheng Road, Chaoyang District, Beijing
Tel	010-61958802	010-61958980
Fax	010-61958805	010-61958805
E-mail	InvestorService@adisseo.com	InvestorService@adisseo.com

III. Brief Information

The Company's registered address	Room 3079, 3F, Shangdi Information Industry Base Zoom, 6 Chuang Ye Road, Haidian District, Beijing
Change of registered address	On 23 rd July 2024, the Company has changed the registered address from Room 6518, Garden Hotel, 30 East Garden Road, Haidian District, Beijing to Room 3079, 3F, Shangdi Information Industry Base Zoom, 6 Chuang Ye Road, Haidian District, Beijing
The Company's office address	9 West Beitucheng Road, Chaoyang District, Beijing
The postal code of the Company's office address	100029
The Company's website	www.adisseo.com
E-mail address	InvestorService@adisseo.com

IV. Information Disclosure and Preparation Site

The name and website of the newspapers selected by the Company for information disclosure	Shanghai Securities News (www.cnstock.com) Securities Daily(www.zqrb.cn)
The website specified by CSRC for publishing the annual report	www.sse.com.cn
Preparation site of the Company's annual report	Board Office

V. Brief Information on the Company's Shares

Type of security	Stock exchange on which the securities are listed	Share abbreviation	Share code	Share abbreviation before modification
Ordinary Shares	Shanghai Stock Exchange	Adisseo	600299	BNCM

VI. Other Related Information

Accounting firm (domestic) employed by the Company	Name	KPMG Huazhen LLP
	Office address	8 th Floor, KPMG Tower, Oriental Plaza, 1 East Chang An Avenue, Dongcheng District, Beijing
	Name of signing Certified Public Accountant	Lin Ying, Wang Shan
Name of the sponsor institution performing continuous supervision duties in this report	Name	CITIC Securities Co., Ltd.
	Office address	CITIC Securities Tower, No. 8 Zhong Xin San Road, Futian District, Shenzhen, Guangdong Province
	Name(s) of signing sponsor representative(s)	Huang Yibin、 Pan Jieke
	Period of continuous supervision	December 26, 2025 to December 31, 2026

VII. Main financial data for the latest three reporting periods

1. Main financial data

Unit: Yuan Currency: RMB

Main accounting data	2025	2024	Changes in comparison with the same period of last year (%)	2023
Operating revenue	17,230,692,072	15,534,274,997	10.92	13,183,748,624
Total profit before tax	1,570,496,599	1,574,502,396	-0.25	64,437,497
Net profit attributable to the shareholders of the Company	1,154,532,027	1,204,325,915	-4.13	52,165,518
Net profit attributable to the shareholders of the Company after deduction of non-recurring profit or losses	1,222,619,010	1,346,220,882	-9.18	12,996,165
Net cash flow arising from operating activities	3,330,708,477	2,944,669,481	13.11	2,764,212,304
		As of the end of 2024	Changes in comparison with the end of last year (%)	As of the end of 2023
Net assets attributable to the shareholders of the Company	19,864,062,293	15,542,390,570	27.81	15,036,928,489
Total assets	27,795,789,248	22,257,398,577	24.88	21,513,367,642

2. Main financial ratios

Main financial ratios	2025	2024	Change of the present period over the same period of last year (%)	2023
Basic earnings per share (Yuan/ share)	0.43	0.45	-4.44	0.02
Diluted earnings per share (Yuan/ share)	0.43	0.45	-4.44	0.02
Basic earnings per share after deduction of non-recurring profit or loss (Yuan/ share)	0.45	0.50	-10.00	0.0048
Weighted average return on net asset (%)	7.14	7.87	-0.73ppt	0.35
Weighted average return on net assets after deduction of non-recurring profit or loss (%)	7.54	8.75	-1.21ppt	0.09

Explanations of main financial data and financial ratios:

Applicable Not applicable

VIII. Differences of Accounting Data under Domestic and Overseas Accounting Standards

1. Differences of net profit and net assets attributable to listed company's shareholders in the financial reports which are disclosed according to international accounting standards and Chinese accounting standards simultaneously

Applicable Not applicable

2. Differences of net profit and net assets belonging to listed company's shareholders in the financial reports which are disclosed according to foreign accounting standards and Chinese accounting standards simultaneously

Applicable Not applicable

3. Explanation for the difference between the Chinese and overseas accounting policy

Applicable Not applicable

IX. Main financial data on a quarterly basis for the reporting period

Unit: Yuan Currency: RMB

	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Operating revenue	4,298,951,797	4,213,116,166	4,418,974,908	4,299,649,201
Net profit attributable to the shareholders of the Company	464,790,261	275,393,068	250,201,793	164,146,905
Net profit attributable to the shareholders of the Company	467,481,198	274,937,277	243,498,705	236,701,830

after deduction of non-recurring profits and losses				
Net cash flow from operating activities	942,772,818	507,208,506	834,450,000	1,046,277,153

Explanation of the data difference between the above quarterly financial data with the data published in previous quarterly reports:

Applicable Not applicable

X. Non-recurring Profit or Loss Items

Applicable Not applicable

Unit: Yuan Currency: RMB

Non-recurring profit or loss items	Amount in 2025	Description (if applicable)	Amount in 2024	Amount in 2023
Net profit or loss on disposal of non-current assets	(1,772,444)	Scrapping of non-conform or defective equipment	(1,022,096)	(5,243,116)
Government grants recognized in profit or loss, other than grants which are closely related to the Company's business and are either in fixed amounts or determined under quantitative methods in accordance with the national standard	51,613,732	Mainly grants for land use right and industrial structure adjustment in Nanjing plant	27,575,621	31,557,892
Profit or loss on changes in the fair value of other non-current financial assets	(31,421,344)	Fair value AVF	(3,511,827)	27,838,350
One-off expenses incurred for discontinued operations of the Company, such as severance payments	(100,247,947)	Restructuring cost	(213,796,910)	
Other non-operating income or expenses other than the above	(5,463,001)		8,838,588	(3,936,006)
Other items of profit or loss that meet the definition of non-recurring profit or loss				
Impacts attributable to minority interests (after tax)				
Impact of income tax	19,204,021		40,021,657	(11,047,767)
Total	(68,086,983)		(141,894,967)	39,169,353

For the non-recurring profit and loss items defined by the Company according to the definition of the Explanatory Announcement of Information Disclosure of Companies that Offer Securities to the Public No. 1 - Non-recurring Profit and Loss, and the non-recurring profit and loss items listed in the Explanatory Announcement of Information Disclosure of Companies that Offer Securities to the Public No. 1 - Non-recurring Profit and Loss, the reasons shall be explained.

Applicable Not applicable

XI. Companies with equity incentives or employee stock ownership plans may choose to disclose net profit after deducting the impact of share-based payments

Applicable Not applicable

XII. Items measured using fair value

Applicable Not applicable

Currency: RMB Unit: Yuan

Item Name	Opening Balance	Closing Balance	Change in current period	Impact to gain and loss in the current period
Derivative financial assets	398,012	5,556,890	5,158,878	7,882,151
Derivative financial liabilities	(14,207,182)	-	14,207,182	12,748,824
Investments in other equity instruments	178,114,503	43,230,642	(134,883,861)	-
Other non-current financial assets	111,350,835	93,818,816	(17,532,019)	(31,421,344)
Total	275,656,168	142,606,348	(133,049,820)	(10,790,369)

XIII. Others

Applicable Not applicable

Section 3 Management's Discussion and Analysis

I. Discussion and Analysis of the Operation

The world's population now represents about 8 billion people, and it is expected to continue to rise to around 10 billion by 2050. The combination of natural resources scarcity, climate change and population growth increases the pressure for food and nutrition security and efficiency.

The feed-food chain faces a dual challenge: Producing larger quantities of high quality and affordable meat, milk, fish and eggs in response to an increasing global demand, through production systems that are environmentally sound, socially responsible and economically viable. Today it is acknowledged that animal nutrition and health play an important role in improving end-product quality and safety, increase livestock production efficiency, reduce its environmental impact, and keep animals resilient and healthy and feeling well.

Adisseo's mission is to feed the planet in a high-quality, affordable, safe and sustainable way.

Adisseo contributes effectively to developing and providing innovative products and services to the feed and food industry already for more than 85 years. Adisseo provides feed additives for animal nutrition and health including essential nutrients and specialty feed additives including but not limited to digestibility improvement, preserving precious resources and qualitatively formulated feed, stabilization of gut flora, improving animal health by strengthening the animals' intestinal tract and therefore increasing their resistance to harmful micro-organisms. As such, Adisseo contributes to the prudent use of antibiotics and reducing the risk of antimicrobial resistance (AMR). Meanwhile, Adisseo's feed additives and solutions competency contributes to support sustainable production and environmental protection by the reduction of emissions (e.g. nitrogen, phosphorus, and methane), the increase of raw material usage efficiency and the balance of animal productivity and welfare.

Adisseo provides solutions to premixers, feed mills, farms, integrators and animal farmers in every food producing category: poultry, swine, ruminants and aqua. A global team serves about 4,200 customers in over 110 countries to partner in solving issues related to production efficiency, improve livestock performance, optimize animal nutrition and raw material usage, keeping animals healthy and feeling well while reducing/minimizing its environmental impact.

Adisseo is present worldwide and operates on all continents with sales force organized in six regions: Europe/CIS, Middle East/Africa & Indian sub-continent, North America, South & Central America, Asia Pacific and China. A team of knowledgeable sales and technical support brings expertise to offer professional consultation on additive application technologies and feed formulation and finished products analysis, strengthening its position as the go-to supplier through its distribution platforms for and its long-term and productive relationships with its customers.

Leveraging safety and sustainability DNA, the Company pursues the implementation of its “two-business-pillar” strategy, i.e. to become the leader in methionine while accelerating its profitable development in Specialty business with a worldwide ambition.

To do so, Adisseo brings a full range of products and services to the market that supports customers in every step of the feed and animal production for all animal species:

- Performance products:
 - Adisseo is the world leader in liquid methionine and is on the way to becoming No. 1 in the methionine industry. Adisseo is one of the few global methionine producers capable of producing methionine in both liquid and powder forms with fully integrated production hubs both in China & Europe.
 - Adisseo is uniquely positioned in the vitamin business in the feed industry, who endeavors to provide a full range of vitamin offerings with high quality and complete traceability.
- Specialties:
 - Adisseo is a world leader in highly specialized, high value feed additives for all species including poultry, swine, ruminants and aqua.
 - A complete portfolio of products, solutions and services are clustered into 4 main categories:
 - Feed Digestibility (enzymes, feed emulsifiers): Adisseo is a world-leading and the most recognized supplier of Non-Starch Polysaccharide (NSP) enzymes resulted from 25+ years development history in this sector.
 - Animal Resilience (products to support animal health and performance like gut health products, probiotics, selenium, organic acids, etc.): Adisseo is one of the world leading companies in this segment. The acquisition of FRAmelco and Norfeed has further reinforced Adisseo’s position in the promising and fast-growing animal resilience market segment.
 - Feed Integrity and Quality (Palatability, Mycotoxin management) to support customers in raw material evaluation and enhancement, feed intake, and animal wellbeing and performance.
Product Quality and Value (Rumen-Protected Amino Acids and Innovative Ruminant Solutions) contribute to sustainable milk production by reducing nitrogen emissions and optimizing amino acid balance. Adisseo is the undisputed market leader in this category, based on 30 years of research, development and technical expertise, i.e., in rumen protected feed additives
- Services: Adisseo brings a comprehensive range of services to support customers in every step of the production process of raw material supply, feed formulation and production and animal feeding and performance and health, making it a key solutions provider and thus, a key partner for all players in the value chain.

Adisseo developed global research and innovation centers with more than 300 people dedicated to research and innovation represent solid engines to support the “two-business-pillar” strategy.

Adisseo relies on its production sites based in Europe, USA, Southeast Asia and China to design, produce and market nutritional and health solutions. The manufacturing platforms enable Adisseo to manage most of its production internally, some vitamins are traded and Adisseo works with selected, strategic industrial partnerships to develop and produce some of its specialties. Adisseo is continuously enhancing its own global industrial footprint in both methionine and specialties to address customer needs, increase its own added value where useful as well as to ensure global supply reliability.

To guarantee a sustainable growth model, Adisseo is keen to strike the right balance between economic and human development and the preservation of the planet’s resources. Thanks to innovative methods and constant awareness, all staff members are mobilized to reach “Zero Accidents”: occupational safety, process safety, product safety, transportation safety and environmental safety.

In 2025, regarding occupational safety, Adisseo reached a new record of low level of recordable result with TRIR at 0.05 which represents an improvement versus previous year (0.1). Regarding process safety, Adisseo experienced also significant progress with the reduction of the frequency rate of process safety events (PSE) down to 0.4 in 2025 vs 0.84 in 2024.

Adisseo had committed since 2015 to reduce its scope 1 and 2 greenhouse gas intensity by 20% as well as its water and energy consumption per kilogram of product over a ten-year period.

As of 31st December 2025, Adisseo is far ahead of its 2025 GHG emission target (-45% vs 2015) thanks to projects carried out reducing Scope 1 and 2, improving energy efficiency of production process and purchasing renewable or decarbonated energy.

Adisseo’s climate strategy is structured around dual responsibility:

- Reducing the environmental footprint of its own operations, with a focus on energy-intensive industrial assets and chemical production processes; and
- Contributing to the reduction of the environmental footprint of the livestock industry, primarily through downstream impacts enabled by product performance, Life Cycle Assessment (LCA), and customer support solutions.

This approach reflects Adisseo’s position as an industrial player at the heart of the feed and food value chain and is fully aligned with its business model and long-term growth strategy contributing to the UN Sustainable Development goals such as SDG 2 “Zero hunger”, SDG 8 “Decent work and economic growth”, SDG 12 “Responsible conception and production” and SDG 13 “Climate action”.

Improvement in energy consumption is built around 3 main areas: operational rigor to avoid losses, technical and economic studies aimed at improving the energy efficiency of our processes, optimization of purchasing contracts and the search for subsidies. Energy use intensity-based target was even better achieved in 2025 (-30% vs 2015).

Water use trajectory was ahead of the target (-24% vs 2015) by integrating sustainable water management across all our operations, aiming to reduce freshwater withdrawals, increase recycling, and promote water reuse. Adisseo manages water-related through a comprehensive and operational water stewardship approach covering risk assessment, monitoring, efficiency, reuse and infrastructure integrity. The Group has established structured processes to identify, assess and manage exposure to water stress, scarcity, drought, and flooding across its sites.

Adisseo's Sustainable Development Roadmap for the 2025–2030 period embeds sustainability at the core of the Group's strategy to support long-term, responsible growth and innovation. It reflects Adisseo's ambition to reduce its own environmental footprint while contributing to the sustainability transition of the animal feed and food value chain.

The roadmap is structured around four priorities. Adisseo aims to reduce the environmental footprint of its operations by achieving its 2030 targets for greenhouse gas emissions (Scope 1 and 2), energy, and water consumption, while preparing more ambitious reduction trajectories, including Scope 3, for the 2035 horizon.

In parallel, Adisseo contributes to reducing the environmental footprint of its value chain through the deployment of Life Cycle Assessment methodologies, the development of customer sustainability solutions, and the quantification of avoided emissions enabled by product performance and innovation.

Adisseo also reinforces responsible behavior toward employees, stakeholders, and society by strengthening safety culture, ethics and compliance, inclusion and diversity, and structured societal engagement. Finally, the roadmap strengthens ESG governance and reporting, integrating sustainability criteria into investment and procurement decisions, including the progressive implementation of CO₂ pricing, and enhancing the robustness, transparency, and efficiency of ESG reporting processes.

II. Analysis of the industry of the company during the reporting period

Please see detailed analysis in V. Analysis of results of operations of main businesses in the reporting period, 4. Analysis of chemical industry business information

III. Analysis of business of the company during the reporting period

Adisseo's businesses focus on research, development, production and sale of feed additives for animal nutrition and health. Its main products are classified within 2 categories of products: Performance Products and Specialty Products.

Its performance, financial position and future are influenced by the global macro economy. In recent years, the global macro environment has been experiencing uncertainties: the growing geopolitical tensions and conflicts, and the global economic slowdown, exchange rate fluctuations, animal diseases etc. However, the market demand continued its recovery.

Being a key player in the food value chain, Adisseo has shown its agility, responsiveness and resilience in facing multiple challenges through its global market reach.

Adisseo has taken steps to improve its competitiveness, including continuously improving operational excellence, optimizing production processes, enhancing its production reliability and yields, providing value-added services and enriching product portfolio as well as on-going competitiveness enhancement program launched since 2019.

- To meet the demand of all methionine customers and to further consolidate leadership in methionine industry, not only in liquid form, but also in powder form, Adisseo decided to construct of a new powder methionine plant with a capacity of 150KT/a in Quanzhou (China). Adisseo will fully leverage integration synergies with SinoChem group and the plant is expected to start-up early 2027. Construction of main process units of the new Quanzhou powder methionine plant is well ongoing.
- In addition to production capacity, digitalization transformation projects have been launched in European and Nanjing plant, which enable Adisseo's industrial activities to improve safety, gain cost competitiveness, operation efficiency and better anticipation on future process development.
- European competitiveness enhancement program has been implemented. The project to reboost the competitiveness of the European platforms are being pursued with tangible benefits impacting positively all production sites in Europe Vitamin A in Commeny (France), liquid methionine between Les Roches (France) and Burgos (Spain) and powder methionine in Les Roches Roussillon (France).
- Specialty products are under active development as a second business pillar to enhance animal performance and health. The Company sees great growth potential in Specialty products and actively explores innovative products and market approaches. The full integration of Nutriad, FRAmelco and Nor-Feed into Adisseo allows a high complement to the existing product range, the addressed species, and the target markets. Adisseo can thus offer integrated solutions and provide more value to its customers. Solutions are covering a large range of issues faced by farmers, feed millers and integrators including prevention of nutritional loss in grains and feed during storage; reduction of antibiotic usage; improvement of animal welfare; reduction of feed cost; improvement of cows' longevity and the enhancement of the product quality of animal farmers. Adisseo realized growth in all Species and Categories it is serving, in all major countries. Adisseo recorded strong sales results in its range of Ruminants solutions (Product Quality & Value), supported by favorable market conditions, and continued its solid development in all

other Categories. Nor-Feed business experienced continued strong business dynamic thanks to Norponin business, a dedicated anticoccidial solution (coccidiosis is one of the most prevalent parasites for Poultry), which was further integrated into the Adisseo Specialties business to realize synergies within Adisseo. The first green-field Specialty Blending Facility established in Nanjing was successfully started in 2025 and is contributing significantly to our current and future market success in China, with a strengthened “local-for-local” approach. The construction of the new 30KT European Specialties Expansion and Optimization Project in Spain was completed and the plant is running at high utilization rates, supporting the ambitious growth plans for Specialties sales. The project to internalize the esterification process to produce one of the key ruminant products is ongoing with start-up expected in over the course of 2026.

- With the intention to develop single-cell alternative protein business opportunities on an exclusive basis in Asia, Adisseo formed a joint-venture company called Calysseo together with Calysta. Calysta is a US-based technology firm that has developed a proprietary Single Cell Protein and its innovative associated manufacturing process, in which Adisseo took a minority stake, in early March 2020. Calysseo Chongqing Plant, the world’s first industrial-scale FeedKind® facility, marched on its innovation path with tangible progress achieved on technical side in last 2 years. Meanwhile, the plant business development also improved steadily in 2025 allowing to deliver regular sales in Chinese aqua market and to initiate the commercialization in the pet market in Europe in 2025. However, FeedKind® plant in Chongqing has been shut down to allow the implementation of technical upgrade to reach design capacities, but still pending for financing. Adisseo, with the other partner, are actively working to find solutions and the plant also initiated the process with support from local government to search for potential interim arrangement.
- “In science, we trust” mindset is deeply rooted in Adisseo. Innovation is the heritage and a key competitive edge for Adisseo, both for the optimization of the processes of performance products (methionine, Vitamin A) as well as the development of new customer driven solutions for specialty products. More efforts have been spent on the optimization of S&T (Science & Technology) organization with 5 research directions: Producing Tomorrow, Experimenting Tomorrow, Influencing Tomorrow, Winning Together and Aiming 4 Efficiency. To support these 5 Strategic Thrusts, the teams are organized around 3 Key Enabling Technologies (KETs): Process Intensification, Biotechnology, Additives Protection and Delivery, serving the Animal Nutrition and Health Roadmap.
- The Adisseo Research & Innovation Center in China (“RICA”) operational since early 2022 is now delivering high quality innovation and strong support to Adisseo China and has started to also deliver on global projects. The new Research & Innovation Center in Lyon (ELISE) is running at full capacity. Along with CAPSULAE (in La Rochelle) and CINABIO (in Toulouse), it represents a state-of-the-art Research set up to deliver high quality and disruptive innovation around the 4 KETs to support Adisseo’s strategy and

growth ambition. To complete the Science & Technology setup, the pilot facilities are now progressing well, with the new Additive Protection and Delivery pilot facility in La Rochelle almost operational by end 2025, the construction of the future Biotech Pilot facilities in France started end 2025, as well as the construction for the future Chemistry Pilot facilities in Nanjing. These last 2 pilot facilities will be operational early 2027.

- Adisseo also continues to develop its innovation pipeline of products and services. The services launched at the end of 2023 have now reached their cruising speed and increasing gradually their penetration of customers globally. New ones have been developed during 2025 and introduced into China, in particular one key service including data science and AI in the domain of ruminants to help end users in optimizing their production. The Nor-Feed products are delivering continued high performance and sales growth in 2025 and complete nicely the overall Adisseo portfolio. The newly developed acidifiers product tailor made for the Chinese market was launched to Chinese market in Q3 2024 and has gradually and successfully increased its market penetration in the course of 2025, as well as new feed enzymes blends which have been launched by the end of 2025 in China.
- The methionine manufacturing processes are on track to improve the overall cash-cost and lower carbon footprint.
- . In 2025, AVF pursued its investment strategy by investing in a startup developing peptides for health benefits in the aquaculture sector. Adisseo is engaged with this startup to co-develop a specific and new solution fort this market. Next to the follow up on one of its existing investments in 2025 in the domain of antibodies, Adisseo is fully engaged in the development of animal health solutions to bring disruptive technologies to its customers.

In the sector of digital farming, most of the initiatives have progressed significantly through the integration of AI solutions. This approach has also been followed in the biotech sector where the introduction of AI is changing drastically the performance and the speed to develop new solutions. Most of the investments made in this sector are following that path accelerating the development of new products

IV. Core competitiveness analysis in the reporting period

Applicable Not applicable

During the reporting period, there was no significant change in the Group's core competitiveness.

1. Global Industry Leader

Adisseo awareness is improving all over the world. Adisseo is seen as expert company in animal nutrition and health thanks to its highly qualified teams and R&I capabilities.

➤ Performance products

Performance products include mainly methionine and vitamins. Consolidating its leadership on methionine market is the first business pillar of Adisseo.

Methionine

Methionine is Adisseo's main product category. The complicated production processes of chemical synthesis of methionine require significant expertise and large initial capital investment. The whole production process is regulated and supervised strictly from the perspective of environmental protection and production safety. Therefore, only a few producers in the world can produce methionine safely, sustainably and on a large scale. Adisseo is also one of the few global methionine producers capable of producing methionine in both powder and liquid forms.

Adisseo markets methionine under Rhodimet®. Adisseo is considered as the best at the "global picture and global supply" for methionine in liquid form by key customers. Adisseo is a key participant in each regional market of methionine across the world. Main competitors are Evonik, NHU, Novus, Sumitomo and Hebang.

Adisseo has currently two platforms (Europe and China), allowing Adisseo to serve our customers in a most cost-effective and reliable way. In addition, Adisseo keeps on studying on the next methionine production platform to serve the USD-zone area for the purpose of meeting the ever-increasing customer demand and mitigate the rising geopolitical risks.

- European platform

It is the historical platform, which is structured around the following main plants: Les Roches plants (France) is the upstream unit where the first intermediate in the synthesis of methionine, MMP, is produced before being supplied then converted to powder methionine in Roussillon (France) and to liquid methionine in Burgos plant (Spain).

To increase its liquid methionine production in Europe, in 2025 there has been a capacity expansion project, which successfully provided additional capacity of 40KT/year to the market by the year end, allowing Adisseo to address the continuously growing market and to further improve competitiveness.

Furthermore, in 2025 Adisseo has steadily increased capacity for its brand-new product RumenSmart, based on the liquid methionine ("HMTBA") technology for the dairy market. In parallel, Burgos plant is expanding its specialties production capacity. The project to internalize esterification process to produce the key ruminant product in the plant was delayed due to reinforcement of safety control.. To reinforce its sustainability, the Burgos plant continues to optimize its energy consumption (by recycling waste steam), reduce its CO2 emissions, and minimize its environmental impact.

- Chinese platform

Nanjing plant: In 2009, Adisseo established the Nanjing plant to firstly supply China market, the world's largest methionine consumption market. Adisseo is one of the first global companies to establish major production facilities to produce methionine in China. Adisseo is continuously improving its cost competitiveness thanks to its fully integrated manufacturing platform, continuous improvement in the manufacturing process thanks to the research and innovation efforts as well as continuously expanded capacity. The gradual increase of investment and production including debottlenecking enabled Adisseo to seize the opportunities afforded by China's rapidly growing methionine demand, swiftly respond to the changes in the market, and further enhance its competitiveness and market position. To meet the continuously growing demand of customers and to maximize the economic scale of the production platform, and further consolidate its leadership role, another new liquid methionine plant with a capacity of 180KT/a was constructed and started up in September 2022. It is located adjacent to the existing Adisseo plant in Nanjing. It embeds some specific changes to production processes to improve environmental protection and to further reduce already world-leading production costs. Nanjing Plant has now become one of the largest, most technically advanced, and most competitive liquid methionine production platforms in the world. This is a major step in Adisseo's strategy to build a complete global industrial layout. The company ambitions to make full use of it to best meet the growing market demand in the world and to provide most efficient and reliable products and services to its customers first in China and Asia and in the rest of the world. More than that, the new integrated platform has made further investment to optimize its energy consumption so as to improve its environmental impact.

Quanzhou plant – a new 150 KT/y powder manufacturing unit in China. To cover the full demand of all methionine customers and to further consolidate leadership in methionine industry, not only in liquid form, but also in powder form, on August 4, 2023, the Board of Directors of Bluestar Adisseo Company decided to construct of a new powder methionine plant with a capacity of 150KT/a in Quanzhou where Adisseo can fully leverage integration synergies with SinoChem group with expected start-up in S1 2027. The construction of the project is well underway..

Vitamins

Adisseo is also a major player in vitamins with full range of products, including A, B, D3, E and H. Adisseo markets the vitamin portfolio under Microvit® which is recognized as a reliable and qualitative range of vitamins by our customers. Adisseo selects suppliers and guarantees quality through the Microvit Certification System.

Adisseo holds around 20% of Vitamin A production capacity in feed industry. Adisseo buys raw materials from different sources to avoid supply issues, including large chemical companies to produce its Vitamin A.

In 2025, the vitamin A & vitamin E prices dropped sharply especially in the second part of the year due the restart of all capacity in Europe and new units start up in China which led to massive overcapacity. Adisseo has continued to implement its cost reduction program for its vitamin A plant in France & to diversify its suppliers base for its trading activity on top of developing

formulations to customize its offering to customer needs & create more value from formulated products.

➤ **Specialty products**

In 2025, the Specialties Strategic Business Unit continued its long term transformation program started in 2024, with the objective to double its sales and significantly increase its footprint in the animal nutrition & health markets. Within this context, it completed a significant reorganization of its target operating model, aligning its structure around four main species—Poultry, Swine, Ruminant, and Aquaculture—and four key product categories – Animal Resilience, Feed Digestibility, Feed Integrity & Quality, and Product Quality & Value. This new operating model was implemented to better address customer needs and to maximize the business development rather than focusing on a single specialized area. In addition to serving the 4 main species, Adisseo is currently also exploring new business opportunities in the Pet segment, which shows high growth rates and interesting potential for value creation with the existing portfolio of products and novel solutions in the near future.

Overall, Adisseo confirms the ambition to strengthen its position as one of the worldwide leaders of specialty additives in animal nutrition and health thanks to the organic growth of its existing product range, the launch of new products and external acquisitions.

1) **Animal Resilience**

Animal Resilience focuses on strengthening animal health and performance in challenging conditions, ensuring sustainability and efficiency across all species. It includes:

- **Organic Selenium (Selisseo®)** – Enhancing reproductive performance, immunity, and product quality (meat, milk, eggs) while supporting sustainability. With growing adoption across all species, including poultry, swine, ruminants, and aquaculture, Selisseo® plays a vital role in improving resilience and production efficiency. **Probiotics and other health solutions** – Providing alternatives to antibiotic use through probiotics, short- and medium-chain fatty acids, and phytogenic solutions. The integration of Norfeed and FRAmelco expands Adisseo’s portfolio in this space, offering innovative solutions to improve gut health, immunity, and overall well-being.

2) **Feed Digestibility**

Feed Digestibility solutions aim to maximize nutrient utilization, reducing feed costs and environmental impact while improving animal performance. Key products include:

- **Enzymes (Rovabio® range)** – Enhancing the digestibility of feed ingredients, improving efficiency in poultry, swine, and aquaculture. The Rovabio® portfolio includes NSP

enzymes and the latest generation of phytase products, ensuring optimal nutrient release and reducing emissions.

- **Feed Emulsifiers** – Enhancing fat/nutrient digestibility and energy efficiency for all species. The portfolio includes lysolecithins like LeciMax and other solutions boosting overall feed efficiency and reducing feed costs. The Feed Digestibility portfolio is supported by industry leading and innovative feed formulation support such as Precise Nutrition Evaluation (PNE) and Addict software. Those services help customers optimize feed formulation based on real-time feedstuff analysis and formulation support, ensuring better cost management and performance outcomes.

3) Feed Integrity & Quality

Ensuring stability, safety, and nutritional consistency of feed is critical for maintaining animal health and productivity. The Feed Integrity and Quality category includes:

- **Palatability Solutions** – Enhancing feed intake, particularly in stress conditions, to support optimal growth and performance. Solutions are tailored for multiple species, including swine, ruminants, and equine.
- **Mycotoxin Management** – Addressing the growing challenge of mycotoxins in feed through analytical services and mitigation solutions. These products help safeguard animal health and maintain productivity by minimizing the impact of contaminated raw materials.

4) Product Quality & Value

This category focuses on improving the quality of animal production, with a particular emphasis on ruminants. Key offerings include:

- **Rumen-Protected Amino Acids** – Adisseo’s Smartamine®M, MetaSmart®, and Smartamine®ML and RumenSmart® provide targeted solutions for improving milk production, composition, and overall dairy cow performance. These products contribute to sustainable milk production by reducing nitrogen emissions and optimizing amino acid balance.
- **Innovative Ruminant Solutions (“Prime Line”)** – Recent additions like DynOmik™ (reducing methane emissions while enhancing milk yield) and leveraging Adisseo’s capabilities in Mycotoxin Management, Palatability and Animal Resilience reinforce Adisseo’s leadership in ruminant nutrition and health.

Norfeed

Adisseo, through the Norfeed acquisition, added plant-based additives to its portfolio. Norfeed develops and produces botanical extracts and phyto-genic solutions designed to improve animal health, performance, and feed efficiency. Their products focus on alternatives to antibiotics, oxidative stress management, and gut health, often using ingredients like grape and citrus extracts, polyphenols, and saponins. Adisseo made further progress to integrate Norfeed into the Group,

enabling the full value capture of this acquisition through generating synergies in R&I, Sales, Marketing and support functions, as well as working together on novel products/product combinations and services.

FeedKind®

Adisseo, through its joint venture Calysseo, is pioneering the development of **FeedKind®**, an innovative alternative protein for aquaculture. FeedKind® offers a sustainable, high-quality protein source that reduces reliance on traditional fishmeal, supporting the global drive for responsible aquaculture.

In 2025, commercial sales have accelerated in China & South East Asia, and the plant has continued to make progress in stabilizing operations & ramping up the capacity utilization. Nevertheless, the unit stopped now to prepare technical upgrades to reach design capacities, but still pending for financing. Adisseo, with the other shareholder, are actively working to find solutions to resolve the going-concern issue of the plant.

2. Global Production and Sales Network

Adisseo has set up local supply chain systems operating in an efficient and highly responsive way based on the distribution of its regional customers. Its main manufacturing network is spread over Europe, USA and Asia. In the main regional markets, Adisseo associates this network with some toll-manufacturers for specific products or operations. From those plants, it delivers its finished products directly or indirectly to its customers in the world. It either ships directly to its customers or regional warehouses.

On the Chinese market, for example, to ensure all products safely delivered to customers all over the country on time, Adisseo has established a multipurpose supply chain with a distribution center in Nanjing, combined with 7 distribution warehousing centers national-wide according to where and how much the customers are concentrated. At the same time, this organization allows to Adisseo to export worldwide their products from China.

Adisseo also has a dedicated warehouse in Shanghai for traded products that are sourced in China, grouped in this warehouse and shipped worldwide either to customers or to its regional warehouses.

The Adisseo sales team has regularly opened distribution subsidiaries or offices globally. Adisseo will gradually establish and refine the local sales organizations according to the development of the emerging economies. With the integration of Nutriad, Adisseo benefits from sales offices in Italy, Spain, Poland, and Greece. In addition, to further develop the sales network globally, Adisseo has set up sales subsidiaries in India, Malaysia, Dubai and Turkey in past years to better provide our products and services to local market by our own team and is now reinforcing our position in South-east Asian and African market by establishing new entities in Indonesia, Vietnam and South Africa. In addition to Adisseo's own sales force, Adisseo has set up close long-term

relationships with sales agents and distributors around the world to better serve the local market and customers.

In 2018, Adisseo finalized the development of its e-commerce site through the e-platform of SinoChem Group. The main benefits of this platform are to digitalize the ordering process and allow them to follow their complete ordering process, payment process as well as goods receipt process online. Especially in recent years, the digital platform played an important role for Adisseo China to effectively respond to the market and customer demand. Adisseo has strengthened customer relationship through the e-commerce platform by providing customers with more accurate, timely, high-quality and innovative services and will continue to improve the e-commerce platform and strive to maintain the leading position in the industry.

Since 2018, Adisseo has decided to deploy a Global Key Account strategy to better manage their Global Key Customers (with operations in different regions). Key account managers have been nominated for each account.

3. Specialized and Comprehensive Feed Solutions

Because of Adisseo's brand awareness, consistent product quality, competitive prices and rich product portfolio, most of its main customers purchase more than one kind of product. Adisseo has a long and distinguished history in animal feed nutrition, an outstanding market position, technological innovation and powerful R&D capabilities that allows to develop scientific programs related to customer pain point.

In addition, dedicated customer programs and training sessions are organized to explore a total approach for e.g. mycotoxin contamination, gut health issues and preventive measurements for antibiotic reduction and AGP (antibiotic growth promotor) ban in husbandry. The service platforms, such as Nestor and customized PNE Chinese platform, provided nutritional recommendations and nutritional values to customers, a step further in formulation accuracy for more sustainable production.

In the context of global surge of raw material cost for feed production, solutions have been developed and introduced to customers to enhance product efficiency and control production costs such as low-protein application, A special on-line "protect your margin" program has been launched in 2023 as raw material cost for feed production remains high.

To further improve customer preference and differentiate from competition, Innov'I@b is continuously scouting disruptive technologies, products, and services to improve efficiency, sustainability, and animal wellbeing at customer level.

4. Unparalleled Market Explorer and Pioneer

Adisseo has continuously expanded its business to successfully seize the opportunities presented by the growth in demand for protein and animal feed additives in emerging economies. With

population growth, growth in income per capita and changes in diet in emerging economies, a greater demand for animal proteins exists. Adisseo's products enhance the metabolism and health of the animals and increase efficiency in animal husbandry. The growth in population and per capita income and the need for higher efficiency in using land and water resources have created bright prospects for Adisseo's core products.

To fulfill its mission which consists in feeding the planet in a high-quality, affordable, safe and sustainable way, Adisseo strives to keep a leading position on methionine market (first business-pillar of Adisseo's strategy) and to bring new solutions by accelerating the development of Specialty products (second business-pillar).

Methionine

Adisseo is actively preparing future development by combining extensions and debottlenecking of existing production facilities, while, at the same time, improving their reliability, performance and environmental compliance:

- Adisseo secures sourcing for strategic raw materials. In 2016, Adisseo integrates sulfur melting activity of Sobegi in European platform;
- Adisseo increases its production capacities in both European and Chinese. The project of the new powder methionine plant in Quanzhou as well as other debottlenecking projects when needed are key steps to implement the "two-business-pillar" strategy and important action to consolidate leadership role in methionine industry.

In addition to capacity expansion, Adisseo conducts each year new surveys and initiates new projects to reduce the environmental impact of its activities: high level of environmental investments conducted in past several years, such as new electrostatic filter to reduce dust in fumes and a wastewater pre-treatment plant in Nanjing, new furnace to maximize energy recovery on a MMP (intermediary product in the synthesis of methionine) production unit, investment of a new waste water treatment unit at Commentry which was put into use in fall 2021. The steam recycling project in Nanjing construction completed in Q3 2023, is now in use since January 2024, which contributes to the energy consumption efficiency as well as cost competitiveness of the plant. Nanjing plant wastewater treatment project completed its construction and is in biological ramping up phase.

Specialties

Adisseo reinforces its core businesses and diversifies its portfolio in high growth segments by developing strategic partnerships, innovative products and external acquisitions. The target is to build a complete, tailor-made solution offering using the following key criteria to select the best development opportunities:

- fit into its species-oriented market strategy (poultry, swine, ruminants, aqua)
- technology (added value, "solutions" to client's needs, growth & profitability)
- access to market
- services to be provided (digitalization)

5. Strong Research and Innovation Capabilities

Adisseo Science & Technology (hereafter S&T) is strengthening its portfolio of projects and activities around its 5 Strategic Thrusts. Projects launched in 2024 have progressed well during 2025 with a clear acceleration of the Time-To-Market (TTM) for new processes and an increase of the number of projects for the new products. This acceleration of the TTM and the increase of projects are possible thanks to tools developed to improve efficiency, the new techniques developed to optimize animal testing (and in vitro screening techniques), the introduction of new techniques to accelerate production scale up, and finally the launch of projects in co-development with selected customers.

Adisseo is committed to have a long-term implication in research and is fully involved in finding sustainable and meaningful innovations in animal nutrition field. Adisseo Research Grant (ARG), to collaborative projects addressing key feed industry challenges, are progressing well. Among the 5 Adisseo Research Grant projects (selected in 2021 and 2022), the first ones were coming to an end in the course of 2025. As planned, a new ARG was launched in 2024 with tremendous success (more than 70 dossiers were presented). Three (out of the 70) projects were selected and started in the course of 2025. These research grants aim to encourage international labs to collaborate on some of the main challenges of the feed industry. Those challenges include sustainability, antibiotic bans, new feedstuffs, early feeding, and hot conditions.

In parallel, being the only subsidiary in SinoChem focused on animal nutrition industry, Adisseo S&T has been positioned by SinoChem as “SinoChem Animal Nutrition Central Institute” in early 2023.

As such, Adisseo and the Sinochem Animal Nutrition Central Institute reinforces cooperation with several international laboratories, universities, and research institutions, strengthens its bonds with the scientific community, encourages the passion for innovation, and attracts technical talents by sponsoring R&D projects on the different topics/challenges. After partnerships officially started with the Sichuan University in Chengdu on swine nutritional research, with the University of Arkansas in Fayetteville (US) on poultry nutritional research, with the Nanyang Technical University in Singapore on aquaculture nutritional research, with the University of Wisconsin on ruminant research, and one with INRAe in France on specific critical global nutritional topics, 2 new long-term partnerships have been formalized in China recently with Beijing University Chemical Technology Institute, Tianjin university to develop disruptive technologies and product development in bioengineering and new crystallization technology and the National Key Laboratory of Animal Nutrition of the CAU(Chinese Academy of Agriculture) in Beijing. The partnership signed with Professor Zheng from Zhejiang University of Technology by the end of 2024, on biotechnology focusing on bio-based methionine, is progressing well.

Adisseo S&T is pursuing the development of new data management techniques to run its experimental farms. Doing so, we have managed to run more trials using less animals and keeping

(even improving) the quality of the outputs (data). In 2025, this new approach was pursued further and consolidated.

Along with the nutritional competencies, Adisseo remains an industry pioneer through its own prominent Research, Development and Innovation capabilities since the release of powder methionine in 1945. Adisseo is one of the first companies in the world to synthesize methionine and vertically integrate its upstream and downstream production processes, one of the first companies to develop rumen-protected methionine for the ruminant market and is one of the first companies to develop the coated Vitamin A product. Adisseo was the first company to launch a high concentrated Vitamin A (1 million unit/g), which became the new market standard.

From 2014 onwards, Adisseo launches one new product/service per year. As an illustration, in recent years, following products have been launched: 1) Rovabio Advance Phy early 2022; 2) Nestor, a new Adisseo service launched to market in Q3 2022, providing nutritional recommendations and nutritional values to customers, a step further in formulation accuracy for more sustainable production; 3) Dynamik in the US in 2023, the first solution improving milk production and reducing methane emissions from cows at the same time; 4) Rovabio Phyplus, the latest generation of phytase enzyme, contributing to overall nutrient efficiency and sustainability and improves the overall digestibility of feed. Launches of further new products in enzymes & dairy ranges are expected in the course of 2026.

6. Scientific and Competitive Cost Operational Structure

Adisseo has vertically integrated its upstream and downstream production processes in methionine production. Its methionine production extends to the production of propylene, sulfur and other such basic materials, ensuring a stable and reliable supply for the hazardous intermediates in methionine production. These intermediates mainly include MeS, MMP, hydrogen sulfide, hydrogen cyanide, and others. These materials have limited suppliers in the public market and production is not integrated. Through the production of these intermediates, Adisseo can monitor the product quality at each production step and appropriately lower the production costs and become even more competitive at the same time.

7. Experienced Management Team with Rich Industry Experience

The management team of Adisseo has over decades of industry and management experience in animal feed additives and international company management on average, dedicated to achieving continuous and effective integration and allocation of global operations and resources. Additionally, at Adisseo, the commitment of its people is a key performance indicator alongside safety and financial results. Adisseo has built employee development and incentive programs, which provides an internal drive for sustainable growth.

Adisseo is investing in commercial, innovation, scientific and managerial expertise through the creation of a Sales academy, a Research and Innovation academy, a project academy, an internal school for production efficiency and an internal Adisseo Management Program. Adisseo is also

investing in technical and scientific expertise through individual development program dedicated to high potential scientists selected every year for a strategic list of expertise, and through an associated specific recognition program.

V. Analysis of results of operations of main businesses in the reporting period

1. Analysis of main business

(1) Analysis of main changes in items of profit & loss statement and cash flow statement

Unit: Yuan Currency: RMB

Items	Amount of current period	Amount in the same period of last year	Change (%)
Operating	17,230,692,072	15,534,274,997	10.92
Cost of sales	12,352,266,069	10,840,773,006	13.94
Selling and distribution expenses	1,495,138,179	1,351,106,581	10.66
General and administrative expenses	855,545,180	906,529,990	-5.62
Financial expenses	63,232,611	56,078,167	12.76
Research and development expenditure	456,124,857	441,668,680	3.27
Net cash flow from operating activities	(3,254,659,127)	(1,634,244,794)	-99.15
Net cash flow from investing activities	(3,254,659,127)	(1,634,244,794)	-99.15
Net cash flow from financing activities	2,910,945,301	(1,017,033,177)	N/A

Net cash outflow from investing activities increased by 99.15% mainly due to the accelerated construction of major CAPEX projects.

Net cash inflow from financing activities increased significantly due to the capital received from private placement.

(2) Revenue & Cost Analysis

Applicable Not applicable

a. Analysis by industry, by product and by region

Main operations by industry						
By industry	Operating revenue	Cost of sales	Gross profit ratio (%)	Increase/decrease in operating revenue on the same period of last year (%)	Increase/decrease in cost of sales on the same period of last year (%)	Variation in GP ratio on the same period of last year
Health and Nutrition	17,230,692,072	12,352,266,069	28.31	10.92	13.94	+2ppt

Main operations by product

By product ⁽¹⁾	Operating revenue	Cost of sales	Gross profit ratio (%)	Increase/decrease in operating revenue on the same period of last year (%)	Increase/decrease in cost of sales on the same period of last year (%)	Variation in GP ratio on the same period of last year
Performance products	12,914,424,551	9,746,334,604	24.53	11.12	13.36	-1ppt
Specialty products	4,316,267,521	2,605,931,465	39.63	10.31	16.18	-3ppt
Total	17,230,692,072	12,352,266,069	28.31	10.92	13.94	-2ppt

Main operations by region						
By region	Operating revenue	Cost of sales ^{Note2}	Gross profit ratio (%)	Increase/decrease in operating revenue on the same period of last year (%)	Increase/decrease in operating cost on the same period of last year (%)	Variation in GP ratio on the same period of last year
EUROPE	3,899,110,450			-0.70		
IMEA	2,305,989,175			4.51		
NORTH AMERICA	2,727,568,558			15.49		
ASIA PACIFIC (excluding CHINA)	1,890,240,922			14.98		
LATIN AMERICA	3,520,084,955			14.62		
CHINA	2,887,698,012			24.22		
Total	17,230,692,072			10.92%		

Note (1): IMEA stands for India subcontinent, Middle East, and Africa.

Explanation on main business by industry, by product and by regions

Note (2) The Company discloses only operating revenue by region due to the fact that neither operating cost nor gross margin is monitored by region.

Analysis of the factors impacting on the income from sale of products

In comparison with 2024	Change in Volume	Change in sales price	Exchange rate impact
Performance products	1,026,056,292	21,598,302	245,180,77
Specialty products	614,404,31	(288,198,305)	77,375,689

b. Production, Sales and Inventory Quantity analysis

Applicable Not applicable

Units of volume by category of products comprising are not homogeneous. Therefore, no disclosure has been provided.

c. Execution of major purchase and sales contracts

Applicable Not applicable

d. Cost analysis table

Unit: Yuan

By industry							
By industry	Cost composition items	Amount of current period	Proportion to the total cost of current period (%)	Amount of the same period of last year	Proportion to the total cost of the same period of last year (%)	Proportion of change in the amount of current period over the same period of last year (%)	Explanation
Health and Nutrition	NA	12,352,266,069	100.00	10,840,773,006	100.00	13.94	Not applicable

By product							
By product	Cost composition items	Amount of current period	Proportion to the total cost of current period (%)	Amount of the same period of last year	Proportion to the total cost of the same period of last year (%)	Proportion of change in the amount of current period over the same period of last year (%)	Explanation
Performance products	Raw materials, purchased equipment and consumables used (68%), Depreciation and amortization (15%), Other (17%)	9,746,334,604	78.90	8,597,709,080	79.31	13.36	Not applicable
Specialty products	Raw materials, purchased equipment and consumables used (80%), Depreciation and amortization (5%), Other (15%)	2,605,931,465	21.10	2,243,063,926	20.69	16.18	Not applicable Not applicable

Other explanations related to cost analysis

Applicable Not applicable

e. Changes in consolidation scope caused by changes in equity of major subsidiaries during the reporting period

Applicable Not applicable

f. Major changes in the company's business, products or services during the reporting period

Applicable Not applicable

g. Main customers and main suppliers

Applicable Not applicable

The total amount of sales revenue from Adisseo's top 5 customers amounted to RMB 1,963 million, accounting for 11% of the Group's total operating revenue, in which the amount of sales with related parties is nil.

During the reporting period, the sales proportion to a single customer exceeded 50% of the total amount, or there were new customers among the top 5 customers or a situation where they heavily relied on a few customers.

Applicable Not applicable

The total amount of purchases from the Company's top 5 suppliers amounted to RMB 2,826 million accounting for around 23% of the Company's total cost of sales, in which the amount of purchasing from the related parties is nil.

During the reporting period, the procurement proportion from a single supplier exceeded 50% of the total amount, or there were new suppliers among the top 5 suppliers or a situation where a few suppliers were heavily relied upon.

Applicable Not applicable

h. Revenue from trading business during the reporting period

Unit: RMB ten thousand

Trading business	Revenue in the current period	Revenue in last period	Change (%)
Vitamins trading business	190,670.95	155,213.34	22.84%

Top five customers whose trading business revenue accounted for more than 10% of total operating revenue

Applicable Not applicable

Unit: RMB ten thousand

Items	Customer name	Revenue	% of total revenue
1	ARONA	6,509.35	10.66%
2	INDUKERN	5,765.64	
3	MICRO BEEF TECH	5,702.13	
4	INBALNOR	4,581.67	
5	MIDWEST PMS	3,958.84	-5.62%
Total	/	26,517.63	12.76%

Top five suppliers whose trading business revenue accounted for more than 10% of total operating revenue

Applicable Not applicable

(3) Expenses

Applicable Not applicable

Unit: Yuan

Items	Amount of current period	Amount in the same period of last year	Change (%)
Selling and distribution expenses	1,495,138,178	1,351,106,581	10.66%
General and administrative expenses	855,545,180	906,529,990	-5.62%
Financial expenses/(income) – net	63,232,611	56,078,167	12.76%

(4) R&D expenditures

a. Table of R&D expenditures

Applicable Not applicable

Unit: Yuan

Research and development expenditure recorded in expenses of current period	531,531,962
Research and development expenditure capitalized of current period	95,588,660
Total research and development expenditure	627,120,622
Proportion of total research and development expenditure to operating revenue (%)	3.64
% of capitalized R&D expenditure over total amount	15.24

b. Table of R&D headcount

R&D headcount as of 31 st December 2025	307
% of R&D headcount over total headcount	9.32%
Education background of R&D headcount	
Education background	Headcount
Doctor	74
Master	107
Undergraduate	86
Specialty	22
Highschool and below	18
Age structure of R&D headcount	
Age	Headcount
Under 30 years old (excluding 30 years old)	76
30-40 years old (including 30 years old and excluding 40 years old)	120
40-50 years old (including 40 years old and excluding 50 years old)	66
50-60 years old (including 50 years old and excluding 60 years old)	38
60 years old and beyond	7

c. Explanation

Applicable Not applicable

The research and development expenses in the consolidated income statement are offset by a tax credit effect of RMB 75,407,105.

In recent years, Adisseo has reinforced its R&D resources across the worlds, notably in Europe and China and set-up new strategic alliance with famous universities in different regions for the purpose to be close to the market needs and to provide timely support and innovation to all animal species.

d. Causes of major changes in the composition of R&D personnel and its impact on the company's future development

Applicable Not applicable

(5) Cash flow

Applicable Not applicable

The Company net cash flow from operating activities amounts to RMB 3,330,708,477, representing an increase by 13.11% compared to RMB 2,944,669,481 in last year. The increase of net cash flow from operating activities compared to the same period of last year is mainly due to stringent cash and working capital management.

The operating cash flow generated enabled the Company to pay dividends for an amount of RMB 482,742,229 in 2025.

Net cash outflow from investing activities increased by 99.15%, mainly due to the accelerated construction of CAPEX projects.

Net cash outflow from financing activities amounts to 2,910,945,301, significant increase by 3,927,978,478 compared with last year mainly due to proceeds received from the private placement.

2. Significant change in the Company's profit composition or profit sources in the reporting period arises from non-major businesses.

Applicable Not applicable

3. Analysis of assets and liabilities

Applicable Not applicable

(1) Information of assets and liabilities

Unit: Yuan

Items	As at December 31, 2025		As at December 31, 2024		% change	Explanation
	Amount	Percentage to total assets (%)	Amount	Percentage to total assets (%)		
Cash at bank and on hand	4,272,958,171	15.37	1,265,778,795	5.69	237.58	Proceeds received from the private placement
Long-term receivables	271,179,764	0.98	667,525,068	3.00	-59.38	Reimbursement of anti-dumping deposits
Investments in other equity instruments	43,230,642	0.16	178,114,503	0.80	-75.73	Fair value decrease in investment
Construction in progress	3,964,891,390	14.26	1,563,743,713	7.03	153.55	Accelerated construction of projects
Development costs	232,875,636	0.84	177,399,849	0.80	31.27	More extensive and intensive R&D activities
Other non-current assets	382,238,185	1.38	31,222,963	0.14	1124.22	Increase in advances to CAPEX suppliers and deductible VAT input due to accelerated construction of projects
Contract liabilities	18,686,873	0.07	111,653,732	0.50	-83.26	Changes in payment practices of customers in certain regions
Other payables	1,117,604,895	4.02	670,312,126	3.01	66.73	Increase in payables to CAPEX suppliers due to accelerated construction of projects
Current portion of non-current liabilities	574,998,141	2.07	402,489,664	1.81	42.86	Increase in restructuring provisions
Long-term borrowings	1,608,363,191	5.79	925,558,489	4.16	73.77	Increase in bank loans for construction of projects
Provisions	362,786,712	1.31	514,798,569	2.31	-29.53	Decrease due to reimbursement of anti-dumping deposits

(2) Summary of overseas assets

Applicable Not applicable

a. Assets amount

Overseas assets amount was CNY 12,362,106,767, accounting for 44% of the Company's total Assets.

b. Description of overseas assets

As a global manufacturer of animal nutrition additives, Adisseo's sales and distribution network, production capacity, research and innovation strength are distributed all over the world. Our reliable and efficient production network is mainly composed of two production platforms located in Europe and China.

(3) Restricted assets at the end of reporting period

Applicable Not applicable

Please refer to section 10 part VII.21 Assets with restricted ownership or use rights

(4) Other information

Applicable Not applicable

4. Analysis of chemical industry business information

Applicable Not applicable

(1) Basic information of the industry

a. Industry policies and their changes

Applicable Not applicable

• Industry trend

The animal feed additives industry is exposed to favorable global “megatrends” and is expected to grow continuously over the coming years. This growth is expected to be driven primarily by the industrialization of meat production, global population growth, wealth creation and global sustainability awareness and necessity. This should be the case in emerging markets, where consumers’ dietary preferences are expected to shift towards protein-rich diets and in developed countries, where consumers’ dietary preferences are shifting towards more healthy food concept.

Adisseo multi-product portfolio enhances its position with customers and differentiates our product offering from that of our competitors. Since Adisseo supplies a range of nutritional feed additives, it can provide value-added formulation advice to our customers and advise them with respect to their feed additive inclusion rate decisions.

Among which, methionine industry is further characterized by high entry barriers, such as high technological know-how, increasingly stringent regulations to obtain permits and authorizations, compliance with national and regional environmental and health and safety regulations, the ability to source key intermediates and the large capital investments required to develop new methionine production capacities.

The chemical process to manufacture methionine requires significant manufacturing expertise and process technology. Access to, or development of, such expertise and technology constitute a significant barrier to entry in this market. Furthermore, technical and commercial expertise and on-going investment in product and process innovation are critical factors to remain competitive.

Based on industry practice, the initial capital expenditure to build a world-scale, greenfield chemical methionine production facility would require a large amount of capital investment and could require at least four years to permit, plan and construct. Furthermore, access to key intermediates and raw materials used for manufacturing methionine, such as MMP for which there is only a limited number of merchant suppliers, is critical to the establishment of new production facilities.

Thanks to the grasp of best available liquid methionine technology as well as our continuous

optimization of the process, Adisseo has strong cost leadership and is among one of the few manufacturers with lowest production cost.

In 2025, despite volatility and uncertainty, market demand continues to grow, especially for Poultry and Egg, Adisseo is fully engaged in delivering growth, improving margins, and pursuing strategic investments for the future.

b. Basic information of the main segmented industries and the company's industry status

√ Applicable Not applicable

Methionine

Production capacity in the global methionine market is concentrated, large companies such as Adisseo, Evonik, NHU, Novus and Sumitomo Chemical (SCC) are key players. Due to population growth, economic development of emerging economies, and the modernization of the animal husbandry sector, the demand for methionine continues to grow globally. China has one of the world's highest production volumes for pork, poultry, and livestock, leading to steady growth in demand for methionine. All the increased investments in the past years were performed in Asia for the purpose either to expand their production capacity or to enhance their sustainability level in manufacturing process.

Thanks to the exceptional marketing, successful production expansion and debottlenecking projects in Europe and in China, Adisseo continues to consolidate its leadership in global market share in recent years.

In 2025, market demand continues to grow in all geographies especially for the poultry species, thanks to our continuous engagement in capacity expansion, research and innovation and operational excellence, we successfully captured the market opportunities and delivered strong business performance.

Vitamins

Vitamins are widely used in medicine, food additives and animal feed additives. In recent years, as China's vitamin sector continues to grow, China has become a major producer and exporter of vitamins, and the production technology and market shares for vitamin C, vitamin E, vitamin B2 and vitamin D3 are top ranked globally. Adisseo's major competitors in the vitamins market mainly include DSM Firmenich., BASF AG, Zhejiang NHU and Zhejiang Pharmaceutical. The domestic vitamin A & E production in China is dominated by Zhejiang NHU and Zhejiang Pharmaceuticals Joint Stock Company.

In 2025, revenues and gross profit were negatively impacted by the sharp price decrease particularly in Vitamin A & E while portfolio vitamins contribution has been strong. Adisseo is managing production volumes with agility and sourcing optimization to protect margins.

Specialty products

a) Animal Resilience

This field includes different types of technologies and products like organic selenium, probiotics, sodium butyrate and phytogenics in Adisseo portfolio, to target all the main species on the market. There are a lot of players worldwide on these different solutions but the most important are ADM, Alltech, Angel Yeast, Arm & Hammer, Biomin, Calpis, Chr. Hansen, Cargill/Delacon/Diamond V, Danisco Animal Nutrition, DSM / Biomin, Evonik, EW Nutrition, Huvepharma, Kemin, Lallemand, Norel, Orffa, Perstorp, Phileo, and Phytobiotics, Trouw Nutrition / Selko, Zinpro.

b) Feed Digestibility

Feed enzymes are included in feeds of all species to improve the utilization of energy and nutrients or to degrade several undesired components. These feed enzymes primarily improve the gut health and performance of animals while considerably reducing feed and waste management costs.

The enzymes market needs extensive research & development, patented technology and capital expenditure for production. Novozymes / DSM alliance, IFF, DuPont, Ab Vista, BASF, and Adisseo are the main players worldwide. In China, the market is mainly monopolized by several domestic companies, the market share of imported products continues to shrink. Main Chinese players are VTR, Vland Biotech, SunHY, CJ Youtell, Challenge and Smistyle.

c) Feed Integrity & Quality

• Palatability

The palatants are mainly used in swine and ruminants' markets to improve feed intake. In addition to Adisseo, the market comprises of western companies (ADM, Lucta, Norel, Phodé) and Chinese companies (Dadi, Menon).

• Mycotoxin Management

The addition of mycotoxin management products in the feed is useful for all the animal species around the world. Adisseo, Alltech, DSM/Biomin, EW Nutrition, Impextraco, Innovad, Kemin, Norel and Olmix are the main players on this market.

d) Product Quality & Value

The rumen-protected amino-acids market (for dairy cows and beef) mainly comprises of protected methionine and protected lysine and is a quite concentrated market. Adisseo main competitors in this field are Balchem, Ajinomoto, Evonik, Novus and Kemin.

(2) Product and production

a. Main operating mode

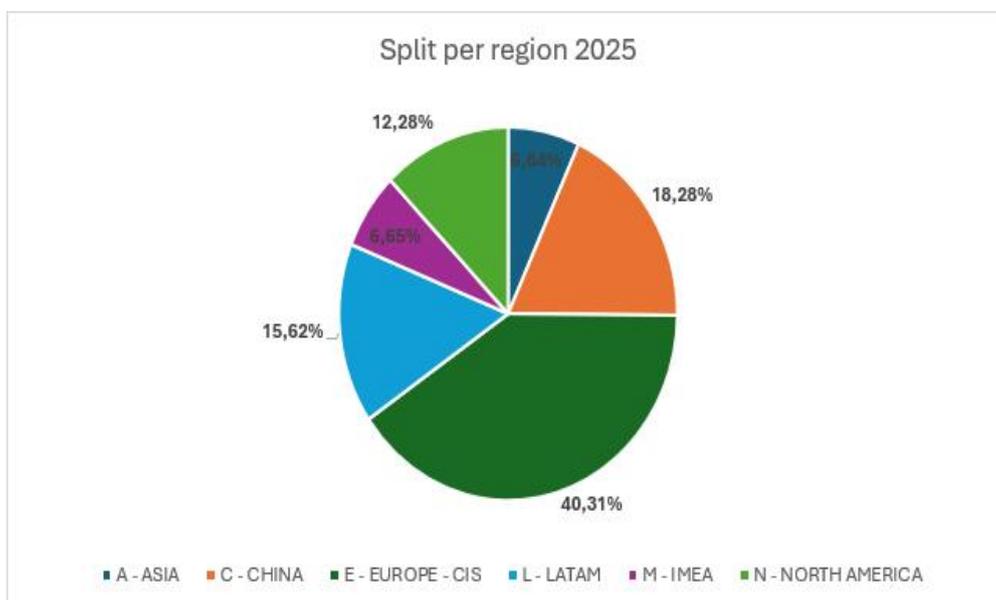
√ Applicable Not applicable

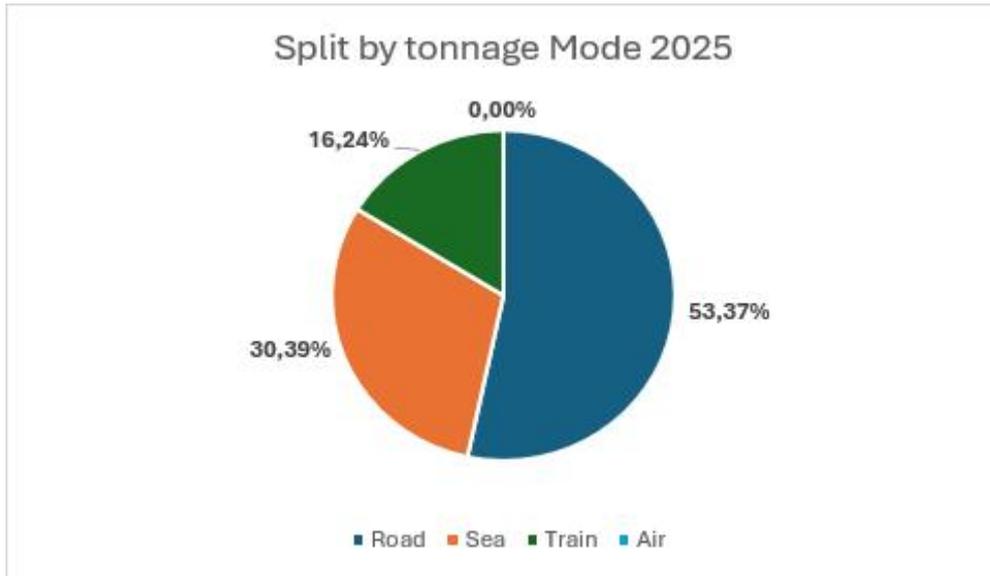
Adisseo still adapts its distribution network as per the evolution of flows of goods and production and sales. Raw materials transportation is entirely managed by its suppliers. For intermediary products, Adisseo moved mainly by railway for safety and security reasons, 193,000MT (Metric Ton) specifically in Europe in dedicated Tank rail car fleet.

In 2025 for the finished products, Adisseo moved worldwide around 1,621,735 MT compared to 1,540,500 MT in 2024 (with year-on-year growth of 5.3%). Adisseo ships the finished goods with all the transportation modes. The main one is road transport. The transport units are various: truck, dry and reefer containers for packed goods and tank truck, rail tank cars, isotanks and parcel tankers for bulk.

Our transportation policy aims to give priority to the safest and least polluting means. To reduce our carbon footprint and save on our logistics costs, a new multimodal isotank transport mode has been implemented in some transportation routes.

Below the split per region and per mode in terms of number of shipments in 2025:





Adisseo’s production materials and finished products inventories are stored in tanks for liquid products and traditional warehouses for the other products. Warehouses located in its factories are managed by its own people and warehouses outside its factories are all outsourced to logistics providers. For both outsourced and insourced warehouses, Adisseo has established policies regarding warehouse management. These policies are regularly audited and improved.

Change of main operating mode during the reporting period

Applicable ✓ Not applicable

b. Information of principal product

✓ Applicable Not applicable

Products	Subdivided sectors industry	Main raw material	Field of Application	Factors affecting the price
Methionine, methionine hydroxyl analogue, vitamins, ammonium sulfate and sodium sulfate	Performance products	Propylene, gas, ammoniac, sulphur, methanol. E-oil	Animal Feeds	Energy and raw material costs, Brent oil and US dollar level.

Products	Subdivided sectors industry	Main raw material	Field of Application	Factors affecting the price
Enzyme preparation, rumen-protected methionine, organic selenium additives, probiotics additives, appetite stimulants, mycotoxins protection, Butyrate additives, Feed quality, Aqua products	Specialty products	Enzymes: visco, cellulose, wheat flour. Rumen-protected methionine: propylene, gas, ammoniac, Sulphur, methanol, latex, isobutyl propionate Butyrate, Yeast, Saccharin, Carbonate Silica, organic selenium	Animal Feeds	Energy and raw material costs, Brent oil and US dollar level.

Adisseo is a major player in the feed ingredients industry sector. As such, the company portfolio represents a large variety of products that supports and promotes ingestion, absorption, assimilation of nutrients, growth, and health in livestock and aquaculture.

Adisseo benefits from accessing global markets thanks to effective Global Market Access organization and processes able to determine applicable technical regulations and manage product compliance to those regulations in this respect.

In the absence of harmonized standards and requirements as well as differing national standards across countries, feed business operators need to be aware of the regulations for each country they want to access. Some countries and jurisdictions impose specific technical restrictions such as product testing, certification, and shipment inspection requirements. In addition, the complex regulatory framework in some countries is constantly being updated and expanded.

In response to recent global sanitary or political crisis, trade measures are being tightened and spread and new nation-centric policies have started to emerge as well.

In this complex technical and sanitary trade environment, Adisseo ensures products market access in more than 120 countries.

Adisseo acknowledges its responsibility for food and feed safety and consecutively control associated risks. During the manufacture of feed products, Adisseo places the highest priority on the safety and health of our products and as such, places the highest emphasis on ensuring that each product is safe and fit for animal consumption and is following the current industry standards.

For this purpose, company management has decided to implement and maintain an integrated management system through its worldwide activities (manufacturing and trade), complying in general to the ISO 9001 standard, and in addition, where applicable, complying with the FAMI-QS or equivalently recognized Code of Practice.

Adisseo is recognized by its stakeholders as a visible and credible global leader, as such the company holds membership and chair positions at major worldwide feed industry associations and committees in North America, Latin America, Europe, Asia Pacific and China.

c. R&D and innovation

√ Applicable Not applicable

Adisseo R&D program is structured into 3 activities:

- Discovery – fundamental research, developing in partnership with academics or start-up companies.
- New/Product/Process (Service) Development, NPD – project and portfolio management to develop new products, processes or services.
- Support – ongoing activities to support customers and to support industrial activities.

Adisseo continues to make significant efforts to reinforce its R&D programs.

Adisseo promotes a policy of reinforced and continuous research and innovation for its products, production processes as well as its businesses, work and organization methods. There are 4 research and development centers and 1 experimental station focused on several different areas such as analytical, nutrition, formulation, biotechnology, chemical processes, chemistry, formulation. During recent years, Innov'L@b, dedicated to disruptive technologies, has seen and analyzed several hundreds of POCs (Proof of Concepts) and build up a start -p deal flow, and realized several investments up till now in the areas of contaminants detection, insect and parasite control, smartfarming and in the field of antibiotic replacement respectively. In 2025, the Company's total research and development expenditures amounted to RMB 627,120,622 (including expenditure capitalized for the period) and its proportion to net assets and operating revenue was 3.15% and 3.64%, respectively.

d. Manufacturing techniques

√ Applicable Not applicable

Adisseo's vertically integrated production process ensures a reliable supply for the key intermediates in methionine production and capturing the full value versus competition.

Main raw materials sourced externally are propylene, ammoniac, methanol, natural gas and sulphuric products. Some intermediates produced in excess are sold (sulphuric acid and carbon disulphide). The end products are powder and liquid methionine; sodium sulphate and ammonium sulphate constitute by products.

Adisseo manufacturing network for performance products includes seven plants: four in France, one in Spain and two in China (one in construction). In the main regional markets, Adisseo associates with this network some toll-manufacturers for specific products or operations. From those plants, it delivers its finished products directly or indirectly to its customers in the world or ships to its regional warehouses.

e. Production capacity and operation situation

✓ Applicable Not applicable

Main Plant or projects	New Plant/Capacity under construction (Ton)	Investment Up till now	Expected completion date
New Quanzhou Plant	150,000	CNY2,642.06mil	2027

Change in capacity production during the reporting period

✓ Applicable Not applicable

To increase its liquid methionine production in Europe, in 2025 there has been a capacity expansion project, which has successfully provided additional capacity of 40KT/year to the market by the year end, allowing Adisseo to address the continuously growing market and to further improve competitiveness.

Adjustment and improvement in product line or product capacity structure

Applicable ✓ Not applicable

Description of unusual production halts

Applicable ✓ Not applicable

(3) Purchasing of raw material

a. Basic information of principle raw material

✓ Applicable Not applicable

Unit: RMB yuan

Raw material	Purchasing pattern	Settlement (payment) method	Purchase volume (ton)	Prices Fluctuation vs 2024	Impact on operating cost of the company due to the fluctuation in the purchase price
Propylene 95%	Long-term contract	Periodic settlement	204,878	-6%	Decrease in operating cost
Methanol	Long-term contract	Periodic settlement	127,629	-0,3%	Decrease in operating cost
Sulphur	Long-term contract	Periodic settlement	295,835	68%	Increase in operating cost

b. Basic information of principle energy used

✓ Applicable Not applicable

Unit: RMB

Mainly used energy used	Purchase mode (channel)	Settlement (payment) method	Price fluctuation YOY	Purchased volume	Consumption volume
Natural Gas	Yearly Contract	Periodic settlement	10.6%	3.17 TWh	3.17 TWh
Electricity	Yearly Contract	Periodic settlement	-5.3%	0.34 TWh	0.34 TWh

c. Measures to address the risk of price variation of raw materials

Description of financing approaches (including derivatives deals)

Applicable Not applicable

d. Description of other methods (including periodically reserve)

Applicable Not applicable

(4) Description of sales of product

a. information of main business by subdivided sectors industry

Applicable Not applicable

Information on Adisseo's main operations by business is specified above in Adisseo's "Income and Cost analysis". Refer to Section 3 V. Revenue & Cost Analysis of Operations from analysis of main businesses in the reporting period.

Adisseo' industry is "Health and Nutrition".

b. Basic information of main operating by sales channel

Applicable Not applicable

Sales through distributors represent less than 13% of Adisseo total turnover (2024: less than 15%).

The main part is performed directly by Adisseo own commercial network.

Accounting policy of revenue recognition of every marketing channel

Applicable Not applicable

For details on the accounting policy of revenue recognition, please refer to the accounting policies described in Section 10.

(5) Environmental protection and safety production

a. Description of significant accidents happened in safety production

Applicable Not applicable

b. Major environmental violations

Applicable Not applicable

5. Analysis of investment

(1) Summary of Analysis of overall investments

Applicable Not applicable

In March 2020, Adisseo participated in the D-1 series financing of Calysta, a US biotechnology innovation company focused on the development and manufacturing of new alternative protein products. At the same time, to build the first scalable pilot plant for FeedKind and develop alternative protein business in Asian market, Adisseo and Calysta established Calysseo Ltd. in Hong Kong, each holding 50% equity, to commercialize FeedKind®, the innovative feed solution for aquaculture. Calysseo (Chongqing) Co., Ltd., the wholly owned subsidiary of Calysseo Ltd, was established in September 2020 and became the first world's single cell protein factory with an annual output of 20,000 tons. Being the first demonstration unit to apply disruptive fermentation technology in the world, due to the complexity process and longer-than-expected trial operation and commercialization speed, the project incurred losses and will require further technical modification. The plant in Chongqing has been shut down to allow the implementation of technical upgrade to reach design capacities, but still pending for financing.

Valuation adjustment on the long-term investment of Calysseo and Calysta has been made and corresponding negative financial impact has been reflected in the accounts. Adisseo, with the other shareholder, are actively working to find solutions and the plant also initiated the process with support from local government to find a potential interim arrangement.

a. Significant equity investment acquired in the reporting period

Applicable Not applicable

b. Significant non-equity investment made in the reporting period

Applicable Not applicable

Mostly projects are under construction. Refer to Section 10 VII 13 – Construction in progress for details.

c. Financial Assets measured at fair value

Applicable Not applicable

Unit: RMB

Asset Type	Opening balance	Fair value changes through P&L	Fair value changes through OCI	Impairment provision	New investments	Disposals	Other changes	Closing balance
Derivative financial assets	398,012	7,882,151	(2,853,943)				130,670	5,556,890
Other non-current financial assets	111,350,835	(31,421,344)			4,016,202		9,873,123	93,818,816
Investments in other equity instruments	178,114,503		(146,907,001)		813,365		11,209,775	43,230,642
Total	289,863,350	(23,539,193)	(149,760,944)		4,829,567	0	21,213,568	142,606,348

Investment in securities

Applicable Not applicable

Explanations for investment in securities

Applicable Not applicable

Investment in private equity

Applicable Not applicable

Being a cornerstone investor, the holding subsidiary of our company, Drakkar Group S.A. (hereinafter referred to as "Drakkar"), jointly initiated the establishment of the "AVF Professional Private Equity Investment Fund" with Seventure Partners on March 20, 2018. Drakkar is a limited partner and Seventure Partners is the manager of this fund. This fund is an innovative venture capital fund, mainly investing in areas such as animal health, feed and animal nutrition, and digital agricultural technology, aiming to explore cutting-edge innovative technologies in the field of animal nutrition and to enrich Adisseo's product portfolio, enhance R&D and innovation capabilities, and achieve the long-term goal of driving the development of the main business through innovative technologies. As of December 31, 2025, AVF has invested in 10 innovative technology companies, including companies in the field of alternative proteins, the development of next-generation biologics, targeted solutions for eliminating diseases causing intestinal problems in animals, etc., application of phages to address health challenges faced by animals, etc. Given that the fund's portfolio involves cutting-edge innovative technologies and entails lengthy R&D cycles, an extension of the investment period is required to cover the technology validation and commercialization phases and to allow for deep cultivation of high-quality assets. Consequently, upon the unanimous consent of all partners, the investment period of the investment fund has been extended to eight years, the exit period adjusted to two years, while the fund's duration remains unchanged at ten years.

Investment in derivatives

Applicable Not applicable

(i) Derivative investments for hedging purposes during the reporting period.

Applicable Not applicable

Adisseo holds derivative financial instruments to manage the effect of changes in currency exchange rates. Derivatives are not used for speculative purposes. For most of those transactions, the Group applies cash flow hedge accounting and documents, at the inception of the hedge, the type of hedging relationship, the hedging instruments, the nature and the term of the hedged item. For further detail, please refer to Section 10 Part XII Note 2 "Hedging".

(ii) Derivative investments for hedging purposes during the reporting period.

Applicable Not applicable

d. Specific progress of major asset restructuring and integration during the reporting period

Applicable Not applicable

6. Sales of Major Assets and Equity

Applicable Not applicable

7. Analysis of companies controlled or invested by the Company

Applicable Not applicable

The following figures are based on financial information before elimination of the entities. If not specified, unit in RMB.

Company Name	Registered/Subscriber Capital	Business	Total assets	Net assets	Net profit	Revenue	Change
Adisseo France S.A.S	EUR 83,417,000	R&D, production and distribution	7,665,856,518	3,181,111,975	244,477,365	11,390,246,045	NA
Bluestar Adisseo Nanjing Co., Ltd	RMB 3,037,640,586	R&D, production and distribution	6,737,542,681	5,046,500,515	963,597,109	4,428,767,218	NA
Adisseo Life Science (Shanghai) Co., Ltd	USD 700,000	Distribution & Sourcing	1,662,148,080	122,455,133	113,353,645	4,254,690,834	NA

Subsidiaries representing more than 10% of the Group's consolidated net profit:

Adisseo France S.A.S is an important subsidiary of Adisseo: the main businesses of this company are R&D, manufacturing as well as distribution of protected methionine for ruminants and vitamin A produced at the Commeny plant, powder methionine produced at the Roussillon plants, upstream products of methionine at the Les Roches plant and of liquid methionine produced at Burgos plant (Spain).

Bluestar Adisseo Nanjing Co., Ltd is the second largest entity within the Adisseo Group and deals with the production of liquid methionine and is building Research & Innovation Center in China.

Adisseo Life Science (Shanghai) Co., Ltd. is responsible for the sales in China as well as export to some countries or regions. It also plays an important role in the global procurement and supply chain of Vitamin business.

8. Structured entities controlled by the Company

Applicable Not applicable

VI. Discussion and Analysis of the Company's Future Development

1. Economic trends in the industry

Applicable Not applicable

(1) Global Economic

The global economy heavily impacted by Ukraine crisis in 2022 and the subsequent, European energy crisis resulted in higher-than-expected inflations across the world which continued in 2023 and 2025. Geopolitical tensions increased in 2025 with notably the imposition of additional trade tariffs by the USA on EU imported products which started to impact the second part of 2025 our methionine & specialty business. This is likely to continue in 2026 and remains highly unpredictable.

(2) Emerging Economies Present Growth Opportunities in Protein Demand

Historically, the continuous global growth, particularly that of the emerging economies such as China and India, has driven urbanization and continuous improvement of people's living standards and has promoted a higher consumption of animal protein per person (poultry, beef, pork, fish, eggs, etc.).

In 2025, after a negative demand in 2023 and some recovery in 2024, the demand for feed driven mostly by poultry and egg demand (about 2% growth) has continued to recover.

In addition, the pressure on the development of more sustainable production practices puts pressure on meat producers to adopt best feeding practices including the use of specialty feed ingredients like amino acids, enzymes and gut health ingredients such as probiotics or short and medium chain fatty acids.

2. Development strategy of the Company

√ Applicable Not applicable

Adisseo's businesses are as follows: research, development, production and sale of feed additives for animal nutrition.

Safety & sustainability is always our priority. The Company has actively implemented its "two-business-pillar" strategy in recent years, i.e. continuous consolidating its leadership in Methionine (liquid in particular), while at the same time accelerating its development in Specialty business. The Company will keep its unique position in Vitamin business.

The Company bases its growth strategy on five distinctive capabilities:

- Global reach in terms of sales coverage, a global footprint across the world.
- Worldwide manufacturing set-up on main markets resulting in well-balanced organization. This reliable and efficient production network consists of 2 manufacturing platforms one in Europe and one in China. Our global set-up enables us to optimize our services and supply to our clients, to spread global macro risks and to ensure the availability of raw materials, resulting in a natural hedging situation and the capacity to benefit from local subsidies.
- Cost competitiveness capabilities. Adisseo started from a very competitive base thanks to the grasp of the best available methionine technology. All these have

been evidenced and further sharpened through the implementation of competitiveness enhancement program launched in 2019. It has helped us to realize again recurring savings of CNY 230 million in 2025. This program will continue in the following years to deliver additional sustainable savings.

- Strong Research and Innovation capabilities. “In science, We trust” mindset is deeply rooted in Adisseo. There are numerous projects in different phases in the pipeline to fuel organic growth. To complement the “internal” technologies and solution developments, Innov’L@b, Adisseo’s open-innovation structure, is pursuing its investments in venture. It is targeted that 20% of revenue of specialties business will come from new products in the future.
- Dedicated China Development Strategy. One-China Strategy, initiated in 2020, has always been progressing successfully since then:
 - excellent progress in the penetration of liquid methionine in the Chinese market with strong & sustainable conversion of customers from powder to liquid form.
 - Nanjing Plant (BANC360) operates at full capacity and highly competitive cost, with excellent safety performance with record in 2025
 - All key projects on track, including powder methionine plant in Quanzhou, start of production of our 1st Speciality Blending Facility in Nanjing, SmartPlant, Smart HSE transformation and sustainability optimization projects in Nanjing plant.
 - Research & Innovation in China:
 - Adisseo granted the Animal Nutrition Center in Sinochem Central Academy system.
 - More than 20 tailor-made new products launched in China market.
 - Optimization innovation in Nanjing plant achieved cost saving, dramatic improvement in emission control of NOx, and process safety improvement.
 - Collaboration with BUCT (Beijing Univ of Chem Tech), MAFIC (Ministry of Agri Feed Industry Center) and Prof Zheng (ZJUT)
 - Construction of chemical pilot
- Pursuing investment in Strategic projects
 - Continuous capacity expansion in methionine
 - Both Chinese & European Specialty Expansion and Optimization 2025 年 Internalization of esterification project: ongoing with start-up expected in H1 2026
 - Active exploring new growth segment
- M&A and partnerships: To reinforce its core businesses and diversify its portfolio in high growth segments in feed specialties and food nutrition. We are willing to continue to seize M&A opportunities to accelerate growth notably in China, to expand innovative product and services range and to create synergies and scale.

Thanks to these levers, Adisseo is confident in its ability to manage its businesses growth and performance challenges with confidence, by expanding its product portfolio and reinforcing overall competitiveness in a sustainable way.

3. Business plan

✓ Applicable Not applicable

Sustainability and safety remain to be Adisseo's top priorities.

Volatility and uncertainty will be increasing, while market demand is expected to remain solid.

In 2026, strong operational dynamics is being pursued with:

- Increased methionine production capacity with high operational performance across plants allowing to pursue volume growth in methionine
- Production platforms in China and Europe allowing to optimize agile global supply costs including tariffs and non-trade barriers
- Competitive enhancement programs particularly in less performing plants and businesses
- Acceleration of specialties dynamics with proactive price portfolio management to drive profitability and on-schedule launching of new products launches such as Enzymes & Dairy products to boost growth
- Acceleration of Research & Innovation efforts, such as establishment of industrial pilots in both China and Europe, allowing delivering continuous process improvement and sustainable & innovative products solutions
- Continuous operational excellence and cost control measures leveraging digital capabilities

Adisseo is fully engaged to deliver growth, improve margins and pursue strategic investments for the future.

Developments in Research & Development and Capital expenditures should lead Adisseo to develop its Performance & Specialty products and to launch new products.

Adisseo plans for capital expenditure in the upcoming years mainly consist of:

- Further capacities expansion to support sales growth.
- R&D expenditures on innovation of products as well as optimization of manufacturing process.
- Close connection with disruptive new technology via Innov@lab;
- Additional enhancement of the Health, Safety and Environment policies

The revenue growth is expected to be boosted by a successful M&A as Adisseo is targeting to accelerate its growth via leveraging external opportunities.

In addition, ADISSEO is accelerating its development in China to bring its position to the next level, building a greenfield powder methionine plant in Quanzhou, reinforcing our leading position in Dairy, developing in Aquaculture and pet market, reinforcing customer-centricity via leveraging value added services & digital tools, continuing to develop a world-class research & innovation center in China, leveraging the local blending facility to develop China-for-China

strategy in specialities, pursuing M&A opportunities to accelerate growth, developing partnerships with Vitamin producers, leveraging our listing position in A-share market and last but not least, building a strong integrated management team under One-China strategy. Adisseo is heading to become an undisputed leader in methionine and a leader in providing high-end specialty solutions in China market.

The Business Plan may not be considered as a guarantee of profitability as committed to the investors.

4. Possible risks in the future Adisseo's insurance coverage policy is in line with risk management. The material and specific risks to which the Group is exposed, based on its own assessment are divided into seven categories of risks:

- Risks deriving from climate and environmental issues;
- Economic and competitive risks;
- Financial risks;
- Industrial risks;
- Other operational risks;
- Social and societal risks.

(1) Political and regulatory risks

Adisseo is sensitive to the structural and economic risk factors that affect nutritional feed additives. These risks are all analyzed as part of strategic planning processes that allow Adisseo to anticipate certain changes in the external environment and prepare for them. The Group's research and innovation policy also helps to deal with strategic developments.

a. Risks related to cross-border operations, oversight and business expansion

As a global producer of nutritional feed additives, Adisseo is implementing and is operating businesses all over the world. Cross-border operations are exposed to the risks related to changes in the market, economy, geopolitics, demographics, public consensus, exchange rates, trade barriers, customs and export control, regulatory, tax regimes, restrictions on foreign investment in some regions. For example, of Adisseo's 52 subsidiaries, 46 are located outside China Mainland, over 80% of its sales and a significant part of its production are outside China.

Although Adisseo has extensive experience in operating a global business, changes in policies and laws and regulations of the countries in which its assets and business are located may affect the operation of its business in such countries. Investors should be aware of the risks associated with Adisseo's cross-border operations worldwide considering that Adisseo is also developing its network of subsidiaries and participations all over the world. In this respect, the Ukraine crisis enhanced the level of uncertainties notably considering the evolution of sanctions regulations and weigh on the availability of certain raw materials and energy such as natural gas. The Houthi

attacks on shipping vessels in the Red Sea is impacting on the global containers shipping activities as rerouted vessels lead to higher shipping costs and scheduling disruptions. Furthermore, the economic effects of the Israel-Hamas War are still evolving, the larger Middle Eastern region could potentially be directly impacted as the war unfolds. In this context, the likelihood of supply interruptions and impacts on Adisseo's sales, cost of procuring raw materials, or distribution costs may increase in future periods.

b. Risks related to compliance, law and regulatory framework

Compliance means lawful business conduct. The principal compliance rules are set out in the Adisseo's Code of Ethics, which explicitly prohibits e.g., all forms of corruption, including "facilitation payments," and violation of antitrust regulations or international sanctions regulations. Risks could result from failure to comply with the corresponding regulations. To minimize such risks, extensive training and sensitization of Adisseo Group employees is undertaken at face-to-face training sessions and/or through e-learning programs. In its operating business, the Adisseo Group is exposed to liability risks, especially in connection with product liability, patent law, tax law, competition law, export control and trade law, social law and environmental law (detail please see below). Any major change of the laws or regulations applicable to Adisseo's activities or changes in public law could also give rise to legal risks or impact Adisseo's business, growth or profitability.

In terms of ethical risks, the main risks identified are risk of corruption, non-compliance with competition rules, fraud, and breaches of personal data (privacy). Any breach of the ethical principles of Adisseo in its own operations or through its supply chain could constitute a legal, judicial and reputational risk. In order to prevent the occurrence of such risks, ethical compliance policies and procedures are rolled out throughout Adisseo and apply to all the Group entities.

(2) Risks deriving from climate and environmental issues

In the longer term, climate change could have a greater impact on Adisseo's activities, for example through changes in regional or seasonal energy demand, changes to the network's production, the obligation to reduce CO² equivalent emissions, heightened regulations and carbon neutrality targets.

Adisseo Group's roadmap is defined to achieve environmental targets in line with the Paris Agreement and to contribute to the fight against climate change notably by reducing its carbon footprint.

a. Risks related to environmental protection policies

As a feed additives producer, Adisseo is subject to strict regulations and monitoring by

government authorities with respect to discharge of sewage water, exhaust gas and solid wastes. As global environmental impact awareness become more pregnant, if countries in which Adisseo operates facilities strengthen the current environmental laws and regulations or alter the current pollutant discharge standards, Adisseo may need to incur additional costs and expenses to adapt its facilities to newly applicable environmental protection regulations. Although Adisseo continuously invests in sustainable development, Adisseo's effort to minimize its products or activities potential environmental impacts may not provide the expected outcome which is likely to impact its business growth.

In addition, any confirmed breach of any environmental regulations may prompt governmental authorities to temporarily suspend or to cancel permits to operate the manufacturing plants which could also impact Adisseo's business.

Health and safety is also at the heart of Adisseo concerns. All manufacturing sites are FAMI-QS certified. The risk methodology retained is HACCP (Hazard Analysis Critical Control Point).

(3) Economic and competitive risks

a. Risks related to the cyclical fluctuation of the global macro economy.

As an international company, Adisseo provides products and services to around 4,200 customers in over 110 countries and regions. Its performance, financial position and future will continue to be affected by the global macro economy. The debt crisis, trade imbalances, international sanctions, exchange rate fluctuation and other issues also increase the uncertainty of such recovery. The fluctuation of the global economy will increase fluctuation in Adisseo business.

b. Risks related to imbalance of supply and demand

The methionine market, in which Adisseo carries out its main activity, is affected by global methionine production capacities, the imbalance between supply and demand, the availability and pricing of raw materials and various factors such as the global macro economy.

c. Risks related to market competition

Adisseo faces competition from large and well-known companies with strong financial positions as well as competition from other companies in regional or local markets as well as newcomers. Adisseo has taken steps to improve its competitiveness, including tightening cost control, improving production technologies, providing value-added services, introducing brand-new products and adapting capacities in the Chinese and European plants to meet its customers' requirements.

d. Risks related to raw materials and energy

Adisseo operates its activities in an uncertain, and challenging environment, characterized by volatile prices of raw materials, energy and logistics costs. Raw materials used by Adisseo mainly

include propylene, sulphur, methanol, ammonia and natural gas. Adisseo has a limited number of suppliers for such materials as they are not easily transportable. If the suppliers fail to supply such raw materials, if the prices of such raw materials fluctuate significantly, or if Adisseo fails to acquire sufficient raw materials at a reasonable price, the Company's business, financial position, and results from operations may be materially and adversely affected. Restrictions to cross-border shipments, the ongoing Ukraine crisis including international sanctions regulations relating thereto, as well as natural disasters damaging supplier's physical assets, could increase the risk of interruption in the sourcing of raw materials and energy.

e. Risks related to product research and development, technology upgrade and alternative methionine production technologies

In order to maintain competitiveness, Adisseo continuously invests in research and innovation, launches innovative products to meet its customers' needs and develops new production technologies that are more efficient and competitive. However, R&D projects and collaborations aiming at improving production process and technologies may be suspended because of factors such as changes in market conditions, changes in technology, and changes in government policies. If Adisseo fails to continuously launch new products or improve its production process, or if Adisseo's competitors successfully launch competitive products or improve their production process better and faster than Adisseo, its market position may be impacted, which may materially and adversely affect the business, financial positions, and results of Adisseo.

(4) Financial risks

The Group is exposed to foreign exchange risk, defined as the impact on the Group's financial position and income statement of exchange rate fluctuations, in the performance of its operational and financial activities.

Due to its worldwide operational activities and high number of counterparties, Adisseo is also exposed to the risk of default by its counterparties (customers, suppliers, partners, intermediaries, and banks) or risks related to changes in tax or customs regulations.

a. Risks related to exchange rate

The reporting currency of the Company's consolidated financial statements is the Chinese Renminbi, or RMB. The majority of Adisseo's production, operations and sales are performed outside of China, and day-to-day transactions are mainly carried out in EUR and USD. Exchange rate risks mainly include risks associated with translating foreign currencies for the purpose of conducting day-to-day transactions and risks associated with translating foreign currencies into RMB when preparing Adisseo's financial statements. Fluctuation of exchange rates may expose its operations to exchange rate risk and may adversely affect the financial position of the Company, despite its mitigation measures such as a hedging strategy on major commercial

exposures.

b. Risks related to customer credit

Adisseo is exposed to the credit risk of its customers. While Adisseo seeks to manage such exposure through a number of measures and KPIs, such as establishing customer accounts, setting credit limits for customers, obtaining deposits and security, and profiling the customers' credit risk, there is no assurance that such risk will be eliminated.

c. Risks related to the potential changes in tax and customs duties

As an international company carrying out its activities worldwide, Adisseo may be controlled by the tax authorities of any relevant country with respect to its tax matters from time to time. Tax audits or investigations may result in Adisseo losing its tax benefits, exemptions or other tax incentives, which may subject Adisseo to a higher effective tax rate. Although Adisseo had no material tax-related issues during the 2024 financial year, there is no assurance that the provisions made by Adisseo will be sufficient; or that Adisseo will not be subject to a higher tax rate.

As provided under paragraph (a) above, geopolitical evolutions and restrictions to free trade could also increase risks and uncertainties regarding import regulations, tariffs and custom duties which may affect Adisseo.

(5) Industrial risks

The areas of activity in which Adisseo operates carry industrial risks capable of causing harm to individuals, property or the environment. These risks include potential exposure of Adisseo to claims for civil, criminal and/or environmental liability. These may relate to facilities that belong to the Group or other parties' facilities where Adisseo's employees work. The process safety of the facilities that Adisseo operates is one of its major concerns. The handling of these risks is subject to in-depth monitoring and specific targeted investments, and audits of the facilities in question are performed regularly. Some of Adisseo French facilities are classified under European Union Directives as "upper tier" Seveso sites (as posing a particular risk to their surrounding environment).

a. Risks related to hazardous chemicals

Adisseo's complex production process involves many hazardous chemicals that require special production, transportation, and storage facilities. In addition, production process and research and development processes generate waste gas, liquid and solid waste. Adisseo has adopted a Health, Safety and Environment system including monitoring, prudent safety measures and huge precautions in accordance with relevant laws, regulations and administrative measures. However, the risk of leaking hazardous chemicals, emission of waste gas, liquid and solid waste which may

exceed the relevant standards cannot be totally excluded. Should this case arise, Adisseo may be exposed to civil or criminal liabilities and may be held liable to pay financial compensation, which may materially and adversely affect its business, financial position and results from operations.

b. Risks related to accidents and disasters including diseases outbreak

In order to minimize the potential risks of shutdown of production facilities or accidents involving the production facilities which may adversely affect the company, the local Group's Companies conduct periodic inspections of manufacturing facilities.

However, there is no guarantee that such accidents arising out of production facilities or negative effects caused by natural disasters could be completely excluded. For example, outbreaks such as bird flu, foot-and-mouth disease, mad cow disease and swine flu in recent years that adversely affect poultry or livestock, may adversely affect the livestock populations, consumers' perceptions about certain protein products and as a consequence, the demand for the products used as nutritional ingredients for animal feed. Frequent outbreaks of poultry or livestock diseases around the world may materially and adversely affect the business, financial position and results of operations of the Group.

In the event of an accident that causes environmental damaging releases, property damage and/or human injury during transportation, near the plant, or a system network failure, such circumstances may, in addition to undermining Adisseo's business activities, involve major costs and have a significant impact on market perceptions of the Group, which, in turn, may adversely affect the operational results and financial condition of the Group.

(6) Other operational risks

a. Risks related to improper lay-out of production plan

Adisseo's performance may be restrained by its production capacity. Adisseo has made progressive investments over the last years to increase its production capacities and proactively manage its inventories. However, customers' orders may not be fulfilled in a timely manner as a result of inappropriate production planning, malfunction of the production facilities, repairs or maintenance of the production facilities or failure to convert potential new production capacity into actual production. Failure to meet customers' needs may damage Adisseo's reputation and image as well as its relationship with its customers, which may result in decreasing purchases of Adisseo products and affect sales of the Group.

Furthermore, Adisseo's estimates of future demand for its products determine its production capacity evolution, which is based on such assumptions but if such estimates or assumptions fail to materialize or in case of certain loss events – such as fire or machinery breakdown – resulting in

a temporary incapacity to operate production facilities, Adisseo's business, financial conditions and results of operations could be materially and adversely impacted.

b. Risks related to break-down of information system

Adisseo is exposed to new cyber threats due to the use of new technologies, the multiplication of connected tools, the evolution of industrial control systems, the spread of mobility tools, cloud computing, and the development of new uses, including social networks and the in-depth analysis of data.

Adisseo continually adjusts its prevention, detection and protection measures for all its information systems and critical data.

In addition, the business activities of the Group's Companies are becoming increasingly dependent on computer network systems, and although the Group's Companies protect their systems or data by means of sophisticated security systems, there is still the possibility that system network failures may occur owing to electric power interruptions, natural disasters, or criminal attacks on the system, including computer viruses and hackers.

Information technology system and/or network disruptions, whether caused by acts of sabotage, employee error, malfeasance or other actions, could have an adverse impact on the Group's operations as well as the operations of the Group's customers and suppliers. Other business disruptions may also be caused by security breaches, which could include, for example, attacks on information technology and infrastructure by hackers, viruses, breaches due to employee error, malfeasance or other actions or other disruptions.

Adisseo and/or the Group's suppliers may fail to effectively prevent, detect and recover from these or other security breaches and, therefore, such breaches could result in misuse of the Company's assets, loss of property including trade secrets and confidential or personal information, some of which is subject to privacy and security laws, and other business disruptions. In such case, Adisseo may face legal claims or proceedings, reporting errors, processing inefficiencies, negative media attention, loss of sales, interference with regulatory compliance which could result in sanctions or penalties, liability or penalties under privacy laws, disruption in the Company's operations, and damage to the Company's reputation, which could adversely affect the Company's business, results of operations, financial condition and cash flows.

Like other companies, Adisseo faces the risk of being the target of industrial espionage, including cyber-attacks. Adisseo is experiencing an increase in attempts to breach its information technology systems. These cyber-security threats include phishing, spam emails, hacking, social

engineering, and malicious software. Although Adisseo has not experienced any material losses to date related to security breaches, including cybersecurity incidents, there can be no assurance that Adisseo will not suffer such losses in the future. Adisseo seeks to actively manage these risks within the Group's control that could lead to business disruptions and security breaches. As these threats continue to evolve, particularly around cybersecurity, Adisseo may be required to expend significant resources to enhance the Company's control environment, processes, practices and other protective measures. Despite these efforts, if such events occur, they could have a material adverse effect on the Group's business, results of operations, financial condition and cash flows.

c. Product liability claims and other litigation

Through its policies, organization, procedures and governance, Adisseo endeavors to prevent operational risks that could affect its reputation.

During the normal course of its business, Adisseo may be subject to actual or threatened legal proceedings, arbitration or administrative penalties arising from disputes with respect to product liability, patents and other intellectual property rights infringement or any other claim or action brought during the course of its business. Such disputes, legal proceedings or arbitration may adversely affect Adisseo's operations and reputation. If any of judgments or arbitral awards or decisions of any authorities issued against Adisseo regarding products liability, Adisseo may notably need to recall its products, change the formula of its products or stop selling those products, which may impact its sales.

In its day-to-day operations, Adisseo may be involved in potential lawsuits, arbitration proceedings, administrative procedures or other disputes due to products, labor, taxes and other commercial matters, which may damage Adisseo's operations and reputation. Adisseo is monitoring those risks through processes relating to contracts management and review and defend its interests with the professional assistance of external advisors.

d. Risks related to insurance policy coverage

Per industry standards, Adisseo holds insurance coverage for liability risk relating to its operations, facilities, product quality, inventory, transportation, environment, finance, senior management, employees, industrial accidents, etc., but Adisseo may be subject to potential claims of liabilities for which it may not have adequate or any insurance, or that cannot be insured at all, thereby resulting in of the risk for Adisseo to bear part or all of the losses or damages suffered.

e. Risks related to intellectual property

Adisseo protects its intellectual property rights according to the laws and regulations of the countries in which it operates. However, despite the measures taken by Adisseo to protect its intellectual property rights, such rights may be challenged, infringed or abused by a third party.

Furthermore, Adisseo operates in many countries, some of which may provide less protection for intellectual property rights against infringement than others. As a result, Adisseo's risk may be increased in certain countries. In addition, Adisseo may be subject to risks of claims from third party in case of infringement of such third party's intellectual property rights.

f. Risks related to acquisitions and equity alliances

Adisseo is engaging in domestic and international acquisitions and equity alliances with the aim of expanding its business and enhancing its competitiveness. Adisseo is committed to generate the synergies or other positive effects it originally expected due to changes in the business environment surrounding the Group or its acquisitions.

g. Risks related to inappropriate communication on social media

Adisseo and its employees are active on numerous social media channels. The use of these media is important in terms of increasing awareness of Adisseo brand and products. Adisseo takes precautions and implements processes to ensure awareness of the proper handling of social media, controlling publication, and actively managing communication.

Nevertheless, unauthorized communications on social media, purported to be issued by Adisseo, may contain information that is false or damaging and could have an adverse impact on Adisseo's image and reputation.

(7) Social and societal risks

Adisseo is also exposed to social or employees' occupational risks with may have direct financial impact, which is difficult to assess or with non-financial impact which may be considered as significant.

Adisseo is adopting measures and monitoring systems aimed at eradicating serious accidents and reducing occupational accidents among its employees, to improving well-being at work and to preventing psychosocial risks.

a. Risks related to Human Resources

Talents with industry expertise are a key competitive advantage of Adisseo and essential to Adisseo's market position and business operations. Should Adisseo fails to retain or attract excellent talents with industry expertise in the future or to reduce its dependency towards key employees, it may face talent drain and experience a bottleneck in its future business development. Therefore, Adisseo constantly develops and improves its employee incentive, staff retention schemes, training and recruitment programs as well as succession plans to effectively monitor such risks.

b. Risks related to labor disputes

Adisseo operates in many countries around the world. Its centers of operations and production bases are mainly located in France, Spain and China where labor laws are relatively stringent. When making decisions in relation to production, operation or financing, Adisseo must notify, and consult with the union representatives or relevant committees or seek consent of the union representatives or relevant committees. Complying with strict labor laws and complex consultation processes may impact the flexibility of Adisseo's decision-making process and its ability to react to the changes in market conditions. Employees of Adisseo may initiate disputes and litigation or strikes. This may materially and adversely affect the businesses, financial position and results from operations of Adisseo.

In addition, Adisseo's suppliers may also be subject to strikes or claims brought about by their own employees, which may in turn affect the ordinary operations of Adisseo.

5. Others

Applicable Not applicable

VII. Explanation of those non-disclosure parts due to national security or commercial confidentiality reasons

Applicable Not applicable

For confidentiality purposes, Adisseo does not disclose information related to produced volumes by products during the reporting period, neither costs paid for raw materials. The amount of production volumes disclosed relates to production capacity and the cost of raw materials disclosed relates to market prices. Financial information by product is based on segment information (Performance products and Specialty products).

Section 4 Corporate Governance, Environment and Society

I. Governance of the Company and insider registration management

√ Applicable Not applicable

In the reporting period, and in accordance with applicable *Corporate Law*, *Securities Law*, the governance principles of listed companies and other relevant laws and rules and related requirements of the CSRC and the SSE, the Company established its information disclosure requirements, constantly improved the corporate governance structure, protected the interests of the Company and its shareholders.

The operation and management of the Company meet the requirements of the relevant documents on standardization of governance for listed companies issued by the CSRC. The details are summarized as follows:

1. Shareholders and General Shareholders' Meetings

The Company manages to organize and convene an Annual General Meeting of shareholders and an Interim Meeting of shareholders according to the requirements of applicable *Corporate Law*, *the Articles of Association*, and the *Rules of Procedure of General Shareholders' Meetings*, performed the proposals, complied with the rules of procedure, and voting of General Shareholders' Meetings strictly according to related regulations and requirements.

The Company published its announcements, including all notices, proposals and meeting resolutions via *China Securities Journal*, *Securities Daily* and on the official website of the Shanghai Stock Exchange (www.sse.com.cn). The Company made such announcements on time.

The resolutions approved by General Shareholders' Meetings met the regulations, laws and rules, and complied with the lawful rights and interests of all shareholders, especially small and medium-sized shareholders. The General Shareholders' Meetings were witnessed by the Company's lawyers and they issued a legal opinion about the validity thereto.

2. Directors and Board of Directors

All the Directors can, based on the *Rules of Procedure of the Meetings of the Board of Directors* and other rules, attend the Board meetings earnestly and all independent directors may perform their duties in good faith and with diligence.

The Company held the 3rd Interim Meeting of Shareholders for FY2025 on 25th September 2025, and deliberated and passed the proposal on Abolishing the Board of Supervisors, Supervisors and Amending the Articles of Association. According to the revised Articles of Association, the company's board of directors consists of 11 directors. The company held the 4th Interim Meeting of Shareholders for FY2025 on 1st December 2025, and deliberated and passed the proposal on nominating Ms. SUN Zhixiang as an independent director of the company. The Company convened an employee congress where participating employee representatives deliberated and approved the election of Mr. PAN Yong as the employee representative director for the ninth

session of the Board of Directors.

The Board of Directors set up four special committees, namely the Audit, Risk and Compliance Committee, the Strategic and ESG Committee, the Nomination Committee, the Remuneration and Appraisal Committee, three of which are headed by independent directors, except for the Strategic and ESG Committee, headed by the Board Chairman. Committee Chairmen made their own working rules and gave fully performed their specialty functions in the operational management of the Company.

3. Supervisors and the Board of Supervisors

The company held the 3rd Interim Meeting of Shareholders for FY2025 on 25th September 2025, and deliberated and passed the proposal on Abolishing the Board of Supervisors, Supervisors and Amending the Articles of Association. The company has abolished the Board of Supervisors and supervisors, and their corresponding functions have been undertaken by the Audit, Risk and Compliance Committee.

4. Information disclosure and transparency

According to related regulations of the *Securities Law, Listing Rules of the Shanghai Stock Exchange, Articles of Association, and Measures for Management of Information Disclosure*, the Company implemented the information disclosure obligation in an authentic, accurate, complete and timely way. The Company disclosed related information through the website of the *Shanghai Stock Exchange, China Securities Journal, Securities Daily* etc., kept related confidential information secret before disclosure to the market, guaranteed publicity, fairness, equality of the information disclosure, and maintained the lawful rights and interests of the Company, investors, and especially small and medium-sized shareholders.

During the reporting period, there is no criticism, condemnation, or punishment made by any regulatory institution for violation of rules regarding information disclosure to the Company.

If the corporate governance situations of the Company have significant variance in comparison with CSRC requirements, please state the reason as below:

Applicable Not applicable

II. Explanations of the Company on why the independence on business, personnel, asset, organization and finance areas from the controlling shareholders cannot be met and why the listed company cannot run its business on its own.

Applicable Not applicable

If situation of having horizontal competition within controlling shareholders, please explain the measure to be taken, the progress as well as its action plan to be taken.

Applicable Not applicable

III. Directors, Supervisors, Senior Management, and Employees

- 1. Compensation and changes in shares held by the directors, supervisors and senior management who are currently in office or who have resigned or been dismissed from their office in the reporting period.**

√ Applicable Not applicable

Name	Position	Gender	Age	Start date of term of office	Termination date of term of office	Shares held at beginning of the year	Shares held at end of the year	Changes in share ownership during the period	Reason for change	Total compensation for the reporting period (RMB '0000) (before tax)	Has any part of compensation been paid by related parties of the Company
Zhigang HAO	Chairman	Male	47	2017.12.15	2027.09.18					372	N
	CEO			2023.07.01	2027.09.18						
Jean-Marc Dublanc	Vice Chairman	Male	71	2020.03.22	2027.09.18					33	N
Gérard Deman	Director	Male	79	2015.10.22	2027.09.18					33	Y
Wei YAO	Director	Male	42	2024.09.19	2027.09.18						Y
Dachuan DONG	Director	Male	43	2024.09.19	2027.09.18						Y
Yanfeng SUN	Director	Male	43	2023.12.11	2027.09.18						Y
Yong PAN	Employee Representative Director	Male	47	2025.12.01	2027.09.18					117	N
	Supervisor			2018.10.17	2025.09.25						
Benny LAM	Independent director	Male	65	2024.09.19	2027.09.18					40	N
Xin LIU	Independent director	Male	55	2024.09.19	2027.09.18					36	N
Hengchang ZANG	Independent director	Male	61	2021.09.23	2027.09.18					36	N
Zhixiang SUN	Independent director	Female	58	2025.12.01	2027.09.18					2	N
Yan WANG	Chairman of the Board of supervisors	Male	56	2018.10.17	2025.9.25						Y

Wei LU	Supervisor	Male	48	2018.10.17	2025.09.25						Y
Frederic Jacquin	COO & Deputy General Manger	Male	58	2023.04.26	2027.09.18					936	N
Virginie Cayatte	CFO	Female	55	2023.04.26	2027.09.18					<u>725</u>	N
Xiaolei ZHU	Deputy General Manger	Male	43	2023.12.22	2027.09.18					<u>256</u>	N
Fabien Siguier	Deputy General Manger	Male	51	2023.04.26	2027.09.18					486	N
Jean-François Rous	Deputy General Manger	Male	58	2023.04.26	2027.09.18					496	N
Bingjing DING	Deputy General Manger	Male	43	2025.07.16	2027.09.18					70	N
Yun CAI	Board Secretary	Female	51	2023.10.27	2027.09.18					<u>182</u>	N
Frank Chmitelin	Deputy General Manger	Male	63	2023.04.26	2025.07.01					470	N
Total	/	/			/	/				<u>4290</u>	

Note 1: The above amount related to Jean-Marc Dublanc represents his director's allowance, which is 330,000 yuan. In addition, the actual remuneration that Jean-Marc Dublanc received from the company in 2025 also includes the deferred payment of his remuneration as the former CEO, amounting to 4.31 million yuan.

Note 2: The remuneration of senior management in 2025 increased compared with that in 2024, mainly due to factors such as changes in the exchange rate between the euro and the RMB, and the growth in performance-based compensation driven by the improvement of the company's performance. Among them, foreign senior management work overseas, and their remuneration is determined in accordance with the salary system of the country where they are located overseas..

<i>Name</i>	<i>Professional background and main work experience</i>
HAO Zhigang	<p>Dr. Hao was born in 1978, Chinese. He obtained a Ph.D. in Chemical Engineering from the Institute of Process Engineering, Chinese Academy of Science, and an MBA from The Open University of Hong Kong.</p> <p>Dr. Hao used to serve as Director of General Office, Board Secretary, and Chairman at China National Bluestar (Group) Co., Ltd., etc. Dr. Hao was the Deputy Chairman of the Company from 2017 to 2018. Since 2018, he has been the Chairman of the Company. Since July 2023, he has been the General Manager and CEO of the Company.</p>
Jean-Marc Dublanc	<p>Mr. Dublanc was born in 1954, French. He graduated from the ESCP in 1979.</p> <p>Mr. Dublanc began his career at Indosuez Bank and then joined the financial management of Rhone-Poulenc in 1981. He subsequently held senior operational and management positions in several subsidiaries in France and the USA. Before joining Adisseo, he was in charge of a subsidiary in the field of human nutrition.</p> <p>He joined Adisseo in 2006 as director of innovation, marketing and sales. From 2010 to 2023, he was the CEO of Adisseo France and Bluestar Adisseo Nutrition Group Limited. From October 2015 to June 2023, he was the CEO of the Company. Since 2020, he has been the Deputy Chairman of the Company.</p>
G�rard Deman	<p>Mr. Deman was born in 1946, with a Bachelor of Chemical Engineering and Polymer Engineering, received training in the INSEAD Executive Program.</p> <p>Mr. Deman has nearly 45 years of experience in the global chemical industry and is an expert in government relationships. He used to be a professor of organic chemistry in the University of Algiers and worked in the animal nutrition division of Rhone Poulenc as Director of Operations. Then in 2002, he took part alongside CVC at the leveraged buyout that gave birth to Adisseo. In 2006, he became president of Adisseo at its acquisition by Bluestar till 2010.</p> <p>Since 2010, he has been the Chairman of the management board at Adisseo France and member of the 6th session of the board of directors and strategic advisor for Bluestar Group. From 2015 to 2018, he was the Chairman of the Company. Since 2018, he has been the Director of the Company.</p>
YAO Wei	<p>Mr. Yao was born in 1983, Chinese. He holds a Master of Economics from Nankai University.</p> <p>Mr. Yao formerly served as management positions for Investment & Development Department, Strategy & Planning Department of Sinochem Group, Sinochem Agriculture and Syngenta Group, with the responsibilities of corporate strategy, merger and acquisition (M&A), integration, transformation, business development and growth initiatives. He was Syngenta Group China Head and Senior Director of Innovation and Investment and concurrently served as Global Investment Committee Member of Syngenta Group Ventures. Currently he is Deputy Director of Corporate Management at Sinochem Holdings.</p> <p>Since September 2024, he has been the Director of the Company.</p>
DONG Dachuan	<p>Mr. Dong was born in 1982, Chinese. He obtained a master's degree in social security, School of Labor and Personnel of Renmin University of China.</p> <p>Mr. Dong used to serve as Deputy Director of the General Office of Sinochem Yangzhou Petrochemical Terminal Storage Co., Ltd., General Manager Assistant, Deputy General Manager and General Manager of the Human Resources Department of Sinochem Petroleum Co., Ltd., Deputy General Manager of the Human Resources Department (Party Mass Work Department) of the Energy Division of Sinochem Group, Deputy General Manager of the Quanzhou Ethylene Project Department of Sinochem, Deputy General Manager and Deputy Secretary of the Party Branch of Sinochem Petrochemical Sales Co., Ltd., General Manager of the Human Resources Department of Sinochem Energy Co., Ltd., and the Deputy General Manager of China National Bluestar (Group) Co., Ltd., etc. Currently, he is Director of China National Bluestar (Group) Co., Ltd.</p> <p>Since September 2024, he has been the Director of the Company.</p>
SUN Yanfeng	<p>Mr. Sun was born in 1982, Chinese. He obtained a master's degree in accounting at Central University of Finance and Economics.</p> <p>Mr. Sun used to serve as General Manager of Chemical Management Department of the Strategic Execution Department of Sinochem Group, Deputy Director of the Strategic Execution Department of Sinochem Holdings Co., Ltd., Supervisor of China National Chemical Energy Co., Ltd., and Supervisor of Shenyang Chemical Research Institute Co., Ltd., etc. Currently, he is the Chief Financial Officer, General Counsel and Chief Compliance Officer of China National Bluestar (Group) Co., Ltd.</p> <p>Since December 2023, he has been the Director of the Company.</p>
PAN Yong	<p>Mr. Pan was born in 1978, Chinese, major in applied chemistry, bachelor's degree.</p> <p>Mr. Pan used to work as Shift Supervisor in DSM Oriental Nanjing chemical co. LTD, Operation Supervisor in Bayer Polyurethane Shanghai co., LTD., Assistant Plant Manager in Wacker Chemical Nanjing co., LTD.</p> <p>He joined Bluestar Adisseo Nanjing co., LTD. and worked as Intermediate Section Manager since June 2014. From July 2018 to August 2020 worked as Process and Project department Manager. From September 2020 to November 2022 transferred back to Intermediate Section as Production Manager. From December 2022 to September 2023 worked as Intermediate Section Operation Director. Since September 2023 transferred to Quanzhou Powder Methionine Project as Deputy Project Director.</p> <p>From October 2018 to September 2025, Mr. Pan was the Employee Representative Supervisor. He has been the Employee Representative Director of the Company since December 2025.</p>

<i>Name</i>	<i>Professional background and main work experience</i>
Benny LAM	<p>Mr. Lam was born in 1960, Hongkong. He obtained a bachelor's degree of economics in Macquarie University and a master's degree of finance in University of New South Wales. Fellow member of the Hong Kong Institute of Certified Public Accountants and Fellow member of Chartered Accountants Australia and New Zealand.</p> <p>Mr. Lam has worked in Australia (5 years), Hong Kong (6 years) and China (25 years). He has been engaged in auditing and business consulting projects, more than 30 years, with extensive experience in corporate auditing and related capital market services.</p> <p>From 2004 to 2020, he worked as a partner of PricewaterhouseCoopers in Hong Kong and PwC Zhongtian CPAs LLP in China. Mr. Lam has also held positions in several auditing firms, including KPMG Hong Kong (from September 1991 to February 1992), Horwath Australia (from August 1987 to August 1991), and the Office of the Auditor General of New South Wales (from March 1987 to July 1987). Since June 2022, he has worked as an INED for Greatpower Nickel & Cobalt Materials Co., Ltd. (non-listed). He has been appointed as an INED respectively since May 2023 and July 2023 for Shanghai Fudan Zhangjiang Biopharmaceutical Co., Ltd. (H shares stock code: 01349; A shares stock code: 688505) and Suzhou Basecare Medical Corporation Limited (H shares stock code: 02170). Since October 2023, he has been appointed as a joint company secretary for Xinjiang Xinxin Mining Industry Co., Ltd. (H shares stock code: 03833). Since May 2024, he has worked as an INED for Xian Kingfar Property Services Co., Ltd. Limited (H shares stock code: 01354). Since June 2025, he has served as an INED of Qiyi Technology (Cayman) Limited (H shares stock code: 01739). Since June 2025, he has served as an INED of Shanghai Biren Technology Co., LTD (H shares stock code: 06082).</p> <p>Since September 2024, he has been an INED of the Company and the chairman of the Audit, Risk and Compliance Committee of the Board.</p>
LIU Xin	<p>Professor Liu was born in 1970, Chinese. He graduated from School of Labor and Human Resources of Renmin University of China, majoring in Labor Economics, with a doctor's degree.</p> <p>From June 1997 to February 2001, he was a lecturer and associate professor at the School of Labor and Human Resources of Renmin University of China. Since February 2001, he has been an associate professor, professor and doctoral supervisor of the School of Public Administration of Renmin University of China. At the same time, he is the director of the Research Center for Human Resource Development and Management of Renmin University of China, and a researcher of the National Academy of Development and Strategy of Renmin University of China. Professor LIU was a visiting scholar at Ghent University in Belgium from August 1998 to July 1999, a Fulbright senior visiting scholar at Harvard University in the United States from August 2009 to July 2010, and a professor of graduate courses at the Ford School of Public Policy at the University of Michigan in the United States from October 2010 to January 2011. From May 2003 to October 2013, he was the chief expert and senior partner of Beijing Bomu Enterprise Management Consulting Co., LTD.</p> <p>From December 2017 to September 2021, he served as an INED of Capital Land Co., LTD. (H shares stock code: 02868). From November 2019 to April 2023, he was an INED of Xinli Holdings (Group) Limited (H shares stock code: 02103). Since August 2020, he has been an INED of Beijing Yande Environmental Energy Technology Co., LTD. (Beijing Stock Exchange stock code: 833755). Since April 2021, he has been an INED of Suxin Good Life Services Co., LTD. (H shares stock code: 02151). Since September 2021, he has served as a director of Taiping Capital Insurance Asset Management Co., LTD.</p> <p>Since September 2024, Professor LIU has been INED of the company and is the chairman of the Remuneration and Appraisal Committee.</p>
ZANG Hengchang	<p>Mr. Zang was born in 1964, Chinese, graduated from school of pharmacy, Shandong University, majoring in Microbiology and biochemical pharmacy, with a doctor's degree.</p> <p>From July 1985 to September 1987, Mr. Zang served as assistant professor of Department of health chemistry, Shandong Medical University. From July 1990 to April 1991, he served as assistant professor of Laboratory Animal Laboratory of Shandong Medical University. From May 1991 to July 2000, he was the factory director, engineer and senior engineer of experimental pharmaceutical factory of Shandong Medical University. From July 2000 to April 2007, he was the general manager, senior engineer and researcher of Shandong Shanda Kangnuo Pharmaceutical Co., Ltd. Since April 2007, he has been a researcher in School of Pharmacy of Shandong University and director of Key Laboratory of National Medical Products Administration. From January 2017 to May 2022, he served as director of Shandong Luhua Energy Group Co., Ltd.(non-listed). From March 2019 to May 2022, he served as independent director of Huaxi Biotechnology Co., Ltd. (A shares stock code: 688363). From November 2022 to September 2024, he has been independent director of Jinhe Tibetan Medicine Co., Ltd. (non-listed). Since April 2022, he has been the external director of Shandong Luhua Longxin Biotechnology Co., Ltd (non-listed). He has been an independent director of Haineng Future Technology Group Co., LTD. (Stock code: 430476) since October 2024.</p> <p>Since 2021, he has been the Independent Director of the Company and the Chairman of Nomination Committee.</p>

<i>Name</i>	<i>Professional background and main work experience</i>
SUN Zhixiang	<p>Ms. Sun was born in 1967, Chinese. She holds a Bachelor of Laws from Fudan University and a master's degree in international Economic Law from Fudan University. She was a Senior Visiting Fellow at Harvard University, USA.</p> <p>With over 30 years of experience in legal consulting, Ms. Sun has extensive expertise in areas such as investment and financing, corporate affairs, and securities transactions. Her professional tenure includes roles as Lawyer at Shanghai Foreign Economic Law Firm, China Legal Advisor at Yao Helen Law Firm Singapore, Head of International Finance Department at Shanghai Xinmin Law Firm, and currently serves as Senior Partner at Shanghai Pudong Law Firm. Since January 2021, she has been an Independent Director of MicroPort CardioFlow Medtech Corporation (listed on the Hong Kong Stock Exchange, stock code: HK02160); since May 2023, an Independent Director of Shanghai Baosight Software Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600845); and since June 2024, an Independent Director of Shanghai Foreign Service Holdings Group Co., Ltd. (listed on the Shanghai Stock Exchange, stock code: 600662).</p> <p>Since December 2025, Ms. Sun has been the Independent Director of the Company.</p>
Frederic Jacquin	<p>Mr. Jacquin was born in 1967, French, Master of Marketing and Communication from La Sorbonne French University (Celsa) and Executive MBA from the ESSEC French Business School, graduated & certified from INSEAD for Independent Directors Program.</p> <p>He has a long experience with specialty chemicals and has thereby acquired broad and international experience in specialty chemicals business development and industrial marketing. He was working for Elkem Silicones International for 11 years. He joined Adisseo in November 2022 responsible for Specialty Business Department and appointed as Deputy General Manager in December 2022.</p> <p>Since April 2023, he has been the Deputy General Manager and Chief Operating Officer of the Company.</p>
Virginie Cayatte	<p>Mrs. Cayatte was born in 1970, French, graduated from Ecole Polytechnique and Ecole des Mines de Paris and French Financial Analyst Certificate cum laude.</p> <p>She served as the Director of Financial Market Regulation at the French Ministry of Finance from 2002 to 2006, the Secretary of the Finance and Innovation Cluster from 2006 to 2007, the CFO of AXA IM from 2010 to 2015, and the Chief Financial Officer (CFO) of SOLOCAL (a French communication and local digital advertising company) from 2015 to 2018. Since 2018, she joined Adisseo Group as Group CFO, in charge of Finance, IS&T, Legal and Compliance.</p> <p>Since April 2023, she has been Chief Financial Officer of the Bluestar Adisseo Company.</p>
ZHU Xiaolei	<p>Mr. Zhu was born in 1982, Chinese. He obtained a master's degree in Materials of the School of Chemical Engineering at Tianjin University.</p> <p>Mr. Zhu used to serve as Senior Deputy Director of Cadre Management and Performance Assessment of Human Resources Department of China National Chemical Corporation, Secretary of the Youth League Committee of China National Chemical Corporation, Director and Deputy General Manager of China National Bluestar (Group) Co., Ltd., etc. Currently, he is a member of the Party Committee of China National Bluestar (Group) Co., LTD.</p> <p>From May 2023 to September 2024, he was a Director of the Company. Since December 2023, he has been the Deputy General Manager of the Company.</p>
Fabien Siguier	<p>Born in 1974, French, graduated from IAE Lyon, Sciences Po Paris, and Auditor of the Diplomatic institute of French foreign affairs CHEAD. He served as the Organizational Manager of Sodial from 1997 to 2001, the Director of Human Resources at BEL Group from 2001 to 2006, the Director of Human Resources Restructuring at the French Ground Weapon Industry Group from 2006 to 2009, and the Director of Human Resources, Director of Human Resources Change, and Vice President of Human Resources and Compliance at Valeo from 2009 to 2018. Since 2018, he has joined Adisseo Group as the Executive Vice President. Since April 2023, he has been the Deputy General Manager of the Company.</p>
Jean- François Rous	<p>Mr. Rous was born in 1967, French. He served as Research Scientist and R&D Manager for Unilever (UK) from 1992 to 2000. Then he has been an R&D Department Manager for Rhodia Group (France) from 2000 to 2005. From 2005 to 2007 he worked as Business Unit Director for a SME in the pharmaceutical domain, and then from 2007 to 2008 he worked at the Industrial Innovation Agency of the French Prime Minister. From 2008 to 2017 he served as the Vice President of Innovation for Groupe AVRIL (France). From 2017 to 2018, he served as the Chief Innovation Officer of Elephant Vert (France and Morocco). Since 2019, he has joined Adisseo as Chief Technology Officer.</p> <p>Since April 2023, he has been Deputy General Manager of the Company.</p>
CAI Yun	<p>Ms. Cai was born in 1974, Chinese. She has a bachelor's degree in international economics from Fudan University and has the qualification of Senior Accountant Qualification. She is member of CICPA, HKCPA, AUCPA and CGMA. She also completed a mini-MBA training course at ESSEC Business School in France.</p> <p>Ms. Cai has successively worked in PwC Shanghai Branch as an Auditor and then as a Senior Auditor. She became Finance & HR manager, Deputy General Manager at Adisseo Life Science (Shanghai) Co., Ltd. (Previously: Aventis International Trading (Shanghai) Co., Ltd), Project & Internal Audit Director of Bluestar Adisseo Nutrition Group, Finance Controller of the Company and Senior Director of Communication & Digital Transformation for Adisseo China. Since October 2023, she has been the Board Secretary of the Company.</p>

Name	Professional background and main work experience
DING Bingjing	Mr. Ding was born in 1982, Chinese. He obtained a Ph.D. in Chemical Engineering from Beijing University of Chemical Technology. Mr. Ding used to serve as the Executive Director and General Manager of Guangzhou Synthetic Materials Research Institute Co., Ltd.; Executive Director and General Manager of Sinochem Bluestar Cleaning Technology (Beijing) Co., Ltd.; Executive Director of Bluestar Engineering Co., Ltd.; Chairman of Bluestar Toray Membrane Technology (Beijing) Co., Ltd.; and General Manager of the Innovation Strategy Department of Sinochem Environment Holding Co., Ltd. From February 2025 to June 2025, he was the Director of Strategic Project Management of the Company. Since June 2025, he has been the Vice-President of Strategic Investment & Sustainable Development of the Company; Since July 2025, he has been the Deputy General Manager of the Company.
Frank Chmitelin (resigned)	Born in 1962, French, graduated from the National Veterinary School in Lyon and from AgroPariTech (1989) and earned an MBA from ESSEC in 2000. He began his carrier in 1989 at Sanders and then Alltech, before joining Adisseo in 1994, holding various positions in marketing and international sales management. In 2010, he became Vice President WorldWide Sales and was Secretary General of the FEFANA from 2009 to 2012. From 2022 to June 2025, he took the position of Executive Vice President Strategy and Sustainable Development. From April 2023 to June 2025, he was Deputy General Manager of the Company.

Other information

Applicable Not applicable

2. Position assumed of Directors, Supervisors, and Senior Management

(1) Position assumed in shareholding entities

 Applicable Not applicable

Name	Name of the shareholding entity	Position	Starting date of office term	Expiry date of office term
Gérard Deman	China Bluestar	Director	September 2008	To date
DONG Dachuan	China Bluestar	Director	March 2024	To date
SUN Yanfeng	China Bluestar	CFO	September 2023	To date
SUN Yanfeng	China Bluestar	General Counsel and Chief Compliance Officer	February 2025	To date
Descriptions on position assumed in shareholding entities	No			

(2) Position assumed in other entities

 Applicable Not applicable

Name	Name of the entity	Position	Starting date of office term	Expiry date of office term
Jean-Marc Dublanc	JMD INTERNATIONAL	President	September 2023	To date
Jean-Marc Dublanc	EUROLYSINE SAS	Member of the Strategic Committee	July 2024	To date
Gérard Deman	GDEM conseil	Chairman	October 2011	To date
Gérard Deman	Innov'ia	Vice President of the Supervisory Board	September 2011	To date
Gérard Deman	G4	Chairman	July 2011	To date
YAO Wei	Elkem	Director, Member of the Audit Committee	August 2024	To date
DONG Dachuan	Elkem	Director	October 2024	To date
SUN Yanfeng	Elkem Luxembourg	Director	December 2023	April 2025
SUN Yanfeng	Bluestar Finance Holdings Limited	Director	December 2023	April 2025
SUN Yanfeng	China National Chemical (Hong Kong) Investment Co. Limited	Director	December 2023	April 2025
SUN Yanfeng	ChemChina	Director	December	April 2025

2025 Annual Report

	International Holding (Hong Kong) Co., Limited		2023	
SUN Yanfeng	Bluestar Fibres Investment Co. Limited	Director	January 2024	April 2025
SUN Yanfeng	Bluestar Elkem Investment Co. Limited	Director	January 2024	April 2025
SUN Yanfeng	Bluestar Silicones Investment Co. Limited	Director	December 2023	April 2025
Benny LAM	Greatpower Nickel and Cobalt Materials Co., Ltd.	Independent director	June 2022	To date
Benny LAM	Shanghai Fudan Zhangjiang Biopharmaceutical Co., Ltd.	Independent director	May 2023	To date
Benny LAM	Suzhou Basecare Medical Corporation Limited	Independent director	July 2023	To date
Benny LAM	Xinjiang Xinxin Mining Industry Co., Ltd.	Joint company secretary	October 2023	To date
Benny LAM	Xian Kingfar Property Services Co., Ltd. Limited	Independent director	June 2024	To date
Benny LAM	Shanghai Biren Technology Co., Ltd.	Independent director	June 2025	To date
Benny LAM	Qeeka Home (Cayman) Inc.	Independent director	June 2025	To date
LIU Xin	School of Labor and Human Resources of Renmin University of China	Associate professor, professor and doctoral supervisor	February 2001	To date
LIU Xin	Beijing Yangde Environmental Energy Technology Co., LTD.	Independent director	August 2020	To date
LIU Xin	Suxin Good Life Services Co., LTD.	Independent director	April 2021	To date
LIU Xin	Taiping Capital Insurance Asset Management Co., LTD	Director	September 2021	To date
ZANG Hengchang	School of pharmacy, Shandong University	Professors	January 2022	To date
ZANG Hengchang	Shandong Luhua Longxin Biotechnology Co., Ltd.	External director	April 2022	To date
ZANG Hengchang	Haineng Future Technology Group Co., LTD.	Independent director	October 2024	To date
SUN Zhixiang	Shanghai Pudong Law Firm	Senior Partner	March 1999	To date
SUN Zhixiang	MicroPort CardioFlow Medtech Corporation	Independent director	January 2021	To date
SUN Zhixiang	Shanghai Baosight Software Co., Ltd.	Independent director	May 2023	To date
SUN Zhixiang	Shanghai Foreign Service Holdings Group Co., Ltd.	Independent director	June 2024	To date
Jacquin Frédéric	France Chimie (Industry Association)	Board member	2021	To date
Virginie Cayatte	Calysta Inc.	Director	October 2023	To date
Virginie Cayatte	Amundi	Director	November 2015	To date
Descriptions on position assumed in other entities	No			

3. Compensation for directors, supervisors and senior management

√ Applicable □ Not applicable

Procedures for deciding the compensation for directors and senior management	The compensation for directors and supervisors is determined by the General Shareholders' Meeting and for senior management is determined by the Board of Directors following recommendations of the Remuneration committee.
Whether directors abstain from the discussion of their own remuneration matters at the board meetings	Yes.
Recommendations made by the Remuneration and Appraisal Committee or special meetings of independent directors on the remuneration matters for directors and senior management	<p>The Remuneration and Appraisal Committee has assessed the performance of the senior management in FY2024 in accordance with the Management Incentive Plan and the Implementation Rules and agrees to submit them to the board of directors for deliberation.</p> <p>The Remuneration and Appraisal Committee proposed to the board of directors that the annual allowance for independent directors of the company be set at 300,000 yuan (including tax). In addition to the above-mentioned allowances, independent directors may also receive special allowances when serving as members of the board's special committees. The Remuneration and Appraisal Committee proposed that the allowances of independent directors be linked to their job responsibilities. The above proposals have been reviewed and approved at the 2023 Annual General Meeting of shareholders.</p> <p>The Remuneration and Appraisal Committee reviewed and approved the remuneration of external directors of the 9th Board of Directors (i.e., non-independent directors who do not hold any position other than director in the Company, shareholder units or the ultimate controlling party). The above proposals have been approved at the 2024 Annual General Meeting of shareholders.</p> <p>The above proposal has been deliberated and passed by the Annual Shareholders' Meeting for FY2024.</p>
Basis of compensation for directors and senior management	The Company is responsible for applying the basic salary and performance bonus system for directors and senior management. Compensation is determined according to the results of the Company, in line with the principle and method of linking compensation with working performance. Compensation for independent directors is determined by using an annual allowance.
Compensation payments for directors and senior management	Determined in line with the above-mentioned principles.
Total compensation of all directors and senior management in the reporting period	After performance review and according to the payment plan, 4,721 (10 thousand) yuan is paid in the reporting period including pension and bonuses.

The assessment basis and completion status of the actual remuneration received by all directors and senior management at the end of the reporting period	The remuneration of directors is evaluated and implemented based on their actual performance as directors and members of special committees. The Human Resources Department of the company summarizes the performance evaluation results based on the senior management assessment plan and reports them to the Remuneration Committee for review. The Remuneration Committee conducts overall evaluations of senior management in accordance with performance evaluation standards and procedures. Based on the results of performance evaluation and the remuneration policy, the remuneration amount and reward methods for senior management are proposed. After being reviewed by the Remuneration Committee and finally approved and the Board of Directors, the proposal will be implemented accordingly.
Deferred payment arrangements for the actual remuneration received by all directors and senior management at the end of the reporting period	During the reporting period, there were deferred payment arrangements for long-term incentives in the actual remuneration received by directors and senior management.
The situation of suspension, payment, and recourse regarding the actual compensation received by all directors and senior management personnel at the end of the reporting	N/A in 2025

Note: The Company subscribed to a Directors & Officers (D&O) liability insurance to protect the members of the Board of Directors and senior officers who fulfil obligations in connection with their positions. The Company plans to insure these directors and senior officers. The net annual premium is around USD 30,000 and the limits are USD15,000,000. The D&O proposal was approved by the Shareholders' General Meeting on 24th March 2025. On 6th March 2026, the Board has approved the renewal of the D&O policy, and this proposal will be presented to the upcoming Shareholders' General Meeting for approval.

4. Change in directors and senior management of the Company

Applicable Not applicable

Name	Position	Description of change
SUN Zhixiang	Independent Director	Added
PAN Yong	Employee Representative Directors	Added
Frank Chmitelin	Deputy General Manager	Resigned
DING Bingjing	Deputy General Manager	Appointed

Detailed description on the change of directors, supervisors and senior management:

- At the 4th Interim Meeting of Shareholders for FY2025 held on 1st December 2025, Ms. SUN Zhixiang was approved to be one of the independent directors of the 9th Board of Directors, with a term of office starting from 1st December 2025 and ending on the expiration date of the 9th Board of Directors of the company (Announcement No. 2025-051).
- At the employee congress held on 1st December 2025, Mr. PAN Yong was elected as an employee representative director of the 9th board of directors of the company. His term of

office will be from the date of approval by the employee congress until the end of the 9th Board of Directors (Announcement No. 2025-052).

- c. Mr. Frank Chmitelin, the deputy general manager of the company, has applied to resign from his position as deputy general manager of the company as of 1st July 2025 due to retirement arrangements. After his resignation, Mr. Frank Chmitelin will no longer hold any position in the company (Announcement No. 2025-032).
- d. At the 7th meeting of the 9th Board of Directors held on 16th July 2025, Mr. DING Bingjing was appointed as the deputy general manager of the company. His term of office will commence from the date of approval by the Board of Directors and end on the expiration date of the 9th Board of Directors' term (Announcement No. 2025-033).

5. The punishment or penalties made by CSRC or SSE in past 3 years

Applicable Not applicable

6. Others

Applicable Not applicable

IV. Fulfilment of duties by Directors

1. Attendance of directors at board meetings and general shareholders' meetings

Name of directors	Independent directors	Attendance at Board meetings						Attendance at general shareholders' meetings
		Required attendance at Board meetings in the term of office this year	Attendance in Person	Participation by other communications	Attendance by proxy	Absence	Consecutively Absent From two meetings	Attendance frequency at the general meeting of shareholders
HAO Zhigang	N	9	9	9	0	0	N	5
Jean-Marc Dublanc	N	9	9	9	0	0	N	4
Gérard Deman	N	9	9	9	0	0	N	5
YAO Wei	N	9	8	8	1	0	N	1
DONG Dachuan	N	9	7	7	2	0	N	3
SUN Yanfeng	N	9	8	8	1	0	N	4
PAN Yong	N	1	1	1	0	0	N	0
Benny LAM	Y	9	9	9	0	0	N	5
LIU Xin	Y	9	9	9	0	0	N	5
ZANG	Y	9	9	9	0	0	N	5

Name of directors	Independent directors	Attendance at Board meetings						Attendance at general shareholders' meetings
		Required attendance at Board meetings in the term of office this year	Attendance in Person	Participation by other communications	Attendance by proxy	Absence	Consecutively Absent From two meetings	Attendance frequency at the general meeting of shareholders
Hengchang								
SUN Zhixiang	Y	1	1	1	0	0	N	0

Detailed description on consecutively absent from two meetings:

Applicable Not applicable

Number of Board meetings held this year	9
Including: Number of meetings held on-site	0
Number of meetings held by other communications	8
Number of meetings held on-site combined with other communications	1

2. Objection raised by independent director to company-related matters

Applicable Not applicable

3. Others

Applicable Not applicable

V. Special committees under the Board of Directors

Applicable Not applicable

1. Members of special committee under the board of directors

Type of special committee	Name of committee member
Audit, Risk and Compliance Committee	1. Mr. Benny LAM 2. Ms. SUN Zhixiang 3. Mr. SUN Yanfeng
Nomination Committee	1. Mr. ZANG Hengchang 2. Mr. HAO Zhigang 3. Mr. DONG Dachuan 4. Mr. LIU Xin 5. Mr. Benny LAM
Remuneration and Appraisal Committee	1. Ms. LIU Xin 2. Mr. Benny LAM 3. Mr. DONG Dachuan
Strategic & ESG Committee	1. Mr. HAO Zhigang 2. Mr. Jean-Marc Dublanc 3. Mr. Gérard Deman

	<p>4. Mr. YAO Wei</p> <p>5. Mr. SUN Yanfeng</p> <p>6. Mr. ZANG Hengchang</p>
--	--

2. Audit, Risk and Compliance Committee held 8 meetings during the reporting period

Date	Content	Important opinions and suggestions	Other performance of duties
2025/1/26	The Third Audit, Risk and Compliance Committee Meeting of the 9th Session of Board deliberated and passed the following proposals: 1. 2024 Performance Increase Forecast	The Company's Performance Increase Forecast of FY2024, its composition and deliberation comply with the requirements of laws, rules and the Company's bylaws. The contents of Performance Increase of FY 2024 reflect the main financial data and ratios of the Company, initially disclosed after the end of accounting period and before the announcement of financial report, which may differ from the final audited data. Performance Forecast improves the timeliness of information disclosure for listed companies and helps to promote the right to know of small and medium investors.	No
2025/2/24	The fourth Audit, Risk and Compliance Committee Meeting of the 9th session of the board deliberated and passed the proposals on: 1. 2024 Annual Report and the Executive Summary. 2. 2024 Annual Final Accounts. 3. Approval of Risk Report of Sinochem Finance Co., Ltd. for FY2024. 4. 2024 and 2025 day-to-day Connected Transactions. 5. Special Report on Occupancy of Non-Operation Funds and Other Fund Transactions with Connected Parties for FY2024. 6. Self-Assessment Report on Internal Control for FY2024, Annual Internal Control & Risk Report for FY2024 and Audit Report on Internal Control for FY2024.	The committee's opinions on the proposals of the meeting are as follows and agrees to submit them to the board of directors for deliberation: 1. The Company's 2024 Annual Report and the Executive Summary, and its composition and deliberation comply with the requirements of laws, rules, AOA and the Company's bylaws. The contents and format of the 2024 Annual Report and the Executive Summary complies with requirements of CSRC and SSE. The information contained reflects the actual management and financial situations of the Company. No violation of confidentiality conducted by the personnel participating in composition and deliberation of the 2024 Annual Report and the Executive Summary has been found currently. 2. Same as 1. 3. The connected transaction strictly follows the Company's Connected	No

	<p>7. Internal Audit Plan for FY2025.</p> <p>reviewed the proposal on: 1. Audit, Risk and Compliance Committee's Report for FY2024.</p>	<p>Transaction Management System meets the requirement that associated directors withdraw from voting, persists with the principles of being open, fair and just, and does not involve any inside transaction. The transaction is necessary for the Company, and also, the transaction price is fair and reasonable, does not impair the benefits of the Company and non-associated stockholders, and it is fair to all stockholders.</p> <p>4. During the reporting period, the Audit, Risk and Compliance Committee, according to the Code of Corporate Governance for Listed Companies, the C-Sox, the Shanghai Stock Exchange Listing Rules, the Articles of Association of Bluestar Adisseo Company and the Detailed Rules for the Implementation of the Audit Committee, fulfilled their duties with their profound expertise and experience in a diligent and conscientious manner; focused on key issues including regular reports, related transaction, C-Sox as well as major events etc. contributed to the continuous improvement of the corporate governance; and protected the interests of the Company and shareholders, especially minority shareholders. See Audit, Risk and Compliance Committee's Report for FY2024 for further details.</p> <p>5. KPMG Huazhen LLP has composed a special report on occupancy of non-operation funds and other fund transactions with connected parties for FY2024. It confirmed that the controlling shareholder and other connected party do not occupy any of the Company's nonoperation capital.</p> <p>6. In the reporting period, Company has set up and is enhancing internal control</p>	
--	---	--	--

		system, pursuant to the Basic Standards of Internal Control for Enterprises and other laws and regulations. The internal control system is running effectively. The Company has composed the Self-Assessment Report on Internal Control to reflect the actual performance in internal control. KPMG Huazhen LLP has issued a standard and unqualified audit report.	
2025/2/26	The Fifth Audit, Risk and Compliance Committee Meeting deliberated and passed the proposals on: 1. Audit, Risk and Compliance Committee's Report on the Supervision of Accounting Firm for FY2024. 2. Assessment Report on the Performance of Accounting Firms and the Auditing Fees for FY2024. 3. 2024 and 2025 Day-to-day Related Party Transactions.	1. Due to the addition of related-party procurement matters, the estimated day-to-day related-party transactions for the year 2025 need to be correspondingly adjusted. The Special Committee of Independent Directors has re-examined the adjusted proposal on 2024 and 2025 Day-to-day Related Party Transactions and believes that the day-to-day related-party transactions incurred in 2024 are all normal operation activities and the pricing of the related transactions strictly followed the marketing arm-length principle of being open, fair and just, in line with the benefits of the Company and the shareholders, without prejudicing the Company, the Company's shareholders. The day-to-day related party transactions expected by the Company in 2025 are reasonable forecasts of normal production and operation activities, and the transaction pricing is fair and reasonable. The Company does not rely on those related parties substantially. We agree to submit this proposal to the board for deliberation.	No
2025/4/25	The Sixth Audit, Risk and Compliance Committee Meeting deliberated and passed the proposals on: 1. 2025 Q1 Report. 2. Foreign Exchange Hedging Business Plan. 3. Appointment of Auditor and Internal Control Auditor for the Year	The committee's opinions on the proposals of the meeting are as follows and agrees to submit them to the board of directors for deliberation: 1. The Audit Committee reviews the Company's 2025 Q1 Report and confirms that the Company's 2025 Q1 Report and its composition and deliberation comply with	No

	<p>2025. 4.2024 Sustainable Development Report.</p> <p>reviewed the proposals on:</p> <p>1.Internal Audit Update. 2.Risk, Compliance Update.</p>	<p>the requirements of laws, rules, AOA and the Company's bylaws. The contents and format of 2025 Q1 Report comply with requirements of CSRC and SSE. The information contained reflects the actual management and financial situations of the Company. No violation of confidentiality conducted by the personnel participating in composition and deliberation of the 2025 Q1 Report has been found currently. And agrees to submit it to the board of directors for deliberation.</p> <p>2. To effectively avoid and prevent foreign exchange market risk and preventing the large fluctuation of exchange rate from adversely affecting the Company's production and operation, the Company continuously monitors the exchange rate risk and plans to carry out foreign exchange hedging business in combination with the use of derivative financial instruments.</p> <p>3.To maintain continuity of auditing, as proposed by the Audit, Risk and Compliance Committee of the board, the Company proposes to continue to engage KPMG Huazhen LLP as the Company's 2025 annual auditor for financial and internal control auditing.</p>	
2025/7/16	<p>The Seventh Audit, Risk and Compliance Committee Meeting deliberated and passed the proposals on:</p> <p>1.H1 2025 Report and the Executive Summary. 2.Approval of Risk Report of Sinochem Finance Co., Ltd. for H1 2025.</p> <p>reviewed the proposals on:</p> <p>1.Update on Risk, Internal</p>	<p>The committee has discussed H1 2025 Annual Report and agrees to submit them to the board of directors for deliberation.</p>	No

	Control, Internal Audit with Focus on Integrity, Compliance and Anti-corruption Matters. 2.Update on Calysseo.		
2025/8/25	The Eighth Audit, Risk and Compliance Committee Meeting: 1.Amend the Implementation Rules for the Audit, Risk and Compliance Committee. reviewed the proposals on: 1.Update on H1 2025 Report and the Executive Summary. 2. Update on Appointment of Auditor and Internal Control Auditor for the year 2025.	The committee reviewed the proposal on Amend the Implementation Rules for the Audit, Risk and Compliance Committee and agreed to submit it to the board of directors for deliberation.	No
2025/10/28	The Ninth Audit, Risk and Compliance Committee Meeting deliberated and passed the proposals on: 1.2025 Q3 Report. reviewed the proposals on: 1.Update on Calysseo/Calysta. 2. Update on VISAR. 3.Update on Risk, Internal Control, Internal Audit and Compliance Matters.	The committee has discussed 2025 Q3 Report and agrees to submit them to the board of directors for deliberation.	No.
2025/12/11	The Tenth Audit, Risk and Compliance Committee Meeting deliberated and passed the proposals on: 1.2025 KPMG Huazhen Audit Plan. 2.2025 Closing Option. 3.2026 Internal Audit Plan. 4.Use of Idle Raised Funds for Cash Management. 5.Revision of Management Rules of Related-party Transactions. 6.Revision of Management Rules of Proceeds. 7.Revision of Internal Audit Management System.	The committee's opinions on the proposals of the meeting are as follows and agrees to submit them to the board of directors for deliberation: 1. The audit committee reviewed the audit plan, including work scope, audit approach and planning and confirmation of independence, and confirms that the audit plan implements the whole audit process, properly evaluates the audit importance and audit risk, and reasonably determines the audit purpose, audit scope and key audit area.	No

3. Strategic and ESG Committee held 3 meetings during the reporting period

Date	Content	Important opinions and suggestions	Other performance of duties
2025/4/24	The Second Strategic and ESG Committee of the 9th Session of Board deliberated and passed the proposals on: 1.2024 Sustainable Development Report. reviewed the proposal on: 1.Adiseo Decarbonization Trajectory.	The committee reviewed and passed the proposal on 2024 Sustainable Development Plan and agreed to submit it to the board of directors for deliberation.	No
2025/7/16	The Third Strategic and ESG Committee of the 9th Session of Board deliberated and passed the proposals on: 1.15th Five Year Development Plan of Bluestar Adiseo Company.	To thoroughly implement the decisions and deployment of the CPC Central Committee and effectively align with the main goals and key tasks of the 15th Five Year Plan, the Company formulates the 15th Five Year Development Plan of Bluestar Adiseo Company.	
2025/12/22	The Fourth Strategic and ESG Committee of the 9th Session of Board deliberated and passed the proposals on: 1.2026 Budget.	The budget is only the Company's internal management KPI and is not the Company's forecast for its profit. There are uncertainties in the realization involving various factors, such as economic environment and market demand evolution.	No

4. Remuneration and Appraisal Committee held 6 meetings during the reporting period

Date	Content	Important opinions and suggestions	Other performance of duties
2025/2/17	The Second Remuneration and Appraisal Committee Meeting deliberated and passed the proposals on: 1. Director Allowance for the 9th Board of Directors.	Considering the Company's international operations and comparing with the global industry standards, Remuneration and Appraisal Committee has reviewed and approved the director Allowance for the 9 th Board of Directors. The committee believes that it aligns with the actual business situation of the company and does not compromise the interests of the Company or minority shareholders and agrees to submit it to the board of directors for review.	No
2025/2/27	The Third Remuneration and Appraisal Committee	Remuneration and Appraisal Committee has reviewed the	

	<p>Meeting deliberated and passed the proposals on:</p> <p>1. Annual Appraisal & Remuneration of Senior Management for FY2024.</p>	<p>assessment of the collective targets achievement results for year 2024 of senior management based on the Company's management incentive plan and the Implementation Rules for the Remuneration and Evaluation Committee. It is believed that the plan combines the actual business situation of the Company, comply with relevant regulations such as the Bluestar Adisseo Company Management Measures for Compensation & Performance of Senior Management Team, reflect the incentive and constraint effect on senior management team, and are conducive to the long-term development of the Company. There is no situation that harms the interests of the Company or small and medium-sized shareholders, and agree to submit it to the board of directors for review.</p>	
2025/3/19	<p>The fourth meeting of the Remuneration and Appraisal Committee of the 9th Session of Board deliberated and passed the proposals on:</p> <p>1. Annual Appraisal & Remuneration of Certain Senior Management for FY2024.</p> <p>2. Annual Remuneration Plan of Senior Management for 2025.</p> <p>3. Collective Targets in 2025-2027 for Mid-term Incentive Plan.</p>	<p>Remuneration and Appraisal Committee has reviewed the assessment of the individual targets achievement results for year 2024 of certain senior management based on the Company's management incentive plan and the Implementation Rules for the Remuneration and Evaluation Committee. It is believed that the assessment reflects the actual business situation of the Company and the performance of the executives, complies with relevant regulations such as the Bluestar Adisseo Company Management Measures for Compensation & Performance of Senior Management Team, reflects the incentive and constraint effects on the senior management team, and is conducive to the long-term development of the Company.</p> <p>There is no situation that harms the interests of the Company or small and medium sized shareholders, and we agree to submit it to</p>	No

		the board of directors for review.	
2025/3/26	The Fifth Remuneration and Appraisal Committee Meeting of the 9th Session of Board deliberated and passed the proposals on: 1. Annual Remuneration Plan of Senior Management for 2025.	The Remuneration and Appraisal Committee has reviewed the final proposal on Annual Remuneration Plan of Senior Management for 2025 and believes that it conforms to the actual business situation of the Company, complies with relevant regulations, fulfills the incentive effect on senior management, is conducive to the long-term development of the Company, and does not harm the interests of the Company or small and medium-sized shareholders. It is agreed to submit it to the board of directors for deliberation.	No
2025/4/25	The Sixth Remuneration and Appraisal Committee Meeting of the 9th Session of Board deliberated and passed the proposals on: 1. Annual Remuneration Plan of Senior Management for 2025.	The Remuneration and Appraisal Committee has reviewed the final proposal on Annual Remuneration Plan of Senior Management for 2025 and believes that it conforms to the actual business situation of the Company, complies with relevant regulations, fulfills the incentive effect on senior management, is conducive to the long-term development of the Company, and does not harm the interests of the Company or small and medium-sized shareholders. It is agreed to submit it to the board of directors for deliberation.	No
2025/10/20	The Seventh Remuneration and Appraisal Committee Meeting of the 9th Session of Board deliberated and passed the proposals on: 1. Annual Appraisal & Remuneration of Certain Senior Management for FY2024. 2. Adjustment of Mid-Term Incentive Plan for Certain Senior Management in 2025-2027.	Remuneration and Appraisal Committee has reviewed the assessment of the individual targets achievement results for year 2024 of certain senior management based on the Company's management incentive plan and the Implementation Rules for the Remuneration and Evaluation Committee. It is believed that the assessment reflects the actual business situation of the Company and the performance of the executives, complies with relevant regulations such as	No

		<p>the Bluestar Adisseo Company Management Measures for Compensation & Performance of Senior Management Team, reflects the incentive and constraint effects on the senior management team, and is conducive to the long-term development of the Company. There is no situation that harms the interests of the Company or small and medium-sized shareholders, and we agree to submit it to the board of directors for review.</p>	
--	--	--	--

5. Nomination Committee held 2 meetings during the reporting period

Date	Content	Important opinions and suggestions	Other performance of duties
2025/7/16	<p>The First Nomination Committee Meeting of the 9th Session of Board deliberated and passed the proposals on:</p> <p>1. Appointing Mr. Bingjing DING as Deputy General Manager.</p>	<p>Through reviewing Mr. Bingjing DING's personal resume and data, he has the qualification and ability to serve as the Company's senior management, and there is no situation that he is not allowed to serve as the Company's senior management as stipulated in the Company Law and AOA; There is no circumstance where the subject has been subject to market entry prohibition measures imposed by the China Securities Regulatory Commission ("CSRC"), and the prohibition period remains unexpired; There is no case that the stock exchange has publicly determined that it is not suitable to serve as senior management of listed companies and the term has not expired; Nor has it been punished or disciplined by the CSRC and the stock exchange. Therefore, the nomination committee agreed to this proposal and submit this proposal to the board for deliberation.</p>	No
2025/8/29	<p>The Second Nomination Committee Meeting of the 9th Session of</p>	<p>The nomination committee examined the qualifications of candidates of the 9th</p>	No

	Board deliberated and passed the proposals on: 1. Addition of Independent Director to the Ninth Session of the Board of Directors.	session of the board and believes that the candidates have the qualifications and work experience to fulfill relevant responsibilities, and there is no situation where they are not allowed to serve as directors of the Company as stipulated in the Company Law, the Articles of Association of Bluestar Adisseo Company, and relevant normative documents of the China Securities Regulatory Commission (“CSRC”) and Shanghai Stock Exchange (“SSE”). Ms. Zhixiang SUN was nominated as independent director for the 9th session of the board. The resume of candidates is attached as below. The term of office is from the date of approval by the 3rd interim shareholders’ meeting in 2025 to the expiration date of the ninth Board of Directors.	
--	---	--	--

6. Details of objections

Applicable Not applicable

VI. Risks identified by the Audit Committee

Applicable Not applicable

The Audit Committee has no objection to the supervision matters during the reporting period.

VII. Employees of the Company and its main subsidiaries

1. Employees

Number of on-job employees of the Company	25
Number of on-job employees of major subsidiaries	3,270
Total number of on-job employees	3,295
Number of retirees whose expenditures should be borne by the Company and major subsidiaries	1
Professional structure	
Classifications of Profession	Number of people
Production personnel	2,056
Sales personnel	431
Technical personnel	488
Finance and Administration personnel	258

Management personnel	62
Total	3,295
Degree of Education	
Education background	Number of people
Doctor	116
Master	702
Bachelor	760
Senior college	1,037
Other	680
Total	3,295

2. Compensation policy

√ Applicable Not applicable

The compensation policy for senior executives of the group and the listed company's executive management remuneration policy were deliberated and approved as follows:

Goals: Help attract and retain “highly qualified” executives with expertise and experience that will lead to global growth. Provide compensation opportunities structured to motivate executives to create long-term shareholder value and achieve interim milestones. Deliver actual total compensation that reflects the Company's performance to goals and possibly relative to comparators, over time.

Guiding Principles

- **Pay Comparator Group**—The comparator group will be comprised taking into consideration, comparability of size (primarily based on revenue, as well as market capitalization and assets), industry, international geographic scope (including in terms of location of assets), and complexity of business.
- **Total Compensation Positioning to Pay Comparator Group**—Total compensation is defined according to each country best practices, including a global vision of compensation and benefits. The total compensation packaged is yearly benchmark with external remuneration study in each of our major country. All managerial positions are rated based on an international position ranking system. This ranking system allows a perfect equity in package definition per position, and competitiveness versus market, linked to added value generated by the position for the company.
- **Compensation Mix**—The Company intends to target a mix of salary, annual bonus, and long-term incentive that places a significant portion of pay at risk.
- **Performance Comparator Group**—To reduce the impact of exogenous risk factors on corporate or business unit performance, the company may assess performance against comparators exposed to similar risk factors.
- **Performance Measures and Goal-Setting**— Long-term performance criteria will be aligned with sustainable shareholder value creation, and therefore could include total shareholder return, return on existing assets, profitable growth, and the quality of

corporate earnings. Long-term performance goals will be aligned with shareholder expectations of company performance. Annual performance measure(s) will emphasize line of sight, and link to the value-drivers that can be materially impacted by individual executives in a one-year timeframe. Annual performance goals will be based on the Company's approved business plan. For all incentive plans, actual payouts should be superior to target when expectations are exceeded and should be below target when actual performance falls short of objectives.

- **Emphasis Organizational Linkage**—The primary determinant of executive long-term incentive compensation will be performance at corporate level, while annual executive incentives will emphasize line of sight through the granularity of performance metrics and individual performance objectives. Overall individual performance will be recognized through base salary increases and annual incentive payouts.

3. Training program

√ Applicable Not applicable

According to the requirements of the Company's roadmap and to achieve work objectives better, the Company identifies every year the training needs of its employees and designs the annual training program. Through staff training, the Company strengthens the business knowledge and skills of its employees, improves the capability and quality of the employees and ability of the management, and promotes the effective operation of its management system.

In addition, the Group review yearly the potential assessment of its employee in order to anticipate 5 years horizon of career development. This allows the Group to secure a succession plan for critical position for business continuity. Specific individual development plans are developed to prepare the employees for their next step in the company, including a training part, but also mentoring, exposition and exposure.

In recent years, the Group has increased its investment in people, through individual development plan execution and Group training program.

Six main Group programs have been rolled out remotely with success:

- Research & innovation scientific training, built and delivered by our scientific expert
- Project academy to develop a project awareness across the organization, and develop our project leaders to best worldwide practices
- Adisseo Management Program for our future global leaders, a one-year part time program, co-built with ESSEC
- Adisseo HR academy to transform HR management and coaching practices according to new context, developed with Josh BERSIN academy
- A digital e-learning platform with reach content accessible to all our employees worldwide, including yearly training on compliance, ethics, cybersecurity, safety and environment.
- Adisseo sales and solutions academy to enhance Adisseo market diversification.

4. Labor outsourcingApplicable Not applicable**VIII. Profit distribution or capitalization of reserves****1. Formulation, performance or adjustment of cash profit distribution policy**

✓ Applicable Not applicable

(1) Policy for profit distribution

Adisseo has set up a profit distribution policy. The Articles of Association of the Company have clearly regulated the basic principle, the specified policy as well as the deliberation procedure related with the profit distribution plan. Except for special circumstances, the Company shall distribute dividends in cash when it is profitable for the current year and the cumulative undistributed profits are positive. and the Company's leverage ratio (Net Debt / EBITDA) is no higher than 2, the annual cash dividends shall not be less than 40% of the distributable profits shown in the consolidated financial statements.

The "special circumstances" refer to situations where the Company will make significant investments (i.e., investments exceeding CNY 500 million) during the current year, the Company's asset liability ratio exceeds 80%, and other situations where the distribution is not approved by the Board of Directors and the Shareholders' General Meeting by special resolution.

The Company continues to implement sustainable, stable and proactive profit distribution policies and will, with respect to the Company's business, policy guidance and market consensus, continue to enhance the efficiency of its operations, enhance the transparency of implementing such distribution policies and safeguard the interests of all shareholders of the Company.

The formulation and revision of the Company's profit distribution policies is strictly in compliance with the rules and procedures of the company. The standard and proportion of dividends distribution is clear and definitive and its deliberation process as well as its mechanism has also well established.

(2) The execution of policy for profit distribution in the reporting period

The Company's board of directors proposed the interim dividend plan for FY2024 on 22nd January 2025, expecting to distribute a cash dividend of 160,914,076.38 yuan (including tax). This plan was approved at the company's 1st Interim Meeting of Shareholders for FY2025 held on 7th February 2025. On 20th March 2025, the company disclosed the Announcement on Mid-term Dividend Plan for FY2024. The profit distribution work was completed on 28th March 2025.

The Company's board of directors proposed the profit distribution plan for FY2024 on 27th February 2025, expecting to distribute a cash dividend of RMB 321,828,152.76 (including tax). This plan was approved by the company at the 2024 Annual General Meeting of

Shareholders held on 24th March 2025. On 13th May 2025, the company disclosed the Announcement on 2024 Annual Profit Distribution. The profit distribution work was completed on 20th May 2025.

In summary, during the reporting period, the total amount of cash dividends distributed by the company was 482,742,229.14 yuan (including tax), accounting for 40.08% of the company's net profit attributable to shareholders of listed companies in 2024.

On 30th January 2026, the Company's board of directors proposed an interim dividend plan for FY2025, expecting to distribute a cash dividend of 157,068,742 yuan (including tax), accounting for 15.86% of the company's net profit attributable to shareholders of the listed company in the first three quarters of 2025. On 24th March 2025, the proposal on shareholders' Meeting on Fully Authorizing the Board of Directors to Determine the Interim Profit Distribution in 2025 was deliberated by the 2024 Annual Shareholders' Meeting. Consequently, the interim dividend plan does not need to be submitted to the Shareholders' Meeting for deliberation. The interim dividend was distributed on 27th February 2026.

2. Formulation, performance or adjustment of cash profit distribution policy

Applicable Not applicable

Whether it complies with the provisions of the articles of association or the requirements of the resolution of the general meeting of shareholders	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Whether the dividend standard and proportion are clear and clear	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Are the relevant decision-making procedures and mechanisms complete	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Whether the independent directors have performed their duties and played their due role	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Whether minority shareholders have the opportunity to fully express their opinions and demands, and whether their legitimate rights and interests have been fully protected	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

3. When the Company generates profits in the reporting period and has positive undistributed profits, although no profit distribution is planned, the Company shall disclose the reasons and the purpose and plans for use of the undistributed profits in detail.

Applicable Not applicable

4. Summary of profit distribution and capitalization of capital reserves.

Applicable Not applicable

Number of bonus shares per 10 shares (shares)	0
Dividends of per 10 shares (tax included)	1.51
Number of additional shares per 10 shares (shares)	0
Amount of cash dividends	465,046,667.81
Net profit attributable to shareholders of the Company in the consolidated financial statements in the year of profit distribution	1,154,532,027
The ratio of cash dividends to net profit attributable to shareholders of the Company in	40.28

the consolidated financial statements	
Amount of cash dividends by share repurchase	0
Total amount of profit distribution (tax included)	474,286,005.58
The ratio of profit distribution to net profit attributable to shareholders of the Company in the consolidated financial statements	40.28

5. Cash Dividend Distribution in the Latest Three Fiscal Years

Applicable Not applicable

Unit: Yuan Currency: RMB

Accumulative amount of cash dividends for the latest three accounting years (including tax)	1,108,702,973.33
Accumulated amount repurchased and cancelled in last three accounting years (2)	0
Accumulated amount of cash dividends, repurchase and write-off in the latest three accounting years (3) = (1) (2)	1,108,702,973.33
Average annual net profit amount (4) in the last three accounting years	803,674,486.67
Cash dividend percentage (%) (5) = (3)/(4) in last three accounting years	137.95
Net profits attributable to common shareholders of listed companies in the consolidated financial statements of the latest accounting year	1,154,532,027
Undistributed profits at the end of the reporting period of the parent company in the most recent accounting year	546,269,833

IX. Implementation of equity incentive plan, employee stock, ownership plan, or other staff incentive measures in the current reporting period

1. Incentive measures with no subsequent modifications, after announced publicly in the reporting period (interim announcements)

Applicable Not applicable

2. Incentive measures with further subsequent modifications, or not announced publicly in the reporting period (interim announcements)

Descriptions of equity incentive measures

Applicable Not applicable

Others:

Applicable Not applicable

Employee stock

Applicable Not applicable

Other incentive measures

Applicable Not applicable

To help attract and retain “highly qualified” executives with expertise and experience, the Company has set up a long-term incentive plan that can lead to global growth and to motivate executives to create long-term shareholder value and achieve interim milestones. The fourth, the fifth and the ninth board meeting of the 9th Session of the Board deliberated and approved the proposal on Annual Appraisal & Remuneration of Senior Management for FY2024 and the proposal on Annual Appraisal & Remuneration of Certain Senior Management for FY2024. The sixth board meeting of the 9th Session of the Board deliberated and approved the proposal on Annual Remuneration Plan of Senior Management for 2025. The incentive plan sets up relevant performance indicators, some of which are related to the share price of the company in order to ensure that the interests of management and shareholders are aligned to achieve a win-win situation. The ninth board meeting of the 9th Session of the Board deliberated and approved the proposal on the Adjustment of Mid-Term Incentive Plan for Certain Senior Management in 2025-2027.

3. Equity incentives granted to directors and senior management during the reporting period

Applicable Not applicable

4. Establishment and implementation of the assessment mechanism and incentive mechanism for senior management in the reporting period

Applicable Not applicable

Please refer to Section 4 – VII part 2 the description of the compensation policy.

X. Construction and implementation of internal control system during the reporting period

Applicable Not applicable

Based on the materiality principle, the Company has established a well-rounded internal control policy for those scope-in business or companies and ensures an effective implementation of the policies. The Company has performed adequate self-assessment on the effectiveness of the design as well as the implementation of the whole internal control system and it is confirmed that the Company has reached its target on internal control and there is no material deficiency identified during the assessment.

For the current reporting period, the Company will issue separately its self-assessment report on internal control based on C-SOX requirements.

Explanation if there is material deficiency noted during reporting period

Applicable Not applicable

XI. Management control over subsidiaries during the reporting period

Applicable Not applicable

The internal control assessment report of the Company brings the subsidiaries into the evaluation scope and evaluates the internal control from the main business and events of the

company, which including Entity-Level Controls, Sales, Purchasing, Inventory, Human Resources, Tax, Treasury, Fixed & Intangible Assets, Research & Development, Pensions, Consolidation, Budget, IT system. For more information, please refer to Internal Control Assessment Report of 2025.

A risk warning indicating abnormal management and control of the subsidiary

Applicable Not applicable

XII. Information related to Audit Report on Internal Control

Applicable Not applicable

KPMG Huazhen LLP issued a clean audit opinion on the Internal Control Report.

Whether to disclose the audit report on Internal Control: Yes

Type of audit opinion on the Internal Control Report: Standard unqualified opinion.

XIII. Rectification of problems in self-inspection of special actions for governance of listed companies

The company earnestly implements the spirit of the Opinions of The State Council on *Further Improving the Quality of Listed Companies*, actively carries out special actions on governance of listed companies in accordance with the requirements of regulatory authorities, carries out a series of self-examination and self-correction, and organizes and fills in the Special Self-inspection List for Governance of Listed Companies.

XIV. Environmental information of listed companies and their major subsidiaries included in the list of legally disclosed environmental information enterprise

Applicable Not applicable

Number of enterprises included in the list of enterprises legally disclosing environmental information (units)		1
No	Company name	Index for querying environmental information disclosure reports in accordance with the law
1	Bluestar Adisseo Nanjing Co., Ltd	http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/viewRunner.html?viewId=http://ywxt.sthjt.jiangsu.gov.cn:18181/spsarchive-webapp/web/sps/views/yfpl/views/yfplHomeNew/index.js

1. Explanation of environmental protection conditions of companies belonging to key pollutant discharge units and their main subsidiaries announced by the environmental protection department

Applicable Not applicable

Since its establishment, Bluestar Adisseo Nanjing Co., Ltd. (hereafter as BANC), Adisseo's plant in Nanjing, has been strictly implementing environmental protection policies, continuing to implement environmental management optimization projects, constantly increasing investment in environmental protection, and earnestly achieving green and sustainable development of advanced chemical industry. With the release of the FORUS system of Sinochem Holdings Corporation Ltd., Nanjing Plant has also upgraded the current environmental protection management system to align with the FORUS system, so as to ensure that the management foundation is continuously consolidated, and the environmental protection performance is continuously improved.

In 2025, BANC received an A-level performance rating for heavy pollution weather environment classification and was awarded the title of Jiangsu Provincial Green Factory.

(1) Discharge information

Applicable Not applicable

BANC has been strictly implementing strict environmental protection policies since its establishment with our priority of reducing its impact on the surroundings. In the year of 2025, the exhaust gas, wastewater and noise generated in daily operation met the requirements of stable and up-to-standard standards, and the legal disposal rate of hazardous wastes and general solid wastes reached 100%. The detailed information of discharge is as follows:

2025 Annual Report

Company name	Names of major pollutants	Distribution of emission outlets	Major pollutants	Discharge mode	Number of emission outlets (pieces)	Emission concentration/emission rate	Permissible emission limit	Executive standard of pollutant emission	Total annual emissions (tons)	Excessive emission
Bluestar Adisseo (Nanjing) Co., Ltd.	Waste gas	Plant area	Sulfur dioxide (SO ₂)	Organized emission	10	1.33mg/m ³	200mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	7.93	N/A
		Plant area	Nitrogen oxides (NO _x)		12	62.29mg/m ³	200mg/m ³ 300mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province, Standard for pollution control on hazardous waste incineration	170.42	N/A
		Plant area	Particulate matter (dust)		13	0.89mg/m ³	20mg/m ³ 1kg/h 30mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province, Standard for pollution control on hazardous waste incineration	3.89	N/A
		Plant area	Ammonia (NH ₃)		5	0.708kg/h	75kg/h 27kg/h 35kg/h 4.9kg/h	Emission standards for odor pollutants	27.99	N/A
		Plant area	Hydrogen cyanide (HCN)		2	ND	1mg/m ³ 0.05kg/h	Integrated emission standard of air pollutants in Jiangsu Province	0.00873	N/A
		Plant area	Sulfuretted hydrogen (H ₂ S)		3	0.00039kg/h	6.225kg/h 0.33kg/h	Emission standards for odor pollutants	0.24	N/A

2025 Annual Report

	Plant area	Carbon disulfide (CS ₂)	3	0.113kg/h	28.75kg/h 1.5kg/h	Emission standards for odor pollutants	0.49	N/A
	Plant area	Sulfuric acid mist (H ₂ SO ₄ mist)	2	1.76	5mg/m ³ 1.1kg/h	Integrated emission standard of air pollutants in Jiangsu Province	1.54	N/A
	Plant area	Methyl mercaptan (MSH)	3	0.0003	0.69kg/h	Emission standards for odor pollutants	0.06	N/A
	Plant area, laboratory, hazardous waste warehouse and logistics center	Non-methane total hydrocarbon (NMHC)	18	1.33mg/m ³	80mg/m ³ 182.52kg/h 108kg/h 7.2kg/h	Emission standard of volatile organic compounds for chemical industry	4.097	N/A
	Plant area	Acrolein	4	ND	3mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	0.21	N/A
	Plant area	Acrylic Acid	4	ND	20mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	0	N/A
	Laboratory	Methane (CH ₄)	1	1.52mg/m ³	/	N/A	0.01	N/A
	Plant area	Propyl alcohol	1	/	/	N/A	/	N/A
	Plant area	Formic acid (CH ₃ COOH)	1	/	/	N/A	/	N/A
	Plant area	Methanol (CH ₃ OH)	2	NDmg/m ³ 0.053kg/h	60mg/m ³ 54kg/h	Integrated emission standard of air pollutants in Jiangsu	0.84	N/A

2025 Annual Report

							Province		
Plant area	Ammonia (NH ₃)	Unorganized emission	4	0.053mg/m ³	1.5mg/m ³	Emission standards for odor pollutants	/	N/A	
Plant area	Methanol (CH ₃ OH)		4	ND	12mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	/	N/A	
Plant area	Sulfuric acid mist (H ₂ SO ₄ mist)		4	0.015	0.3mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	/	N/A	
Plant area	Hydrogen cyanide (HCN)		4	ND	0.024mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	/	N/A	
Plant area	Methyl mercaptan (MSH)		4	ND	0.007mg/m ³	Emission standards for odor pollutants	/	N/A	
Plant area	Carbon disulfide (CS ₂)		4	ND	3mg/m ³	Emission standards for odor pollutants	/	N/A	
Plant area	Total suspended particulates (TSP)		4	0.013mg/m ³	1mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	/	N/A	
Plant area	Sulfuretted hydrogen (H ₂ S)		4	0.003	0.06mg/m ³	Emission standards for odor pollutants	/	N/A	
Plant area	Non-methane total hydrocarbon (NMHC)		8	0.41 mg/m ³	4mg/m ³	Integrated emission standard of air pollutants in Jiangsu Province	/	N/A	
Plant area	Acrolein		4	ND	0.4mg/m ³	Integrated emission standard of air pollutants in Jiangsu	/	N/A	

2025 Annual Report

		Plant area	Odor concentration (Odor)		8	ND	20 (Dimensionless)	Province Emission standards for odor pollutants	/	N/A
Wastewater	Plant area	Chemical oxygen demand (COD)	Continuous emission	1	147.5mg/L	500mg/L	Regulations on the Management of Enterprise Sewage Discharge in Nanjing Jiangbei New District New Material Science & Technology Park (2020 Edition)	74.021	N/A	
	Plant area	Ammonia nitrogen (NH3-N)	Continuous emission	1	5.81mg/L	45mg/L	Regulations on the Management of Enterprise Sewage Discharge in Nanjing Jiangbei New District New Material Science & Technology Park (2020 Edition)	2.486	N/A	
	Plant area	pH value	Continuous emission	1	7.68 (Dimensionless)	6-9 (Dimensionless)	Regulations on the Management of Enterprise Sewage Discharge in Nanjing Jiangbei New District New Material Science & Technology Park (2020 Edition)	N/A	N/A	
	Plant area	Suspended solid (SS)	Continuous emission	1	80.58mg/L	400mg/L	Regulations on the Management of Enterprise Sewage Discharge in Nanjing Jiangbei New District New Material Science & Technology Park	46.17	N/A	

2025 Annual Report

							(2020 Edition)			
	Plant area	Five-day biochemical oxygen demand (BOD5)	Continuous emission	1	48.08mg/L	300mg/L	Regulations on the Management of Enterprise Sewage Discharge in Nanjing Jiangbei New District New Material Science & Technology Park (2020 Edition)	23.45	N/A	
	Plant area	Sulfide (S-)	Continuous emission	1	0.03mg/L	1mg/L	Integrated emission standard of air pollutants in Jiangsu Province	0.1	N/A	
	Plant area	Cyanide (CN-)	Continuous emission	1	0.13mg/L	0.5mg/L	Integrated emission standard of air pollutants in Jiangsu Province	0.05	N/A	
	Plant area	Total phosphorus (TP)	Continuous emission	1	1.73mg/L	5.0mg/L	Regulations on the Management of Enterprise Sewage Discharge in Nanjing Jiangbei New District New Material Science & Technology Park (2020 Edition)	0.83	N/A	
	Plant area	Total nitrogen (TN)	Continuous emission	1	15.83mg/L	70mg/L	Regulations on the Management of Enterprise Sewage Discharge in Nanjing Jiangbei New District New Material Science & Technology Park (2020 Edition)	7.227	N/A	
	Noise	Boundary	Equivalent continuous	Continuous emission	/	57.49dB(A) (Daytime)	65dB(A) (daytime)	Emission standard for industrial enterprises	/	N/A

			sound level A Leq (A)			51.77dB(A) (Nighttime)	55dB(A) (Nighttime)	noise at boundary		
--	--	--	--------------------------	--	--	---------------------------	------------------------	-------------------	--	--

Solid waste	Actual discharge (tons)	Discharged transferred (tons)	Discharge processed (tons)	Remaining discharge (tons)
<p>Hazardous Waste: Waste sulfuric acid, waste acrolein catalyst, waste resin, fluorescent tube, incineration furnace contamination, waste mineral oil, activated carbon, dust collector waste cloth bag, contaminated chemical solid waste, electronic waste, laboratory analysis waste, laboratory reagent bottles, digestion tubes, etc., polymer residue, organic waste, waste acid ammonium sulfide residue, sulfur filter residue, recycled liquid sulfur, expired chemicals, carbon disulphide cleaning waste Liquid, workshop sewage collection tank sludge, biochemical sludge, used catalytic mesh, waste WSA catalyst, MMP primary distillation and rectification tower waste, MMP primary distillation tower waste, methyl mercaptan and methionyl ether separation tower waste, acrylic acid stripping and acrylein rectification waste, lead acid battery</p> <p>General industrial solid waste: waste wood, waste thermal insulation cotton, waste glass steel, waste rubber, waste PE film, waste quartz stone, waste firebrick, waste paper box, waste ton bag, waste office furniture, waste security filter element, waste PP pipe, waste glass, waste debris</p>	97962.722	926.942	97036.73	0.05

(2) Construction and operation of pollution prevention and control facilities

Applicable Not applicable

The sewage pretreatment facility adopts the world's leading process of an international benchmark water treatment company, which has the advantages of strong impact load resistance, large operational flexibility, and compact footprint. At present, the average concentration of effluent fully meets the takeover standard of COD concentration of 500mg/L after the upgrading of Nanjing Jiangbei New Area New Materials Science and Technology Park (NCIP). Waste liquid and waste gas incinerators, as well as corresponding environmental protection facilities such as denitrification, desulfurization, and dust removal, are operating normally, and are reported in advance in accordance with the requirements of government departments and recorded in the process of pollutant discharge permit management.

In October 2025, the water online monitoring system and analysis hut renew project was completed and networked with the environmental protection department platform. The AS loading exhaust gas treatment system upgrade project was completed and put into use in June 2025, reducing the number of exhaust cylinders and reducing on-site VOC and fugitive odor emissions. The acrylic wastewater treatment and reclaimed water reuse project of BANC had been put into trial operation in November 2025, and the RTO has been put into normal operation, and an online monitoring system also had been installed at the outlet and connected to the environmental protection department. NOx emissions and carbon emissions are expected to decrease significantly in 2026.

(3) Environmental impact assessment on construction projects and other environmental protection administrative licenses

Applicable Not applicable

In April 2025, BANC obtained the "Approval of the Environmental Impact Report on the 50,000 Tons of Annual Methyl Mercaptan Sodium Solution Project of BANC" (宁新区管审建[2025] No. 12). In October 2025, BANC obtained the "Reply to the Environmental Impact Report on the Expansion Project of BANC Liquid Methionine Plant Expansion Project" (宁新区管审建[2025] No. 28), and in April and June 2025, BANC obtained the "Approval of the Inter-provincial Transfer of Hazardous Waste of BANC" 苏环管[2025] No. 957 and 苏环管[2025] No. 1540). There are no other changes in environmental protection administrative licenses.

(4) Emergency plan for environmental pollution accidents

Applicable Not applicable

In 2025, no environmental emergent accident happened in BANC. Emergency plans including environmental emergencies have been established. In 2025, the Company completed two special drills for sudden environmental emergency in the whole plant, which will continue improving the ability to deal with environmental emergencies.

(5) Environment self-monitoring scheme

Applicable Not applicable

According to the annual meteorological data of NCIP and the general layout of BANC, six unorganized emission online monitoring points were set up at the plant boundary, considering the surrounding sensitive target locations. H2S and other eight odorous pollutants and OU values were monitored. There are 6 monitoring sub-stations in this project. Each monitoring sub-station provides real-time continuous monitoring of unorganized emissions of gas pollutants at the plant boundary through a wireless self-organizing monitoring network. 24 hours of stench supervision and control shown on the screen at the northeast gate of the plant, web-linked with NJCUO's environment surveillance network. This is the first in NCIP, which meets the latest requirements of Jiangsu Province for safety and environmental protection supervision.

According to the monitoring frequency requirements of the pollutant discharge permit, the self-monitoring scheme is prepared, and the actual monitoring frequency exceeds the requirements of the pollutant discharge permit.

2. Description of environmental protection situation of companies other than key pollutant discharge units

✓ Applicable Not applicable

Other subsidiaries except Nanjing Plant are not key pollutant discharge units. During the reporting period, the Company attached great importance to the publicity and implementation of environmental protection laws and regulations and strengthened the awareness of abiding by the law through studying and publicizing the newly revised laws and regulations. During the reporting period, no environmental pollution incidents occurred, and no administrative punishment was received from the environmental protection department for environmental violations.

3. Other information beneficial to protecting ecology, preventing pollution and fulfilling environmental responsibility

✓ Applicable Not applicable

Beyond climate and resource efficiency actions, Adisseo implements a broad range of initiatives aimed at protecting ecosystems, preventing pollution, and fulfilling its environmental responsibilities. Environmental protection is embedded in industrial operations through structured management systems designed to ensure regulatory compliance, prevent environmental incidents, and continuously reduce impacts on air, water, soil, and biodiversity.

In 2025, Adisseo further strengthened its biodiversity and ecosystem risk management through dedicated diagnostics covering both its own operations and key value chains, notably methionine. These assessments enable the identification of interactions with local ecosystems, dependencies on ecosystem services, and biodiversity-related risks upstream and downstream. They support the prioritization of mitigation actions in line with the avoid–reduce–manage hierarchy and reinforce prevention at source.

Pollution prevention is ensured through strict operational controls, continuous monitoring of emissions and effluents, and targeted investments in process optimization, waste reduction, and circularity. Responsible sourcing practices are reinforced through supplier environmental due diligence, including a compliance-driven approach to deforestation risks for relevant raw materials.

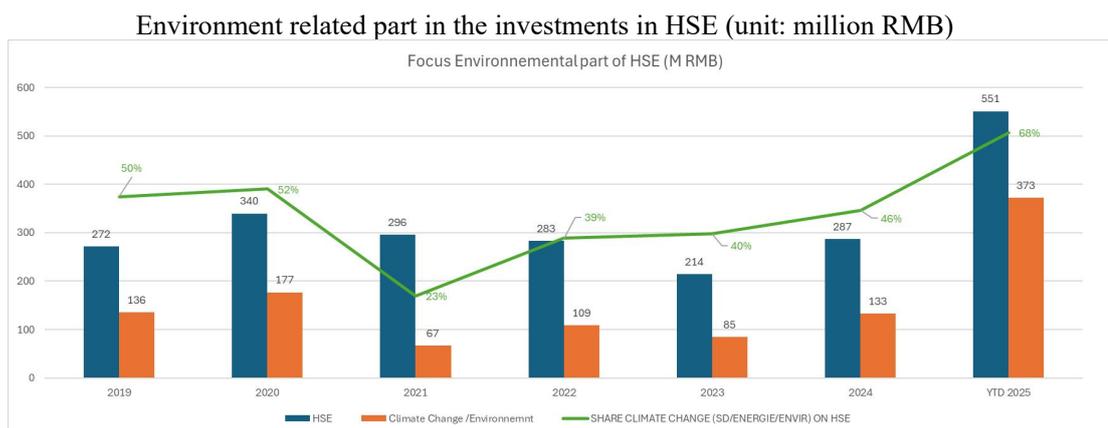
In parallel, Adisseo contributes to climate change mitigation beyond its own operations through the downstream impacts of its products, services, and technologies. By improving feed efficiency, nutrient utilization, animal performance, and resource optimization, Adisseo supports lower-emission livestock production systems at feed and farm levels.

Environmental considerations are fully integrated into industrial investment decisions. Over the 2020–2025 period, Adisseo implemented a series of projects combining pollution prevention, energy efficiency, emissions reduction, and environmental risk mitigation across its industrial footprint.

Key environmental projects (2020–2025)

- 2020
 - Les Roches (France): Furnace optimization through reduced oxygen concentration, lowering natural gas consumption and Scope 1 emissions while maintaining production performance.
 - Burgos (Spain): Transition to certified green electricity contracts, reducing indirect (Scope 2) emissions.
- 2021
 - Roussillon (France): Commissioning of the VENUS waste heat recovery system, enabling reuse of thermal energy and reducing primary energy demand and direct emissions.
 - Nanjing (China): Transition to a low-carbon electricity supply with a high share of nuclear energy, significantly reducing Scope 2 emissions.
- 2022
 - Commentry (France): Extension of the VENUS waste heat recovery concept to additional processes, reinforcing energy recovery as a key decarbonization and pollution prevention

- lever.
- 2023
 - Les Roches (France): Deployment of thermal energy recovery to preheat process water, reducing electricity consumption and associated Scope 2 emissions.
 - Roussillon (France): Implementation of the ARES project, combining process optimization and energy efficiency improvements.
- 2024
 - Les Roches (France): Introduction of hydrogen enrichment techniques to optimize reaction and consequently combustion processes, improving energy efficiency. The result is a reduction of 1,000t of CO₂e per year in combustion
 - Nanjing (China): Installation of a steam turbine to recover energy from industrial processes, lowering electricity demand by 33%.
 - Nanjing (China): Completion of the transition to green electricity, avoiding approximately 7,000 t CO₂e per year of Scope 2 emissions.
- 2025
 - Nanjing (China): Deployment of the PAQUES project, modifying waste treatment processes to reduce Scope 1 emissions and improve environmental performance. This project will support a reduction of 45,000t CO₂.
 - Les Roches (France): Implementation of CS₂ flare modifications, resulting in lower direct emissions of 400t CO₂e.
 - Les Roches (France): Installation of an off-gas preheater, delivering an additional reduction of approximately 2,500 t CO₂e in Scope 1 emissions.



Adisseo maintains a sustained HSE investment strategy, averaging approximately RMB 280 million per year over the past six years. Environmental projects representing around 45% of total HSE investments, reflecting the Group’s commitment to pollution prevention, ecosystem protection, and environmental risk reduction as key enablers of sustainable growth. In 2025, additional investments were mobilized for large-scale projects such as waster water treatment and recycle projects, further accelerating environmental performance improvements.

Finally, Adisseo actively engages with industry associations and collective initiatives, including IFIF’s “Road to 2050”, to promote harmonized methodologies and support the transition toward more sustainable and lower-emission livestock production systems across the sector.

Together, these actions demonstrate Adisseo’s proactive approach to protecting ecology, preventing pollution, and strengthening environmental stewardship across its operations and value chain.

4. Measures taken to reduce carbon emissions during the reporting period and their effects

Adisseo is still dedicated to aligning its business growth with its ten-year trajectories, aiming to restrict global warming. This commitment involves a reduction in greenhouse gas (GHG) emissions (Scope 1+2+3) associated with its operations.

Adisseo disclosed publicly, in 2025, a new Climate Change Policy, presenting 8 commitments:

- Reducing GHG emissions and optimizing energy use to support operational excellence, competitiveness, and environmental stewardship.
- Two decarbonization pathways on Scope 1 & 2 emissions: an absolute reduction target in Europe, and intensity-based reduction targets elsewhere.
- Scope 3 emissions progressive counting and annual absolute-based reduction trajectory.
- Energy performance improvement across all sites by prioritizing energy efficiency at the source, leveraging both operational improvements and targeted investments.
- Minimize losses, actively contributing to the reduction of our consumption and emissions impact.
- Integration of low-carbon technologies and circular economy principles
- Promotion of sustainable energy sources and embedment of energy optimization.

Adisseo’s commitment is long-term. Each year, Adisseo decides on new initiatives and new progress which allows to build and continue to advance on the path of sustainable development for the company and for the entire food production chain.

Adisseo is already working for the future, studying breakthroughs technology to avoid use of natural gas for the incineration of pollutants. In China, a new wastewater treatment has been implemented during 2025 and it is expected to produce about 7 million cubic meters/year of bio-gaz, which will be used to partially replace the fuel gas consumption of the existing device, corresponding to carbon emissions reduction by approximately 45 000 tons/year, while nitrogen oxide (NOx) emissions will reduce by approximately 70 tons/year.

As part of Adisseo Group’s climate change mitigation roadmap, the Green Fund is a key internal mechanism to accelerate decarbonization without creating disincentives at business level. Structured as a central cost pool (i.e., not charged to SBU budgets and therefore not impacting their P&L). In 2025, €300k were allocated through this fund, enabling a Scope 3 reduction of 0.8% by financing through targeted procurement decisions the purchase of energy certificates and the sourcing of low-carbon (greener) raw materials. Beyond emissions reduction, the Green Fund has contributed to the production of powder methionine with a lower environmental footprint, reducing climate impacts across the value chain.

Decarbonization investments are fully embedded in Adisseo’s financial planning processes, covering both CAPEX and OPEX. Investment decisions are validated through existing governance bodies to ensure consistency with business strategy and climate objectives. In 2025 Adisseo has invested 372 MRMB in CAPEX regarding Climate Change and environmental initiatives. The 300k€ of the Green Fund should be considered a conservative estimate of Adisseo’s climate-related OPEX, as it does not include personnel costs and internal resources mobilized across the Group, such as sustainability leadership, the SD Core Team, R&I teams, and operational project resources contributing to climate-related initiatives.

XV. Fulfilment of social responsibility

1. Whether to disclose the social responsibility report, sustainable development report or ESG report separately.

√ Applicable Not applicable

Pls refer to SSE website(www.sse.com.cn) or the official website of the Company (www.adisseo.com.cn) for 2024 annual ESG report. 2025 ESG report is to be disclosed to the market by the end of April 2026.

2. Details of social responsibility work

√ Applicable Not applicable

External donations / public welfare programs	Amount / content	Explanations

Total amount (in RMB 10,000)	66.67	
Including: cash (in RMB 10,000)	66.67	Collaborate with trade union organizations and employees to participate in student aid donations and children's footwear donations, providing consumption assistance to regions including Gulang County (Gansu), Linxi County (Inner Mongolia), Dachaidan County (Qinghai), and disaster relief for areas affected by the Thailand floods. Donation to the World food program at the occasion of the world Milk day.
Non-cash (in RMB 10,000)	None	
Number of beneficiaries (persons)		In 2025, donations for education, community consolation, and consumption assistance benefited thousands of people.

Detailed explanations

√ Applicable Not applicable

Social Diversity, equality, and inclusion (DEI)

Adisseo strives to support its sustainable growth by promoting diversity, equality, and inclusion, while ensuring decent and respectful working conditions for all employees. Multiculturalism and workforce diversity remain core elements of the Group’s culture, contributing to its reputation, performance, and long-term resilience. Building on this foundation, Adisseo reinforces inclusive recruitment, equal career opportunities, and gender balance in leadership through structured governance and dedicated action plans.

By fostering a safe working environment free from discrimination and harassment and by investing in awareness and training initiatives, the Group promotes mutual respect and engagement. Embracing an inclusive culture strengthens Adisseo’s customer centricity, cultural awareness, compliance, and capacity for innovation.

Getting involved with people with disabilities

Adisseo actively promotes the inclusion of people with disabilities through structured HR governance, dedicated Disability Referents at site level, and tailored workplace adaptations.

In 2025, the Group organized a Disability Week across its European operations, raising awareness, challenging stereotypes, and fostering an inclusive workplace culture. Beyond the workplace, Adisseo engages with local communities, exemplified by employees at the Antony site leading educational workshops on nutrition for residents of the Foyer de l’Alliance and supporting the organization with a financial contribution.

By combining internal initiatives, alignment with recognized awareness frameworks, and societal engagement, Adisseo demonstrates its commitment to supporting people with disabilities, promoting diversity, and embedding inclusion throughout its operations and the communities it serves.

Cultural diversity

Adisseo’s cultural diversity reflects both its international footprint and its growth and people development strategy. In 2025, the Group continued to expand its activities in response to global demand, notably through industrial developments and recruitments in China and Europe.

This growth is supported by a multicultural workforce, with employees of diverse nationalities working across regions and functions. Inclusive talent management processes, including performance and development reviews, Individual Development Plans, and transparent internal mobility, promote equal access to career opportunities worldwide. Through global academies, leadership programs, expert

communities, and digital learning platforms.

Adisseo fosters cross-cultural collaboration, knowledge sharing, and skills development. These practices strengthen the Group’s global performance, resilience, and ability to operate in a diverse and evolving environment.

Contributing to the social development of communities

Adisseo contributes to the social development of local communities by promoting ethical practices, respect for human rights, and improved living and working conditions wherever it operates.

Through its WeCare program and broader human rights commitments, the Group supports initiatives that address essential social needs, including access to food, health, education, and social inclusion. Adisseo ensures safe and fair working conditions across its own operations and value chain, with a zero-tolerance approach to child and forced labor. These commitments are supported by training, audits, and grievance mechanisms, fostering trust and dialogue with local stakeholders.

By combining responsible business practices with community-focused actions, Adisseo aims to generate positive and sustainable societal impacts aligned with its values and mission.

XVI. Description of consolidating the achievements in anti-poverty and rural revitalization

✓ Applicable Not applicable

Poverty alleviation and rural revitalization projects	Amount/content	Explanations
Total amount (in RMB 10,000)	51.02	
Including: cash (in RMB 10,000)	51.02	Collaborate with trade union organizations and employees to participate in student aid donations and children's footwear donations, providing consumption assistance to regions including Gulang County (Gansu), Linxi County (Inner Mongolia) and Dachaidan County (Qinghai).
Non-cash (in RMB 10,000)	None	
Number of beneficiaries		In 2025, donations for education, community consolation, and consumption assistance benefited thousands of people.
Forms of poverty alleviation (e.g. by developing industries, promoting employment, or improving education)	Educational donations, consumption assistance, and educational poverty alleviation	Consumption assistance benefited Gulang County (Gansu), Linxi County (Inner Mongolia) and Dachaidan County (Qinghai).

Detailed explanations

✓ Applicable Not applicable

While advancing the company's high-quality development and business diversification, Adisseo remains committed to China's national goal of "securing victory in poverty alleviation and achieving comprehensive moderate prosperity." The company actively engages in China's poverty reduction initiatives by not only funding targeted poverty alleviation programs but also mobilizing employees and social resources through innovative healthy lifestyle campaigns, thereby sustaining multi-dimensional participation in the nation’s poverty eradication efforts.

Adisseo focuses on "consolidating and expanding poverty alleviation achievements while driving rural revitalization," actively assuming corporate social responsibilities. The company initiated an employee participation program for "Intellectual Assistance + Aspiration Motivation" to support students from relatively disadvantaged families with excellent academic performance including financial contributions for students, literature donations, and children's footwear collection to enjoy fair and quality educational opportunities. Additionally, to further solidify poverty alleviation outcomes and promote consumption-based poverty alleviation, Adisseo China has adopted a "purchasing instead of donating" approach from 2020 to present. Through labor union collective procurement and subsidized employee vouchers, the company purchases products from designated poverty alleviation units in Gulang County in Gansu, Linxi County in Inner Mongolia and Dachaidan in Qinghai, effectively enhancing the quality and efficiency of local specialty industries. In 2025, donations for education and consumption assistance benefited thousands of people.

In alignment with China's targeted poverty alleviation strategy, Adisseo has developed a model that integrates corporate strengths with local advantages. By promoting green growth solutions and advancing agricultural modernization, the company facilitates industrial development in impoverished areas. This enables Adisseo to deeply fulfill its social responsibilities and contribute to China's comprehensive, coordinated, and sustainable development.

With the establishment of China's Rural Revitalization Bureau in 2021 and the implementation of the "Law on the Promotion of Rural Revitalization," a grand 30-year rural revitalization strategy has commenced. While deepening its development in China, Adisseo continues to support rural education. The company is committed to contributing to rural revitalization and agricultural/rural modernization by providing financial, material, and intellectual support, actively assisting China in accelerating its progress toward modernized rural development.

Section 5 Significant Matters

I. Fulfilment of Commitments

1. During the reporting period or subsequent to the reporting period, commitment items of the actual controller, the shareholders, the related parties, the acquirer, and the listed company

√ Applicable □ Not applicable

Commitment background	Promise Type	Promising Party	Promise Content	Commitment time	Any time limit for performance	Commitment period	Whether it is performed in a timely and strict manner	In case of failure to perform in a timely manner, the specific reasons for failure to perform shall be stated.	If it is not fulfilled in time, the next step plan shall be explained.
Commitments made in the Acquisition Report or the Equity Change Report	Other	Sinochem Holding Co., Ltd.	Commitment 1	September 16, 2021	Yes	It shall take effect from the date of completion of this transfer and remain valid throughout the period during which the Company holds control over Adisseo.	Yes	Not applicable	Not applicable
	Resolve horizontal competition	Sinochem Holding Co., Ltd.	Commitment 2	September 16, 2021	Yes	Same as above.	Yes	Not applicable	Not applicable
	Resolve horizontal competition	Sinochem Holding Co., Ltd.	Commitment 3	September 16, 2021	Yes	Same as above.	Yes	Not applicable	Not applicable
Commitments related to refinancing	Other	Director and senior manager of Bluestar Adisseo Company	Commitment 4	April 25, 2024	No	Long-term	Yes	Not applicable	Not applicable
	Other	China National Bluestar (Group) Co., Ltd.	Commitment 5	April 25, 2024	No	Long-term	Yes	Not applicable	Not applicable
	Other	Sinochem Holding Co., Ltd.	Commitment 6	April 25, 2024	No	Long-term	Yes	Not applicable	Not applicable
	Other	Bluestar Adisseo Company	Commitment 7	June 26, 2025	Yes	Before the use of the raised funds is completed or within 36 months after the	Yes	Not applicable	Not applicable

						raised funds are in place			
Resolve horizontal competition	Sinochem Holding Co., Ltd.	Commitment 8	April 2, 2025	No	Long-term	Yes	Not applicable	Not applicable	
Resolve related party transactions	Sinochem Holding Co., Ltd.	Commitment 9	April 2, 2025	No	Long-term	Yes	Not applicable	Not applicable	

Commitment 1:

1. This acquisition will not have a substantial adverse impact on the independence of Adisseo's personnel, assets, finance, business and institutions. After the acquisition, Adisseo will continue to maintain a complete procurement, production and sales system with independent intellectual property rights.
2. The Company and the enterprises controlled by the Company will strictly comply with the relevant provisions on the independence of listed companies in relevant laws, regulations and normative documents, and maintain mutual independence with Adisseo in terms of assets, personnel, finance, institutions and business, to ensure that Adisseo has the capacity to face the market independently. The Company will continue to comply with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other relevant regulations to avoid engaging in any acts that may affect the independence of Adisseo.

Commitment 2:

1. In respect of the current or future possible competition between the subsidiaries of ChemChina and the Listed Company, the Company will earnestly urge ChemChina and China National Bluestar (Group) Co., Ltd. to fulfill the relevant undertakings they have made to the Listed Company to avoid horizontal competition.
2. The Company will strictly comply with the provisions of relevant laws, regulations and normative documents as well as the articles of association of listed companies and other internal management systems, exercise shareholders' rights in accordance with the law through equity relations in accordance with the principle of state ownership and hierarchical management of state-owned assets, properly handle matters involving the interests of listed companies, and will not seek improper interests or transfer interests by taking advantage of its controlling position.

Commitment 3:

The Company and the enterprises controlled by the Company will avoid and reduce the connected transactions with Adisseo in accordance with the relevant laws, regulations and normative documents. For related party transactions that cannot be avoided or occur with reasonable reasons, the Company and the enterprises controlled by the Company will strictly comply with the relevant laws, regulations and normative documents as well as the relevant rules and regulations of listed companies, enter into agreements in accordance with the law, perform relevant procedures, ensure fair pricing, and perform information disclosure obligations in accordance with the law. To ensure that the legitimate rights and interests of listed companies and other shareholders are not damaged through related party transactions.

Commitment 4:

Upon completion of the issuance to specific targets, the directors and senior management of the Company will continue to faithfully and diligently perform their duties, safeguard the legitimate rights and interests of the Company and all shareholders, and make the following commitments to effectively implement the Company's return filling measures:

1. Undertake to faithfully and diligently perform their duties and safeguard the legitimate rights and interests of the Company and all shareholders;
2. Promise not to transfer benefits to other units or individuals gratuitously or under unfair conditions, nor to damage the interests of the company by other means;
3. Promise to restrict one's duty consumption behavior;
4. Commitment not to use the company's assets to engage in investment and consumption activities unrelated to the performance of duties;
5. Undertake that the remuneration system formulated by the board of directors or the remuneration and appraisal committee shall be linked to the implementation of the company's compensation and

- return measures;
6. Commitment to link the exercise conditions of the equity incentive plan announced in the future with the implementation of the company's return filling measures;
 7. Undertake to earnestly implement the relevant compensation return measures formulated by the Company and any commitments made by me in this regard. If I violate such commitments and cause losses to the Company or investors, I am willing to assume the liability for compensation to the Company or investors in accordance with the law;
 8. From the date of issuance of this undertaking to the completion of the implementation of the issuance of shares by the company, if the China Securities Regulatory Commission or the Shanghai Stock Exchange makes other new regulatory provisions on the measures to fill in returns and their undertakings, and the above undertakings fail to meet the requirements of the China Securities Regulatory Commission or the Shanghai Stock Exchange, I undertake to issue a supplementary undertaking in accordance with the latest regulations of the China Securities Regulatory Commission and the Shanghai Stock Exchange;
 9. As one of the subjects responsible for filling in the return measures, if I violate the above undertakings or refuse to perform the above undertakings, I agree that the China Securities Regulatory Commission and the Shanghai Stock Exchange and other securities regulatory authorities shall impose relevant penalties or take relevant regulatory measures on me in accordance with the relevant provisions and rules formulated or issued by them.

Commitment 5:

To reduce the impact of the dilution of immediate returns by issuing shares to specific targets, Bluestar Group guarantees that the measures taken by the company to fill the returns can be effectively implemented, and makes the following commitments to the company to fill the returns:

1. The Company undertakes to exercise the shareholder's rights in accordance with the relevant laws, regulations and the Articles of Association of the Company, and undertakes not to exceed its authority to interfere in the Company's operation and management activities and not to encroach on the Company's interests;
2. Prior to the completion of the Issuance, if the China Securities Regulatory Commission ("CSRC") or the Shanghai Stock Exchange ("SSE") makes other new regulatory provisions on the remedial return measures and its undertakings, and the above undertakings cannot meet such requirements, the Company will issue supplementary undertakings in accordance with the latest requirements of the CSRC or the SSE.
3. As one of the main bodies responsible for filling in the return measures, the enterprise undertakes to strictly fulfill the above commitments made by the enterprise. If the company or other shareholders suffer losses due to violation of the above commitments or refusal to fulfill the above commitments, the company is willing to bear the corresponding responsibilities according to law.

Commitment 6:

To reduce the impact of the dilution of immediate returns by the Company's issuance of shares to specific targets, Sinochem has made the following commitments to ensure that the measures taken by the Company to fill in returns can be effectively implemented:

1. The enterprise undertakes to exercise its rights in accordance with the relevant laws, regulations and the relevant provisions of the company's articles of association, and undertakes not to exceed its authority to interfere in the company's business management activities and not to encroach on the company's interests;
2. Prior to the completion of the Issuance, if the China Securities Regulatory Commission ("CSRC") or the Shanghai Stock Exchange ("SSE") makes other new regulatory provisions on the remedial return measures and its undertakings, and the above undertakings cannot meet such requirements, the Company will issue supplementary undertakings in accordance with the latest requirements of the CSRC or the SSE.
3. The enterprise promises to strictly fulfill the above commitments made by the enterprise. In the event that the Company or other shareholders suffer losses due to the breach of the above undertakings or the refusal to perform the above undertakings, the Company agrees to assume corresponding responsibilities in accordance with the relevant provisions and rules formulated or issued by the China Securities Regulatory Commission, the Shanghai Stock Exchange and other securities regulatory authorities.

Commitment 7:

Bluestar Adisseo Company promises that it will not increase capital investment in similar financial business (including capital increase, borrowing and other forms of capital investment) before the use of the raised funds is completed or within 36 months after the raised funds are in place.

Commitment 8:

With respect to the proposed application of Bluestar Adisseo Company (hereinafter referred to as the "Listed Company") for the issuance of A-shares to specific targets on the Main Board of Shanghai Stock Exchange, Sinochem Holding Co., Ltd. (Hereinafter referred to as the "Company") undertakes as follows:

1. As of the date of this letter, the Company and other enterprises controlled by the Company (excluding the listed company and its controlled enterprises, the same below) do not have any direct or indirect horizontal competition with the main business of the listed company and its controlled enterprises.
2. The Company and other enterprises controlled by the Company will not directly or indirectly engage in, participate in, control or invest in any business, activity or enterprise that competes or may compete with the main business of the listed company and its controlled enterprises in any way in the future.
3. If the existing business of the Company and other enterprises controlled by the Company or such companies or enterprises compete with the main business of the listed company and the enterprises controlled by the Company in order to further expand the business scope, the Company and other enterprises controlled by the Company will take the way of ceasing to operate the competing business, or take the way of incorporating the competing business into the listed company. In order to avoid horizontal competition, the company and other enterprises controlled by the company will no longer engage in the same or similar business as the main business of the listed company and its controlled enterprises by legal means such as transferring the competing business to an unrelated third party.
4. If the company and other enterprises controlled by the company violate the above commitments and cause losses to the listed company or other shareholders of the listed company, the company will bear the corresponding liability for compensation in accordance with the law.
5. This commitment will continue to be valid until the company (including companies or enterprises controlled, jointly controlled or significantly influenced by the company) no longer has a significant impact on the listed company.
6. This Letter of Commitment shall be governed by and construed in accordance with the laws of China.

Commitment 9:

With respect to the proposed application of Bluestar Adisseo Company (hereinafter referred to as the "Listed Company") for the issuance of shares to specific targets on the Main Board of Shanghai Stock Exchange, Sinochem Holding Co., Ltd. (hereinafter referred to as the "Company") hereby undertakes as follows:

1. Except for the related party transactions disclosed by the listed company, the Company and other enterprises controlled by the Company (excluding the listed company and the enterprises controlled by it, the same below) have no other related party transactions with the listed company and/or its controlling subsidiaries that should be disclosed but have not been disclosed in accordance with laws and regulations, the relevant provisions of the China Securities Regulatory Commission or the Shanghai Stock Exchange.
2. The Company and other enterprises controlled by the Company will minimize the new related party transactions with the listed company or its controlled subsidiaries and will not seek to give the listed company or its controlled subsidiaries the rights of third parties in the Youqian market in terms of business cooperation. It will not use its controlling shareholder status to seek priority rights to conclude transactions with listed companies or their controlling subsidiaries, nor will it use related party transactions to transfer or transfer profits.
3. If there are reasonable reasons or unavoidable related party transactions, the company and other enterprises controlled by the company will enter into agreements with listed companies or their controlling subsidiaries in accordance with the principles of fairness, fairness, equivalence and

compensation, and perform legal procedures. In accordance with the relevant laws, regulations, the relevant provisions of the China Securities Regulatory Commission or the Shanghai Stock Exchange, as well as the articles of association of listed companies, the company will fulfill its obligation to disclose information in accordance with the law and go through relevant internal decision-making and approval procedures to ensure that it will not trade with listed companies or their holding companies under conditions that are obviously unfair compared with market prices. It also does not take advantage of such transactions to engage in any acts that damage the legitimate rights and interests of listed companies and other shareholders.

2. The above undertakings shall continue to be valid during the period when the Company has control over the listed company. If the Company makes profit forecasts and it is still in the profit forecast period, please state the reasons supporting the profit forecasts

Profit forecasts achieved Profit forecasts not achieved Not applicable

3. Completion of performance commitment and its impact on goodwill impairment

Applicable Not applicable

II. Funds occupied by controlling shareholders and other related parties for non-operating purpose during the reporting period

Applicable Not applicable

III. Illegal guarantee

Applicable Not applicable

IV. Explanation by the Company on the CPA firm’s “non-standard audit report”

Applicable Not applicable

V. Analysis of the reasons and impacts of changes in accounting policies and accounting estimates or correction of significant accounting errors

1. Analysis of the reasons and impacts of changes in accounting policies or accounting estimates

Applicable Not applicable

2. An analysis of the reasons and impacts of correction of significant accounting errors

Applicable Not applicable

3. Description of communication with predecessor auditor

4. Applicable Not applicable Other explanation

Applicable Not applicable

VI. Appointment and resignation of Statutory Auditor

Unit: Yuan Currency: RMB

	Current accounting firm
Name of domestic accounting firm	KPMG Huazhen LLP
Fees paid to domestic accounting firm	2,192,368
Audit period under review by the domestic accounting firm (in year)	11

Name of certified public account(s) of domestic accounting firm	Lin Ying, Wang Shan
Audit period under review by the certified public accountant(s) of domestic accounting firm	Lin Ying (5 years), Wang Shan (3 years)
Name of overseas accounting firm	KPMG outside mainland China
Fees paid to overseas accounting firm	5,020,252
Audit period under review by the overseas accounting firm	11

	Name	Fee
Accounting firm in charge of internal control audit	KPMG Huazhen LLP	412,098
	KPMG offices outside mainland China	982,805
Sponsor	CITIC Securities Co., Ltd.	7,367,000

Engagement and Dismissal of the accounting firm:

Applicable Not applicable

Explanation if the accounting firm was changed during the audit period:

Applicable Not applicable

Explanation if the audit fees have decreased by more than 20% (including 20%) compared to the previous year:

Applicable Not applicable

VII. Description of listing suspension of the Company's shares

1. Description of reason for listing suspension of the Company's shares

Applicable Not applicable

2. The responsive measures adopted by the Company

Applicable Not applicable

3. Description and reason of delisting of the Company's shares

Applicable Not applicable

VIII. Restructuring matters relating to bankruptcy

Applicable Not applicable

IX. Significant lawsuits and arbitrations

There was major legal action or arbitration during the reporting period

There was no major legal action or arbitration during the reporting period

X. Judgments or fines rendered against the listed Company and its Directors, Supervisors, Senior executives, Controlling shareholders, Actual controller or Purchaser

Applicable Not applicable

XI. Credit status of the company, its controlling shareholder and actual controller in the reporting period

Applicable Not applicable

XII. Significant related-party transactions

1. Related-party transactions in association with daily transactions

(1) Related- party transactions, with no subsequent modifications, announced publicly in the reporting period (interim announcements).

Applicable Not applicable

(2) Related party transactions, with further subsequent modifications, announced publicly in the reporting period (interim announcements).

Applicable Not applicable

The approved amount of related party transactions in 2025 at the fourth meeting of the Company's 9th session of the board is CNY638 million in total. The sum of actual incurred annual related party transaction were for 2025, as audited, were RMB 5.45 million, including RMB 497 million purchasing actually by purchasing products and services, and leasing, RMB 49 million incurred actually by sales of products and providing services. For more details, please refer to the Announcement on 2025 and 2026 Day-to-day Connected Transactions (announcement no. 2026-008).

(3) Undisclosed items in interim announcement

Applicable Not applicable

2. Related-party transactions in association with the purchase and sale of assets

(1) Matters disclosed in interim announcement and with no progress or change upon subsequent implementation

Applicable Not applicable

(2) Related- party transactions announced in interim announcements and with further subsequent changes.

Applicable Not applicable

(3) Undisclosed items in interim announcements

Applicable Not applicable

(4) Please disclose the actual result generated during the reporting period if it involves a performance guarantee

Applicable Not applicable

3. Related Party transactions in association with external investments

(1) Matters disclosed in interim announcement and with no progress or change upon subsequent implementation

Applicable Not applicable

(2) Related- party transactions announced in interim announcements and with further subsequent changes.

Applicable Not applicable

(3) Undisclosed items in interim announcements

Applicable Not applicable

4. Related Party transactions in association with loans and debt

(1) Matters disclosed in interim announcement and with no progress or change upon subsequent implementation

Applicable Not applicable

(2) Related- party transactions announced in interim announcements and with further subsequent changes.

Applicable Not applicable

(3) Undisclosed items in interim announcements

Applicable Not applicable

5. Financial business between the Company and related financial companies or between financial companies held by the Company and other related parties

Applicable Not applicable

(1) Deposit

Applicable Not applicable

Unit: Yuan Currency: RMB

Related party	Relation	Limit amount of daily deposit	Interest rate	Beginning balance	Deposit in the period	Withdrawn in the period	Ending balance
Sinochem Finance Co, Ltd	Controlled by the same ultimate controlling shareholder	2,000,000,000	0.25% -5.3%	149,990,745	17,850,621,302	16,784,274,165	1,216,337,882
Total	/	/	/	149,990,745	17,850,621,302	16,784,274,165	1,216,337,882

(2) Loan

Applicable Not applicable

Related party	Relation	Loan limit amount	Interest rate	Beginning balance	Transaction amount in the period		Ending balance
					Borrowing	Repayment	
Sinochem Finance Co, Ltd	Controlled by the same ultimate controlling shareholder	1,000,000,000	-	-	-	-	-
Total	/	/	/	-	-	-	-

(3) Credit and other business

Applicable Not applicable

Related party	Relation	Business type	Top limit	Granted
---------------	----------	---------------	-----------	---------

Sinochem Finance Co, Ltd	Controlled by the same ultimate controlling shareholder	Comprehensive credit line	2,000,000,000	70,000,000
--------------------------	---	---------------------------	---------------	------------

(4) Other description

Applicable Not applicable

6. Other Related Party transactions

Applicable Not applicable

XIII. Major Contracts and Implementation

1. Custody, contracting, leasing

(1) Entrusted Assets

Applicable Not applicable

(2) Subcontracted Assets

Applicable Not applicable

(3) Leasing Assets

Applicable Not applicable

2. Guarantees

Applicable Not applicable

3. Cash management entrusted to third parties

(1) Entrusted Funds Investment

Applicable Not applicable

The Company held the eleventh meeting of the ninth session of the Board of Directors on December 17, 2025, at which it reviewed and approved the Proposal on Use of Part of Unallocated Funds Raised for Cash Management. The proposal agrees that the Company (including its subsidiaries) may reasonably and periodically utilize temporarily unallocated raised funds not exceeding RMB 2.1 billion (inclusive) for cash management, specifically for purchasing capital-guaranteed wealth management products characterized by high security, strong liquidity, low risk, and stability. This authorization is valid for 12 months from the date of approval by the Board of Directors, and the amount can be used on a revolving basis within this limit. For more details of the cash management during the reporting period, please refer to the Report on the Deposit, Management, and Actual Use of Proceeds in 2025 (announcement no. 2026-011).

(2) Entrusted Loans

Applicable Not applicable

For more details of the cash management during the reporting period, please refer to the Report on the Deposit, Management, and Actual Use of Proceeds in 2025 (announcement no. 2026-011).

(3) Others

Applicable Not applicable

4. Other major contracts

Applicable Not applicable

XIV. Progress Statement on the Use of Raised Funds

Applicable Not applicable

1. Overall Use of Raised Funds

✓ Applicable Not applicable

Unit: RMB yuan

Source of fund raising	Time when the raised funds are in place	Total amount of funds raised	Net proceeds (1)	Total committed investment amount of raised funds in the prospectus or prospectus (2)	Total over-raised capital (3) = (1)- (2)	Total amount of raised funds invested accumulatively by the end of the reporting period (4)	Of which : accumulative total investment of over-raised capital by the end of the reporting period (5)	Accumulated investment progress of raised funds as at the end of the reporting period (%) (6) = (4)/ (1)	Accumulated investment progress of over-raised capital by the end of the reporting period (%) (7) = (5)/ (3)	Amount invested in the current year (8)	Proportion of investment amount in this year (%) (9) = (8)/ (1)	Total amount of raised funds for change of use
Issuing A-shares to specific targets	11 th December 2025	2,999,999,999.36	2,983,875,106.46	2,983,875,106.46	-	892,158,889.78	-	29.90	-	892,158,889.78	29.90	-
Total	/	2,999,999,999.36	2,983,875,106.46	2,983,875,106.46	-	892,158,889.78	-	/	/	892,158,889.78	/	-

Other description

Applicable ✓ Not applicable

2. Details of Investment Projects

√ Applicable Not applicable

(1) Detailed Use of Raised Funds

√ Applicable Not applicable

Unit: RMB yuan

Source of fund raising	Project name	Nature of the project	Whether it is the promised investment project in the prospectus or the prospectus	Whether change of investment direction is involved	Total planned investment of raised funds (1)	Investment amount of this year	Total amount of raised funds invested accumulatively by the end of the reporting period (2)	Accumulated investment progress as at the end of the reporting period (%) (3)=(2)/(1)	Date Item Reaches Scheduled Availability	Whether the item has been closed	Whether the input progresses is in line with the planned progresses	Specific reasons for the failure of the input schedule to meet the plan	Benefits realized this year	Realized benefits or R & D achievements of the Project	Has there been a significant change in the feasibility of the project? If so, please provide details.	Amount of savings
Issue A shares to specific targets	The powder methionine project with an annual production	Production and construction	Yes	No	1,731,712,575.46	0	0	0	March 2027	No	Yes	NA	0	NA	No	1,731,712,575.46

Bluestar Adisseo Company 2025 Annual Report

	capacity of 150,000 tons															
Issue A shares to specific targets	The specialty feed additives project	Production and construction	Yes	No	60,000,000	0	0	0	March 2025	Yes	Yes	NA	NA	NA	No	60,000,000
Issue A shares to specific targets	Spain Ester Adissee transesterification	Production and construction	Yes	No	197,000,000	0	0	0	December 2026	No	Yes	NA	0	NA	No	197,000,000
Issue A shares to specific targets	Acrylic acid waste water treatment and recycled water utilization project	Production and construction	Yes	No	100,000,000	0	0	0	June 2026	No	Yes	NA	0	NA	No	100,000,000
Issue A shares to specific targets	Supplementary working capital	Supplementary working capital	Yes	No	895,162,531.00	892,158,889.78	892,158,889.78	99.66	NA	NA	Yes	NA	NA	NA	No	3,003,641.22

Bluestar Adisseo Company 2025 Annual Report

Totally	/	/	/	/	2,983,875,106.46	892,158,889.78	892,158,889.78		/	/	/	/	/	/	/	2,091,716,216.68
---------	---	---	---	---	------------------	----------------	----------------	--	---	---	---	---	---	---	---	------------------

(2) Detailed Use of Over-raised Funds

Applicable Not applicable

3. Change or Termination of Investment Raising During the Reporting Period

Applicable Not applicable

4. Other Information on the Use of Raised Funds During the Reporting Period

(1) Advance Investment and Replacement of Projects Invested by Raised Funds

Applicable Not applicable

During the reporting period, there was no advance investment and replacement of projects invested by raised funds.

On 30th January 2026, the Company is using proceeds amounting to RMB 1,953.1122 million to replace pre-paid self-raised funds for the Refinancing Investment Projects and the advanced self-raised funds paid for issuance expenses. For more details, please refer to the Announcement on Using Proceeds to Replace Prepaid Self-Raised Funds for the Refinancing Investment Projects and Issuance Expenses (2026-003).

(2) Temporary Replenishment of Working Capital with Idle Raised Funds

Applicable Not applicable

(3) Cash Management of Idle Raised Funds and Investment in Related Products

Applicable Not applicable

Unit:10 thousand yuan Currency: RMB

Date considered by the Board	Effective review limit of raised funds for cash management	Start date	End date	Cash management balance at the end of the reporting period	Whether the maximum balance in the period exceeds the authorized limit
17 th December 2025	210,000	17 th December 2025	16 th December 2026	210,100	No

Other description

Applicable Not applicable

(4) Others

Applicable Not applicable

For more information, please refer to the announcement Adjusting the Related Investment Items of Some Proceeds Investment Projects.

5. Conclusive Opinions of the Intermediary Institution on the Special Verification and Authentication of the Deposit and Use of the Raised Funds

Applicable Not applicable

KPMG Huazhen believes that the Special Report on the Deposit, Management, and Actual

Utilization of the Company's Raising Funds for the Year 2025 has been prepared in all material respects in accordance with the *Supervision Rules for Raising Funds of Listed Companies* (CSRC Announcement [2025] No. 10) issued by the China Securities Regulatory Commission and the *Shanghai Stock Exchange Self-Regulatory Guidance No. 1 on Standardized Operations* and related format guidelines issued by the Shanghai Stock Exchange. It also truthfully reflects all material aspects of the company's deposit, management, and actual utilization of the raising funds for the year 2025.

The sponsor believes that the Company's utilization of funds raised in 2025 complies with the provisions of the *Regulatory Rules for Fund Raising of Listed Companies* and other relevant laws, regulations, and normative documents. The sponsor has no objections to the deposit, management, and actual usage of the funds raised by the Company in 2025.

Description of relevant conditions of abnormal verification

Applicable Not applicable

6. Subsequent Rectification of Unauthorized Alteration of the Use of Raised Funds and Illegal Occupation of Raised Funds

Applicable Not applicable

XV. Description of other significant matters that have a significant impact on investors' value judgment and investment decisions

Applicable Not applicable

Section 6 Share Change and Shareholders

I. Change in share capital in the reporting period

1. Changes in share capital

(1) Table of change in share capital

Unit: Share

	Before this change		Increase or decrease of this change (+,-)					After this change	
	Quantity	Proportion	Issue new shares	Bonus issue shares	Capitalization of Reserves	Other	Subtotal	Quantity	Proportion
1. Shares with limited selling conditions	-	-	397,877,984	-	-	-	397,877,984	397,877,984	12.92
1) State shareholding	-	-	-	-	-	-	-	-	-
2) Shares held by state-owned legal person	-	-	339,424,406	-	-	-	339,424,406	339,424,406	11.02
3) Other domestic holdings	-	-	58,453,578	-	-	-	58,453,578	58,453,578	1.90
Of which: shares held by domestic non-state-owned legal person	-	-	47,843,499	-	-	-	47,843,499	47,843,499	1.55
Shares held by domestic natural persons	-	-	10,610,079	-	-	-	10,610,079	10,610,079	0.34
4) Foreign shareholding	-	-	-	-	-	-	-	-	-
Of which: shares held by foreign legal person	-	-	-	-	-	-	-	-	-
Shares held by foreign natural persons	-	-	-	-	-	-	-	-	-
2. Unrestricted tradable shares	2,681,901,273	100	-	-	-	-	-	2,681,901,273	87.08
1) RMB ordinary shares	2,681,901,273	100	-	-	-	-	-	2,681,901,273	87.08
2) Domestically listed foreign shares	-	-	-	-	-	-	-	-	-
3) Foreign shares listed overseas	-	-	-	-	-	-	-	-	-
4) Others	-	-	-	-	-	-	-	-	-
3. Total number of shares	2,681,901,273	100	397,877,984	-	-	-	397,877,984	3,079,779,257	100

(2) Description on change of share capital

√ Applicable Not applicable

In the reporting period, the 397,877,984 newly issued shares of the Company have completed the registration, custody and share restriction procedures at China Securities Depository and Clearing Corporation Limited Shanghai Branch on December 26, 2025. The newly issued ordinary shares in this private issuing are tradable shares subject to restrictions. It is expected that such shares will be listed and traded on SSE starting from the next trading day after the expiration of the 6-month lock-up period. In case of legal holidays or rest days, the listing date shall be postponed to the first subsequent trading day. For more details, please refer to the announcement on Announcement on the Result of Private Issuing and Equity Changes (2025-057) disclosed by the Company on SSE on 31th December 2025.

(3) The impact on financial ratios, such as the net earnings per share (EPS) and net assets per share of the most recent period as well as the current year due to the change in share capital (if there is any)

√Applicable Not applicable

During the reporting period, the Company completed the issuance of shares to specific investors, resulting in the issuance of 397,877,984 new shares. As a result, the Company’s total share capital increased from 2,681,901,273 shares to 3,079,779,257 shares.

Items	Year 2025
Basic earnings per share before considering the issuance	0.44
Basic earnings per share after considering the issuance	0.44
Change	-

As the completion of the issuance occurred close to the end of the reporting period, the newly issued shares were included in the weighted average number of shares outstanding for a relatively short period. Accordingly, the dilutive impact of the issuance on the Company’s basic earnings per share for the year 2025 was minimal.

(4) Other things the Company thinks necessary to be disclosed to the market

Applicable √ Not applicable

2. Changes in shares with trading restrictions

√ Applicable Not applicable

Unit: Share

Name of shareholder	Number of restricted shares at the beginning of the year	Number of shares released from restricted sale in the current year	Number of restricted shares increased in this year	Number of restricted shares at the end of the year	The reason for the restriction	Release date of restricted sale
CAITONG Fund Management Co., Ltd.	-	-	92,062,334	92,062,334	Issuance of Shares to Specific Targets	June 26, 2026
Ganzhou Development Investment Fund Management Co., Ltd. - Gongqingcheng Private Equity Investment Partnership	-	-	39,787,798	39,787,798	Issuance of Shares to Specific Targets	June 26, 2026

Bluestar Adisseo Company 2025 Annual Report

Enterprise (Limited Partnership)						
Nuode Asset Management Co., Ltd.	-	-	37,137,931	37,137,931	Issuance of Shares to Specific Targets	June 26, 2026
GUOTAI HAITONG SECURITIES Co., Ltd.	-	-	28,249,336	28,249,336	Issuance of Shares to Specific Targets	June 26, 2026
Huafu Capital Management Co., Ltd. - Quanzhou Jiaofa Fuhui Equity Investment Partnership (Limited Partnership)	-	-	22,281,167	22,281,167	Issuance of Shares to Specific Targets	June 26, 2026
Zhonghui Life Insurance Co., Ltd.	-	-	17,241,379	17,241,379	Issuance of Shares to Specific Targets	June 26, 2026
Hangzhou Xinzhili Asset Management Co., Ltd. - Xinchili Placing Selected No. 28 Private Securities Investment Fund	-	-	15,915,119	15,915,119	Issuance of Shares to Specific Targets	June 26, 2026
Global Logistic Properties Investment(Shanghai) Co., Ltd.	-	-	14,606,110	14,606,110	Issuance of Shares to Specific Targets	June 26, 2026
China Cinda Asset Management Co., Ltd.	-	-	13,262,599	13,262,599	Issuance of Shares to Specific Targets	June 26, 2026
Everybody Asset Management Co., Ltd.	-	-	11,135,278	11,135,278	Issuance of Shares to Specific Targets	June 26, 2026
China Universal Asset Management Co., Ltd.	-	-	10,676,392	10,676,392	Issuance of Shares to Specific Targets	June 26, 2026
Yimi Fund Management Co., Ltd.	-	-	10,641,909	10,641,909	Issuance of Shares to Specific Targets	June 26, 2026
Shanghai Ningquan Asset Management Co., Ltd. - Ningquan Zhiyuan No. 39 Private Securities	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026

Bluestar Adisseo Company 2025 Annual Report

Investment Fund						
Xingquan Fund Management Co., Ltd.	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026
China Life Asset Management Co., Ltd.	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026
He Wei	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026
China Galaxy Asset Management Co., Ltd.	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026
Hua'an Securities Asset Management Co., Ltd.	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026
Shanghai Guoxin Investment Development Co., Ltd.	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026
Poor Areas Industry Development Fund Co., Ltd.	-	-	10,610,079	10,610,079	Issuance of Shares to Specific Targets	June 26, 2026
Total	-	-	397,877,984	397,877,984	/	/

II. Securities Issuance and Listing

1. Securities issued as of the reporting period

√ Applicable Not applicable

Unit: Share Currency: RMB

Type of share or relevant derivative	Issuance Date	Issuance price (or interest rate)	Amount of issuance	Listing date	Amount of listed	Termination date of transaction
Common share						
IPO	1 st April 2000	6.41	80,000,000	20 th April 2000	80,000,000	n/a
Private placement to public	30 th August 2007	39.06	42,082,738	30 th August 2007	42,082,738	n/a
Private placement to China Bluestar	10 th October 2015	4.08	2,107,341,862	30 th October 2015	2,107,341,862	n/a
Private placement to public	30 th October 2015	13.50	51,851,851	30 th October 2015	51,851,851	n/a
Issuance of Shares to Specific Targets	26 th December 2025	7.54	397,877,984	26 th December 2025	397,877,984	n/a

Description of security issuance (for bonds with different interest rate, describe separately):

Applicable √ Not applicable

2. Changes in the total number of shares and changes in shareholder structure and corporate structure of the Company's assets and liabilities

√ Applicable Not applicable

For the changes in the total number of shares of the Company during the reporting period, please refer to "I. Changes in Share Capital" (I) 2. At the beginning of the reporting period, the Company had total assets of RMB 22,257,398,577, total liabilities of RMB 6,687,616,587 with asset-liability ratio of 30.05%. At the end of the reporting period, the Company had total assets of RMB 27,795,789,248, total liabilities of RMB 7,899,916,387 with asset-liability ratio of 28.42%.

3. Existing employee shares

Applicable √ Not applicable

III. Shareholders and ultimate controlling shareholder

1. Total number of shareholders

Total number of shareholders by the end of reporting period	33,013
Total number of shareholders at the end of the last month before the date when the annual report was published	32,721
Total Number of Preferred Stockholders with reinstated voting rights at the end of reporting Period	0
Total number of Preferred Stockholders whose voting rights have been restored as of the end of the preceding month	0

2. Shares held by top ten shareholders at the end of the reporting period

Unit: Share

Shares held by top ten shareholders							
Name of shareholder (full name)	Change in the reporting period	Number of shares held by end of the period	Proportion of shares held (%)	Number of shares with trading restrictions	Status of pledged or frozen shares		Type of shareholder
					Share status	Number	
China National Bluestar (Group) Co., Ltd.	-	2,300,179,161	74.69	-	Not applied	-	Stated owned legal entity

Bluestar Adisseo Company 2025 Annual Report

Ganzhou Development Investment Fund Management Co., Ltd. - Gongqingcheng Private Equity Investment Partnership Enterprise (Limited Partnership)	39,787,798	39,787,798	1.29	39,787,798	Not applied	-	Others
GUOTAI HAITONG SECURITIES Co., Ltd.	28,593,716	28,593,716	0.93	28,249,336	Not applied	-	Stated owned legal entity
Huafu Capital Management Co., Ltd. - Quanzhou Jiaofa Fuhui Equity Investment Partnership (Limited Partnership)	22,281,167	22,281,167	0.72	22,281,167	Not applied	-	Others
Zhonghui Life Insurance Co., Ltd. - Traditional Products	17,241,379	17,241,379	0.56	17,241,379	Not applied	-	Others
Hangzhou Xinzhili Asset Management Co., Ltd. - Xinchili Placing Selected No. 28 Private Securities Investment Fund	15,915,119	15,915,119	0.52	15,915,119	Not applied	-	Others
Hong Kong Central Clearing Limited	-18,566,297	14,626,887	0.47	-	Not applied	-	Foreign legal entity
Global Logistic Properties Investment(Shanghai) Co., Ltd.	14,606,110	14,606,110	0.47	14,606,110	Not applied	-	Stated owned legal entity
China Cinda Asset Management Co., Ltd.	13,262,599	13,262,599	0.43	13,262,599	Not applied	-	Stated owned legal entity
He Wei	10,610,079	10,610,079	0.34	10,610,079	Not applied	-	Individual

Shares held by top ten shareholders without trading restrictions

Unit: share

Bluestar Adisseo Company 2025 Annual Report

Name of shareholder	Number of shares without trading restrictions held	Type and number of shares	
		Type	Number
China National Bluestar (Group) Co., Ltd.	2,300,179,161	RMB ordinary shares	2,300,179,161
Hong Kong Central Clearing Limited	14,626,887	RMB ordinary shares	14,626,887
China Zheshang Bank Co., Ltd.-Cathay Pacific CSI Animal Husbandry Trading Open-end Index Securities Investment Fund	7,847,000	RMB ordinary shares	7,847,000
Jiangsu Gathering Creative Emerging Industries Investment Fund (Limited Partnership)	6,600,000	RMB ordinary shares	6,600,000
Agricultural Bank of China Limited-CSI 500 Exchange Traded Index Securities Investment Fund	5,920,661	RMB ordinary shares	5,920,661
Industrial and Commercial Bank of China Limited-CSI Major Consumption Trading Open-end Index Securities Investment Fund	5,863,000	RMB ordinary shares	5,863,000
China Electronics Investment Holdings Limited	5,185,185	RMB ordinary shares	5,185,185
Beijing Rubber Industry Research and Design Institute Co., Ltd.	3,737,262	RMB ordinary shares	3,737,262
Liu Jun	3,202,927	RMB ordinary shares	3,202,927
Li Taimeng	2,989,300	RMB ordinary shares	2,989,300
The top ten shareholders of the buyback account information	Not applicable		
Explanation of the above shareholders' entrustment voting right, entrusted voting right and abandonment of voting right	Not applicable		
Statement on related relationship or acting in concert among the above shareholders	The State-owned corporation shareholders, China National Bluestar (Group) Co., Ltd. and Beijing Research and Design Institute of Rubber Industry are subsidiaries of Sinochem Holdings Co., Ltd. Except for the above-mentioned shareholders, the Company does not know whether any related relationship exists among other shareholders, or whether the other shareholders have acted in concert as regulated by the Administrative Measures for Purchasing of Listed Companies.		

Participation of shareholders holding more than 5% of the shares, top ten shareholders, and top ten shareholders with unlimited tradable shares in the lending of shares through the refinancing business

Applicable Not applicable

The top ten shareholders and the top ten shareholders with unlimited tradable shares have changed compared to the previous period due to the reasons of refinancing, lending, and repayment

Applicable Not applicable

Shares held by top ten shareholders with trading restrictions

Applicable Not applicable

Unit: Share

No.	Name of shareholder with limited selling conditions	Number of	Listing and trading of shares with limited selling conditions	Restricted sales conditions
-----	---	-----------	---	-----------------------------

Bluestar Adisseo Company 2025 Annual Report

		shares held with selling restrictions	Time available for listing and trading	Number of new shares that can be listed and traded	
1	Ganzhou Development Investment Fund Management Co., Ltd. - Gongqingcheng Private Equity Investment Partnership Enterprise (Limited Partnership)	39,787,798	June 26, 2026	39,787,798	The new shares shall not be transferred within 6 months from the date of listing.
2	GUOTAI HAITONG SECURITIES Co., Ltd.	28,249,336	June 26, 2026	28,249,336	
3	Huafu Capital Management Co., Ltd. - Quanzhou Jiaofa Fuhui Equity Investment Partnership (Limited Partnership)	22,281,167	June 26, 2026	22,281,167	
4	Zhonghui Life Insurance Co., Ltd.-Traditional Products	17,241,379	June 26, 2026	17,241,379	
5	Hangzhou Xinzhili Asset Management Co., Ltd. - Xinchili Placing Selected No. 28 Private Securities Investment Fund	15,915,119	June 26, 2026	15,915,119	
6	Global Logistic Properties Investment(Shanghai) Co., Ltd.	14,606,110	June 26, 2026	14,606,110	
7	China Cinda Asset Management Co., Ltd.	13,262,599	June 26, 2026	13,262,599	
8	He Wei	10,610,079	June 26, 2026	10,610,079	
9	Shanghai Guoxin Investment Development Co., Ltd.	10,610,079	June 26, 2026	10,610,079	
10	Poor Areas Industry Development Fund Co., Ltd.	10,610,079	June 26, 2026	10,610,079	
Description of the connected relationship or concerted action of the above shareholders		The Company does not know whether any related relationship exists among other shareholders, or whether the other shareholders have acted in concert as regulated by the Administrative Measures for Purchasing of Listed Companies.			

3. Strategic investor or normal legal entity getting into top 10 shareholders due to new share allocation

Applicable Not applicable

IV. Changes in Controlling Shareholder and Ultimate controlling shareholder

1. Controlling shareholder

(1) Corporation

Applicable Not applicable

Name	China National Bluestar (Group) Co., Ltd.
The entity's person responsible or legal representative	Bo Li
Date of creation	3 rd April 1989

Main businesses	Licensed project: Feed additive production [branch operation]; Food additive production [branch operation]. (Projects that need to be approved according to law can only be operated with the approval of relevant departments. The specific operation items are subject to the approval documents or licenses of relevant departments.) General projects: research and development of new materials technology; New material technology promotion service; Production of chemical products (excluding licensed chemical products); Sales of chemical products (excluding licensed chemical products); Sales of special equipment for oil refining and chemical production; Manufacture of special equipment for oil refining and chemical production; Sales of food additives; Sales of feed additives; Manufacture of special chemical products (excluding hazardous chemicals); Sales of special chemical products (excluding hazardous chemicals); Technical research and development of biochemical products; Domestic trade agent: professional cleaning, cleaning and disinfection services; Manufacturing of daily chemical products; Sales of daily chemical products; Manufacturing of synthetic materials (excluding hazardous chemicals); Petroleum products manufacturing (excluding hazardous chemicals); Manufacturing of special equipment for environmental protection; Water environment pollution prevention and control services; Manufacturing of ecological environmental materials; Manufacturing of special machinery and equipment for water resources; Gas and liquid separation and purification equipment manufacturing; Sales of gas and liquid separation and purification equipment; Engineering and technical research and test development; Technical service, technical development, technical consultation, technical exchange, technology transfer and technology promotion; Special equipment manufacturing (excluding licensed professional equipment manufacturing); Technology import and export; Energy conservation management services; Industrial engineering design services; Engineering management services; Import and export of goods; Foreign contracted projects; Research and development of carbon emission reduction, carbon conversion, carbon capture and carbon storage technology; General equipment manufacturing (excluding special equipment manufacturing); Non-residential real estate leasing: leasing services (excluding licensed leasing services); Environmental consulting services. (Except for the projects that need to be approved according to law, the business activities shall be carried out independently according to law with the business license) (The business activities of the projects prohibited and restricted by the national and municipal industrial policies are not allowed.)
Shareholding interest in other domestic and overseas listed companies controlled and shared in the reporting period	In the reporting period, China Bluestar directly held 158,585,867 shares and indirectly held 218,663,539 shares of Shenyang Chemical Industry Co., Ltd (stock code 000698), accounting for 46.03% in total, and 338,338,536 shares of Elkem ASA (Stock Code: ELK), accounting for 52.91%.
Others	NA

(2) Natural Person

Applicable Not applicable

(3) Explanation if there is no controlling shareholders

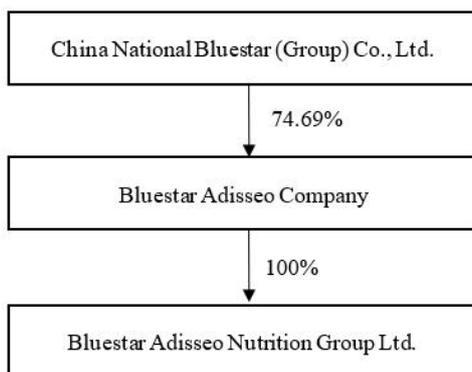
Applicable Not applicable

(4) Index reference related with change the controlling shareholders and the corresponding date

Applicable Not applicable

(5) Block diagram of the shareholding interest and control relationship between the Company and its controlling shareholders

Applicable Not applicable



2. Ultimate controlling shareholder

(1) Corporation

√ Applicable Not applicable

Name	SASAC of the State Council
------	----------------------------

(2) Natural Person

Applicable √ Not applicable

(3) Explanation if there is no controlling shareholder

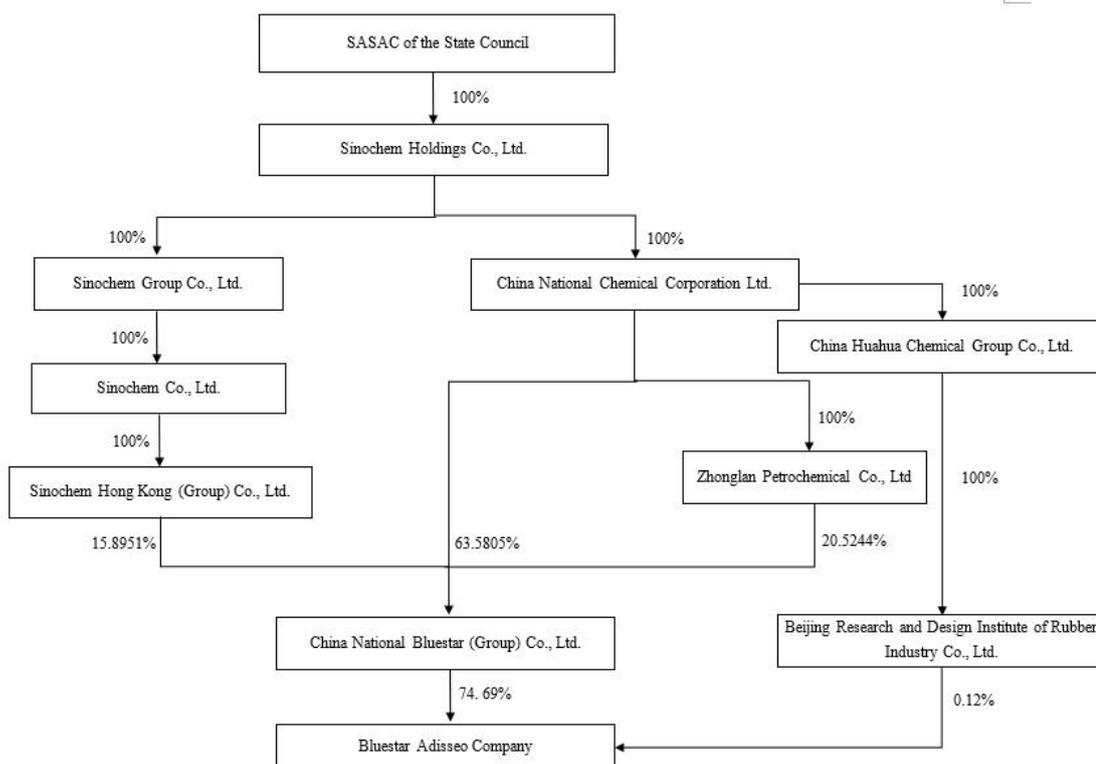
Applicable √ Not applicable

(4) Index reference related with change in the controlling shareholders and the corresponding date

Applicable √ Not applicable

(5) Block diagram of the shareholding interest and control relationship between the Company and its ultimate controlling shareholder

√ Applicable Not applicable



(6) Ultimate controlling shareholder control the Company through entrust arrangement or asset management plan

Applicable Not applicable

3. Other information regarding controlling shareholder and ultimate controlling shareholder

Applicable Not applicable

V. The company's controlling shareholder or the largest shareholder pledged accumulatively more than 80% of shares held by him

Applicable Not applicable

VI. Other shareholders in the form of corporations with shares ownership of more than 10%

Applicable Not applicable

VII. Introduction of limit on share disposal

Applicable Not applicable

VIII. Repurchase of shares in the reporting period

Applicable Not applicable

IX. Information on Preferred Shares

Applicable Not applicable

Section 7 Corporate bonds

I. Corporate bonds, corporate bonds and non-financial corporate debt financing instruments

Applicable Not applicable

II. Convertible bonds

Applicable Not applicable

Section 8 Financial Report

I. Audit report

✓ Applicable Not applicable

II. Financial Statements

Consolidated Balance Sheet

December 31, 2025

Prepared by: Bluestar Adisseo Company

Unit: Yuan Currency: RMB

	Notes	Closing balance 31 Dec 2025	Opening balance 31 Dec 2024
Current Assets:			
Cash at bank and on hand	VII.1	4,272,958,171	1,265,778,795
Financial assets at fair value through profit or loss			
Derivative financial assets	VII.2	5,556,890	398,012
Notes receivable			
Accounts receivable	VII.3	1,961,768,074	1,969,896,420
Receivable financing			
Advances to suppliers	VII.4	84,643,620	105,349,658
Other receivables	VII.5	81,987,816	90,753,937
Including: interests receivable			4,924,532
dividend receivable			
Inventories	VII.6	2,384,551,202	2,428,174,242
Other current assets	VII.7	539,585,538	535,588,859
Total current assets		9,331,051,311	6,395,939,923
Non-current Assets:			
Available-for-sale financial assets			
Long-term receivables	VII.8	271,179,764	667,525,068
Long-term equity investments	VII.9		107,566,015
Investments in other equity instruments	VII.10	43,230,642	178,114,503
Other non-current financial assets	VII.11	93,818,816	111,350,835
Investment properties	VII.12	10,547,399	
Fixed assets	VII.13	8,538,492,922	8,257,529,756
Construction in progress	VII.14	3,964,891,390	1,563,743,713
Right-of-use assets	VII.15	451,129,984	455,609,297
Intangible assets	VII.16	1,972,045,829	2,039,496,794
Development costs	VII.17	232,875,636	177,399,849
Goodwill	VII.18	2,236,877,208	2,045,976,457
Long-term prepaid expenses		2,050,945	2,717,606
Deferred tax assets	VII.19	265,359,217	223,205,798
Other non-current assets	VII.20	382,238,185	31,222,963
Total non-current assets		18,464,737,937	15,861,458,654
TOTAL ASSETS		27,795,789,248	22,257,398,577
Current Liabilities:			
Short-term borrowings	VII.22	-	54,453,036
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities	VII.23	-	14,207,182
Notes payable	VII.24	101,027,611	
Accounts payable	VII.25	1,921,724,248	1,767,033,170
Advances from customers			
Contract liabilities	VII.26	18,686,873	111,653,732
Wages and benefits payable	VII.27	559,771,567	643,357,694
Taxes payable	VII.28	228,736,634	211,745,513
Other payables	VII.29	1,117,604,895	670,312,126
Including: interests payable			5,665,794
dividends payable			
Current portion of non-current liabilities	VII.30	574,998,141	402,489,664
Other current liabilities	VII.31	884,472	1,326,097
Total current liabilities		4,523,434,441	3,876,578,214

Bluestar Adisseo Company 2025 Annual Report

	Notes	Closing balance 31 Dec 2025	Opening balance 31 Dec 2024
Non-current Liabilities:			
Long-term borrowings	VII.32	1,608,363,191	925,558,489
Lease liabilities	VII.33	289,085,490	314,238,308
Long-term payables	VII.34	16,170,816	13,303,850
Long-term employee benefits payable	VII.35	294,622,528	271,226,814
Provisions	VII.36	362,786,712	514,798,569
Deferred income	VII.37	123,525,874	138,004,793
Deferred tax liabilities	VII.19	681,927,335	633,907,550
Other non-current liabilities			
Total non-current liabilities		3,376,481,946	2,811,038,373
TOTAL LIABILITIES		7,899,916,387	6,687,616,587
SHAREHOLDERS' EQUITY:			
Paid-in capital	VII.38	3,079,779,257	2,681,901,273
Other equity instruments			
Capital reserve	VII.39	3,590,722,111	1,004,724,989
Other comprehensive income	VII.40	(315,585,845)	(981,592,664)
Special reserve			
Surplus reserve	VII.41	717,763,679	714,341,527
Undistributed profits	VII.42	12,791,383,091	12,123,015,445
Total equity attributable to equity holders of the Company		19,864,062,293	15,542,390,570
Non-controlling interests		31,810,568	27,391,420
TOTAL OWNERS' EQUITY		19,895,872,861	15,569,781,990
TOTAL LIABILITIES AND OWNERS' EQUITY		27,795,789,248	22,257,398,577

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Balance Sheet of the Company

December 31st, 2025

Prepared by: Bluestar Adisseo Company

Unit: Yuan Currency: RMB

Item	Notes	Closing balance	Opening balance
Current Assets:			
Cash at bank and on hand	XX. 1	2,381,578,669	3,330,198
Financial assets at fair value through profit or loss			
Derivative financial assets		4,053,087	
Notes receivable			
Accounts receivable			
Receivable financing			
Advances to suppliers		75,094	5,086
Other receivables	XX. 2	764,519,740	606,827,855
Including: interest receivable			
dividend receivable		49,413,129	600,000,000
Inventories			
Other current assets			
Total Current Assets		3,150,226,590	610,163,139
Non-current Assets:			
Available-for-sale financial assets			
Long-term receivables			
Long-term equity investments	XX. 3	10,500,492,549	10,500,492,549
Investment properties			
Fixed assets		106,586	70,284
Construction in progress			
Assets from right of use			
Intangible assets		34,067	
Development costs			
Goodwill			
Long-term prepaid expenses		238,394	337,624
Deferred tax assets			
Other non-current assets		748,179	391,816
Total Non-current Assets		10,501,619,775	10,501,292,273
TOTAL ASSETS		13,651,846,365	11,111,455,412
Current Liabilities:			
Short-term borrowings			
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities			
Notes payable			
Accounts payable			
Advances from customers			
Wages and benefits payable		701,321	527,434
Taxes payable		416,237	589,791
Other payables	XX. 4	39,361,288	34,325,062
Including: interest payable			
dividend payable			
Liabilities held for sale			
Current portion of non-current liabilities			
Other current liabilities			
Total Current Liabilities		40,478,846	35,442,287
Non-current Liabilities:			
Long-term borrowings			
Notes payables			
Lease liabilities			
Long-term payables			
Long-term employee benefits payable			
Provisions			
Deferred income			
Deferred tax liabilities			
Other non-current liabilities			

Bluestar Adisseo Company 2025 Annual Report

Item	Notes	Closing balance	Opening balance
Total Non-current Liabilities			
TOTAL LIABILITIES		40,478,846	35,442,287
Shareholders' Equity:			
Paid-in capital		3,079,779,257	2,681,901,273
Other equity instruments			
Including: Preferred shares			
Capital reserve		9,267,554,750	6,681,557,628
Other comprehensive income			
Special reserve			
Surplus reserve		717,763,679	714,341,527
Undistributed profits		546,269,833	998,212,697
Total Owners' Equity		13,611,367,519	11,076,013,125
TOTAL LIABILITIES AND OWNERS' EQUITY		13,651,846,365	11,111,455,412

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Consolidated Income Statement

January - December 2025

Unit: Yuan Currency: RMB

Items	Notes	Amount incurred during the current period	Amount incurred during the last period
I. Total operating revenue		17,230,692,072	15,534,274,997
Including: Operating revenue	VII.43	17,230,692,072	15,534,274,997
II. Total operating costs		15,298,447,174	13,668,723,886
Including: Cost of sales	VII.43	12,352,266,069	10,840,773,006
Taxes and surcharge	VII.44	76,140,278	72,567,462
Selling and distribution expenses	VII.45	1,495,138,179	1,351,106,581
General and administrative expenses	VII.46	855,545,180	906,529,990
Research and development expenses	VII.47	456,124,857	441,668,680
Financial expenses	VII.48	63,232,611	56,078,167
Including: Interest expenses		54,220,416	83,519,778
Interest income		89,233,645	31,272,165
Add: Other income		51,613,732	27,575,621
Investment income (loss)	VII.49	(110,008,753)	(98,350,482)
Including: Income from investments in associates and joint ventures		(110,008,753)	(98,350,482)
Gains (losses) from disposal of financial assets at amortized cost			
Gains (losses) from changes in fair value	VII.50	(10,790,369)	(32,886,828)
Credit losses	VII.51	(65,087,766)	(7,212,221)
Asset impairment losses	VII.52	(119,991,751)	(28,222,487)
Gain (loss) from disposal of assets		(1,772,444)	(1,022,096)
III. Operating profit (loss)		1,676,207,547	1,725,432,618
Add: Non-operating income	VII.53	3,291,024	9,082,240
Less: Non-operating expenses	VII.54	109,001,972	160,012,462
IV. Total profit (Total loss)		1,570,496,599	1,574,502,396
Less: Income tax expenses	VII.55	413,808,327	369,037,551
V. Net profit (Net loss)		1,156,688,272	1,205,464,845
Net profit classified by continuity			
Net profit (loss) from continuing operations		1,156,688,272	1,205,464,845
Net profit (loss) from discontinued operations			
Net profit classified by ownership			
Net profit attributable to equity holders of the Company		1,154,532,027	1,204,325,915
Net profit attributable to non-controlling interests		2,156,245	1,138,930
VI. Net other comprehensive income		668,639,056	(539,153,643)
Other comprehensive income (net of tax) attributable to the owners of the Company	VII.40	666,006,819	(537,949,758)
1. Other comprehensive income which will not be reclassified subsequently to profit or loss		(145,650,096)	(108,184,901)
1) Actuarial differences on defined benefits plans		1,256,905	(15,565,301)
2) Other comprehensive income that will not be reclassified into profit or loss under equity method			
3) Profit/Loss from changes in fair value of Investments in other equity instruments		(146,907,001)	(92,619,600)
2. Other comprehensive income which will be reclassified subsequently to profit or loss		811,656,915	(429,764,857)

Bluestar Adisseo Company 2025 Annual Report

Items	Notes	Amount incurred during the current period	Amount incurred during the last period
1) Effective hedging portion of gains or losses arising from cash flow hedging instruments		(1,727)	(521,698)
2) Differences on translation arising on translation of foreign currency financial statements		811,658,642	(429,243,159)
Net other comprehensive income attributable to non-controlling interests after tax	VII.40	2,632,237	(1,203,885)
VII. Total comprehensive income		1,825,327,328	666,311,202
Total amount of comprehensive income attributable to equity holders of the Company		1,820,538,846	666,376,157
Total amount of comprehensive income attributable to non-controlling interests		4,788,482	(64,955)
VIII. Earnings per share:			
(I) Basic earnings per share (Yuan/ share)	VII.56	0.43	0.45
(II) Diluted earnings per share (Yuan/ share)	VII.56	0.43	0.45

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Income Statement of the Company

January- December 2025

Unit: Yuan Currency: RMB

Items	Notes	Amount incurred during the current period	Amount incurred during the last period
I. Operating revenues		23,178,211	14,885,099
Less: Cost of sales		21,602,919	16,607,936
Business taxes and surcharge		92	1,451
Selling and distribution expenses			
General and Administrative expenses		18,793,813	20,470,923
Research and development expenses			
Financial expenses – net		3,272,328	(886,540)
Including: Interest expenses		0	1,762
Interest income		1,066,176	113,808
Add: Other income			
Investment income (loss)	XX.5	50,579,734	765,469,080
Including: Income from investments in associates and joint ventures			
Gains (losses) from disposal of financial assets at amortized cost			
Gains from changes in fair values (losses)		4,053,087	
Credit losses			
Asset impairment losses		0	
Gain (loss) from disposal of assets			
II. Operating profit (loss)		34,141,880	744,160,409
Add: Non-operating income		79,637	51,709
Less: Non-operating expenses			
III. Total profit (Total Loss)		34,221,517	744,212,118
Less: Income tax expenses			
IV. Net profit (Net Loss)		34,221,517	744,212,118
<u>Net profit classified by continuity</u>			
Net profit (loss) from continuing operations		34,221,517	744,212,118
Net profit (loss) from discontinued operations			
V. Net amount of other comprehensive income			
1. Other comprehensive income which will not be reclassified subsequently to profit or loss			
1) Actuarial differences on net defined benefit plan			
2. Other comprehensive income which will be reclassified subsequently to profit or loss			
1) Effective hedging portion of gains or losses arising from cash flow hedging instruments			
2) Difference on translation arising on translation of foreign currency financial statements			
VI. Total comprehensive income		34,221,517	744,212,118
VII. Earnings per share:			
(I) Basic earnings per share		Not applicable	Not applicable
(II) Diluted earnings per share		Not applicable	Not applicable

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Consolidated Cash Flow Statement

January- December 2025

Unit: Yuan Currency: RMB

Items	Notes	Amount incurred during the current period	Amount incurred during the last period
I. Cash flows from operating activities:			
Cash received from sale of goods and rendering of services		17,916,984,935	15,835,530,585
Refunds of taxes and surcharges		230,729,273	201,940,044
Cash received relating to other operating activities	VII.58(1)	12,828,440	76,190,509
Subtotal of cash inflows from operating activities		18,160,542,648	16,113,661,138
Cash paid for goods and services		11,866,111,498	10,814,452,983
Cash paid to and on behalf of employees		2,159,503,062	1,617,053,789
Payments of taxes and surcharges		507,841,639	398,687,532
Cash paid relating to other operating activities	VII.58(1)	296,377,972	338,797,353
Subtotal of cash outflows for operating activities		14,829,834,171	13,168,991,657
Net cash flow generated from operating activities		3,330,708,477	2,944,669,481
II. Cash flows from investing activities:			
Cash received from disposals of investment		1,763,243	
Cash received from investment income and interest income		92,798,008	27,057,040
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		1,373,864	9,858,648
Net cash received from disposals of subsidiaries and other business units			
Cash received relating to other investing activities	VII.58(2)	417,024,574	77,879,979
Subtotal cash inflows from investing activities		512,959,689	114,795,667
Cash paid to purchase fixed assets, intangible assets and other long-term assets		3,702,315,609	1,623,039,319
Cash paid to acquire investments		4,829,146	13,122,986
Net cash paid for acquisitions of subsidiaries			-
Cash paid relating to other investing activities	VII.58(2)	60,474,061	112,878,156
Subtotal of cash outflows for investing activities		3,767,618,816	1,749,040,461
Net amount of cash flow from investing activities		(3,254,659,127)	(1,634,244,794)
III. Cash flow from financing activities:			
Cash received from capital contributions		2,992,632,999	
Including: cash received from capital contributions by non-controlling interests of subsidiaries			
Payment for acquisition of non-controlling interests			
Cash received from borrowings		1,416,983,372	256,974,799
Cash received from issuance of debentures			
Cash received relating to other financing activities			
Subtotal of cash inflows from financing activities		4,409,616,371	256,974,799
Cash repayments of borrowings		767,322,649	859,599,316
Cash payments for interest expenses and distribution of dividends or profits		578,708,255	282,038,011
Including: dividends and profits paid to non-controlling shareholders of subsidiaries		249,448	145,228
Cash paid relating to other financing activities	VII.58(3)	152,640,166	132,370,649
Subtotal of cash outflows for financing activities		1,498,671,070	1,274,007,976

Bluestar Adisseo Company 2025 Annual Report

Items	Notes	Amount incurred during the current period	Amount incurred during the last period
Net cash flow from financing activities		2,910,945,301	(1,017,033,177)
IV. Effect of Foreign exchange rate changes on Cash and Cash Equivalents		52,327,685	(64,983,234)
V. Net increase in cash and cash equivalents		3,039,322,336	228,408,276
Add: Opening balance of cash and cash equivalents		1,233,635,835	1,005,227,559
VI. Closing balance of cash and cash equivalents	VII.59	4,272,958,171	1,233,635,835

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Bluestar Adisseo Company 2025 Annual Report
Cash Flow Statement of the Company

January- December 2025

Unit: Yuan Currency: RMB

Items	Notes	Amount incurred during the current period	Amount incurred during the last period
I. Cash flows from operating activities:			
Cash received from sale of goods and rendering of services			
Refunds of taxes and surcharges			
Cash received relating to other operating activities		24,323,877	20,997,058
Subtotal of cash inflows from operating activities		24,323,877	20,997,058
Cash paid for goods and services			
Cash paid to and on behalf of employees		25,656,310	17,703,125
Payments of taxes and surcharges		7,988,566	4,145,553
Cash paid relating to other operating activities		15,921,014	14,950,436
Subtotal cash outflows from operating activities		49,565,890	36,799,114
Net cash flow generated from operating activities		(25,242,013)	(15,802,056)
II. Cash flow from investing activities:			
Cash received from disposals of investments			
Cash received from investment income		601,548,440	166,272,708
Net cash received from disposals of fixed assets, intangible assets and other long-term assets			
Net cash received from disposals of subsidiaries and other business units			
Cash received relating to other investing activities			100,000,000
Subtotal of cash inflows from investing activities		601,548,440	266,272,708
Cash paid to purchase fixed assets, intangible assets and other long-term assets		69,906	69,328
Cash paid to acquire investments			
Net cash paid for acquisitions of subsidiaries and other business units			
Net cash decrease due to disposal of subsidiaries			
Cash paid relating to other investing activities		701,734,500	100,000,000
Subtotal of cash outflows from investing activities		701,804,406	100,069,328
Net amount of cash flow from investing activities		(100,255,966)	166,203,380
III. Cash flows from financing activities:			
Cash received from capital contributions		2,992,632,999	
Cash received from borrowings		320,000,000	
Cash received from issuance of shares			
Cash received from other financing activities			
Subtotal of cash inflows from financing activities		3,312,632,999	
Cash repayments of borrowings		320,000,000	
Cash payments for interest expenses and distribution of dividends or profits		488,886,580	162,972,427
Cash payments relating to other financing activities			
Subtotal of cash outflows from financing activities		808,886,580	162,972,427
Net cash flow from financing activities		2,503,746,419	(162,972,427)

Bluestar Adisseo Company 2025 Annual Report

Items	Notes	Amount incurred during the current period	Amount incurred during the last period
IV. Effect of Foreign Exchange rate changes on cash and cash equivalents		31	(14)
V. Net increment of cash and cash equivalents		2,378,248,471	(12,571,117)
Add: Opening balance of cash and cash equivalents		3,330,198	15,901,315
VI. Closing balance of cash and cash equivalents		2,381,578,669	3,330,198

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Consolidated Statement of Changes in Owners' Equity

January- December 2025

Unit: Yuan Currency: RMB

Items	Current period									
	Equity attributable to shareholders of the company								Non-controlling interests	Total
	Paid-in capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Subtotal		
1. Ending balance of last year	2,681,901,273		1,004,724,989	(981,592,664)		714,341,527	12,123,015,445	15,542,390,570	27,391,420	15,569,781,990
Add: increase/(decrease) due to changes in accounting policies										
Increase/(decrease) due to corrections of errors in prior period										
Business combination under common control										
2. Opening balance of current year	2,681,901,273		1,004,724,989	(981,592,664)		714,341,527	12,123,015,445	15,542,390,570	27,391,420	15,569,781,990
3. Increase/(decrease) for current period	397,877,984		2,585,997,122	666,006,819		3,422,152	668,367,646	4,321,671,723	4,419,148	4,326,090,871
(1) Total comprehensive income				666,006,819			1,154,532,027	1,820,538,846	4,788,482	1,825,327,328
(2) Owner's contributions and withdrawals of capital	397,877,984		2,585,997,122					2,983,875,106		2,983,875,106
(a) Common stock contributed by owners	397,877,984		2,585,997,122					2,983,875,106		2,983,875,106
(b) Capital contributed by other equity instruments holders										
(c) Share-based payment recorded in owner's equity										

Bluestar Adisseo Company 2025 Annual Report

(d) Others										
(3) Profits distribution						3,422,152	(486,164,381)	(482,742,229)	(369,334)	(483,111,563)
(a) Appropriation of surplus reserve						3,422,152	(3,422,152)	0		
(b) Distribution to owner/shareholder							(482,742,229)	(482,742,229)	(369,334)	(483,111,563)
(c) Others										
(4) Transfer within owner's equity										
(a) Capitalization of capital reserve										
(b) Capitalization of surplus reserve										
(c) Loss offset by surplus reserve										
(d) Other										
(5) Special reserve										
(a) Transfer to special reserve in the period					12,984,163			12,984,163		12,984,163
(b) Amount used in the period					(12,984,163)			(12,984,163)		(12,984,163)
(6) Other										
4. Ending balance of current period	3,079,779,257		3,590,722,111	(315,585,845)		717,763,679	12,791,383,091	19,864,062,293	31,810,568	19,895,872,861

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Items	Last period		
	Equity attributable to shareholders of the company	Non-	Total

Bluestar Adisseo Company 2025 Annual Report

Items	Last period								
	Equity attributable to shareholders of the company							Non-controlling interests	Total
	Paid-in capital	Other equity instruments	Capital reserve	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits		
1. Ending balance of last year	2,681,901,273		1,004,724,989	(443,642,906)		639,920,315	11,154,024,818	27,940,008	15,064,868,497
Add: increase/(decrease) due to changes in accounting policies									
Increase/(decrease) due to corrections of errors in prior period									
Business combination under common control									
2. Opening balance of current year	2,681,901,273		1,004,724,989	(443,642,906)		639,920,315	11,154,024,818	27,940,008	15,064,868,497
3. Increase/(decrease) for current period((537,949,758)		74,421,212	968,990,627	(548,588)	504,913,493
(1) Total comprehensive income				(537,949,758)			1,204,325,915	(64,955)	666,311,202
(2) Owner's contributions and withdrawals of capital									
(a) Common stock contributed by owners									
(b) Capital contributed by other equity instruments holders									
(c) Share-based payment recorded in owner's equity									
(d) Others									
(3) Profits distribution						74,421,212	(235,335,288)	(483,633)	(161,397,709)
(a) Appropriation of surplus reserve						74,421,212	(74,421,212)		-
(b) Distribution to							(160,914,076)	(483,633)	(161,397,709)

Bluestar Adisseo Company 2025 Annual Report

Items	Last period								
	Equity attributable to shareholders of the company							Non-...	Total
owner/shareholder									
(c)Others									
(4)Transfer within owner's equity									
(a)Capitalization of capital reserve									
(b)Capitalization of surplus reserve									
(c)Loss offset by surplus reserve									
(d)Others									
(5) Special reserve									
(a)Transfer to special reserve in the period					11,980,428				11,980,428
(b) Amount used in the period					(11,980,428)				(11,980,428)
(6) Other									
4.Ending balance of current period	2,681,901,273		1,004,724,989	(981,592,664)		714,341,527	12,123,015,445	27,391,420	15,569,781,990

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Statement of Changes in Owners' Equity of the Company

January- December 2025

Unit: Yuan Currency: RMB

Items	Current period										
	Share capital	Other equity instruments			Capital reserve	Less: Treasur y shares	Other Comprehens ive income	Special reserves	Surplus reserve	Undistribut ed profit	Total owners' equity
		Preferred shares	Perpetu al debt	Others							
I. Closing balance of last year	2,681,901,273				6,681,557,628				714,341,527	998,212,697	11,076,013,125
II. Opening balance of current year	2,681,901,273				6,681,557,628				714,341,527	998,212,697	11,076,013,125
III. Amount increased or decreased of current period (decrease filled out with "-")	397,877,984				2,585,997,122				3,422,152	(451,942,864)	2,535,354,394
(I) Total amount of comprehensive income										34,221,517	34,221,517
(II) Capital input and decreased by owners	397,877,984				2,585,997,122						2,983,875,106
1. Common shares input by shareholders	397,877,984				2,585,997,122						2,983,875,106
2. Capital input by other equity instrument holders											
3. Amount paid with shares and recorded in the owner's equity											
4. Others											
5. Disposal of subsidiaries and businesses											
(III) Profit distribution									3,422,152	(486,164,381)	(482,742,229)
1. Withdrawal of surplus reserve									3,422,152	(3,422,152)	0
2. Distribution to owners (or shareholders)										(482,742,229)	(482,742,229)
3. Others											
(IV) Internal carry-											

Bluestar Adisseo Company 2025 Annual Report

forward of owners' equity											
1. Capital reserve converted to increase capital (or capital stock)											
2. Surplus reserve converted to increase capital (or capital stock)											
3. Losses covered with surplus reserve											
4. Others											
(V) Special reserves											
1. Withdrawn in current period											
2. Used in current period											
IV. Closing balance of current period	3,079,779,257				9,267,554,750				717,763,679	546,269,833	13,611,367,519

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

Bluestar Adisseo Company 2025 Annual Report

Items	Last period										
	Share capital	Other equity instruments			Capital reserve	Less: Treasury stock	Other comprehensive income	Special reserves	Surplus reserve	Undistributed profit	Total owners' equity
		Preferred shares	Perpetual debt	Others							
I. Opening balance of previous year	2,681,901,273				6,681,557,628				639,920,315	489,335,867	10,492,715,083
II. Opening balance of last year	2,681,901,273				6,681,557,628				639,920,315	489,335,867	10,492,715,083
III. Amount increased or decreased of last period (decrease filled out with “-”)									74,421,212	508,876,830	583,298,042
(I) Total amount of comprehensive income										744,212,118	744,212,118
(II) Capital input and decreased by owners											
1. Common shares input by shareholders											
2. Capital input by other equity instrument holders											
3. Amount paid with shares and recorded in the owner's equity											
4. Others											
(III) Profit distribution											
1. Withdrawal of surplus reserve									74,421,212	(235,335,288)	(160,914,076)
2. Distribution to									74,421,212	(74,421,212)	-

Bluestar Adisseo Company 2025 Annual Report

owners (or shareholders)											
3. Others										(160,914,076)	(160,914,076)
(IV) Internal carry-forward of owners' equity											
1. Capital reserve converted to increase capital (or capital stock)											
2. Surplus reserve converted to increase capital (or capital stock)											
3. Losses covered with surplus reserve											
4. Others											
(V) Special reserves											
1. Withdrawn in last period											
2. Used in last period											
(VI) Others											
IV. Closing balance of last period	2,681,901,273				6,681,557,628				714,341,527	998,212,697	11,076,013,125

Legal Representative: Zhigang Hao

Person in Charge of the Accounting Body: Virginie Cayatte

Chief Accountant: Virginie Cayatte

III. Basic Information on the Company

1. Basic information on the Company

Prior to the Major Assets Restructuring, Bluestar New Chemical Material Co., Ltd was incorporated on May 31, 1999. China National BlueStar (Group) Co., Ltd . (the “Bluestar Group”) was the initiative founder, and Ministry of Chemical Beijing Rubber Industry Research Institute, Ministry of Chemical Lianyungang Design Research Institute, Ministry of Chemical Synthetic Material Research Institute and National Changfeng Machinery are the co-founders. The city of registration is Beijing, People’s Republic of China.

In 2015, the Company completed an exchange of assets. The asset replacement and purchase have been paid through cash payment and the issuance of new shares (issuance of 2,159,193,713 ordinary shares). After the transaction, the total share capital increased to RMB 2,681,901,273.

The Company’s principal business was significantly changed to research, development, production and sale of feed additives for animal nutrition from chemical material business prior to Major Assets Restructuring. After the Major Assets Restructuring, the Company’s name has been changed from Bluestar New Chemical Material Co., Ltd (“BNCM”) to Bluestar Adisseo Company (the “Company”).

After the completion of the restructuring, the Company and its subsidiaries (collectively the “Group”)’s principal place of business included the plants in France, China and Spain, as well as distribution companies worldwide.

In 2025, the Company issued 397,877,984 RMB-denominated ordinary shares (A shares) to specific investors through a non-public offering, increasing its registered capital by RMB 397,877,984.00. After the change, the registered capital amounted to RMB 3,079,779,257.

Bluestar Group is the parent company of Company, Sinochem Holdings is the Company’s ultimate controlling shareholder.

IV. Basis for Preparation of Financial Statements

1. Basis for preparation

The Group determines the production and management features based on specific accounting policies and accounting estimates, mainly in receivables that are subject to provision for bad debts (Note V (11)), inventory valuation method (Note V (16)), amortization/depreciation for fixed/intangible assets (Note V (21) (26)), condition for capitalized development expenditure (Note V (26)), revenue recognition (Note V (37)), etc.

See Note V (45) for the key judgments in applying the significant accounting policies adopted by Group.

2. Going concern

The financial statements have been prepared on the going concern basis.

V. Important Accounting Policies and Accounting Estimates

√ Applicable Not applicable

The accounting policies related to the recognition and measurement of the Group's bad debt provisions for receivables, method of inventory costing, depreciation of fixed assets, amortization of intangible assets, capitalization terms for research and development expenses, and the recognition and measurement of revenue are determined in accordance with the Group's business. Refer to the notes for details.

1. Statement of compliance

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises issued by MOF truly and completely present the consolidated and company financial position of the Company as at 31 December 2025, and the consolidated and company financial performance and cash flows of the Company for 2025.

2. Fiscal period

The Company's fiscal year is from 1 January to 31 December in the Gregorian calendar.

3. Business cycle

Applicable √ Not applicable

4. Functional currency

The Company's financial statements are presented in Renminbi.

5. Determination method and selection basis of materiality threshold

√ Applicable Not applicable

Items	Materiality Threshold
Material construction in progress	Budget amount \geq RMB 50 million

6. Method for accounting treatment of business combination under and not under common control

√ Applicable Not applicable

A transaction or event constitutes a business combination when the Group obtains control of one or more entities (or a group of assets or net assets) which meet the definition of a business. Business combinations are classified as either business combinations involving enterprises under common control or business combinations not involving enterprises under common control.

For a transaction not involving enterprises under common control, the acquirer determines whether an acquired set of assets constitutes a business. The Group may elect to apply the simplified assessment method, the concentration test, to determine whether an acquired set of assets is a business. If the concentration test is met, the set of assets is determined not to be a business. If the concentration test is not met, the Group should perform the assessment according to the guidance on the determination of a business.

When the set of assets or net assets the Group acquired does not constitute a business, acquisition costs should be allocated to each identifiable asset and liability on the basis of their relative fair values at the date of acquisition. The accounting treatments for business combinations described below are not applied.

(1) Business combination under common control

A business combination involving enterprises under common control is a business combination in which all of the combining enterprises are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The assets acquired and liabilities assumed are measured based on their carrying amounts in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the share of carrying amount of the net assets acquired and the consideration paid for the combination (or the total par value of shares issued) is adjusted against share premium in the capital reserve, with any excess deducted from surplus reserve and retained earnings sequentially. Any costs directly attributable to the combination are recognized in profit or loss when incurred. The combination date is the date on which one combining enterprise obtains control of other combining enterprises.

(2) Business combination not under common control

A business combination involving enterprises not under common control is a business combination in which all of the combining enterprises are not ultimately controlled by the same party or parties both before and after the business combination. Where (1) the aggregate of the acquisition-date fair value of assets transferred (including the acquirer's previously held equity interest in the acquiree), liabilities incurred or assumed, and equity securities issued by the acquirer, in exchange for control of the acquiree, exceeds (2) the acquirer's interest in the acquisition-date fair value of the acquiree's identifiable net assets, the difference is recognized as goodwill after taking into account deferred tax impact (Note V (27)). If (1) is less than (2), the difference is recognized in profit or loss for the current period. The costs of issuing equity or debt securities as a part of the consideration for the acquisition are included in the carrying amounts of these equity or debt securities upon initial recognition. Other acquisition-related costs are expensed when incurred. Any difference between the fair value and the carrying amount of the assets transferred as consideration is recognized in profit or loss. The acquiree's identifiable asset, liabilities and contingent liabilities, if the recognition criteria are met, are recognized by the Group at their acquisition-date fair value. The acquisition date is the date on which the acquirer obtains control of the acquiree.

In a business combination achieved in stages and control obtained in the reporting period, the previously held equity interest is remeasured at the fair value as of the acquisition date by the Group, and the difference between the fair value and book value is recognized in investment income or other comprehensive income of the current period. Other comprehensive income and other changes in shareholders' equity under equity method that will be reclassified to profit or loss (Note V,19 (2)(b))

arising from the previously held equity interest are recognized as investment income as of the acquisition date. If the previously held equity interest is classified as an investment in equity instruments measured at fair value and fair value changes charged into other comprehensive income, the other comprehensive income previously recognized is reclassified to retained earnings.

7. The judgement of control and method for preparation of consolidated financial statements

√ Applicable Not applicable

(1) General principles

The scope of consolidated financial statements is based on control and the consolidated financial statements comprise the Company and its subsidiaries. Control exists when the investor has all of following: power over the investee; exposure, or rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. When assessing whether the Group has power, only substantive rights (held by the Group and other parties) are considered. The financial position, financial performance and cash flows of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Non-controlling interests are presented separately in the consolidated balance sheet within owners' equity. Net profit or loss attributable to non-controlling owners is presented separately in the consolidated income statement below the net profit line item. Total comprehensive income attributable to non-controlling owners is presented separately in the consolidated income statement below the total comprehensive income line item.

When the amount of loss for the current period attributable to the non-controlling shareholders of a subsidiary exceeds the non-controlling shareholders' portion of the opening balance of owners' equity of the subsidiary, the excess is still allocated against the non-controlling interests.

When the accounting period or accounting policies of a subsidiary are different from those of the Company, the Company makes necessary adjustments to the financial statements of the subsidiary based on the Company's own accounting period or accounting policies. Intra-group balances and transactions, and any unrealized profit or loss arising from intra-group transactions, are eliminated when preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains, unless they represent impairment losses that are recognized in the financial statements.

(2) Subsidiaries acquired through a business combination

Where a subsidiary was acquired during the reporting period, through a business combination involving enterprises under common control, the financial statements of the subsidiary are included in the consolidated financial statements based on the carrying amounts of the assets and liabilities of the subsidiary in the financial statements of the ultimate controlling party as if the combination had occurred at the date that the ultimate controlling party first obtained control. The opening balances and the comparative figures of the consolidated financial statements are also restated. In the preparation of the consolidated financial statements, the subsidiary's assets and liabilities based on their carrying amounts in the financial statements of the ultimate controlling party are included in the consolidated balance sheet, and financial performance is included in the consolidated income statement respectively, from the date that the ultimate parent company of the Company obtains the control of the subsidiary to be consolidated.

Where a subsidiary was acquired during the reporting period, through a business combination involving enterprises not under common control, the identifiable assets and liabilities of the acquired subsidiaries are included in the scope of consolidation from the date that control commences, based on the fair value of those identifiable assets and liabilities at the acquisition date.

(3) Disposal of subsidiaries

When the Group loses control over a subsidiary, any resulting disposal gains or losses are recognized as investment income for the current period.

(4) Changes in non-controlling interests

Where the Company acquires a non-controlling interest from a subsidiary's non-controlling shareholders or disposes of a portion of an interest in a subsidiary without a change in control, the difference between the proportion interests of the subsidiary's net assets being acquired or disposed and the amount of the consideration paid or received is adjusted to the capital reserve (share premium) in the consolidated balance sheet, with any excess adjusted to retained earnings.

8. Joint venture arrangement and accounting treatment

√ Applicable Not applicable

A joint venture is an arrangement whereby the Group and other parties have joint control and rights to the net assets of the arrangement.

An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement, unless the investment is classified as held for sale.

Where the initial cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognized at cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognized at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognized in profit or loss.

9. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits that can be readily withdraw on demand, and short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of change in value.

10. Foreign currency businesses and conversion of foreign-currency statements

√ Applicable Not applicable

When the Group receives capital in foreign currencies from investors, the capital is translated to Renminbi at the spot exchange rate at the date of receipt. Other transactions in foreign currencies are translated to Renminbi at the spot exchange rate at the occurrence date for initial recognition.

Monetary items denominated in foreign currencies are translated to Renminbi at the spot exchange rate at the balance sheet date. The resulting exchange differences are generally recognized in profit or loss, unless they arise from the re-translation of the principal and interest of specific borrowings for the acquisition, construction or production of qualifying assets (Note V (23)). Non-monetary items that are measured at historical cost in foreign currencies are translated to Renminbi using the exchange rate at the transaction date.

Assets and liabilities of foreign operation are translated to Renminbi reporting currency at the spot exchange rate at the balance sheet date. Equity items, excluding "Undistributed profit", are translated to Renminbi at the spot exchange rates at the transaction dates. Income and expenses of foreign operation are translated to Renminbi at the spot exchange rates at the transaction dates. The resulting translation differences are recognized in other comprehensive income. The translation differences accumulated in other comprehensive income with respect to a foreign operation is transferred to profit or loss in the period when the foreign

operation is disposed.

11. Financial instruments

√ Applicable Not applicable

Financial instruments include cash at bank and on hand, equity securities other than those classified as long-term equity investments (see Note V (19)), receivables, payables, loans and borrowings, and share capital.

(1) Recognition and initial measurement of financial assets and financial liabilities

A financial asset or financial liability is recognized in the balance sheet when the Group becomes a party to the contractual provisions of a financial instrument.

A financial asset or financial liability is measured initially at fair value. For financial assets and financial liabilities at fair value through profit or loss, any related directly attributable transaction costs are charged to profit or loss; for other categories of financial assets and financial liabilities, any related directly attributable transaction costs are included in their initial costs. Trade receivables that do not have a significant financing component or do not account for the significant financing component in one-year-or-less contracts under the practical expedient are initially measured at the transaction price in accordance with Note V.(37).

(2) Classification and subsequent measurement of financial assets

a) Classification of financial assets

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. On initial recognition, a financial asset is classified as measured at amortized cost, at fair value through other comprehensive income (“FVOCI”), or at fair value through profit or loss (“FVTPL”).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. This election is made on an investment-by-investment basis. The instrument meets the definition of equity from the perspective of the issuer.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at For other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

The business model refers to how the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Group determines the business model for managing the financial assets according to the facts and based on the specific business objective for managing the financial assets determined by the Group's key management personnel.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The Group also assesses whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

b) Subsequent measurement of financial assets

- Financial assets at FVTPL

These financial assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss unless the financial assets are part of a hedging relationship.

- Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. A gain or loss on a financial asset that is measured at amortized cost and is not part of a hedging relationship shall be recognized in profit or loss when the financial asset is derecognized, through the amortization process or in order to recognize impairment gains or losses.

- Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, impairment and foreign exchange gains and losses are recognized in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

- Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to retained earnings.

(3) Classification and subsequent measurement of financial liabilities

Financial liabilities are classified as measured at FVTPL or amortized cost.

- Financial liabilities at FVTPL

A financial liability is classified as at FVTPL if it is classified as held-for-trading (including derivative financial liability) or it is designated as such on initial recognition.

Financial liabilities at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss, unless the financial liabilities are part of a hedging relationship.

- Financial liabilities at amortized cost

Other financial liabilities are subsequently measured at amortized cost using the effective interest method.

(4) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are generally presented separately in the balance sheet and are not offset. However, a financial asset and a financial liability are offset and the net amount is presented in the balance sheet when both of the following conditions are satisfied:

- the Group currently has a legally enforceable right to set off the recognized amounts; and
- the Group intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

(5) Derecognition of financial assets and financial liabilities

Financial asset is derecognized when one of the following conditions is met:

- the Group's contractual rights to the cash flows from the financial asset expire;
- the financial asset has been transferred and the Group transfers substantially all of the risks and rewards of ownership of the financial asset; or
- the financial asset has been transferred, although the Group neither transfers nor retains substantially all of the risks and rewards of ownership of the financial asset, it does not retain control over the transferred asset.

Where a transfer of a financial asset in its entirety meets the criteria for derecognition, the difference between the two amounts below is recognized in profit or loss:

- the carrying amount of the financial asset transferred measured at the date of derecognition;
- the sum of the consideration received from the transfer and, when the transferred financial asset is a debt investment at FVOCI, any cumulative gain or loss that has been recognized directly in other comprehensive income for the part derecognized.

The Group derecognizes a financial liability (or part of it) only when its contractual obligation (or part of it) is extinguished.

(6) Impairment of financial assets

The Group recognizes loss allowances for expected credit loss (ECL) on:

- financial assets measured at amortized cost; and

Financial assets measured at fair value, including debt investments or equity securities at FVPL, equity

securities designated at FVOCI and derivative financial assets, are not subject to the ECL assessment.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

The maximum period considered when estimating ECLs is the maximum contractual period (including extension options) over which the group is exposed to credit risk.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the balance sheet date (or a shorter period if the expected life of the instrument is less than 12 months).

Loss allowances for trade receivables arising from sales of goods or rendering of services are always measured at an amount equal to lifetime ECL. ECLs on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the balance sheet date.

Except for trade receivables, the Group measures loss allowance at an amount equal to 12-month ECL for the following financial instruments, and at an amount equal to lifetime ECL for all other financial instruments.

- If the financial instrument is determined to have low credit risk at the balance sheet date;
- If the credit risk on a financial instrument has not increased significantly since initial recognition.

Bad debt provision for accounts receivable

(a) Categories and determination basis for bad debt provision of accounts receivable grouped by credit risk characteristics

Accounts receivable	According to the historical experience of the Group, there is no significant difference in the losses arising from different customer segments. Therefore, the Group collectively assess all accounts receivable, and does not further distinguish different customer groups when calculating the bad debt provision for accounts receivable.
Other receivables	According to the nature of other receivables and their credit risk characteristics, the Group divides other receivables into 3 groups, specifically: Interests receivable, dividends receivable and other receivables.
Long-term receivables	According to the nature of long-term receivables and their credit risk characteristics, the Group divides long-term receivables into 2 groups, specifically: Guarantees and cautions, and others.

(b) Criteria of individual assessment of provision for bad debt

For accounts receivable, other receivables and long-term receivables, the Group usually assesses the expected credit loss for a group with the same credit risk characteristics collectively. If the credit risk characteristics of an account are significantly different from those of other accounts in the group, or the credit risk characteristics of the account change significantly, the provision for expected credit losses shall be assessed individually. For example, when an account is in serious financial distress, and the expected credit loss rate of the receivables from the counterparty has been significantly higher than the expected credit loss rate of its overdue ageing range, the provision for losses shall be assessed individually.

Financial instruments that have low credit risk

The credit risk on a financial instrument is considered low if the financial instrument has a low risk of default, the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial instrument assessed at the balance sheet date with that assessed at the date of initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort, including forward-looking information. In particular, the following information is taken into account:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 60 days past due.

Credit-impaired financial assets

At each balance sheet date, the Group assesses whether financial assets carried at amortized cost and debt investments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- for economic or contractual reasons relating to the borrower's financial difficulty, the Group having granted to the borrower a concession that would not otherwise consider;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Presentation of allowance for ECL

ECLs are remeasured at each balance sheet date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss. The Group recognizes an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for debt investments that are measured at FVOCI, for which the loss allowance is recognized in other comprehensive income.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is

no realistic prospect of recovery. A write-off constitutes a derecognition event. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

The previously written-off financial assets that are subsequently recovered shall be recognized as a reversal of impairment loss and included in the profit or loss for the period in which the recovery occurs.

(7) Equity instrument

The issuance of equity instruments is recognised at the actual issue price in shareholders' equity, relevant transaction costs are deducted from shareholders' equity (capital reserve), with any excess deducted from surplus reserve and retained earnings sequentially. Consideration and transaction costs paid by the Company for repurchasing self-issued equity instruments are deducted from shareholders' equity.

12. Notes receivables

Applicable ✓ Not applicable

13. Accounts receivables

✓ Applicable Not applicable

Methods of determining expected credit loss of accounts receivable and accounting treatment

✓ Applicable Not applicable

Please refer to V.11

Categories and determination basis for bad debt provision of accounts receivable grouped by credit risk characteristics

✓ Applicable Not applicable

Please refer to V.11

Criteria of individual assessment of provision for bad debt

✓ Applicable Not applicable

Please refer to V.11

14. Accounts receivable financing

Applicable ✓ Not applicable

15. Other receivables

✓ Applicable Not applicable

Methods of determining expected credit loss of other receivables and accounting treatment

✓ Applicable Not applicable

Please refer to V.11

Categories and determination basis for bad debt provision of other receivables grouped by credit risk characteristics

✓ Applicable Not applicable

Please refer to V.11

The calculation of ageing for other receivables grouped by risk characteristics of ageing

✓ Applicable Not applicable

Please refer to V.11

Criteria of individual assessment of provision for bad debt

✓ Applicable Not applicable

Please refer to V.11

16. Inventory

✓ Applicable Not applicable

Inventory types, inventory costing method, inventory system, and the amortization method of low-value consumables and packaging

✓ Applicable Not applicable

(1) Inventory types

Inventories comprise raw materials, work in progress and finished goods and turnover materials and are measured at the lower of cost and net realizable value. Inventories having a similar nature are measured using the same cost formula.

Inventories are initially measured at cost. Cost of inventories comprises all costs of purchase, costs of conversion and other expenditures incurred in bringing the inventories to their present location and condition. In addition to the purchasing cost of raw materials, work in progress and finished goods include direct labor costs and an appropriate allocation of production overheads based on normal capacity.

(2) Inventory costing method

Cost of inventories recognized is calculated using the first-in-first-out or weighted average methods.

(3) Inventory system

The Group maintains a perpetual inventory system.

(4) Amortization method of low-value consumables and packaging

Consumables, including low-value consumables and packaging materials, are charged to profit or loss upon receipt. The amortization charge is included in the cost of the related assets or recognized in profit or loss for the current period.

Basis for determining the net realizable value and provisioning methods for impairment losses of inventories

✓ Applicable Not applicable

At the balance sheet date, inventories are carried at the lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. The net realizable value of materials held for use in the production is measured based on the net realizable value of the finished goods in which they will be incorporated. The net realizable value of the inventory held to satisfy sales or service contracts is measured based on the contract price, to the extent of the quantities specified in sales contracts, and the excess portion of inventories is measured based on general selling prices.

Any excess of the cost over the net realizable value of each class of inventories is recognized as a provision for

the impairment, and is recognized in profit or loss.

17. Contract assets

Applicable ✓ Not applicable

18. Non-current assets or disposal groups held for sale

Applicable ✓ Not applicable

19. Long-term equity investments

✓ Applicable Not applicable

(1) Investment cost of long-term equity investments

a. Long-term equity investments acquired through a business combination

- The initial cost of a long-term equity investment acquired through a business combination involving enterprises under common control is the Company's share of the carrying amount of the subsidiary's equity in the consolidated financial statements of the ultimate controlling party at the combination date. The difference between the initial investment cost and the carrying amount of the consideration given is adjusted to the share premium in the capital reserve, with any excess deducted from surplus reserve and retained earnings sequentially.
- For a long-term equity investment obtained through a business combination not involving enterprises under common control, the initial cost comprises the aggregate of the fair value of assets transferred, liabilities incurred or assumed, and equity securities issued by the Company, in exchange for control of the acquiree.

b. Long-term equity investments acquired other than through a business combination

- A long-term equity investment acquired other than through a business combination is initially recognized at the amount of cash paid if the Group acquires the investment by cash, or at the fair value of the equity securities issued if an investment is acquired by issuing equity securities.

(2) Subsequent measurement of long-term equity investment

a. Investments in subsidiaries

In the Company's separate financial statements, long-term equity investments in subsidiaries are accounted for using the cost method for subsequent measurement unless the investment is classified as held for sale. Except for cash dividends or profit distributions declared but not yet distributed that have been included in the price or consideration paid in obtaining the investments, the Company recognizes its share of the cash dividends or profit distributions declared by the investee as investment income in the current period.

The investments in subsidiaries are stated in the balance sheet at cost less accumulated impairment losses.

For the impairment of the investments in subsidiaries, refer to Note V (28).

In the Group's consolidated financial statements, investments in subsidiaries are accounted for in accordance with the policies described in Note V(6).

b. Investment in joint ventures and associates

A joint venture is an arrangement whereby the Group and other parties have joint control and rights to the net assets of the arrangement.

An associate is an enterprise over which the Group has significant influence.

An investment in a joint venture or an associate is accounted for using the equity method for subsequent measurement, unless the investment is classified as held for sale.

Under the equity method:

- Where the initial cost of a long-term equity investment exceeds the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognized at cost. Where the initial investment cost is less than the Group's interest in the fair value of the investee's identifiable net assets at the date of acquisition, the investment is initially recognized at the investor's share of the fair value of the investee's identifiable net assets, and the difference is recognized in profit or loss.
- After the acquisition of the investment, the Group recognizes its share of the investee's profit or loss and other comprehensive income as investment income or losses and other comprehensive income respectively, and adjusts the carrying amount of the investment accordingly. Once the investee declares any cash dividends or profit distributions, the carrying amount of the investment is reduced by the amount attributable to the Group. Changes in the Group's share of the investee's owners' equity, other than those arising from the investee's net profit or loss, other comprehensive income or profit distribution ("other changes in owners' equity"), is recognized directly in the Group's equity, and the carrying amount of the investment is adjusted accordingly.
- In calculating its share of the investee's net profits or losses, other comprehensive income and other changes in owners' equity, the Group recognizes investment income and other comprehensive income after making appropriate adjustments to align the accounting policies or accounting periods with those of the Group based on the fair value of the investee's identifiable net assets at the date of acquisition. Unrealized profits and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in the associates or joint ventures. Unrealized losses resulting from transactions between the Group and its associates or joint ventures are eliminated in the same way as unrealized gains but only to the extent that there is no impairment.
- The Group discontinues recognizing its share of further losses of the investee after the carrying amount of the long-term equity investment and any long-term interest that in substance forms part of the Group's net investment in the joint venture or associate is reduced to zero, except to the extent that the Group has an obligation to assume additional losses. If the joint venture or associate subsequently reports net profits, the Group resumes recognizing its share of those profits only after its share of the profits equals the share of losses not recognized.

For the impairment of the investments in joint ventures and associates, refer to Note V (28).

(3) Criteria for determining the existence of joint control or significant influence over an investee

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities (activities with significant impact on the returns of the arrangement) require the unanimous consent of the parties sharing control.

The following factors are usually considered when assessing whether the Group can exercise joint control over an investee:

- Whether no single participant party is in a position to control the investee's related activities unilaterally.
- Whether strategic decisions relating to the investee's related activities require the unanimous consent of all

participant parties that sharing of control.

Significant influence is the power to participate in the financial and operating policy decisions of an investee but does not have control or joint control over those policies.

20. Investment properties

√ Applicable Not applicable

Investment properties are properties held to earn rentals or for capital appreciation or both.

An investment property is measured initially at cost. If the economic benefits relating to an investment property will probably flow in and the cost can be reliably measured, subsequent costs incurred for the property are included in the cost of the investment property. Otherwise, subsequent costs are recognised in profit or loss as incurred.

The Group uses the cost model for the subsequent measurement of its investment properties.

Type	Depreciation method	Depreciation life (year)	Average residual value (%)	Annual depreciation rate (%)
Houses and buildings	Straight-line method	40 years	0%	2.5%

21. Fixed assets

(1) Recognition of fixed assets

√ Applicable Not applicable

Fixed assets represent the tangible assets held by the Group for use in production of goods or for administrative purposes with useful lives over one year.

The cost of a purchased fixed asset comprises the purchase price, related taxes and any directly attributable expenditure for bringing the asset to working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labor, capitalized borrowing costs, and any other costs (Note V (23)) directly attributable to bringing the asset to working condition for its intended use.

Where the parts of an item of fixed assets have different useful lives or provide benefits to the Group in a different pattern, thus necessitating use of different depreciation rates or methods, each part is recognized as a separate fixed asset.

Any subsequent costs including the cost of replacing part of an item of fixed assets are recognized as assets if the criteria to recognize fixed assets are satisfied, and the carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of fixed assets are recognized in profit or loss as incurred.

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses.

(2) Depreciation method

√ Applicable Not applicable

The cost of a fixed asset, less its estimated residual value and accumulated impairment losses, is depreciated using the straight-line method over its estimated useful life, unless the fixed asset is classified as held for sale.

The estimated useful lives, residual value rates and depreciation rates of each class of fixed assets are as

follows:

Type	Depreciation method	Depreciation life (year)	Average residual value (%)	Annual depreciation rate (%)
Houses and buildings	Straight-line method	5-40 years	0%	2.5%~20.0%
Machinery equipment and others	Straight-line method	2-15 years	0%	6.7%~ 50.0%

Note: According to the CAS, freehold lands outside mainland China are classified as fixed assets, and no depreciation is provided.

Useful lives estimated residual value and depreciation methods are reviewed at least at each year-end.

(3) When the recoverable amount of fixed assets is lower than their book value, the book value may be written down to recoverable amount

(4) Disposal of fixed assets

The carrying amount of a fixed asset is derecognized:

- when the fixed asset is on disposal; or
- when no future economic benefit is expected to be generated from its use or disposal.

Gains or losses arising from the retirement or disposal of an item of fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

22. Construction in progress

√ Applicable Not applicable

The construction in progress is measured as per the cost incurred actually. The actual cost includes building cost, installation cost, borrowing costs meeting capitalization conditions, and any other costs directly attributable to bringing the asset to working condition for its intended use.

The construction in progress, when reaching the predicted usable state, will be transferred into fixed assets, and have depreciation withdrawn from the next month. The standards and timing for transferring different types of construction in progress into fixed assets are:

Types	Standards and timing
Buildings and constructions	When the construction completion and acceptance standards are met
Machinery equipment	When the relevant requirements or contract standards after installation or commissioning are met

Construction in progress is stated in the balance sheet at cost less accumulated impairment losses (Note V (28)).

When an enterprise sells products or by-products produced before a fixed asset is available for its intended use, the proceeds and related cost are accounted for in accordance with CAS 14 – Revenue and CAS 1 – Inventories respectively, and recognized in profit or loss for the current period.

23. Borrowing costs

√ Applicable Not applicable

Borrowing costs incurred directly attributable to the acquisition and construction of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as financial expenses when incurred.

During the capitalization period, the amount of interest (including amortization of any discount or premium on borrowing) to be capitalized in each accounting period is determined as follows:

- Where funds are borrowed specifically for the acquisition and construction of a qualifying asset, the amount of interest to be capitalized is the interest expense calculated using effective interest rates during the period less any interest income earned from depositing the borrowed funds or any investment income on the temporary investment of those funds before being used on the asset.
- To the extent that the Group borrows funds generally and uses them for the acquisition and construction of a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the weighted average of the excess amounts of cumulative expenditure on the asset over the above amounts of specific borrowings. The capitalization rate is the weighted average of the interest rates applicable to the general-purpose borrowings.

The effective interest rate is determined as the rate that exactly discounts estimated future cash flow through the expected life of the borrowing or, when appropriate, a shorter period to the initially recognized amount of the borrowings.

During the capitalization period, exchange differences related to the principal and interest on a specific-purpose borrowing denominated in foreign currency are capitalized as part of the cost of the qualifying asset. The exchange differences related to the principal and interest on foreign currency borrowings other than a specific-purpose borrowing are recognized as a financial expense when incurred.

The capitalization period is the period from the date of commencement of capitalization of borrowing costs to the date of cessation of capitalization, excluding any period over which capitalization is suspended. Capitalization of borrowing costs commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities of acquisition and construction that are necessary to prepare the asset for its intended use are in progress, and ceases when the assets become ready for their intended use. Capitalization of borrowing costs is suspended when the acquisition and construction activities are interrupted abnormally for a period of more than three months.

24. Biological assets

Applicable ✓ Not applicable

25. Oil and gas assets

Applicable ✓ Not applicable

26. Intangible assets

(1) Useful life and its determination basis, estimates, amortization or review procedures

✓ Applicable Not applicable

Intangible assets are stated in the balance sheet at cost less accumulated amortization (where the estimated useful life is finite) and impairment losses (Note V (28)). For an intangible asset with finite useful life, its cost less estimated residual value and accumulated impairment losses is amortized using the straight-line method over its estimated useful life, unless the intangible asset is classified as held for sale.

The respective amortization periods, determination basis and amortization method for such intangible assets are as follows:

Items	Amortization period	Determination basis	Amortization method
Land use right	45 - 50 years	Useful life	Straight-line
Trademark	20-40 years	Useful life	Straight-line
Software and others	3-15 years	Useful life	Straight-line
Patents	The legal protection (10-15years) or the useful life if shorter	Useful life	Straight-line
Non-patent Technology	Expected benefit life (15-25 years)	Useful life	Straight-line
Customer relationships	Expected benefit life (8-20 years)	Useful life	Straight-line

The Group reviews the useful life and amortization method of intangible assets with finite useful lives at least at the end of each year.

An intangible asset is regarded as having an indefinite useful life and is not amortized when there is no foreseeable limit to the period over which the asset is expected to generate economic benefits for the Group. At the balance sheet date, the Group does not have any intangible assets with indefinite useful lives.

(2) Scope of research and development expenses and related accounting treatments

✓ Applicable Not applicable

Expenditure on an internal research and development project is classified into expenditure during the research phase and expenditure during the development phase.

Expenditure during the research phase is expensed when incurred. Expenditure during the development phase is capitalized if development costs can be measured reliably, the product or process is technically and commercially feasible, and the Group intends to and has sufficient resources to complete the development. Capitalized development costs are stated in the balance sheet at cost less impairment losses (Note V (28)). Other development expenditure is recognized as an expense in the period in which it is incurred.

When the Group sells products or by-products produced in the course of research and development, the proceeds and related cost are accounted for in accordance with CAS 14 – Revenue and CAS 1 – Inventories respectively and recognized in profit or loss for the current period.

27. Goodwill

The initial cost of goodwill represents the excess of cost of acquisition over the acquirer’s interest in the fair value of the identifiable net assets of the acquiree under a business combination not involving enterprises under common control.

Goodwill is not amortized and is stated in the balance sheet at cost less accumulated impairment losses (Note V (28)). On disposal of an asset group or a set of asset groups, any attributable goodwill is written off and included in the calculation of the profit or loss on disposal.

28. Impairment of assets other than inventories and financial assets

The carrying amounts of the following assets are reviewed at each balance sheet date based on the internal and

external sources of information to determine whether there is any indication of impairment:

- fixed assets
- construction in progress
- intangible assets
- right of use assets
- development costs
- Long-term prepaid expenses
- long-term equity investments
- goodwill etc.

If any indication exists, the recoverable amount of the asset is estimated. In addition, the Group estimates the recoverable amounts of goodwill at each year-end, irrespective of whether there is any indication of impairment. Goodwill is allocated to each asset group, or set of asset groups, that is expected to benefit from the synergies of the combination for the purpose of impairment testing.

An asset group is composed of assets directly related to cash-generation and is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or asset groups.

The recoverable amount of an asset (or asset group, set of asset groups) is the higher of its fair value (Note V (29) less costs to sell and its present value of expected future cash flows. The present value of expected future cash flows of an asset is determined by discounting the future cash flows, estimated to be derived from continuing use of the asset and from its ultimate disposal to their present value using an appropriate pre-tax discount rate.

An impairment loss is recognized in profit or loss when the recoverable amount of an asset is less than its carrying amount. A provision for impairment of the asset is recognized accordingly. Impairment losses related to an asset group or a set of asset groups are allocated first to reduce the carrying amount of any goodwill allocated to the asset group or set of asset groups, and then to reduce the carrying amount of the other assets in the asset group or set of asset groups on a pro rata basis. However, such allocation would not reduce the carrying amount of an asset below the highest of its fair value less costs to sell (if measurable), its present value of expected future cash flows (if determinable) and zero.

Once an impairment loss is recognized, it is not reversed in a subsequent period.

29. Fair value measurement

Unless otherwise specified, the Group determines fair value measurement as below:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

When measuring fair value, the Group takes into account the characteristics of the particular asset or liability (including the condition and location of the asset and restrictions, if any, on the sale or use of the asset) that market participants would consider when pricing the asset or liability at the measurement date, and uses valuation techniques that are appropriate in the circumstances and for which sufficient data and other information are available to measure fair value. Valuation techniques mainly include the market approach, the income approach and the cost approach.

30. Long-term prepaid expenses

Applicable ✓ Not applicable

31. Contract liabilities

✓ Applicable Not applicable

Refer to Note V. (37) Revenue recognition for accounting policies of contract liabilities.

32. Employee benefits

(1) Short-term employee benefits

✓ Applicable Not applicable

Short-term employee benefits include employee wages or salaries, bonuses, social security contributions such as medical insurance, work injury insurance, maternity insurance and housing fund, measured at the amount incurred or accrued at the applicable benchmarks and rates. The employee benefits are recognized as a liability in the accounting period in which the service has been rendered by the employees, with a corresponding charge to profit or loss or included in the cost of assets where appropriate.

(2) Profit sharing plan

Profit sharing plans gives employees a share in the profits of the company. Each employee receives a percentage of those profits based on the company's earnings. The Group is eligible for the employee benefits when meets the following conditions:

- The Group has legal obligation or constructive obligation to pay such employees benefits resulting of past events;
- Accrued payroll obligations due to profit sharing can be estimated reliably.

(3) Post-employment benefits

✓ Applicable Not applicable

- Defined contribution plans

The Group's employees participate in the defined basic pension insurance plan set up and administered by local labor and social protection authorities. Basic pensions are provided for monthly according to stipulated bases and proportions to local labor and social security institutions. When employees retire, local labor and social security institutions have a duty to pay the basic pension insurance to them.

The amounts of payables are recognized as liabilities based on the above provisions in the accounting period in which the service has been rendered by the employees, and as costs of assets or expenses to whichever the employee service is attributable.

- Defined benefit plans

The actuarial estimate of defined benefit plans is calculated using the projected unit credit method. The net liabilities (the present value of the defined benefit plan less fair value of the plan assets) are disclosed under employee benefits in balance sheet. The related services costs (including current service costs, past services costs and settlement gains or losses) and net interests calculated based on net liabilities of the defined benefit plan and appropriate discount rate are recognized through profit and loss for the period in which they occur. Actuarial gains and losses on pensions and other post-employment benefits arising from experience adjustments and changes in actuarial assumptions are recognized directly in other comprehensive income for the period in which they occur in consideration of the increase or decrease in the obligation.

The Group offers pension plans and other post-employment benefit plans to some employees and retirees of the Group. The specific features of these plans vary depending on the applicable laws and regulations in each country where the employee work.

(4) Termination benefits

✓ Applicable Not applicable

When the Group terminates an employee's employment before the employment contract expires, or provides compensation under an offer to encourage employees to accept voluntary redundancy, a provision is recognized with a corresponding expense in profit or loss at the earlier of the following dates:

- When the Group cannot unilaterally withdraw the offer of termination benefits provided in an employee termination plan or a curtailment proposal;
- When the Group has a formal detailed restructuring plan involving the payment of termination benefits and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

(5) Long-term bonus payment

✓ Applicable Not applicable

In order to retain and engage Executives Committee Members, the Group has set up a three years period plan, based on presence and performance business plan achievement on the period (Matrix ROCE/EBITDA reviewed annually), also based on the Company's phantom stocks and a personal co-investment.

This entitles the executives to a cash payment after three years, with business plan performance conditions. The fair values of the incentive plan payment are based on the Company's stock price at the date of the evaluation for the incentive plan.

For incentive plan do not vest until the completion of services for a period, and/or until the achievement of a specified performance condition, the Group recognizes costs or expenses as services are received, with a corresponding increase in liability, at an amount equal to the fair value of the liability based on the best estimate of the outcome of vesting. Until the liability is settled, the enterprise shall remeasure the fair value of the liability at each balance sheet date and at the date of settlement, with changes recognized in profit or loss for the current period.

33. Lease liabilities

✓ Applicable Not applicable

Refer to Note V (41) hereafter related to "leases".

34. Provisions and contingent liabilities

✓ Applicable Not applicable

A provision is recognized for an obligation related to a contingency if the Group has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

A provision is initially measured at the best estimate of the expenditure required to settle the related present obligation. Where the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows. Factors pertaining to a contingency such as the risks, uncertainties and time value of money are taken into account as a whole in reaching the best estimate. Where there is a continuous range of possible outcomes for the expenditure required, and each possible outcome in that range is as likely as any other, the best estimate is the mid-point of that range. In other cases, the best estimate is determined

according to the following circumstances:

- Where the contingency involves a single item, the best estimate is the most likely outcome
- Where the contingency involves a large population of items, the best estimate is determined by weighting all possible outcomes by their associated probabilities.

The Group reviews the carrying amount of a provision at the balance sheet date and adjusts the carrying amount to the current best estimate.

35. Share-based payment

Applicable Not applicable

36. Preferred shares, perpetual bonds, and other financial instruments

Applicable Not applicable

37. Revenue recognition

Disclosure of revenue recognition and accounting policies applied by business types

Applicable Not applicable

Revenue is the gross inflow of economic benefits arising in the course of the Group's ordinary activities when the inflows result in increase in shareholders' equity, other than increase relating to contributions from shareholders.

(1) Sales revenue

Revenue is recognized when the Group satisfies the performance obligation in the contract by transferring the control over relevant goods or services to the customers.

Where a contract has two or more performance obligations, the Group determines the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices.

For the contract with a warranty, the Group analyses the nature of the warranty provided, if the warranty provides the customer with a distinct service in addition to the assurance that the product complies with agreed-upon specifications, the Group recognizes for the promised warranty as a performance obligation. Otherwise, the Group accounts for the warranty in accordance with the requirements of CAS No.13 – Contingencies.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognizes the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Where the contract contains a significant financing component, the Group recognizes the transaction price at an amount that reflects the price that a customer would have paid for the promised goods or services if the customer had paid cash for those goods or services when (or as) they transfer to the customer. The difference between the amount of promised consideration and the cash selling price is amortized using an effective interest method over the contract term.

The Group satisfies a performance obligation over time if one of the following criteria is met; or otherwise, a performance obligation is satisfied at a point in time:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the customer can control the asset created or enhanced during the Group's performance; or
- the Group's performance does not create an asset with an alternative use to it and the Group has an enforceable right to payment for performance completed to date.

For performance obligation satisfied over time, the Group recognizes revenue over time by measuring the progress towards complete satisfaction of that performance obligation. When the outcome of that performance obligation cannot be measured reasonably, but the Group expects to recover the costs incurred in satisfying the performance obligation, the Group recognizes revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

A performance obligation is satisfied when « controlling right » of the promised good or service is transferred to the customer. In order to determine the point in time at which control transfers (i.e., and the point at which revenue recognition will occur), entities shall consider the transfer of the significant risks and rewards of ownership as one of the indicators in this assessment.

- the Group has a present right to payment for the goods or services;
- the Group has transferred physical possession of the goods to the customer;
- the Group has transferred the legal title of the goods or the significant risks and rewards of ownership of the goods to the customer; and
- the customer has accepted the goods or services.

A contract asset is the Group's right to consideration in exchange for goods or services that it has transferred to a customer when that right is conditional on something other than the passage of time. The Group recognizes loss allowances for expected credit loss on contract assets. Accounts receivable is the Group's right to consideration that is unconditional (only the passage of time is required). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

The amount of revenue is determined in accordance with the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is presented net of discounts and returns.

According to the characteristics of production and management of the group and the terms of relevant sales contracts with customers, revenue for domestic sales is generally recognized when the goods are delivered to the designated places and accepted by the customers, revenue for export sales is generally recognized when the goods are received by the shipping companies.

(2) Interest revenue

Interest income is recognized on a time proportion basis with reference to the principal outstanding and the applicable effective interest rate.

Different revenue recognition and accounting treatment applied to the same type of business under different business models

Applicable Not applicable

38. Contract costs

Applicable Not applicable

Contract costs are either the incremental costs of obtaining a contract with a customer or the costs to fulfil a contract with a customer.

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained ,e.g. an incremental sales commission. The Group recognizes as an asset the incremental costs of obtaining a contract with a customer if it expects to recover those costs. Other costs of obtaining a contract are expensed when incurred.

If the costs to fulfil a contract with a customer are not within the scope of inventories or other accounting standards, the Group recognizes an asset from the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to an existing contract or to a specifically identifiable anticipated contract, including direct labour, direct materials, allocations of overheads (or similar costs), costs that are explicitly chargeable to the customer and other costs that are incurred only because the Group entered into the contract
- the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- the costs are expected to be recovered.

Assets recognized for the incremental costs of obtaining a contract and assets recognized for the costs to fulfil a contract (the “assets related to contract costs”) are amortized on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the assets relate and recognized in profit or loss for the current period. The Group recognizes the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that the entity otherwise would have recognized is one year or less.

The Group recognizes an impairment loss in profit or loss to the extent that the carrying amount of an asset related to contract costs exceeds:

- remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the asset relates; less
- the costs that relate directly to providing those goods or services that have not yet been recognized as expenses.

39. Government grants

Government grants are non-reciprocal transfers of monetary or non-monetary assets from the government to the Group except for capital contribution from the government in the capacity as an investor in the Group.

A government grant is recognized when there is reasonable assurance that the grant will be received and that the Group will comply with the conditions attaching to the grant.

If a government grant is in the form of a transfer of a monetary asset, it is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, it is measured at fair value.

Government grants related to assets are grants whose primary condition is that the Group qualifying for them should purchase, construct or otherwise acquire long-term assets. Government grants related to income are grants other than those related to assets. A government grant related to an asset is recognized as deferred income and amortized over the useful life of the related asset on a reasonable and systematic manner as other income or non-operating income . A grant that compensates the Group for expenses or losses to be incurred in the future is recognized initially as deferred income, and offset against related expenses in the periods in which the expenses or losses are recognized. Otherwise, the grant is included in other income or non-operating income directly.

40. Deferred tax assets/deferred tax liabilities

Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination or items recognized directly in equity (including other comprehensive income).

Current tax is the expected tax payable calculated at the applicable tax rate on taxable income for the year, plus any adjustment to tax payable in respect of previous years.

At the balance sheet date, current tax assets and liabilities are offset only if the Group has a legally enforceable right to net them off and also intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases, which include the deductible tax losses and tax credits carried forward to subsequent periods. Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilized.

Deferred tax is not recognized for the temporary differences arising from the initial recognition of assets or liabilities in a single transaction that is not a business combination and that affects neither accounting profit and loss nor taxable profit (or deductible loss), and the assets and liabilities initially recognized does not generate equivalent taxable profit and deductible loss. Deferred tax is not recognized for taxable temporary differences arising from the initial recognition of goodwill.

At the balance sheet date, deferred tax is measured based on the tax consequences that would follow from the expected manner of recovery or settlement of the carrying amount of the assets and liabilities, using tax rates enacted at the balance sheet date that are expected to be applied in the period when the asset is recovered or the liability is settled.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that the related tax benefits will be utilized. Such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

At the balance sheet date, deferred tax assets and deferred tax liabilities are offset if all the following conditions are met:

- The taxable entity has a legally enforceable right to offset current tax liabilities and assets, and
- They relate to income taxes levied by the same tax authority on either the same taxable entity; or different taxable entities which intend either to settle the current tax liabilities and current tax assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

41. Leases

✓ Applicable Not applicable

A contract is lease if the lessor conveys the right to control the use of an identified asset to lessee for a period of time in exchange for consideration.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. An identified asset may be specified explicitly or implicitly specified in a contract and should be physically distinct, or capacity portion or other portion of an asset that is not physically distinct but it represents substantially all of the capacity of the asset and thereby provides the customer with the right to obtain substantially all of the economic benefits from the use of the asset. If the supplier has a substantive substitution right throughout the period of use, then the asset is not identified;
- the lessee has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use;
- the lessee has the right to direct the use of the asset.

For a contract that contains more separate lease components, the lessee and the lessor separate lease components and account for each lease component as a lease separately. For a contract that contains lease and non-lease components, the lessee and the lessor separate lease components from non-lease components. For a contract that contains lease and non-lease components, the lessee allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

(1) As a lessee

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made at or before the commencement date (less any lease incentives received), any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated using the duration of contract. If the lessee is reasonably certain to exercise a purchase option by the end of the lease term, the right-of-use asset is depreciated over the remaining useful lives of the underlying asset. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Impairment losses of right-of-use assets are accounted for in accordance with the accounting policy described in Note V.28.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

A constant periodic rate is used to calculate the interest on the lease liability in each period during the lease term with a corresponding charge to profit or loss or included in the cost of assets where appropriate. Variable lease payments not included in the measurement of the lease liability is charged to profit or loss or included in the cost of assets where appropriate as incurred.

Under the following circumstances after the commencement date, the Group remeasures lease liabilities based on the present value of revised lease payments:

- there is a change in the amounts expected to be payable under a residual value guarantee;
- there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments;
- there is a change in the assessment of whether the Group will exercise a purchase, extension or termination option, or there is a change in the exercise of the extension or termination option.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Judgement basis for applying simplified treatment to short-term leases and low-value leases and the accounting treatments

✓ Applicable Not applicable

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases in profit or loss or as the cost of the assets where appropriate using the straight-line method over the lease term.

(2) As a lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset irrespective of whether the legal title to the asset is eventually transferred. An operating lease is a lease other than a finance lease.

When the Group is a sub-lessor, it assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies practical expedient described above, then it classifies the sub-lease as an operating lease.

Under a finance lease, at the commencement date, the Group recognizes the finance lease receivable and derecognizes the finance lease asset. The finance lease receivable is initially measured at an amount equal to the net investment in the lease. The net investment in the lease is measured at the aggregate of the unguaranteed residual value and the present value of the lease receivable that are not received at the commencement date, discounted using the interest rate implicit in the lease.

The Group recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return. Variable lease payments not included in the measurement of net investment in the lease are recognized as income as they are earned.

Lease receipts from operating leases is recognized as income using the straight-line method over the lease term. The initial direct costs incurred in respect of the operating lease are initially capitalised and subsequently amortized in profit or loss over the lease term on the same basis as the lease income. Variable lease payments not included in lease receipts are recognized as income as they are earned.

42. Hedge accounting

Hedge accounting is a method which recognizes in profit or loss (or other comprehensive income) the gain or loss on the hedging instrument and the hedged item in the same accounting period(s) to represent the effect of risk management.

Hedged items are the items that expose the Group to risks of changes in fair value or cash flows and that are designated as being hedged and can be reliably measured. The Group's hedged items include a firm commitment that is settled with a fixed amount of foreign currency and exposes the Group to foreign currency risk and other items.

A hedging instrument is a designated financial instrument whose changes in fair value or cash flows are expected to offset changes in the fair value or cash flows of the hedged item.

The Group assesses at the inception of a hedging relationship, and on an ongoing basis, whether the hedging relationship meets the hedge effectiveness requirements. A hedging relationship is regarded as having met the hedge effectiveness requirements if all of the following conditions are satisfied:

- There is an economic relationship between the hedged item and the hedging instrument,
- The effect of credit risk does not dominate the value changes that result from the economic relationship.

- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of the hedged item.

When a hedging relationship no longer meets the hedge effectiveness requirements due to the hedge ratio, but the risk management objective of the designated hedging relationship remains unchanged, the Group rebalances the hedging relationship. Rebalancing refers to the adjustments made to the designated quantities of the hedged item or the hedging instrument of an already existing hedging relationship for the purpose of maintaining the hedge ratio that complies with the hedge effectiveness requirements.

The Group discontinues applying hedge accounting in any of the following circumstances :

- The hedging relationship no longer meets the risk management objective on the basis of which it qualified for hedge accounting.
- The hedge instrument expires or is sold, terminated or exercised.
- There is no longer an economic relationship between the hedged item and the hedging instrument or the effect of credit risk starts to dominate the value changes that result from the economic relationship.
- The hedging relationship no longer meets other criteria for applying hedge accounting.

(1) Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows. The portion of the gain or loss on a hedging instrument that is determined to be an effective hedge is recognized directly in other comprehensive income as a cash flow hedge reserve. The amount of the cash flow hedge reserve is adjusted to the lower of the following (in absolute amounts):

- The cumulative gain or loss on the hedging instrument from inception of the hedge;
- The cumulative change in present value of the expected future cash flows on the hedged item from inception of the hedge.

The change in the amount of the cash flow hedge reserve is recognized in other comprehensive income in each period.

The portion of the gain or loss on the hedging instrument that is determined to be ineffective is recognized in profit or loss.

If a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction for a non-financial asset or non-financial liability becomes a firm commitment for which fair value hedge accounting is applied, the Group removes that amount from the cash flow hedge reserve and includes it in the initial costs or other carrying amount of the asset or liability.

For cash flow hedges other than those covered above, that amount is reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment in the same period or periods during which the hedged expected future cash flows affect profit or loss.

When the Group discontinues hedge accounting for a cash flow hedge, the amount of the accumulated cash flow hedge reserve recognized in other comprehensive income is accounted for as follows:

- If the hedged future cash flows are still expected to occur, that amount will remain in the cash flow hedge reserve, and be accounted for in accordance with the above policy.
- If the hedged future cash flows are no longer expected to occur, that amount is immediately reclassified from the cash flow hedge reserve to profit or loss as a reclassification adjustment.

(2) Fair value hedges

A fair value hedge is a hedge of the exposure to changes in the fair value of a recognized asset or liability or an

unrecognized firm commitment, or a portion of such an asset, liability or firm commitment.

The gain or loss from re-measuring the hedging instrument is recognized in profit or loss. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the recognized hedged item not measured at fair value and is recognized in profit or loss.

Any adjustment to the carrying amount of a hedged item is amortized to profit or loss if the hedged item is a financial instrument (or a component thereof) measured at amortized cost. The amortization is based on a recalculated effective interest rate at the date that amortized begins.

43. Related parties

If a party has the power to control, jointly control or exercise significant influence over another party, or vice versa, or where two or more parties are subject to common control or joint control from another party, they are considered to be related parties. Related parties may be individuals or enterprises. Enterprises with which the Company is under common control only from the State and that have no other related party relationships are not regarded as related parties.

In addition to the related parties stated above, the Company determines related parties based on the disclosure requirements of Administrative Procedures on the Information Disclosures of Listed Companies issued by the CSRC.

44. Segment information

The Group identifies reportable segments based on operating segments determined based on internal organization structure of the Group, management requirements, and internal reporting system after taking the materiality principle into account. Two or more operating segments may be aggregated into a single operating segment if the segments have the similar economic characteristics and are same or similar in respect of the nature of each segment's products and services, the nature of production processes, the types or classes of customers for the products and services, the methods used to distribute the products or provide the services, and the nature of the regulatory environment.

Inter-segment revenues are measured on the basis of the actual transaction prices for such transactions for segment reporting. Segment accounting policies are consistent with those for the consolidated financial statements.

45. Important accounting estimates and their key assumptions

The preparation of financial statements requires management to make estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates as well as underlying assumptions and uncertainties involved are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Except for accounting estimates relating to depreciation and amortization of assets such as investment properties, fixed assets, right-of-use assets, and intangible assets (see Notes VII (12), (13), (15) and (16) and provision for impairment of various types of assets (see Notes VII (3), (6), (12), (13), (14), (15), (17) and (18)). Other significant accounting estimates are as follows:

Note VII (35) – Post-employment benefits – defined benefit plans

Note XIII – Disclosure relating to Fair value.

46. Changes of important accounting policies and accounting estimates

(1) Changes of important accounting policies

Applicable Not applicable

(2) Changes of important accounting estimates

Applicable Not applicable

(3) Adjustments on the financial statements as of beginning of the year due to adoption of new accounting standards or explanations since 2024

47. Other information

Applicable Not applicable

VI. Taxes

1. Main tax type and tax rate

Main tax type and tax rate

Applicable Not applicable

Category	Tax base	Tax rate
(1) Enterprise income tax	Taxable income	15% to 34%
(2) Value added tax (“VAT”)	Taxable value-added amount (Tax payable is calculated using the taxable sales amount multiplied by the effective tax rate less deductible VAT input of current period)	5% to 21%
(3) Business tax	Taxable turnover (for French affiliates)	1.5%
(4) Stamp tax	Taxable sales amount, transactions between shareholders, Property	0.02% to 2%
(5) Property tax	Rental value (France) or cost of the property (China)	0 to 1.2%

Business income tax rates of major taxpayer enterprises subject to different tax rates:

Applicable Not applicable

Name of the company	Enterprise income tax rate (%)
Bluestar Adisseo Company	25
Adisseo France S.A.S	25.83
Adisseo Espana S.A.	25
Bluestar Adisseo Nanjing Co., Ltd	15
Adisseo Life Science (Shanghai) Co., Ltd	25
Adisseo USA Inc.	21
Adisseo Brasil Nutrição Animal Ltd	34
Nutriad International N.V	25

2. Tax preferences

Applicable Not applicable

The Group has a tax preference for one of its subsidiaries, BANC, and uses the tax rate of 15% for 2025. In October 2022, BANC received official certificate from JiangSu science and technology committee for second batch name list of high new technology enterprises and BANC have the qualification on the HNTE.

3. Other

Applicable Not applicable

VII. Notes to the Items in Consolidated Financial Statements

1. Cash at bank and on hand

Applicable Not applicable

Items	Unit: Yuan Currency: RMB	
	Closing balance	Opening balance
Cash on hand		
Cash at bank	3,056,620,289	1,083,645,090
Other monetary funds		32,142,960
Cash deposited in finance companies	1,216,337,882	149,990,745
Total	4,272,958,171	1,265,778,795
Including: cash deposited abroad	1,041,521,469	1,075,084,930

As at 31 December 2025, no funds were restricted. (31 December 2024: CNY 32,142,960).

2. Derivative financial assets

Applicable Not applicable

Items	Unit: Yuan Currency: RMB	
	Closing balance	Opening balance
Cash flow hedge instruments	151,056	241,304
Fair value hedge instrument	5,405,834	156,708
Total	5,556,890	398,012

The Group manages the foreign exchange risk arising from the expected sales in foreign currency through forward foreign exchange contracts with banks. The Group does not apply hedge accounting, measures forward foreign exchange contracts at fair value and recognizes their changes in profit or loss for the period. For the relevant disclosure of hedging business, please refer to Notes VII, 60.

3. Accounts receivable

(1) Disclosure by ageing analysis

Applicable Not applicable

The ageing is counted starting from the date when accounts receivable are recognized	Closing balance	Opening balance
Within 1 year	1,977,567,229	1,992,098,192
1 to 2 years	33,314,068	41,999,289
Over 2 years	24,328,166	21,559,032
Less: provision for bad debts	73,441,389	85,760,093
Total	1,961,768,074	1,969,896,420

(2) Disclosure by method of bad debt provisions

Applicable Not applicable

Category	Unit: Yuan Currency: RMB									
	Closing balance				Carrying amount	Opening balance				
	Book Value		Bad debts provision			Book Value		Bad debts provision		Carrying amount
Amount	Percentage	Amount	Percentage	Amount	Percentage	Amount	Percentage			
Individual Assessment						7,326,812	0.36%	7,326,812	100%	0
Collective	2,035,209,463	100%	73,441,389	3.61%	1,961,768,074	2,048,329,70	99.64%	78,433,281	3.83%	1,969,896,420

Bluestar Adisseo Company 2025 Annual Report

Assessment						1				
Including:										
Provisions based on ageing analysis	2,035,209,463	100%	73,441,389	3.61%	1,961,768,074	2,048,329,702	99.64%	78,433,281	3.83%	1,969,896,420
Total	2,035,209,463	/	73,441,389	/	1,961,768,074	2,055,656,513	/	85,760,093	/	1,969,896,420

Individual assessment

Applicable Not applicable

Collective assessment

Applicable Not applicable

	Accounts receivable	Closing balance	
		Bad debts provision	Provision rate
Not due	1,763,188,309	-	0.00%
Past due within 60 days	165,772,074	4,591,994	2.77%
61-180 days past due	19,445,830	8,069,153	41.50%
Over 180 days past due	86,803,250	60,780,242	70.02%
Total	2,035,209,462	73,441,389	3.61%

Explanation for collective assessment:

Applicable Not applicable

At all times the Group measures the impairment loss for accounts receivable at an amount equal to lifetime ECLs, and the ECLs are based on the number of overdue days and the loss given default. According to the historical experience of the Group, there are no significant differences in the losses of different customer groups. Therefore, different customer groups are no further distinguished when calculating impairment loss based on the overdue information.

ECL model used for bad debts provision

Applicable Not applicable

Basis for determining stages and provision rate of the ECL model

Not applicable

Explanations on significant changes in the balance of accounts receivable with changes in provision for bad debts

Applicable Not applicable

(3) Addition, recovery or reversal of provision for bad and doubtful debts during the period

Type	Opening balance	Movements During the period				Ending balance
		Additions	Recovery/Reversal	Write-offs	Other changes	
Individual Assessment	7,326,812		(7,326,812)			-
Collective Assessment	78,433,281	60,088,921	(70,496,168)	(1,929,299)	7,344,654	73,441,389
Total	85,760,093	60,088,921	(77,822,980)	(1,929,299)	7,344,654	73,441,389

Significant recovery/reverse of bad debts provision during the period

Applicable Not applicable

Other explanations:

Applicable Not applicable

(4) Write-offs during the period

Applicable Not applicable

Unit: Yuan Currency: RMB

Item	Write-off amount
Write-offs of bad debts	1,929,299

Significant write-offs of bad debts provision during the period

Applicable Not applicable

Explanations on write-offs of accounts receivable

Applicable Not applicable

(5) Top 5 accounts receivable or contract assets by ending balance

Applicable Not applicable

The total balance of top 5 accounts receivable by ending balance is RMB 322,925,408, accounting for 15.87% of total accounts receivable.

Other explanations

Applicable Not applicable

4. Advances to suppliers

(1) The ageing analysis of advances to suppliers is as follows

Applicable Not applicable

Unit: Yuan Currency: RMB

Account age	Closing balance		Opening balance	
	Amount	Proportion (%)	Amount	Proportion (%)
Within 1 year	82,932,701	97.97%	97,293,748	92.35%
1-2 years	1,367,017	1.62%	3,114,461	2.96%
2-3 years	269,782	0.32%	886,309	0.84%
More than 3 years	74,120	0.09%	4,055,140	3.85%
Total	84,643,620	100.00%	105,349,658	100.00%

Explanations on unsettled advances to suppliers with ageing over 1 year:

As at December 31, 2025, the advances to suppliers with an account ageing of more than 1 year were RMB 1,710,919 (31 December 2024: RMB 8,055,910), which were mainly advance payments for purchasing of materials and services. The goods have not been received or service not delivered yet, so the accounts were not settled.

(2) Top 5 advances to suppliers by ending balance

The total balance of top 5 advances to suppliers by ending balance is RMB 37,525,091, accounting for 44.33% of total advances to suppliers.

Other explanations

Applicable Not applicable

5. Other receivables

Items of other receivables

Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interests receivable	-	4,924,532
Dividends receivable		
Other receivables	81,987,816	85,829,405
Total	81,987,816	90,753,937

Other explanations

Applicable Not applicable

Interest receivable

Applicable Not applicable

Dividends receivable

Applicable Not applicable

Other receivables

(1). Other receivables by ageing

Applicable Not applicable

Unit: Yuan Currency: RMB

Ageing	Closing balance	Opening balance
Within 1 year	105,075,851	22,729,220
1 to 2 years	1,242,004	63,100,185
2 to 3 years	60,416,081	-
Above 3 years		-
Less: Bad debt provision	(84,746,120)	
Total	81,987,816	85,829,405

(2). Other receivables by nature

Applicable Not applicable

Unit: Yuan Currency: RMB

Nature of other receivables	Closing balance	Opening balance
Related-party receivables	7,556,867	65,934,645
Staff receivables	11,832,813	3,508,676

Others	63,000,194	16,386,084
Total	81,987,816	85,829,405

(3) Bad debt provisions made during the period

Applicable Not applicable

Bad debt provision	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL - not credit- impaired	Lifetime ECL - credit-impaired	
Opening balance				
Opening balance during the period				
--Transferred to Stage 2				
--Transferred to Stage 3				
--Transferred back to Stage 2				
--Transferred back to Stage 1				
Provision for the period		(82,821,825)		(82,821,825)
Reversal during the period				
Write-off during the period				
Charge-off during the period				
Other movements		(1,924,295)		(1,924,295)
Closing balance		(84,746,120)		(84,746,120)

Basis for determining stages and provision rate of the ECL model

Not applicable

Explanations on significant changes in the balance of other receivables with changes in provision for bad debts

Applicable Not applicable

Basis for provisions made during the period and determination whether credit risks have significantly increased

Applicable Not applicable

(4). Bad debts provisions

Applicable Not applicable

Significant recovery or reversals of bad debts provision during the period:

Applicable Not applicable

Other explanations

Applicable Not applicable

(5). Write-offs

Applicable Not applicable

Significant write-offs of bad debts provision during the period:

Applicable Not applicable

Explanations on write-offs

Applicable Not applicable

(6). Top 5 other receivables by ending balance

✓ Applicable Not applicable

Nature of other receivables	Closing balance	% of total Other receivables	Nature	Ageing	Bad debt provision
Calysseo Limited	90,574,120	54.32%	Related party receivable	Within 1 year, 1 to 2 years, 2 to 3 years	84,746,120
Biomasse Énergie de Commentry	27,218,328	16.32%	Other	Within 1 year,	
Quanzhou Customs, People's Republic of China	7,195,646	4.32%	Other	Within 1 year,	
HKE TRADING LTD	4,224,812	2.53%	Other	Within 1 year,	
TERIS	3,151,561	1.89%	Other	Within 1 year,	
Total	132,364,467	79.39%	/	/	84,746,120

(7). Funds classified as other receivables due to funds concentration

Applicable ✓ Not applicable

Other explanations

Applicable ✓ Not applicable

6. Inventories

(1) Inventories by category

Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book value	Provision for decline in value of inventories	Carrying amount	Book value	Provision for decline in value of inventories	Carrying amount
Raw materials	643,258,252	63,468,720	579,789,532	618,343,428	46,888,469	571,454,959
Work in progress	193,882,917	161,655	193,721,262	130,897,358	1,715,860	129,181,498
Finished goods	1,656,825,469	45,785,061	1,611,040,408	1,740,759,351	13,221,566	1,727,537,785
Total	2,493,966,638	109,415,436	2,384,551,202	2,490,000,137	61,825,895	2,428,174,242

At the period end, the inventories pledged as security by the Group amounted to RMB 0 (2024: RMB 0).

(2) Provision for impairment of inventories

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in the current period		Decreased in the current period		Currency translation difference	Closing balance
		Provision	Others	Reversal or write-off	Others		
Raw materials	46,888,469	20,876,997		(7,972,258)		3,675,512	63,468,720
Work in progress	1,715,860	756,559		(2,028,222)		(282,542)	161,655
Finished goods	13,221,566	53,539,306		(21,757,350)		781,539	45,785,061
Total	61,825,895	75,172,862		(31,757,830)		4,174,509	109,415,436

Items	Basis for determining net realizable value	Reason for reversal
Raw materials	Estimated selling price less estimated costs incurred at completion of construction, estimated selling expenses	Increase in net realizable value/used
Products in process	Estimated selling price less estimated costs incurred at completion of construction, estimated selling expenses	Increase in net realizable value/finished and sold
Finished goods	Estimated selling less estimated selling expenses	Increase in net realizable value/sold.

Reasons for reversal or write-offs of provision for inventory impairment

Applicable Not applicable

Collective assessment for inventory impairment

Applicable Not applicable

Criteria of collective assessment for inventory impairment

Applicable Not applicable

(3) Capitalized interest expenses in the ending balance of inventory and its calculation

Applicable Not applicable

(4) Amortization of contract performance cost during the period

Applicable Not applicable

Other explanations

Applicable Not applicable

7. Other current assets

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Value added tax deductible	300,863,264	365,204,455
Income tax receivable	232,722,132	163,246,868
Other	6,000,142	7,137,536
Total	539,585,538	535,588,859

8. Long-term receivables

Applicable Not applicable

(1) Long-term receivables

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance			Range of discount rate
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount	
Guarantees	271,179,764		271,076,164	667,523,076		667,523,076	
Others				1,992		1,992	
Total	271,179,764		271,179,764	667,525,068		667,525,068	

As at December 31, 2025, the part due within one year was RMB 1,225,006 (as at December 31, 2024: RMB 2,346,092).

(2) An analysis of the movements of provision is as follows

Applicable Not applicable

9. Long-term equity investments

(1) Movements during the period of Long-term equity investments

Applicable Not applicable

Investee	Opening balance	Movements during the reporting period					Closing balance
		Additions of investment	P&L recognized under equity method	OCI recognized under equity method	Dividends distribution announced	FX impact	
I. Joint ventures							
Calyseo Limited	107,566,015		(110,008,753)			2,442,738	-
Subtotal of joint ventures	107,566,015		(110,008,753)			2,442,738	-

(2) Impairment test on long-term equity investments

Applicable Not applicable

10. Investment in other equity instruments

√ Applicable Not applicable

(1) Details of investments in other equity instruments

Unit: Yuan Currency: RMB

Items	Opening balance	Changes during the period					Closing balance	Dividend income recognized during the period	Cumulative gains recorded in other comprehensive income	Cumulative losses recorded in other comprehensive income	Reasons for designation as fair value measurement with changes through other comprehensive income
		Investment increased during the period	Investment decreased during the period	Gains recorded in other comprehensive income during the period	Losses recorded in other comprehensive income during the period	other changes					
Calysta Inc	142,100,246				(146,907,001)	7,806,776	3,000,021		(223,956,934)	Not held for trading	
PigChamp	13,546,260					1,277,640	14,823,900			Not held for trading	
Bits x Bites Growth Fund I, L.P.	8,172,745					770,827	8,943,572			Not held for trading	
AG Venture	8,273,100	813,365				799,190	9,885,655			Not held for trading	
Entobel	3,245,795					306,133	3,551,928			Not held for trading	
Osiris G.I.E	1,890,779					178,332	2,069,111			Not held for trading	
Other investments	885,578					70,877	956,455			Not held for trading	
Total	178,114,503	813,365			(146,907,001)	11,209,775	43,230,642		(223,956,934)		

(2) Explanations on de-recognition during the period

Applicable √ Not applicable

Other explanations

Applicable √ Not applicable

11. Other non-current financial assets

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Animal feed & health Venture Fund (AFV FCPI)	93,818,816	111,350,835
Total	93,818,816	111,350,835

Other explanations

Applicable √ Not applicable

12. Investment properties

√ Applicable Not applicable

Investment properties by measurement model

(1) Investment properties measured by cost model

Items	Houses and buildings	Total
I. Original book value		
1. Opening balance		
2. Increase in current period	15,067,713	15,067,713
1) Purchasing		
2) Transfer from construction in process		
3) Transfer from fixed assets	15,067,713	15,067,713
4) Others increase		
3. Decrease in current period		
1) Disposal or retirement		
2) Transfer from fixed assets		
3) Other decrease		
4. Currency translation		
5. Closing balance	15,067,713	15,067,713
II. Accumulated depreciation		
1. Opening balance		
2. Increase in current period	(4,520,314)	(4,520,314)
1) Current period depreciation		
2) Other		
3) Transfer from fixed assets	(4,520,314)	(4,520,314)
3. Decrease in current period		
1) Disposal or retirement		
2) Transfer from fixed assets		
3) Other decrease		
4. Currency translation		
5. Closing balance	(4,520,314)	(4,520,314)
III. Impairment reserve		
1. Opening balance		
2. Increase in current period		

Items	Houses and buildings	Total
1) Current period impairment		
3. Decrease in current period		
1) Disposal or retirement		
2) Transfer from fixed assets		
4. Currency translation		
5. Closing balance		
IV. Carrying amount		
1. Closing carrying amount	10,547,399	10,547,399
2. Opening carrying amount	-	-

(2) Investment properties for which property ownership certificates have not yet been obtained

Applicable Not applicable

(3) Impairment testing of investment properties measured using the cost model

Applicable Not applicable

13. Fixed assets

Items of fixed assets

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Fixed assets	8,538,492,922	8,257,529,756
Disposal of fixed assets		
Total	8,538,492,922	8,257,529,756

Fixed assets

(1) Movements of fixed assets

Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Houses and buildings	Freehold lands and other attachments	Machinery equipment and Others	Total
I. Original book value				
1. Opening balance	5,250,378,548	102,451,711	13,656,206,938	19,009,037,197
2. Increase in current period				
1) Purchasing	5,548,423		64,545,407	70,093,830
2) Transfer from construction in process	116,841,701	2,953,800	922,714,703	1,042,510,204
3) Acquisition of subsidiary companies and businesses				
4) Others increase				
3. Decrease in current period				
1) Disposal or retirement	(8,248,046)		(329,114,544)	(337,362,590)
2) Disposal of subsidiary companies and businesses				
3) Reclassification to IP	(15,067,713)			(15,067,713)
4. Currency translation	174,441,175	9,737,337	896,247,122	1,080,425,634
5. Closing balance	5,523,894,088	115,142,848	15,210,599,626	20,849,636,562
II. Accumulated depreciation				
1. Opening balance	(1,801,263,613)		(8,673,425,513)	(10,474,689,126)
2. Increase in current period				
1) Current period depreciation	(214,027,635)		(937,880,549)	(1,151,908,184)
2) Other				
3) Acquisition of subsidiary companies and businesses				

Items	Houses and buildings	Freehold lands and other attachments	Machinery equipment and Others	Total
3. Decrease in current period				
1) Disposal or retirement	6,260,067		215,672,731	221,932,798
2) Disposal of subsidiary companies and businesses				
3) Reclassification to IP	4,520,314			4,520,314
4. Currency translation	(90,759,037)		(589,550,226)	(680,309,263)
5. Closing balance	(2,095,269,904)		(9,985,183,557)	(12,080,453,461)
III. Impairment reserve				
1. Opening balance			(276,818,315)	(276,818,315)
2. Increase in current period				
1) Current period impairment	(4,941,776)		(39,877,113)	(44,818,889)
3. Decrease in current period				
1) Disposal or retirement			95,171,719	95,171,719
2) Disposal of subsidiary companies and businesses				
4. Currency translation			(4,224,694)	(4,224,694)
5. Closing balance	(4,941,776)		(225,748,403)	(230,690,179)
IV. Carrying amount				
1. Closing carrying amount	3,423,682,408	115,142,848	4,999,667,666	8,538,492,922
2. Opening carrying amount	3,449,114,935	102,451,711	4,705,963,110	8,257,529,756

(2) Temporarily idle fixed assets

There are no significant temporarily idle fixed assets.

(3) Fixed assets held under operating lease

Applicable Not applicable

(4) Fixed assets held with unattained certificate

Applicable Not applicable

(5) Impairment testing of fixed assets

Applicable Not applicable

In accordance with the accounting policies described in Note V (28), the Group conducted an impairment test on the fixed assets showing signs of impairment at the balance sheet date and made a provision for the impairment of fixed assets of RMB 44,818,890 in 2025.

14. Construction in progress

Items of construction in progress

Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Construction in progress	3,964,891,390	1,563,743,713
Construction materials		
Total	3,964,891,390	1,563,743,713

Other explanations

Applicable Not applicable

Construction in progress

(1) Breakdown of construction in progress

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book value	Provision for impairment	Carrying amount	Book value	Provision for impairment	Carrying amount
Project U	2,449,607,239		2,449,607,239	467,763,964		467,763,964
Project X	598,329,664		598,329,664	326,057,726		326,057,726
Project R	273,787,404		273,787,404	144,669,680		144,669,680
Project V	-		-	126,489,772		126,489,772
Project Y	170,476,497		170,476,497	19,039,268		19,039,268
Project Z	-		-	9,834,585		9,834,585
Project A	4,689,773		4,689,773	-		-
Others	468,000,813		468,000,813	469,888,718		469,888,718
Total	3,964,891,390		3,964,891,390	1,563,743,713		1,563,743,713

(2) Movements of major construction projects in progress during the period

√ Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Project name	Budget	Opening balance	Increase in current period	Transfer to fixed assets and intangible assets	Currency translation differences	Closing balance	Proportion of expenditures incurred to budgeted amount (%)	Progress of construction	Accumulated capitalized borrowing costs	Including: capitalized in current period	Capitalization rate (%)	Source of funds
Project R	328,145,800	144,669,680	129,117,724			273,787,404	83%	83%	206,742	206,742	0.25%	Equity fundraising, internal funds, borrowings
Project U	4,780,032,032	467,763,964	1,998,578,050	(16,734,775)		2,449,607,239	55%	55%	4,695,043	4,320,878	0.63%	Equity fundraising, internal funds, borrowings
Project V	180,447,660	126,489,772	26,816,172	(153,305,944)		-	85%	100%	279,193	214,283	2.42%	Equity fundraising, internal funds, borrowings
Project X	617,662,500	326,057,726	236,035,140		36,236,798	598,329,664	97%	97%				Equity fundraising, internal funds
Project Y	299,549,842	19,039,268	146,243,660		5,193,569	170,476,497	57%	57%				internal funds
Project Z	72,384,280	9,834,585	62,166,614	(72,683,589)	682,390		100%	100%				internal funds
Project A	205,000,000	-	4,689,773			4,689,773	2%	2%				internal funds
Others		469,888,718	802,927,279	(850,648,251)	45,833,067	468,000,813						internal funds
Total	6,483,222,114	1,563,743,713	3,406,574,412	(1,093,372,559)	87,945,824	3,964,891,390	/	/	5,180,978	4,741,903	/	

(3) Provision for impairment of construction in progress

Applicable Not applicable

Construction materials

(1) Breakdown of construction materials

Applicable Not applicable

15. Right-of-use assets

(1) Movements of right-of-use assets

Unit: Yuan Currency: RMB

Items	Rolling stock - vehicles- Wagon & other transport equipment	Buildings	Technical Equipment & Machinery	Other tangible assets	Total
I. Original book value					
1. Opening balance	182,058,952	415,806,385	213,709,169	12,523,490	824,097,996
2. Increase in current period					
1) Purchasing	14,523,010	12,407,776	65,129,601	919,348	92,979,735
2) Transfer					
3) Acquisition of subsidiary companies and businesses					
4) Others increase					
3. Decrease in current period					
1) Disposal or retirement	(18,982,799)	(27,363,467)	(402,425)	(4,213,455)	-50,962,146
2) Transfer					
4. Currency translation	16,484,852	25,344,568	834,767	(507,902)	42,156,285
5. Closing balance	194,084,015	426,195,262	279,271,112	8,721,481	908,271,870
II. Accumulated depreciation					
1. Opening balance	(117,464,663)	(119,486,714)	(124,217,438)	(7,319,884)	(368,488,699)
2. Increase in current period					
1) Current year depreciation	(40,593,271)	(43,717,234)	(35,395,409)	(3,274,812)	(122,980,726)
2) Transfer					
3) Other increase					
3. Decrease in current period					
1) Disposal or retirement	18,831,795	27,208,127	402,425	4,213,455	50,655,802
2) Disposal of subsidiary companies and businesses					
4. Currency translation	(10,301,987)	(6,005,630)	(419,891)	399,245	(16,328,263)
5. Closing balance	(149,528,126)	(142,001,451)	(159,630,313)	(5,981,996)	(457,141,886)
III. Impairment provision					
1. Opening balance					
2. Increase in current period					
1) Current year depreciation					
3. Decrease in current period					
1) Disposal or retirement					
2) Disposal of subsidiary companies and businesses					
4. Currency translation					
5. Closing balance					
IV. Carrying amount					
1. Closing carrying amount	44,555,889	284,193,811	119,640,799	2,739,485	451,129,984
2. Opening carrying amount	64,594,289	296,319,671	89,491,731	5,203,606	455,609,297

(2) Impairment test on right-of-use assets

Applicable Not applicable

16. Intangible assets

(1) Movements of intangible assets

Unit: Yuan Currency: RMB

Items	Land use rights	Trademark	Patents	Non-patent technology	Customer relationships	Software and others	Total
I. Original book value							
1. Opening balance	331,696,712	742,793,170	438,329,826	1,116,064,710	1,659,417,570	996,822,682	5,285,124,670
2. Increase in current period							
1) Purchasing		570,775	530,750			98,172,321	99,273,846
2) Transferred from construction in process	14,899,896	2,084,562	391,954			33,485,943	50,862,355
2) Transferred from development costs						38,747,709	38,747,709
3. Decrease in current period							
1) Disposal			(23,131,422)			(79,394,788)	(102,526,210)
2) Disposal of subsidiary companies and businesses							
4. Currency translation		10,071,878	37,962,756	5,515,713	2,942,047	63,267,754	119,760,148
5. Closing balance	346,596,608	755,520,385	454,083,864	1,121,580,423	1,662,359,617	1,151,101,621	5,491,242,518
II. Accumulated amortization							
1. Opening balance	(41,653,516)	(298,297,200)	(432,696,719)	(719,114,160)	(1,199,292,881)	(554,573,400)	(3,245,627,876)
2. Increase in current period							
1) Current period depreciation	(6,856,255)	(21,200,501)	(1,095,932)	(46,010,439)	(54,948,276)	(167,625,414)	(297,736,817)
2) Others increase							
3) Acquisition of subsidiary companies and businesses							
3. Decrease in current period							
1) Disposal			23,131,389			77,124,343	100,255,732
2) Disposal of subsidiary companies and businesses							
3) Reclassification							
4. Currency translation		(9,404,593)	(36,095,041)	(3,074,745)	348,433	(27,861,782)	(76,087,728)
5. Closing balance	(48,509,771)	(328,902,294)	(446,756,303)	(768,199,344)	(1,253,892,724)	(672,936,253)	(3,519,196,689)
III. Impairment reserve							
1. Opening balance							
2. Increase in current period							
1) Current period depreciation							
3. Decrease in current period							
1) Disposal of subsidiary companies and businesses							
4. Currency translation							
5. Closing balance							
IV. Carrying amount							
1. Closing carrying amount	298,086,837	426,618,091	7,327,561	353,381,079	408,466,893	478,165,368	1,972,045,829
2. Opening carrying amount	290,043,196	444,495,970	5,633,107	396,950,550	460,124,689	442,249,282	2,039,496,794

(2) Land use rights held with unattained certificate

Applicable Not applicable

(3) Impairment test on intangible assets

Applicable Not applicable

17. Development costs

Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Items	Opening	Increase during the	Decrease during the current period	Closing
-------	---------	---------------------	------------------------------------	---------

	balance	current period		Recognized as intangible assets	Recognized in profit or loss	Reclassification	Currency translation	balance
		Internal development	Others					
Development costs	177,399,849	95,588,660		(38,747,709)	(13,698,584)		12,333,420	232,875,636
Total	177,399,849	95,588,660		(38,747,709)	(13,698,584)		12,333,420	232,875,636

18. Goodwill

√ Applicable Not applicable

(1) Changes in goodwill

√ Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Name of investee or events from which goodwill arising	Opening balance	Increase during the current period	Decrease during the current period	Currency translation	Closing balance
Drakkar Group S.A. (“DGSA”)	703,593,748			66,360,497	769,954,245
Specialties	1,342,382,709			124,540,254	1,466,922,963
Total	2,045,976,457			190,900,751	2,236,877,208

The Goodwill on Drakkar Group S.A. concerns Performance Products. The Goodwill on specialties is related to the acquisition of Innov’ia in 2011, the acquisition of Nutriad during the year 2018, Framelco during the year 2020 and Nor-Feed during the year 2023.

(2) Impairment provision for goodwill

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Name of investee or events from which goodwill arising	Opening balance	Increase in current period		Decrease in current period		Currency translation	Closing balance
		Withdrawal	Other	Disposal	Other		
DGSA							
Specialties							
Total	0						0

(3) Information about assets group or assets group combination that contains goodwill

Applicable √ Not applicable

(4) Method used to determine recoverable amount

Applicable √ Not applicable

The recoverable amount is determined based on the fair value minus disposal costs.

Applicable √ Not applicable

The recoverable amount is determined based on the present value of estimated future cash flows.

√ Applicable Not applicable

Items	Book value	Recoverable amount	Impairment provision	Forecast Period Duration	Key Parameters for the Forecast Period (Growth Rate, Profit Margin, etc.)	Basis for Determining Parameters During the Forecast Period	Key Parameters for the Stable Period (Growth Rate, Profit Margin, Discount Rate, etc.)	Basis for Determining Key Parameters During the Stable Period
DGSA	12,650,967,644	21,185,828,344	-	5	Operating margin	Based on their direct impact on free cash flow and sensitivity to impairment test results	Long-term growth rate and discount rate	Free Cash Flow Growth Rate: The long-term stable growth rate reflects the company's ability to sustain future growth. Discount Rate: Reflects the time value of money and the uncertainty of future cash flows.
Specialties	4,224,891,144	9,735,053,100	-	5	Operating margin	Based on their direct impact on free cash flow and sensitivity to impairment test results	Long-term growth rate and discount rate	Free Cash Flow Growth Rate: The long-term stable growth rate reflects the company's ability to sustain future growth. Discount Rate: Reflects the time value of money and the uncertainty of future cash flows.
Total	16,875,858,788	30,920,881,444	-	/	/	/	/	/

Reasons for significant discrepancies between the above information and the information or external data used in prior years' impairment tests.

Applicable Not applicable

Reasons for significant discrepancies between the information used in prior years' impairment tests and the actual situation of the current year.

Applicable Not applicable

(5) Performance commitment and related goodwill impairment

Applicable Not applicable

Explanations of Impairment test, criteria and method of Impairment provision for goodwill:

The recoverable amount of asset groups and groups of asset groups is calculated using the estimated cash flows determined according to the five-year budget approved by management. The cash flows beyond the five-year period are calculated based on the following assumptions:

	DGSA	Specialties
Long-term growth rate	3.5%	2.5%
Operating margin	34.9%	45.9%
Discount rate	9.0%	9.0%

The weighted average growth rates applied by management are consistent with those estimated in the industry reports, and do not exceed the long-term average growth rates of each product. Management determines budgeted gross margin based on past experience and forecast on future market development. The discount rates used by management are the pre-tax interest rates that are able to reflect the risks specific to the related asset groups and groups of asset groups. The above assumptions are used to assess the recoverable amount of each asset group and group of asset groups within the corresponding operating segment.

However, as key assumptions on which management has made in respect of future cash projections are subject to change, management believes that any adverse change in the assumptions would cause the carrying amount to exceed its recoverable amount.

19. Deferred income tax assets/ deferred income tax liabilities

(1) Deferred tax assets without taking into consideration the offsetting of balances

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Deductible losses	177,227,506	45,777,865	128,963,007	33,311,145
Accrued expenses	500,864,551	129,373,314	510,948,690	131,978,047
Leasing assets and liabilities	387,094,516	77,418,903	386,564,379	77,312,876
Fair value change of derivative financial instruments	47,887,161	12,369,254	24,325,580	6,283,297
Property plant equipment and intangible assets	39,551,570	10,216,171	14,505,763	3,746,839
Unrealized profits of internal transactions	267,151,457	69,005,221	359,647,073	92,896,839
Payroll	269,585,942	69,634,049	281,544,445	72,722,930
Others	82,409,633	21,141,621	95,962,249	24,787,048
Total before offsetting	1,771,772,336	434,936,398	1,802,461,186	443,039,021

(2) Deferred tax liabilities without taking into consideration the offsetting of balances

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities

Property plant equipment and intangible assets	2,875,467,829	742,733,340	2,818,068,721	727,907,151
Leasing assets and liabilities	476,972,983	95,394,597	455,609,297	91,121,859
Balance in fair value of derivative financial instruments	10,217,885	2,639,280	8,423,100	2,175,687
Others	41,569,094	10,737,297	125,962,358	32,536,076
Total before offsetting	3,404,227,791	851,504,516	3,408,063,476	853,740,773

(3) Net amounts of deferred assets and liabilities taking into consideration the offsetting of balances

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance of mutual offset amount of deferred tax assets and deferred tax liabilities	Closing balance of net amount of deferred tax assets and deferred tax liabilities after offset	Opening balance of mutual offset amount of deferred tax assets and deferred tax liabilities	Opening balance of net amount of deferred tax assets and deferred tax liabilities after offset
Deferred tax assets	(169,577,181)	265,359,217	(219,833,223)	223,205,798
Deferred tax liabilities	(169,577,181)	681,927,335	(219,833,223)	633,907,550

(4) Details of non-recognized deferred income tax assets

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Deductible temporary differences		
Deductible losses	76,664,294	58,491,351
Total	76,664,294	58,491,351

(5) Expiration of deductible tax losses for unrecognized deferred tax assets

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Expiration Year	Closing balance	Opening balance
2027	19,605,577	19,605,577
2028	4,779,760	4,779,760
2029	25,408,663	25,408,663
2030	15,190,000	
No expiration date	11,680,294	8,697,351
Total	76,664,294	58,491,351

20. Other non-current assets

✓ Applicable Not applicable

Items	Closing balance			Opening balance		
	Book balance	Impairment provision	Book value	Book balance	Impairment provision	Book value
Advance payments to CAPEX suppliers	174,868,263		174,868,263	31,222,963		31,222,963
Deductible VAT input	207,369,922		207,369,922	-		-
Total	382,238,185		382,238,185	31,222,963		31,222,963

21. Assets with restricted ownership or usage

√ Applicable Not applicable

Items	Closing Balance				Opening balance			
	Book balance	Carrying Amount	Restriction type	Description	Book balance	Carrying Amount	Restriction type	Description
Cash at bank and on hand	-	-			32,142,960	32,142,960	Other	Under bank compliance review
Total	-	-			32,142,960	32,142,960	/	/

22. Short-term borrowings

(1) Categories of short-term borrowings

√ Applicable Not applicable

Items	Closing balance	Opening balance
Pledged loan		
Guarantee loan		
Mortgage loan		
Unsecured loan	-	54,453,036
TOTAL	-	54,453,036

(2) Defaulted borrowings

Applicable √ Not applicable

23. Derivative financial liabilities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Derivative financial instruments held at fair value through profit or loss		
Cash-flow hedging instruments	-	261,669
Fair value hedging instruments	-	13,945,513
Total	-	14,207,182

24. Notes payable

Items	Closing balance	Opening balance
Commercial acceptance drafts		-
Bank acceptance drafts	101,027,611	-
Total	101,027,611	-

25. Accounts payable

a. Details of accounts payable are as follows

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
-------	-----------------	-----------------

Payable for suppliers	1,921,724,248	1,767,033,170
Total	1,921,724,248	1,767,033,170

b. Accounts payable with account age of more than 1 year

✓ Applicable Not applicable

As at December 31, 2025, the accounts payable with account ageing of more than one year were RMB 13,214,703 (as at December 31, 2024: RMB 2,911,129).

26. Contract liabilities

(1) Breakdown of Contract liabilities

✓ Applicable Not applicable

Items	Closing balance	Opening balance
Advances from customers	18,686,873	111,653,732
Total	18,686,873	111,653,732

(2) Contract liabilities with ageing over 1 year

Applicable ✓ Not applicable

(3) Amounts of and reasons for the significant changes in book value during the reporting period

✓ Applicable Not applicable

Items	Amount of changes	Reasons for change
Advances from customers	(92,966,858)	Changes in payment practices of customers in certain regions
Total	(92,966,858)	N/A

27. Wages and benefits payable

(1) Wages and benefits payable

✓ Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Items	Opening balance	Increased in current period	Decreased in current period	Currency translation difference	Closing balance
Short-term employee benefits	410,671,656	1,853,203,850	1,934,595,560	29,078,895	358,358,841
Post-employment benefits	10,519,004	102,895,541	103,293,292	974,882	11,096,135
Termination benefits					
French profit-sharing plans – short term	191,190,466	23,120,580	91,433,115	16,258,343	139,136,274
Long-term bonus payments – short term	30,976,568	48,586,758	30,181,095	1,798,086	51,180,317
Total	643,357,694	2,027,806,729	2,159,503,062	48,110,206	559,771,567

(2) Short-term employee benefits

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Opening balance	Increased in current period	Decrease in current period	Currency translation difference	Closing balance
I. Salary, bonus, allowance and subsidy	359,046,632	1,452,775,049	1,537,870,137	24,408,133	298,359,677
II. Employee welfare benefit					
III. Social insurance premium	37,567,754	335,970,547	335,360,415	3,537,531	41,715,417
Wherein:					
Medical insurance premium	37,391,946	297,898,733	297,428,055	3,525,840	41,388,464
Injury from work insurance premium	174,338	13,559,150	13,564,549	8,325	177,264
Maternity insurance premium	1,470	24,512,664	24,367,811	3,366	149,689
IV. Housing fund	199,719	22,458,975	22,456,319	0	202,375
V. Labor union outlay and employee education outlay	1,395,373	2,424,067	2,518,938	0	1,300,502
VI. Others	12,462,178	39,575,212	36,389,751	1,133,231	16,780,870
Total	410,671,656	1,853,203,850	1,934,595,560	29,078,895	358,358,841

(3) Post-employment benefits

√ Applicable Not applicable

Items	Opening balance	Amount increased of current period	Amount decreased of current period	Reclassification	Acquisition of subsidiary companies and businesses	Currency translation difference	Closing balance
Adisseo post-employment benefits	10,519,004	102,895,541	(103,293,292)			974,882	11,096,135

28. Taxes payable

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Value-added-tax	113,427,891	77,548,536
Business tax	12,943,247	21,256,716
Enterprise income tax	71,612,559	83,456,659
Individual income tax	1,185,977	1,823,519
Others	29,566,960	27,660,083
Total	228,736,634	211,745,513

29. Other payables

(1) Items of Other payables

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interest payable		5,665,794
Dividends payable		
Other payables	1,117,604,895	664,646,332
Total	1,117,604,895	670,312,126

(2) Interest payable

Applicable ✓ Not applicable

(3) Dividends payable

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Dividends for ordinary shares	0	0
Total	0	0

(4) Other payables

Other payables by nature

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Payables due to related parties	211,631,670	31,149,994
Payables for acquisition of property, plant and equipment	674,971,206	547,915,358
Cautions and guaranties received	31,800,822	22,899,037
Others	199,201,197	62,681,943
Total	1,117,604,895	664,646,332

Significant payables with ageing or overdue past 1 year

✓ Applicable Not applicable

As at December 31, 2025, other payables with an account age of more than one year were RMB 25,707,754 (as at December 31, 2024: RMB 3,456,597), which were mainly the payables for acquisition of property, plant and equipment.

30. Current portion of non-current liabilities

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Current portion of long-term borrowings	76,934,382	6,536,108
Current portion of long-term payables	857,645	783,711
Current portion of provisions*	433,275,587	322,843,774
Current portion of lease liabilities	63,930,527	72,326,071
Total	574,998,141	402,489,664

* The current portion of provisions mainly represents restructuring cost related to the shutdown of a Commentry powder methionine production line. The Company made relevant provisions according to its best estimate based on the current available information. Any increase or decrease in such provisions will be charged to profits or losses.

31. Other current liabilities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Government subsidy		
Others	884,472	1,326,097
Total	884,472	1,326,097

32. Long-term borrowings**(1) Classification of long-term borrowings**

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Pledged loan		
Guarantee loan		
Mortgage loan		
Unsecured	1,685,297,573	932,094,597
Less: the part due within one year	(76,934,382)	(6,536,108)
Total	1,608,363,191	925,558,489

Other explanation:

As at December 31, 2025, the range of interest rate for long-term loans was 0.01-4.5% (as at December 31, 2024: 1.34%-4.34%).

33. Leases liabilities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Leases liabilities	353,016,017	386,564,379
Less: the part due within one year	(63,930,527)	(72,326,071)
Total	289,085,490	314,238,308

Items	Amount incurred during the current period
Short-term lease expenses charged into P&L under the simplified accounting method	8,535,586
Payment related to leases during the period	152,640,166

34. Long-term payables

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Acquisition of financial assets		
Other long-term payable	17,028,461	14,087,561
Less : the part to be paid in one year	(857,645)	(783,711)
Total	16,170,816	13,303,850

Long-term payables by nature

Applicable √ Not applicable

Special payables by nature

Applicable Not applicable

35. Long-term employee benefits payable

Applicable Not applicable

(1) Long-term employee benefits payable

Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Defined benefit plans	228,455,784	204,867,909
French profit-sharing plans	139,136,274	191,190,466
Long-term bonus payments	97,450,093	81,125,378
Paid leave savings account and others	19,896,968	16,210,095
Less: The part to be paid in one year	(190,319,005)	(222,167,034)
Total	294,622,528	271,226,814

The part due within one year includes the short-term part of French profit-sharing plan RMB 139,136,274, and the short-term part of long-term bonus payments RMB 51,180,317.

(2) Change of defined benefit plan

Applicable Not applicable

Present value of defined benefit plan obligation

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period				Amount incurred during the last period			
	IFC	GA	Others	Total	IFC	GA	Others	Total
I. Opening balance	108,846,321	65,386,089	30,635,499	204,867,909	100,565,058	58,692,474	27,940,305	187,197,837
II. Defined benefit plan recognized through profit and loss for the period in which they occur	10,253,789	6,680,256	5,256,032	22,190,077	8,605,905	7,980,722	6,174,982	22,761,609
1. Service cost of current period	6,318,073	4,595,694	5,256,032	16,169,799	4,646,417	5,835,035	6,174,982	16,656,434
2. Previous service cost			-					
3. Settlement losses (gains)	-	-	-	-				
4. Net amount of interest	3,935,716	2,084,562	-	6,020,278	3,959,488	2,145,687	-	6,105,175
III. Re-measurement of the net liabilities of defined benefit plans	(410,474)	(925,578)	79,147	(1,256,905)	9,123,031	6,599,147	(156,877)	15,565,301
1. Actuary losses (profit)	(410,474)	(925,578)	79,147	(1,256,905)	9,123,031	6,599,147	(156,877)	15,565,301
IV. Other movements	3,547,238	1,033,936	(1,926,471)	2,654,703	(9,447,673)	(7,886,254)	(3,322,911)	(20,656,838)
1. Price paid during settlement	(5,778,823)	(1,183,130)	(3,508,349)	(10,470,302)	(4,862,529)	(5,155,824)	(746,504)	(10,764,857)
2. Currency translation differences	10,340,172	6,168,880	1,681,298	18,190,350	(4,585,144)	(2,730,430)	(653,720)	(7,969,294)
3. Other movements	(1,014,111)	(3,951,814)	(99,420)	(5,065,345)	-	-	(1,922,687)	(1,922,687)
V. Closing balance	122,236,874	72,174,703	34,044,207	228,455,784	108,846,321	65,386,089	30,635,499	204,867,909

Plan assets

Applicable Not applicable

Net liabilities (net assets) of defined benefit plan

Applicable Not applicable

Description about the contents of defined benefit plan, related risks, and influences on the Company's future cash flow, time and uncertainty

√ Applicable Not applicable

- Defined benefit plans of the Group include end of Career Benefits (IFC); Bonuses of Seniority (GA) and other benefit plans.
- End of Career Benefits (IFC): All employees working for Adisseo France are entitled on retirement to a lump-sum as a result of legislation applicable in France. The amount of End of Career Benefits depends on employee's length of service in the Group and on the rights guaranteed by contractual agreements. The employee's final salary is taken into account when calculating the amount of these retirement benefits.
- Bonuses of Seniority (GA): All employees working for Adisseo in France are entitled on Bonuses of Seniority as well, the amount of which depends on their seniority in the Group.

Explanations on significant actuarial assumptions in defined benefit plan and on the results of sensitivity analysis

√ Applicable Not applicable

Main actuarial assumptions used in defined benefit plan are as follows:

Items	Closing balance	Opening balance
End of Career Benefits (IFC)		
Discount rate	3.60%	3.40%
Inflation rate	2.20%	2.20%
Wages increase rate (including inflation rate)	2.40%	2.40%
Mortality Table (1)	INSEE 2019-2021	INSEE 2018-2020
Retirement age	64 years - 67 years	64 years - 67 years
Bonuses of Seniority (GA)		
Discount rate	3.10%	3.20%
Inflation rate	2.00%	2.20%
Wages increase rate (including inflation rate)	2.40%	2.40%
Mortality Table (1)	INSEE 2019-2021	INSEE 2018-2020
Retirement age	64 years - 67 years	64 years - 67 years

1. Mortality tables TH/TF 00-02 have been approved by decree of the Ministry of the Economy in 2015. They are based on data collected by INSEE (French national bureau of statistics). Table TH 00-02 is for males and table TF 00-02 for females.

Sensitivity analysis is as follows:

Discount rate	Assumption volatility	Impact on the present value of the defined benefit obligation	
		assumption increase	assumption decrease
End of career benefits (IFC)			
Current period	+/- 0.50 %	(6,761,058)	7,351,485
Bonuses of Seniority (GA)			
Current period	+/- 0.50 %	(2,732,579)	2,933,774

(3) French profit-sharing plans

Profit sharing plans gives employees a share in the profits of the company. Each employee receives a percentage of those profits based on the company's earnings. All companies employing 50 workers or more are obliged by law to participate employees in the financial success of the company. All such companies must establish a profit-sharing plan (RSP), the level of which is calculated on the basis of a legally binding or otherwise pre-determined profit-sharing formula.

(4) Long-term bonus payments

Yearly Mid-term incentive for executives and critical leaders for business plan

Long-term bonus payments (MIP – Management Incentive Program) are split in both awards which are the Unit Award (number of Phantom shares) and the Cash Award (based on Adisseo’s performance results).

The detail of this program is described below:

(a) 2022 Plan for Executive Committee Members and high qualified Executives

In order to continue to build up Adisseo, the Group has decided to offer Executive Committee Members and high qualified Executives an international recognition and implemented two plans.

The purpose of these Plans is to retain and motivate Executive Committee Members and high qualified Executives, key players to tackle our 3-years business plan.

The 2022 mid-term incentive plan has been approved by March 30th, 2022, Board of Directors of the Company on the proposal of Remuneration Committee.

In these both plans, two types of Awards will be granted:

- **Unit Award¹:** a discretionary variable deferred number of phantom shares defined on share price and currency as of March 30th, 2022¹, and that will be definitively acquired subject to Presence Conditions. The Unit Award is subject to share price performance.
One Unit Award value = the fair market value of BLUESTAR ADISSEO COMPANY (BAC) at closing on March 30, 2022, converted in Euros (EUR) on March 30, 2022, i.e., EUR 1.4018 (“one Euro and four thousand eighteen cents”).
- **Cash Award:** a discretionary variable cash settled compensation that will be definitively acquired subject to both Presence and Performance Conditions. The right to receive the effective benefit of the Cash Awards is based on achieving the combined objectives in strict respect of Adisseo Ethic Code of:
 - Sales: measure the Amount of Gross Sales of the Group;
 - EBITDA: measure the Operational Profitability of the Group;
 - FCFTAT: measure the Free Cash Flow After Tax of the Group.

	Unit Award	Cash Award
Grant Date	July 20, 2022	July 20, 2022
Settlement as from	January 2025	N/A
Payment Period	Depending on unbuckling date: from January 1st, 2025, to December 31st, 2026	At latest May 2025

In these both plans, two types of Awards will be granted:

		Unit: Yuan Currency: RMB
Items	Current period	
Accumulated amounts of the liabilities		
Expenses accrued/(reversed) during the period	1,783,812	

(b) 2023 Plan for Executive Committee Members and high qualified Executives

In order to continue to build up Adisseo, the Group has decided to offer Executive Committee Members and high qualified Executives an international recognition and implemented two plans:

- ExCom Management Incentive Plan 2023-2025,

- Management Incentive Plan 2023-2025.

The purpose of these Plans is to implement discretionary variable cash settled compensations, in order to retain and motivate Executive Committee Members and high qualified Executives, key players to tackle our 3-years business plan.

The 2023 mid-term incentive plan has been approved by July 24th, 2023, Board of Directors of the Company on the proposal of Remuneration Committee.

Two types of Awards will be granted within the framework of these Plans:

- **Unit Award:** a discretionary variable deferred number of phantom shares defined on share price and currency as of July 24th, 2023, and that will be definitively acquired subject to Presence Conditions. The Unit Award is not subject to Performance Conditions.
One Unit Award value = the fair market value of BLUESTAR ADISSEO COMPANY (BAC) at closing on July 24th, 2023, converted in Euros (EUR) on July 24th, 2023, i.e., EUR 1.0167 (“one Euro and one hundred sixty-seven cents”).
- **Cash Award:** a discretionary variable cash settled compensation that will be definitively acquired subject to both Presence and Performance Conditions. The right to receive the effective benefit of the Cash Awards is based on achieving the combined objectives in strict respect of Adisseo Ethic Code:
 - Revenues: measure the Amount of Gross Sales of the Group;
 - EBITDA: measure the Operational Profitability of the Group;
 - Operating Working Capital / Revenues: measure the % of the revenue not converted into cash.

Other conditions:

- Financial KPIs excluding restructuring cost and/or impairment impact.
- If fatal accident => TRIR at 0 achievement rate.
- GHG results to be audited by independent third party.

The Unit Award and Cash Award are conditional and subject to Presence Conditions.

Payment of the Vested Awards requires that the Beneficiaries remain Employees within the Group from the Grant Date and until the Payment Date, and not under termination notice.

	Unit Award	Cash Award
Grant Date	July 24,2023	July 24, 2023
Settlement as from	January 2026	N/A
Payment Period	Depending on unbuckling date: from January 1st, 2026, to December 31st, 2027	At latest May 2026

The Cash Awards are also subject to Performance Conditions as mentioned. Please refer to the below performance targets table:

Unit: Yuan Currency: RMB	
Items	Current period
Accumulated amounts of the liabilities	47,489,142
Expenses accrued/(reversed) during the period	12,300,942

(c) 2024 Plan for Executive Committee Members and high qualified Executives

In order to continue to build up Adisseo, the Group has decided to offer Executive Committee Members and high qualified Executives an international recognition and implemented two plans:

- ExCom Management Incentive Plan 2024-2026,
- Management Incentive Plan 2024-2026.

The purpose of these Plans is to implement discretionary variable cash settled compensations, in order to retain and motivate Executive Committee Members and high qualified Executives, key players to tackle our 3-years business plan.

The 2024 mid-term incentive plan has been approved by March 28th, 2024, Board of Directors of the Company on the proposal of Remuneration Committee.

Two types of Awards will be granted within the framework of these Plans:

- **Unit Award:** a discretionary variable deferred number of phantom shares defined on share price and currency as of March 28th, 2024, and that will be definitively acquired subject to Presence Conditions. The Unit Award is not subject to Performance Conditions.
One Unit Award value = the fair market value of BLUESTAR ADISSEO COMPANY (BAC) at closing on March 28th, 2024, converted in Euros (EUR) on March 28th, 2024, i.e., EUR 1.0864 (“one Euro and eight hundred sixty-four cents”).
- **Cash Award:** a discretionary variable cash settled compensation that will be definitively acquired subject to both Presence and Performance Conditions. The right to receive the effective benefit of the Cash Awards is based on achieving the combined objectives in strict respect of Adisseo Ethic Code:
 - Revenues: measure the Amount of Gross Sales of the Group;
 - EBITDA: measure the Operational Profitability of the Group;
 - FCFAT (before M&A) : measure the % of the revenue not converted into cash.

The Unit Award and Cash Award are conditional and subject to Presence Conditions.

Payment of the Vested Awards requires that the Beneficiaries remain Employees within the Group from the Grant Date and until the Payment Date, and not under termination notice.

	Unit Award	Cash Award
Grant Date	March 28,2024	March 28,2024
Settlement as from	January 2027	N/A
Payment Period	Depending on unbuckling date: from January 1st, 2027, to December 31st, 2028	At latest May 2027

The Cash Awards are also subject to Performance Conditions as mentioned. Please refer to the below performance targets table:

		Unit: Yuan Currency: RMB
Items	Current period	
Accumulated amounts of the liabilities	32,298,269	
Expenses accrued/(reversed) during the period	16,294,771	

(d) 2025 Plan for Executive Committee Members and high qualified Executives

In order to continue to build up Adisseo, the Group has decided to offer Executive Committee Members and high qualified Executives an international recognition and implemented two plans:

- ExCom Management Incentive Plan 2025-2027,
- Management Incentive Plan 2025-2027.

The purpose of these Plans is to implement discretionary variable cash settled compensations, in order to retain and motivate Executive Committee Members and high qualified Executives, key players to tackle our 3-years

business plan.

The 2025 mid-term incentive plan has been approved by March 31st, 2025, Board of Directors of the Company on the proposal of Remuneration Committee.

Two types of Awards will be granted within the framework of these Plans:

- **Unit Award:** a discretionary variable deferred number of phantom shares defined on share price and currency as of March 31st, 2025, and that will be definitively acquired subject to Presence Conditions. The Unit Award is not subject to Performance Conditions.
One Unit Award value = the fair market value of BLUESTAR ADISSEO COMPANY (BAC) at closing on March 31st, 2025, converted in Euros (EUR) on March 31st, 2025, i.e., EUR 1.3502 (“one Euro and three thousand five hundred and two cents”).
- **Cash Award:** a discretionary variable cash settled compensation that will be definitively acquired subject to both Presence and Performance Conditions. The right to receive the effective benefit of the Cash Awards is based on achieving the combined objectives in strict respect of Adisseo Ethic Code:
 - Revenues: measure the Amount of Gross Sales of the Group;
 - EBITDA: measure the Operational Profitability of the Group;
 - FCFAT (before M&A) : measure the % of the revenue not converted into cash.

The Unit Award and Cash Award are conditional and subject to Presence Conditions.

Payment of the Vested Awards requires that the Beneficiaries remain Employees within the Group from the Grant Date and until the Payment Date, and not under termination notice.

	Unit Award	Cash Award
Grant Date	March 31 st , 2025	March 31 st , 2025
Settlement as from	January 2028	N/A
Payment Period	Depending on unbuckling date: from January 1 st 2028, to December 31 st , 2029	At latest May 2028

The Cash Awards are also subject to Performance Conditions as mentioned. Please refer to the below performance targets table:

		Unit: Yuan Currency: RMB
Items	Current period	
Accumulated amounts of the liabilities	13,657,651	
Expenses accrued/(reversed) during the period	13,657,651	

(5) Undiscounted maturity analysis of defined benefit plans

Current period

Unit: Yuan Currency: RMB

	Within one year	One to two years	Two to five years	More than five years	Total
IFC	1,573,096	3,178,903	24,418,258	172,838,439	202,008,696
GA	6,008,901	5,978,973	18,554,582	59,246,187	89,788,643
Others	1,497,220	7,377,283	6,981,977	23,689,039	39,545,519

36. Provisions

√ Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance	Reason of recognition
Provision	362,786,712	514,798,569	Note 1
Total	362,786,712	514,798,569	

Note 1: Provisions are mainly related to antidumping petition filed by Novus International on, 29 July 2020, against imports of methionine from France, Japan and Spain into the United States.

37. Deferred income

√ Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in current period	Decrease in current period	Acquisition of subsidiary companies and businesses	Currency translation differences	Closing balance
Government subsidies	138,004,793	11,307,648	(30,241,569)		4,455,002	123,525,874
Total	138,004,793	11,307,648	(30,241,569)		4,455,002	123,525,874

38. Paid-in Capital

Unit: Yuan Currency: RMB

	Opening balance	Changes during the period (+ / -)					Closing balance
		New shares issued	Shares distributed	Conversion from reserves to shares	Others	Subtotal	
Total shares	2,681,901,273	397,877,984				397,877,984	3,079,779,257

In 2025, the Company conducted a non-public issuance of 397,877,984 RMB-denominated ordinary A shares to specific investors, resulting in an increase in registered capital of RMB 397,877,984.00. Upon completion of this issuance, the Company's registered capital increased to RMB 3,079,779,257.

39. Capital reserve

Unit: Yuan Currency: RMB

Items	Opening balance	Increased in current period	Decreased in current period	Ending balance
Capital premium (capital stock premium)		2,585,997,122		2,585,997,122
Other capital reserve	1,004,724,989			1,004,724,989
Total	1,004,724,989	2,585,997,122		3,590,722,111

40. Other comprehensive income

√ Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Items	Opening Balance	Amount incurred during the current period							Closing Balance
		Before tax amount	Less: reclassification of OCI into retained earning	Less: transfer to profit or loss that previously recognized	Less: income tax expense	Other	Net-of-tax amount attributable to shareholders of the Company	Net-of-tax amount attributable to non-controlling interests	
Items that will not be reclassified to profit or loss	(72,655,383)	(145,650,096)	-	-	-		(145,650,096)	-	(218,305,479)
Including: remeasurement of changes in liabilities under defined benefit plans	4,394,550	1,256,905					1,256,905	-	5,651,455
Profit/Loss from changes in fair value Investments in other equity instruments	(77,049,933)	(146,907,001)					(146,907,001)		(223,956,934)
Items that may be reclassified to profit or loss	(908,937,281)	812,078,835	-	(2,209,716)	(601)		811,656,915	2,632,237	(97,280,366)
Including: effective portion of gain or loss of cash flow hedge	(2,702,476)	(2,212,044)		(2,209,716)	(601)		(1,727)		(2,704,203)
Translation difference of foreign financial statements	(906,234,805)	814,290,879					811,658,642	2,632,237	(94,576,163)
Total	(981,592,664)	666,428,739	-	(2,209,716)	(601)		666,006,819	2,632,237	(315,585,845)

41. Surplus reserve

Unit: Yuan Currency: RMB

Items	Opening balance	Increase in current period	Decrease in current period	Closing balance
Statutory surplus reserve	714,341,527	3,422,152		717,763,679
Total	714,341,527	3,422,152		717,763,679

In accordance with the Company Law of the People's Republic of China and the Articles of Association, prior to the distribution of the Company's net profit, the Company should provide 10% as statutory reserve for the net profit available for distribution, after covering the accumulated losses from prior years. When the statutory surplus reserve accumulatively reaches more than 50% of registered capital, it may not be withdrawn any more. If approved, statutory surplus reserve may be used to cover losses or increase capital stock.

42. Undistributed profit

Unit: Yuan Currency: RMB

Items	Note	Current period	Last period
Undistributed profit of last period before adjustment		12,123,015,445	11,154,024,818
Total adjustments (increased +/- decreased -)			
Undistributed profit at the beginning of period after adjustment		12,123,015,445	11,154,024,818
Add: Net profit attributable to the Company's owners in current period		1,154,532,027	1,204,325,915
Appropriation of special reserves			
Less: Withdrawal of statutory surplus reserve		3,422,152	74,421,212
Dividend distribution	(1)	482,742,229	160,914,076
Other comprehensive income transferred to retained earnings			
Others			
Undistributed profit at the end of period	(2)	12,791,383,091	12,123,015,445

43. Operating revenue and cost of sales

(1) Operating income and cost of sales

Applicable √ Not applicable

Items	Amount incurred during current period		Amount incurred during last period	
	Income	Cost of sales	Income	Cost of sales
Principal activities	17,230,692,072	12,352,266,069	15,534,274,997	10,840,773,006
Other operating activities				
Total	17,230,692,072	12,352,266,069	15,534,274,997	10,840,773,006
Including: revenue from contracts with customers	17,230,692,072	12,352,266,069	15,534,274,997	10,840,773,006
Other income			0	0

(2) Breakdown of operating revenue and cost of sales

Applicable √ Not applicable

Contract Classifications	Segment Health and nutrition		Total	
	Revenue	Cost	Revenue	Cost
By product ^(Note 1)				
- Performance products	12,914,424,551	9,746,334,604	12,914,424,551	9,746,334,604

- Specialties products	4,316,267,521	2,605,931,465	4,316,267,521	2,605,931,465
By territory				
- EUROPE	3,899,110,450		3,899,110,450	
- IMEA ^(Note 1)	2,305,989,175		2,305,989,175	
- NORTH AMERICA	2,727,568,558		2,727,568,558	
- ASIA PACIFIC (excluding CHINA)	1,890,240,922		1,890,240,922	
- LATIN AMERICA	3,520,084,955		3,520,084,955	
- CHINA	2,887,698,012		2,887,698,012	
Total	17,230,692,072	12,352,266,069	17,230,692,072	12,352,266,069

Note 1: IMEA stands for India subcontinent, Middle East, and Africa.

(3) Explanations on contractual obligations

Applicable ✓ Not applicable

(4) Explanations on the allocation of transaction price to contractual obligations

Applicable ✓ Not applicable

(5) Significant changes in contracts or transaction prices

Applicable ✓ Not applicable

44. Taxes and surcharge

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Business taxes	9,593,812	10,948,523
Property tax	18,962,410	17,554,858
City maintenance and construction tax	18,050,945	10,643,140
Education surcharge and local education surcharges	14,084,710	8,767,703
Others	15,448,401	24,653,238
Total	76,140,278	72,567,462

45. Selling and distribution costs

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Depreciation and amortization expenses	31,210,614	31,013,238
Replenishment and storage expenses	554,838,228	507,903,154
Personnel expenses	565,764,083	519,383,070
Commission expenses for delegating agent	75,071,528	73,911,265
Travel expenses	68,198,263	59,118,894
Consulting and other professional fees	43,356,584	35,191,702
Others	156,698,879	124,585,258
Total	1,495,138,179	1,351,106,581

46. General and administrative expenses

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Depreciation and amortization expenses	183,612,908	202,122,560
Employee benefit expenses	442,505,229	418,414,102
Consulting and other expert services	176,891,721	147,127,068
Travel expenses	18,438,575	15,548,052

Items	Amount incurred during the current period	Amount incurred during the last period
Rent expenses	4,194,384	5,117,061
Insurance expenses	27,673,263	27,189,704
Others	1,295,100	91,011,443
Total	855,545,180	906,529,990

47. Research and development expenses

Unit: Yuan Currency:

RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Depreciation and amortization expenses	60,284,712	42,999,668
Employee benefit expenses	190,176,926	217,694,859
Consulting and other expert services	67,986,177	98,170,501
Travel expenses	8,016,356	9,539,728
Rent expenses	4,341,202	2,075,623
Insurance expenses	114,134	369,166
Research and exploitation expenses (without Payroll & External Expenses)	78,298,237	66,753,201
Others	46,907,113	4,065,934
Total	456,124,857	441,668,680

48. Financial expenses

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Interest expenditure	45,308,485	68,595,048
Less: Interest expense capitalized	4,741,903	439,650
Interest expense related to lease liabilities	13,653,834	15,364,380
Interest income	(89,233,645)	(31,272,165)
Net exchange losses / (gains)	44,764,901	(44,245,725)
Other financial expenses	53,480,939	48,076,279
Total	63,232,611	56,078,167

In 2025, the rates used to determine interest expenses capitalization were from 0.25% to 2.42% (2024: 2.41% to 2.42%).

49. Investment income (loss)

Items	Amount incurred during the current period	Amount incurred during the last period
Gain (loss) from long-term equity investment measured by equity method	(110,008,753)	(98,350,482)
Other		
Total	(110,008,753)	(98,350,482)

50. Gain (losses) from changes in fair value

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Source generating the gain (loss) of change on fair value	Amount incurred during the current period	Amount incurred during the last period
Change in fair value of derivative financial instruments	20,630,975	(29,375,001)
Change in fair value of other non-current financial instruments	(31,421,344)	(3,511,827)
Total	(10,790,369)	(32,886,828)

51. Credit Losses

√ Applicable Not applicable

Credit losses	Amount incurred of current period	Amount incurred of comparative period
Accounts receivable bad debts provision	17,734,059	(7,212,221)
Other receivable bad debts provision	(82,821,825)	
Total	(65,087,766)	(7,212,221)

52. Asset impairment losses

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
I. Provision for decline in value of inventories	(75,172,862)	(28,222,487)
II. Impairment of fixed assets	(44,818,889)	
Total	(119,991,751)	(28,222,487)

53. Non-operating income

(1) Non-operating income by item is as follows

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period	Amount recorded in non-recurring gain or loss of current period
Payables written-off	185,545		185,545
Inventory or fixed assets surplus gains from physical count	47,095		47,095
Fines or confiscated income received	202,300		202,300
Others	2,856,084	9,082,240	2,856,084
Total	3,291,024	9,082,240	3,291,024

54. Non-operating expenses

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period	Amount recorded in non-recurring gain or loss of current period
Fines or confiscated expenses paid	1,448,703		1,448,703
Losses incurred from natural disasters or incidents	40,670		40,670
Donations expense	28,469		28,469
Restructuring cost	100,247,947	159,768,810	100,247,947
Others	7,236,183	243,652	7,236,183
Total	109,001,972	160,012,462	109,001,972

55. Income tax expenses

(1) Income tax expenses

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Current income tax	463,822,963	415,839,362
Deferred income tax	(50,014,636)	(46,801,811)
Total	413,808,327	369,037,551

(2) Accounting profit and expense of income tax adjustment process

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period
Total profit before tax	1,570,496,599
Income tax expenses calculated at applicable tax rates (1)	405,659,272
Difference of tax rates applicable to subsidiary companies (2)	(42,839,014)
Credit Tax	(27,866,018)
Adjustment on income tax of previous years	
Costs, expenses and losses not deductible for tax purposes	34,195,257
Utilization of previously unrecognized tax losses or temporary differences	
Tax losses for which no deferred income tax asset was recognized	17,438,802
Others	27,220,028
Income tax expenses	413,808,327

Income tax expenses calculated at applicable tax rates (1) is calculated at the statutory income tax rate of France, which is the main operation jurisdiction of the Group. The impacts of different tax rates between local tax rate of subsidiaries in different jurisdictions and French tax rate are presented in Difference of tax rates applicable to subsidiary companies (2); and other reconciliation items are calculated by local tax rate as applicable.

56. Basic earnings per share**(1) Basic earnings per share**

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Net profit attributable to equity holders of the Company	1,154,532,027	1,204,325,915
Common stock	2,687,351,656	2,681,901,273
Basic earnings per share	0.43	0.45
Basic earnings per share from continue operation (i)	0.43	0.45
Basic losses per share from discontinue operation		

- (i) The weighted average number of shares used for the calculation of the EPS is 2,687,351,656 for 2025 and 2,681,901,273 for 2024

Weighted average number of ordinary shares is calculated as follows:

Number of shares	Amount incurred during the current period	Amount incurred during the last period
Issued ordinary shares at January 1	2,681,901,273	2,681,901,273
Effect of new shares	5,450,383	
Weighted average number of ordinary shares at the end of the period	2,687,351,656	2,681,901,273

(2) Diluted earnings per share

The Company does not have dilutive potential ordinary share in the periods from January 1, 2025 to December 31, 2025 and January 1, 2024 to December 31, 2024. The diluted earnings per share/ (loss) is equal to basic earnings per share/ (loss).

57. Supplement to income statement

Unit: Yuan Currency: RMB

Items	Amount incurred of current period	Amount incurred of last period
Operating revenue	17,230,692,072	15,534,274,997
Less: Changes in inventories of raw materials, finished goods and work in progress	20,948,323	(580,140,382)

Items	Amount incurred of current period	Amount incurred of last period
Raw materials, purchased equipment and consumables purchased	8,879,294,122	7,915,185,751
Employee benefit expenses	2,002,163,652	1,857,771,068
Depreciation/amortization expenses	1,450,910,254	1,468,365,053
Depreciation/amortization expenses right of use	122,980,726	119,452,513
Logistics	1,235,287,566	1,052,661,259
External warehousing	170,615,411	158,863,348
Consulting and other expert services	354,552,283	416,790,937
Travel expenses	106,487,509	91,605,236
Rent expenses	5,262,350	22,401,203
Insurance expenses	29,705,129	28,421,629
Commission expenses for delegating agent	75,071,528	73,911,265
Research and exploitation expenses	78,298,237	66,753,201
Taxes	76,140,278	72,567,462
Credit losses (reverse)	65,087,766	7,212,221
Asset impairment losses (reverse)	119,991,751	28,222,487
Gain arising from changes in fair value	10,790,369	32,886,828
Investment loss / (income)	110,008,753	98,350,482
Losses (gains) from asset disposals	1,772,444	1,022,096
Other income	(51,613,732)	(27,575,621)
Others	690,729,806	904,114,343
Total Operating profit	1,676,207,547	1,725,432,618

58. Items in cash flow statement

(1) Cashflows relating to operating activities

Cash received relating to other operating activities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Others	12,828,440	76,190,509
Total	12,828,440	76,190,509

Cash paid relating to other operating activities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Travel expenses	106,487,509	91,605,236
Rent	21,322,816	22,401,203
Insurances	29,705,129	28,421,629
Restricted funds	-	32,142,960
Others	138,862,518	164,226,325
Total	296,377,972	338,797,353

(2) Cashflows relating to investing activities

Cash received relating to other investing activities

√ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Others	417,024,574	77,879,979

Total	417,024,574	77,879,979
--------------	--------------------	-------------------

Cash paid relating to other investing activities

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred during the current period	Amount incurred during the last period
Others	60,474,061	112,878,156
Total	60,474,061	112,878,156

(3) Cashflows relating to financing activities

Cash received relating to other financing activities

Applicable ✓ Not applicable

Cash paid relating to other financing activities

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred of current period	Amount incurred of last period
Leases payment	152,640,166	132,370,649
Total	152,640,166	132,370,649

59. Supplementary data of cash flow statement

(1) Supplement to cash flow statement

Unit: Yuan Currency: RMB

Items	Amount of current period	Amount of last period
1. Reconciliation of net profit to cash flow from operating activities:		
Net profit	1,156,688,272	1,205,464,845
Add: Impairment provisions for assets	119,991,751	28,222,487
Credit losses	65,087,766	7,212,221
Depreciation/impairment of fixed assets	1,151,908,184	1,186,637,281
Amortization of assets from right of use	122,980,726	119,452,513
Amortization of intangible assets	297,736,817	267,213,478
Amortization of expenditures on research and development	13,698,584	14,514,294
Amortization of long-term deferred expenses	1,265,253	3,233,968
Losses on disposal of fixed assets, intangible assets and other long-term assets	1,373,864	1,022,096
Losses (gains) on scrapping of fixed assets		0
Gains on changes in fair value	10,790,369	32,886,828
Financial expenses (income)	63,232,611	55,125,990
Losses (gains) arising from investment	110,008,753	98,350,482
Amortization of deferred income	(30,241,569)	(11,732,700)
(Increase) decrease of deferred tax assets	(74,119,055)	87,744,532
Increase (decrease) of deferred tax liabilities	24,104,420	(134,546,343)
Decrease (increase) in gross inventories	198,584,616	(580,140,382)
Decrease (increase) in receivable from operating activities	(130,684,466)	(279,279,975)
Increase (decrease) in payable from operating activities	228,301,581	843,287,866
Net cash flow from operating activities	3,330,708,477	2,944,669,481
2. Investing and financing activities not requiring the use of cash or cash equivalents		
Debts converted into capital		

Items	Amount of current period	Amount of last period
Convertible corporate bonds due within one year		
Fixed assets acquired under finance leases		
3. Change in cash and cash equivalents		
Closing balance of cash	4,272,958,171	1,233,635,835
Less: Opening balance of cash	1,233,635,835	1,005,227,559
Add: Closing balance of cash equivalent		
Less: Opening balance of cash equivalent		
Net increase of cash and cash equivalent	3,039,322,336	228,408,276

(2) Net amount of cash paid in current period for obtaining subsidiary companies

Applicable Not applicable

(3) Net amount of cash received from disposal of subsidiary companies in current period

Applicable Not applicable

(4) Composition of cash and cash equivalent

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
I. Cash at bank and on hand	4,272,958,171	1,233,635,835
Including: Cash on hand		
Bank deposit available for payment anytime	4,272,958,171	1,233,635,835
Other monetary resources available on demand		
II. Cash equivalents		
III. Closing balance of cash and cash equivalents	4,272,958,171	1,233,635,835
Including: Use-restricted cash and cash equivalent of the Company or its subsidiaries	N/A	N/A

(5) Restricted funds but still classified as cash and cash equivalents

Applicable Not applicable

(6) Monetary funds not classified as cash and cash equivalents

Items	Closing balance	Opening balance	Resons
Other monetary funds	-	32,142,960	A cross-border remittance between subsidiaries that is temporarily unavailable due to bank compliance review.
Total	-	32,142,960	/

60. Foreign-currency monetary items

Applicable Not applicable

The Group's exposure to currency risk arising from recognized assets and liabilities denominated in foreign currencies at each affiliate level as of 31 December 2025 is as follows. For consideration of disclosure, the amount of exposure to the risk is shown in Renminbi to be converted at the spot exchange rate on the balance sheet date. Currency translation difference is not included.

(1) Foreign-currency monetary balances

Current period

Unit: Yuan

Items	Closing balance at foreign currency	Exchange rate for conversion	Closing balance at RMB equivalent
-------	-------------------------------------	------------------------------	-----------------------------------

Bluestar Adisseo Company 2025 Annual Report

Cash and cash equivalents			534,474,497
Wherein:	EUR	1,582,675	8.2355
	CNY	40,222,017	1.0000
	USD	57,199,329	7.0048
	GBP	2,269,465	9.4531
	THB	6,937,923	0.2196
	BRL	7,048,784	1.2730
	CAD	309,200	5.1139
	MXN	37,655,766	0.3899
	SGD	421,123	5.4558
	OTHER		
Accounts receivable			715,945,033
Wherein:	EUR	3,024,954	8.2355
	CNY	625,898	1.0000
	USD	74,461,124	7.0048
	GBP	0	9.4531
	THB	0	0.2196
	BRL	111,283,841	1.2730
	CAD	0	5.1139
	MXN	0	0.3899
	SGD	0	5.4558
	OTHER		
Other receivables			94,600,958
Wherein:	EUR	3,402	8.2355
	CNY	0	1.0000
	USD	3,259,130	7.0048
	GBP	0	9.4531
	THB	787,550	0.2196
	BRL	0	1.273
	CAD	0	5.1139
	MXN	113,182.9	0.3899
	SGD	6,452	5.4558
	OTHER		
Accounts payable			(279,261,957)
Wherein:	EUR	(351,589)	8.2355
	CNY	(41,178)	1.0000
	USD	(33,750,282)	7.0048
	GBP	(53,143)	9.4531
	THB	(2,437,650)	0.2196
	BRL	(7,477,984)	1.2730
	CAD	(59,585)	5.1139
	MXN	(16,654,052)	0.3899
	SGD	(857,653)	5.4558
	OTHER		
Other payables			(72,314,223)
Wherein:	EUR	(64,782)	8.2355
	CNY	(164,710)	1.0000
	USD	(81,123)	7.0048
	GBP	0	9.4531
	THB	(937,559)	0.2196

BRL	(11,005)	1.2730	(14,009)
CAD	0	5.1139	0
MXN	0	0.3899	0
SGD	(449,369)	5.4558	(2,451,667)
OTHER			(68,376,187)
Long-term receivables			25,403,765
Wherein: EUR	0	8.2355	0
CNY	0	1.0000	0
USD	0	7.0048	0
GBP	0	9.4531	0
THB	0	0.2196	0
BRL	18,549,141	1.2730	23,613,056
CAD	0	5.1139	0
MXN	125,758	0.3899	49,033
SGD	127,107	5.4558	693,470
OTHER			1,048,206
Current portion of non-current liabilities			(2,720,026)
Wherein: EUR	0	8.2355	0
CNY	0	1.0000	0
USD	0	7.0048	0
GBP	0	9.4531	0
THB	(1,200,073)	0.2196	(263,536)
BRL	(396,185)	1.2730	(504,344)
CAD	0	5.1139	0
MXN	(898,276)	0.3899	(350,238)
SGD	(283,601)	5.4558	(1,547,270)
OTHER			(54,638)
Gross balance sheet exposure			
Wherein: EUR	4,194,660	8.2355	34,545,122
CNY	40,642,027	1.0000	40,642,027
USD	101,088,179	7.0048	708,102,476
GBP	2,216,322	9.4531	20,951,113
THB	3,150,191	0.2196	691,782
BRL	128,996,592	1.2730	164,212,662
CAD	249,614	5.1139	1,276,501
MXN	21,361,023	0.3899	8,328,663
SGD	(1,035,940)	5.4558	(5,651,881)
OTHER			43,029,587
Total			1,016,128,052

(2) Description about foreign business entities, including important foreign business entities, foreign main business place, recording currency and selection basis, and reasons for change of recording currency.

√ Applicable Not applicable

Name of the subsidiary	Principal place of business	Functional Currency	Basis for determining the functional currency
Adisseo France S.A.S	France	EUR	Local currency of principal place of business
Adisseo Espana S.A.	Spain	EUR	Local currency of principal place of business
Adisseo USA Inc.	USA	USD	Local currency of principal place of business
Adisseo Brasil Nutrição Animal Ltd	Brazil	USD	Currency of principal flows of business
Nutriad International N.V	Belgium	EUR	Local currency of principal place of business

61. Hedging

√ Applicable Not applicable

Operations of the Group are exposed to global market risks, including the effect of changes on currency exchange rates, on interest rates and commodity prices. Derivative financial instruments are used to manage these financial exposures as an integral part of the Group's overall risk management program. Derivatives are not used for speculative purposes. For most of those transactions, the Group applies cash flow hedge accounting and documents, at the inception of the hedge, the type of hedging relationship, the hedging instruments, the nature and the term of the hedged item.

Cash flow hedge accounting means that the Group hedges exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

The fair value of derivatives is based on the market price at the balance sheet date. In the balance sheet, they are carried as financial assets when their fair value is positive and as financial liabilities when their fair value is negative.

Applying cash flow hedge accounting has the following consequences:

- The portion of the gain or loss on the hedging instrument that is determined to be effective is recognized directly in equity, while the change in the fair value of the hedged item is not yet recognized in the balance sheet. The amounts directly recognized in equity are reclassified to profit or loss when the hedged transactions occur and are recorded.
- The change in fair value of the ineffective portion recognized directly in the income statement, in net foreign exchange gains/(losses).

From January to December 2025, the change in fair value on these derivatives has a negative impact of RMB -2,328 (From January to December 2024: losses of RMB -703,382) recorded in other comprehensive income as cash flow hedge accounting, including RMB -2,212,044 of change in fair value and RMB +2,209,716 of reclassification into P&L.

From January to December 2025, the change in fair value on these derivatives has a positive impact of RMB +20,630,975 (From January to December 2024: losses of RMB -29,375,001) charged to the income statement as fair value hedge accounting, cash flow hedge ineffectiveness or non-hedge.

VIII. Research & Development Expenditures

1. Listing by nature of expenses

√ Applicable Not applicable

Items	Current period	Last period
Depreciation expense	57,105,614	40,043,955

Amortization of intangible assets	3,179,098	2,076,893
Employee benefit expenses	224,130,183	240,983,487
Consulting and other expert services	80,610,111	112,438,967
Travel expenses	9,239,863	10,505,711
Rent expenses	6,977,025	2,321,417
Insurance expenses	114,134	376,635
Research and development expenses (Experiments, analysis, and etc.)	110,779,592	86,576,720
Others	59,577,897	10,653,840
Total	551,713,517	505,977,625
Including: R&D expenditures recorded in P&L during the period	456,124,857	441,668,680
R&D expenditures capitalized during the period	95,588,660	64,308,945

2. R&D Projects that meet the conditions of capitalization

✓ Applicable Not applicable

Items	Opening balance	Increase during the current period		Decrease during the current period			Currency translation	Closing balance
		Internal development	Others	Recognized as intangible assets	Recognized in profit or loss	Others		
Project A	50,783,423	-					2,911,197	53,694,620
Project B	26,625,927	10,750,140					2,757,320	40,133,387
Project C	18,513,222	19,306,243					2,191,163	40,010,628
Project D	11,612,155	9,863,211					1,320,440	22,795,806
Others	69,865,122	55,669,066		(38,747,709)	(13,698,584)		3,153,300	76,241,195
Total	177,399,849	95,588,660		(38,747,709)	(13,698,584)		12,333,420	232,875,636

Significant R&D Projects that meet the conditions of capitalization

Applicable ✓ Not applicable

Impairment provision for development expenditure

Applicable ✓ Not applicable

3. Significant externally acquired R&D projects

Applicable ✓ Not applicable

IX. Change of Consolidation Scope

1. Business combination not under common control

Applicable ✓ Not applicable

(1). Business combination not under common control during this period

Applicable ✓ Not applicable

(2). Consideration and goodwill

Applicable ✓ Not applicable

(3). Fair value of identifiable assets and liabilities of the acquiree as at acquisition date

Applicable ✓ Not applicable

Method used to determine the fair value of identifiable assets and liabilities:

Applicable Not applicable

Contingent liabilities assumed by the acquirer:

Applicable Not applicable

Gains/losses arising from remeasurement at fair value of previously held interests. Business combination achieved in stages and control obtained in the reporting period.

Applicable Not applicable

2. Business combination under common control

Applicable Not applicable

3. Reverse acquisitions

Applicable Not applicable

4. Disposal of subsidiary companies

Whether the circumstance exists that single disposal of subsidiary company induces the loss of control right

Applicable Not applicable

Whether the circumstance exists that the Company disposes the investments in subsidiary companies by steps through multiple transactions and loses control right in the current period

Applicable Not applicable

5. Change of consolidation scope for other reasons

Applicable Not applicable

In September 2025, Nutriad Asia Ltd, a subsidiary of the Company, was liquidated.

In December 2025, Innov'ia USA Inc., a subsidiary of the Company, was liquidated.

6. Others

None

X. Rights and Interests in Other Subjects

1. Rights and interests in subsidiaries

Applicable Not applicable

(1) Composition of enterprise group

Name of the Subsidiary	Principal place of business	Registration place	Business nature	Shareholding (%)		Acquisition method
				Direct	Indirect	
Bluestar Adisseo Nutrition Group, Ltd	Hong Kong	Hong Kong	Investment holding	100%		Business combination under common control
Drakkar Group S.A.	Belgium	Belgium	Investment holding		100%	Business combination under common control

G4 S.A.S	France	France	Investment holding		100%	Business combination under common control
Fondoir de Bayonne Blancpignon S.A.S	France	France	Production and sales of chemical products		100%	Business combination under common control
Adisseo France S.A.S	France	France	Production and sales of chemical products		100%	Business combination under common control
Casper G.I.E	France	France	Production and sales of chemical products		80%	Business combination under common control
Adisseo Eurasie S.A.R.L	Russia	Russia	Production and sales of chemical products		100%	Business combination under common control
Adisseo Life Science (Shanghai) Co., Ltd	China	China	Production and sales of chemical products		100%	Business combination under common control
Adisseo Canada Inc.	Canada	Canada	Production and sales of chemical products		100%	Business combination under common control
Adisseo Ireland Limited	Ireland	Ireland	Production and sales of chemical products		100%	Business combination under common control
Adisseo de Mexico S.A. de C.V.	Mexico	Mexico	Production and sales of chemical products		100%	Business combination under common control
Adisseo USA Inc.	USA	USA	Production and sales of chemical products		100%	Business combination under common control
Adisseo Asia Pacific Pte. Ltd	Singapore	Singapore	Production and sales of chemical products		100%	Business combination under common control
Adisseo Trading (Thailand) Co., Ltd	Thailand	Thailand	Production and sales of chemical products		100%	Business combination under common control
Adisseo GMBH	Germany	Germany	Production and sales of chemical products		100%	Business combination under common control
Adisseo Espana S.A.	Spain	Spain	Production and sales of chemical products		100%	Business combination under common control
Adisseo Brasil Nutricao Animal Ltda	Brazil	Brazil	Production and sales of chemical products		100%	Business combination under common control
Innov'ia S.A.	France	France	Powder designer for chemical industry		99.95%	Business combination under common control
INNOCAPS S.A.R.L	France	France	Powder designer for		99.95%	Business combination under common control

			chemical industry			
Innov'ia 3I S.A.	France	France	Powder designer for chemical industry		99.95%	Business combination under common control
Capsulae S.A.S	France	France	Powder designer for chemical industry		99.95%	Business combination not under common control
LC Immo	France	France	Powder designer for chemical industry		99.95%	Business combination not under common control
LC Inodry	France	France	Powder designer for chemical industry		99.95%	Business combination not under common control
Bluestar Adisseo Nanjing Co., Ltd	China	China	Production and sales of chemical products		100%	Business combination under common control
Adisseo Philippines Inc.	Philippines	Philippines	Production and sales of chemical products		100%	Business combination under common control
Adisseo Animal Nutrition Pte Ltd	India	India	Production and sales of chemical products		100%	Business combination under common control
Adisseo Malaysia SDN. BHD	Malaysia	Malaysia	Production and sales of chemical products		100%	Established
Adisseo Nutrition Health Products (Nanjing) Co.	China	China	Production and sales of chemical products		100%	Established
Adipex S.A.S	France	France	Production and sales of chemical products		85.00%	Established
Nutriad Holding B.V.	Netherlands	Netherlands	Investment holding		100%	Business combination not under common control
Nutriad International N.V	Belgium	Belgium	Production and sales of chemical products		100%	Business combination not under common control
Nutriad Ltd	UK	UK	Production and sales of chemical products		100%	Business combination not under common control
Feed Flavor Internationals (Jiangsu) Co., Ltd	China	China	Production and sales of chemical products		100%	Business combination not under common control
Nutriad Nutrição Animal Ltda	Brazil	Brazil	Production and sales of chemical products		100%	Business combination not under common control
Adisseo Polska Sp. Z o.o. Ul.	Poland	Poland	Production and sales of chemical products		100%	Business combination not under common control

Adisseo Italia Srl	Italy	Italy	Production and sales of chemical products		100%	Business combination not under common control
Adisseo Animal Nutrition DMCC	UAE	UAE	Production and sales of chemical products		100%	Established
Adisseo Yem Katkiları Ltd	Turkey	Turkey	Production and sales of chemical products		100%	Established
Adisseo Venture	Belgium	Belgium	Investment holding		100%	Established
Franklin Group B..V.	Netherlands	Netherlands	Investment holding		100%	Business combination not under common control
Adisseo NL B.V.	Netherlands	Netherlands	Production and sales of chemical products		100%	Business combination not under common control
Functional Lipids B.V	Netherlands	Netherlands	Production and sales of chemical products		100%	Business combination not under common control
Adisseo Nutricion Animal S.L.U	Spain	Spain	Production and sales of chemical products		100%	Business combination not under common control
Franklin Asia Ltd.	Thailand	Thailand	Production and sales of chemical products		100%	Business combination not under common control
Nor-Feed Holding	France	France	Investment holding		93.28%	Business combination not under common control
Nor-Feed SAS	France	France	Production and sales of chemical products		93.28%	Business combination not under common control
Nor-Feed Vietnam Co., Ltd	Vietnam	Vietnam	Production and sales of chemical products		93.28%	Business combination not under common control
SCI VERTE	France	France	Real Estate company		93.28%	Business combination not under common control
Bluestar Adisseo Health and Nutrition (Nanjing) Co., Ltd.	China	China	Production and sales of chemical products		100%	Established
Sinochem Bluestar Adisseo Animal Nutrition Technology (Quanzhou) Co., Ltd.	China	China	Production and sales of chemical products		100%	Established
Adisseo Vietnam Company Limited	Vietnam	Vietnam	Production and sales of chemical products		100%	Established

2. Rights and interests in Associates and joint ventures

✓ Applicable Not applicable

Financial information of unimportant joint ventures and associates

Items	Current period	Last period
-------	----------------	-------------

Joint venture		
Book value of investment	-	107,566,015
Calculated based on shares on the joint venture		
- Net profit	(110,008,753)	(98,350,482)
- Other comprehensive income	2,442,738	(1,267,867)
- Total comprehensive income	(107,566,015)	(99,618,349)

3. Important joint operation

Applicable Not applicable

4. Rights and interests in the structuralized subjects not taken into the scope of consolidated financial statements

Applicable Not applicable

5. Others

None

XI. Government subsidies

1. Government subsidies recognized as receivables as at the end of reporting period

Applicable Not applicable

Reasons for not receiving the subsidies as scheduled

Applicable Not applicable

2. Liabilities involving government subsidies

Applicable Not applicable

Liability projects	Opening balance	Amount of newly increased subsidy in current period	Amount recognized in non-operating income	Amount recognized in other income	Currency translation differences	Closing balance	Related to assets / Income
Deferred income	138,004,793	11,307,648		(30,241,569)	4,455,002	123,525,874	Assets
Total	138,004,793	11,307,648		(30,241,569)	4,455,002	123,525,874	

3. Government subsidies recognized in the profit and loss of the current period

Applicable Not applicable

Items	Amount incurred during the current period	Amount incurred during the last period
Government grants related to assets	30,241,569	11,732,700
Government grants related to income	21,372,163	15,842,921
Total	51,613,732	27,575,621

XII. Risks Related to Financial Instruments

1. Risks Related to Financial Instruments

Applicable Not applicable

The Group's activities expose it to a variety of financial risks as follows:

- foreign exchange risk
- interest rate risk
- credit risk
- liquidity risk

The Group's risk management objectives are to achieve proper balance between risks and yield, minimize the adverse impacts of risks on the Group's operation performance. Based on these risk management objectives, the Group's basic risk management strategy is to identify and to analyze the industry's exposure to various risks and seeks to minimize potential adverse effects on the Group's financial performance.

(1) Market risk

(a) Foreign exchange risk

The Group's major operational activities are carried out in France, Spain, United States, mainland China and a majority of the transactions are denominated in EURO, US Dollars and RMB. The Group's finance department at its headquarters continuously monitors foreign exchange risk of the Group and combine with the use of derivative financial instruments.

Assets and liabilities denominated in foreign currencies are summarized in Note VII.60.

The table below summarizes the sensitivity of the Group's profit before income tax ("P&L") and Other Comprehensive Income ("OCI") to a change of plus or minus 10% in foreign exchange rates against the euro, calculated on the net exposure presented above and on derivatives hedging future cash flows. The impacts of the derivative financial instruments only take into account the changes in their efficient portions / intrinsic values:

Current period

Hedged currencies	Increase of the euro by 10%		Decrease of the euro by 10%	
	Impact P&L	Impact OCI	Impact P&L	Impact OCI
EUR	(76,062,722)	400,552	65,354,955	(2,516,358)
USD	86,853,125	6,067,508	(93,468,605)	(14,185,485)
Other currencies	(4,767,402)	7,424	5,410,539	(6,064)

Non-hedged currencies	Increase of the euro by 10%		Decrease of the euro by 10%	
	Impact P&L	Impact OCI	Impact P&L	Impact OCI
All currencies	1,780,373	(18,305,772)	(1,780,373)	18,305,772

(b) Interest rate risk

The Group's exposure to the interest rate risk is primarily arising from net indebtedness including long-term interest-bearing debt and cash position.

The Group's finance department at its headquarters continuously monitors the interest rate position of the Group.

As of 31 December 2025, the Group did not have any outstanding floating rate borrowings (31 December 2024: RMB 639,684,500). As of 31 December 2025, if interest rates on the floating rate borrowings had risen/fallen by 50 basis points while all other variables had been held constant the Group's net profit would have decreased/increased by RMB 0 (As at 31 December 2024: RMB 3,198,422.)

(2) Credit risk

The Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from

its financing activities (including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments).

Bank deposits of the Group are mainly put in large or medium-sized listed banks with high credit standard. Therefore, the Group believes they suffer no significant credit risks or cause any significant losses as a result of contract breach of the counterparts.

The Group has a credit policy, approved by the Group Chief Finance Officer (CFO), which is designed to ensure that consistent processes are in place throughout the Group to measure and control credit risk. Such risk is considered as part of the risk-reward balance of doing business. Key requirements of the policy are formal delegated authorities to the sales and marketing teams to incur credit risk and to a specialized credit function to set counterparty limits. Before trading with a new counterparty can start, its creditworthiness is assessed and credit exposure limit is determined. Such exposure limit also depends on the limits of the credit insurer of the Group which is used for clients located in high-risk countries according to the Group. The assessment process takes into account all available qualitative and quantitative information about the counterparty and the group, if any, to which the counterparty belongs. Creditworthiness continues to be evaluated after transactions have been initiated with follow up on payment performances.

(3) Liquidity risk

Cash flow forecasting is performed by each subsidiary of the Group and aggregated by the Group's finance department in its headquarters. The Group's finance department at its headquarters monitors rolling forecasts of the Group's short-term and long-term liquidity requirements to ensure it has sufficient cash and securities that are readily convertible to cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities from major financial institutions so that the Group does not breach borrowing limits or covenants on any of its borrowing facilities to meet the short-term and long-term liquidity requirements.

The undiscounted contractual cash flows (including interests calculated based on contractual interest rates (or the current interest rates on balance sheet date if floating rate)) of financial liabilities of the Group as at the balance sheet date are analyzed by their maturity date below:

Unit: Yuan Currency: RMB

Items	Closing balance				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Financial liabilities -					
Short-term borrowings					
Notes payable	101,027,611				101,027,611
Accounts payable	1,921,724,248				1,921,724,248
Derivative financial instruments- liabilities					
Other payables	1,117,604,895				1,117,604,895
Long-term borrowings		1,572,765,348	26,289,159	9,308,684	1,608,363,191
Long-term payables		1,712,984	2,569,476	11,888,356	16,170,816
Long-term lease liabilities		156,975,814	57,951,883	74,157,793	289,085,490
Current portion of long-term payables	857,645				857,645
Current portion of long-term borrowings	76,934,382				76,934,382
Current portion of lease liabilities	63,930,527				63,930,527
Total	3,282,079,308	1,731,454,146	86,810,518	95,354,833	5,195,698,805

Unit: Yuan Currency: RMB

Items	Opening balance				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Financial liabilities -					
Short-term borrowings	54,453,036				54,453,036
Accounts payable	1,767,033,170				1,767,033,170

Items	Opening balance				
	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
Derivative financial instruments-liabilities	14,207,182				14,207,182
Other payables	670,312,126				670,312,126
Long-term borrowings		76,615,870	657,727,742	191,214,877	925,558,489
Long-term payables		782,673	820,301	11,700,876	13,303,850
Long-term lease liabilities		142,397,249	71,276,229	100,564,830	314,238,308
Current portion of long-term payables	783,711				783,711
Current portion of long-term borrowings	6,536,108				6,536,108
Current portion of lease liabilities	72,326,071				72,326,071
Total	2,585,651,404	219,795,792	729,824,272	303,480,583	3,838,752,051

2. Hedging

(1) The Company uses hedging to manage risks

✓ Applicable Not applicable

Please refer to Note VII 61 for details.

(2) The Company uses hedging and applies hedging accounting

Applicable ✓ Not applicable

(3) The Company uses hedging to manage risks and expects to achieve goals of risk management but does NOT apply hedging accounting

Applicable ✓ Not applicable

3. Transfers of financial assets

(1) Types of financial assets transfer

✓ Applicable Not applicable

Types of transfer	Items	Amount transferred	Derecognition status	Basis for derecognition judgement
Factoring	Accounts receivable	475,280,846	Completely derecognized	Major risks, such as credit risk, and contractual rights to receive the cash flows have been transferred to the factoring company
Total	/	475,280,846	/	/

(2) Financial assets derecognized due to transfer

✓ Applicable Not applicable

Items	Types of transfer	Amount derecognized	Profit or loss related to derecognition
Accounts receivable	Factoring	475,280,846	8,733,713
Total	/	475,280,846	8,733,713

(3) Transferred financial assets with continuous involvement

Applicable ✓ Not applicable

XIII. Disclosure of Fair Value

✓ Applicable Not applicable

Based on the lowest level input that is significant to the fair value measurement in its entirety, the fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

1. Closing fair value of the assets and liabilities measured with fair value

As at December 31, 2025, the assets measured at fair value on a recurring basis by the above three levels are analyzed below:

Unit: Yuan Currency: RMB

Items	Closing fair value			Total
	Level 1 fair value measurement	Level 2 fair value measurement	Level 3 fair value measurement	
I. Continuous fair value measurement				
(1) Trading financial assets		5,556,890	93,818,816	99,375,706
a) Financial assets measured with fair value and having the change of fair value recorded in the gain or loss of current period		5,556,890	93,818,816	99,375,706
i) Investments in debt instruments				
ii) Investment in equity instruments			93,818,816	93,818,816
iii) Derivative financial assets		5,556,890		5,556,890
b) Financial assets specified to measure with fair value and have the change of fair value recorded in the gain or loss of current period				
i) Investments in debt instruments				
ii) Investment in equity instruments				
(2) Investments in other bonds				
(3) Investment in other equity instruments			43,230,642	43,230,642
Total amount of assets with continuous fair value measurement		5,556,890	137,049,458	142,606,348
(4) Trading financial liabilities				
a) Financial assets measured with fair value and having the change of fair value recorded in the gain or loss of current period				
Including: Trading bonds issued				
Derivative financial liabilities				
Others				
b) Financial liabilities specified to measure with fair value and have the change of fair value recorded in the gain or loss of current period				
Total amount of liabilities with continuous fair value measurement				

2. Market value definition for recurring and non-recurring fair value measurements categorized within Level 1

Applicable Not applicable

3. Valuation techniques used and the qualitative and quantitative information of key parameters for recurring and non-recurring fair value measurements categorized within Level 2

The fair value of financial instruments traded in an active market is determined at the quoted price in the active market; and the fair value of those not traded in an active market is determined by the Group using valuation technique. The valuation models used mainly comprise discounted cash flow model and market comparable corporate model. The inputs of the valuation technique mainly include risk-free interest rate, benchmark rate, exchange rate, credit spread, liquidity premium, EBITDA multiplier and restricted discount.

4. Valuation techniques used and the qualitative and quantitative information of key parameters for recurring and non-recurring fair value measurements categorized within Level 3

The financial assets measured within level 3 mainly includes the Group's investment in equity instruments of non-listed companies. The Group has determined the fair value of relevant equity instruments with reference to the initial investment cost of the companies and considering the development stage of the invested companies, also relevant indicators of comparable companies

5. Sensitivity analysis of adjustment information and unobservable parameters between opening and closing book value for recurring and non-recurring fair value measurements categorized within Level 3

Applicable Not applicable

6. The reasons for transfer of different levels, and the policy about the timing of those transfers for recurring fair value measurements

The Group takes the date on which events causing the transfers between the levels take place as the timing specific for recognizing the transfers. There is no transfer between Level 1 and Level 2 for current period.

7. The change of appraisal technology in the current period and the reasons for change

During current period, there were no changes in valuation techniques for the recurring and non-recurring fair value measurements.

8. The fair value of the financial assets and financial liabilities not measured with fair value

Financial assets and liabilities not measured at fair value mainly represent receivables, short-term borrowings, payables, current portion of long-term borrowing, current portion of long-term payables, long-term borrowings and long-term payables.

The carrying amount of the other financial assets and liabilities not measured at fair value is a reasonable approximation of their fair value.

9. Other

Applicable Not applicable

XIV. Related party relationships and transactions

1. Parent(s) of the Company

Unit: Yuan Currency: RMB

Name of parent company	Registered place	Business nature	Registered capital	Proportion of shares held by the parent company in the enterprise (%)	Proportion of voting right held by the parent company in the enterprise (%)
China National BlueStar (Group) Co., Ltd	Beijing	Research, development of new chemical materials, chemical cleaning,	16,965,589,192	74.69%	74.69%

		antiseptics, water treatment technology and fine chemical products			
--	--	--	--	--	--

The enterprise's ultimate controller is Sinochem Holdings Corporation Ltd.

2. Subsidiaries of the Company

For details about the enterprise's subsidiary companies, please refer to the Note X (1).

3. Joint venture of the Company

√ Applicable Not applicable

Calysseo Limited	Joint venture of the Group
Calysseo (Chongqing) Company Limited	Subsidiary of joint venture of the Group

4. Other related parties of the Company

√ Applicable Not applicable

Sinochem Lianyu (Xiong'an) Engineering Supervision Co., Ltd. (former 'Lianyungang Lianyu Construction Supervision Co., Ltd')	Controlled by the same parent company
Lanzhou Bluestar Cleaning Co., Ltd	Controlled by the same parent company
China Bluestar Lehigh Engineering Corp Co. Ltd	Controlled by the same parent company
Sinochem Bluestar Cleaning Technology (Beijing) Co., Ltd. (former 'Beijing Bluestar Cleaning Co, Ltd.')	Controlled by the same parent company
Bluestar Silicones Investment Co., Ltd.	Controlled by the same parent company
Elkem Silicones France SAS	Controlled by the same parent company
Hangzhou Water Treatment Technology Development Center Co., Ltd	Controlled by the same parent company
Lantian (Beijing) Fluid Control Equipment Co., Ltd.	Controlled by the same parent company
Changsha Huaxing Construction Supervision Co., Ltd	Controlled by the same ultimate controlling shareholder
Haohua Zhongyi Hebei New Materials Co. LTD	Controlled by the same ultimate controlling shareholder
HaoHua Chemical Technology Group Co. Ltd	Controlled by the same ultimate controlling shareholder
Sinochem Fertilizer Co. Ltd	Controlled by the same ultimate controlling shareholder
Syngenta Crop Protection AG	Controlled by the same ultimate controlling shareholder
Sinochem Finance Co., Ltd	Controlled by the same ultimate controlling shareholder
Huaxia Hanhua Chemical Equipment Co., Ltd	Controlled by the same ultimate controlling shareholder
Tianhua Chemical Machinery and Automation Research and Design Institute Co. Ltd	Controlled by the same ultimate controlling shareholder
Nanjing Sanfang Chemical Equipment Supervision Co., Ltd.	Controlled by the same ultimate controlling shareholder
Southwest Chemical Research and Design Institute Co. LTD	Controlled by the same ultimate controlling shareholder
Etexe Technologies Limited	Controlled by the same ultimate controlling shareholder
Sinochem Digital Intelligence Technology Co., Ltd. (former 'Sinochem Information Technology Co., LTD')	Controlled by the same ultimate controlling shareholder
Sinochem Emergency Technology Services (Zhoushan) Co., Ltd. (Former "Sinochem Zhoushan Hazardous Chemicals Emergency Rescue Base Co., Ltd.")	Controlled by the same ultimate controlling shareholder
Bluestar Engineering Co., Ltd	Controlled by the same ultimate controlling shareholder
Beijing Jinmao Living Environment Technology Co., Ltd	Controlled by the same ultimate controlling shareholder
Chemical Industry Mine Engineering Quality Supervision Station	Controlled by the same ultimate controlling shareholder

Jinmao Property Services (Fuzhou) Co., Limited	Controlled by the same ultimate controlling shareholder
Jinmao Cloud Technology Services (Beijing) Co., Ltd	Controlled by the same ultimate controlling shareholder
Shenyang Research Institute of Chemical Industry	Controlled by the same ultimate controlling shareholder
China Chemical Information Center Co., Ltd	Controlled by the same ultimate controlling shareholder
Sinochem Fangsheng Energy Management Service Co., LTD	Controlled by the same ultimate controlling shareholder
Sinochem Environmental Technology Engineering Co., LTD	Controlled by the same ultimate controlling shareholder
Sinochem Juyuan Enterprise Management (Beijing) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinochem Energy Co., Ltd	Controlled by the same ultimate controlling shareholder
Sinochem Energy Technology Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinochem HongKong (Group) Company Limited	Controlled by the same ultimate controlling shareholder
Haohua Gas Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinochem Quanzhou Petrochemical Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinochem Luxi Engineering Co Ltd	Controlled by the same ultimate controlling shareholder
Sinochem Jinmao Property Management Services (Beijing) Co Ltd	Controlled by the same ultimate controlling shareholder
Bluestar (Hangzhou) Membrane Industry Co., Ltd	Controlled by the same ultimate controlling shareholder
Haohua Gas Co Ltd Wuhan Branch	Controlled by the same ultimate controlling shareholder
Jinmao Cloud Technology Services (Beijing) Co.,Ltd	Controlled by the same ultimate controlling shareholder
Liaocheng Luxi Formic Acid Chemical Co., Ltd.	Controlled by the same ultimate controlling shareholder
Luxi Chemical Group Co., Ltd. Coal Chemical The Second Branch	Controlled by the same ultimate controlling shareholder
Sinochem (Quanzhou) Petroleum Sales Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinochem (ZhouShan) Xinghai Construction Co.,Ltd	Controlled by the same ultimate controlling shareholder
Sinochem Energy Co.,Ltd	Controlled by the same ultimate controlling shareholder
Sinochem Energy Technology Co., Ltd. Shanghai Branch	Controlled by the same ultimate controlling shareholder
Sinochem Environment Testing (Jiangsu) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinochem Group Co Ltd	Controlled by the same ultimate controlling shareholder
Sinochem Juyuan Enterprise Management (Beijing) Co., Ltd.	Controlled by the same ultimate controlling shareholder
Sinochem Juyuan Enterprise Management (Beijing) Co., Ltd. Quanzhou Branch	Controlled by the same ultimate controlling shareholder
SINOCHEM QUANZHOU PETROCHEMICAL CO.,LTD	Controlled by the same ultimate controlling shareholder
Zhonghua Luxi Engineering Co Ltd	Controlled by the same ultimate controlling shareholder
GDEM Conseil	Other: Company owned by the Director of the Board
JMD International SAS	Other: Company owned by the Director of the Board

5. Related party transactions

√ Applicable Not applicable

(1) Related party transactions of purchasing and sale of goods, rendering and receiving of labor services

Purchasing of goods/ receiving of labor services

Unit: Yuan Currency: RMB

Related party	Contents of Related party transactions	Amount incurred of current period	Amount incurred of last period
Huaxia Hanhua Chemical Equipment Co., Ltd	Purchase of goods	16,920,835	5,590,653
Elkem Silicones France SAS	Purchase of goods	482,910	347,324
Hangzhou Water Treatment Technology Development Center Co., Ltd	Purchase of goods	5,579,750	142,650
Haohua Zhongyi Hebei New Materials Co. LTD	Purchase of services	-	46,900
Tianhua Chemical Machinery and Automation Research and Design Institute Co. Ltd	Purchase of goods	18,284,058	795,770
Sinochem Lianyu (Xiong'an) Engineering Supervision	Purchase of services	2,205,831	91,637

Co., Ltd			
Changsha Huaxing Construction Supervision Co., Ltd	Purchase of services	1,425,957	832,680
China Bluestar Lehigh Engineering Corp Co. Ltd	Purchase of services	4,405,923	734,399
Sinochem Bluestar Cleaning Technology (Beijing) Co., Ltd.	Purchase of services	4,591,106	3,446,510
GDEM Conseil	Purchase of services	619,735	
JMD International SAS	Purchase of services	287,698	926,196
Sinochem Digital Intelligence Technology Co., Ltd.	Purchase of goods	17,374,547	2,781,710
Southwest Chemical Research and Design Institute Co. LTD	Purchase of services	939,698	640,440
SinoChem Environmental Technology Engineering Co., LTD	Purchase of goods and services	220,596,711	109,520,160
Nanjing Sanfang Chemical Equipment Supervision Co., Ltd.	Purchase of goods and services	2,540,890	
Sinochem Emergency Technology Services (Zhoushan) Co., Ltd.	Purchase of goods and services	25,472	115,660
Bluestar Engineering Co., Ltd	Purchase of goods and services	1,087,695	18,870
Sinochem Juyuan Enterprise Management (Beijing) Co., Ltd.	Purchase of goods and services	484,680	107,567
Shenyang Research Institute of Chemical Industry	Purchase of services	7,510,486	530,190
Sinochem Fangsheng Energy Management Service Co., LTD	Purchase of services	22,163,077	1,581,635
Beijing Jinmao Living Environment Technology Co., Ltd	Purchase of services	308,257	132,110
Jinmao Cloud Technology Services (Beijing) Co.,Ltd	Purchase of services	1,510,885	505,026
Chemical Industry Mine Engineering Quality Supervision Station	Purchase of services	1,069,810	356,604
China Chemical Information Center Co., Ltd	Purchase of services	306,603	75,472
Sinochem Energy Co.,Ltd	Purchase of goods	-	2,108,492
Jinmao Property Services (Fuzhou) Co., Limited	Purchase of services		250,054
Calyseo (Chongqing) Company Limited	Purchase of goods	4,795,227	10,949,376
China National BlueStar (Group) Co., Ltd	Purchase of services	20,658	
SINOCEM QUANZHOU PETROCHEMICAL CO.,LTD	Purchase of goods	989,890	
Sinochem Energy Technology Co., Ltd. Shanghai Branch	Purchase of goods	15,765,479	
Sinochem (ZhouShan) Xinghai Construction Co.,Ltd	Purchase of services	137,360	
Jinmao Property Services (Fuzhou) Co., Limited	Purchase of services	2,014,100	
Sinochem Jinmao Property Management Services (Beijing) Co Ltd	Purchase of services	1,482,510	
Sinochem Luxi Engineering Co Ltd	Purchase of goods	138,278,852	
Sinochem Group Co Ltd	Purchase of services	53,065	
Bluestar (Hangzhou) Membrane Industry Co., Ltd	Purchase of goods	443,894	
Luxi Chemical Group Co., Ltd. Coal Chemical The Second Branch	Purchase of goods	4,099,875	
Lantian (Beijing) Fluid Control Equipment Co., Ltd.	Purchase of goods	1,168,758	
Haohua Gas Co Ltd Wuhan Branch	Purchase of goods	441,721	
Sinochem (Quanzhou) Petroleum Sales Co., Ltd.	Purchase of goods	69,160	
Sinochem Environment Testing (Jiangsu) Co., Ltd.	Purchase of services	335,850	

Sale of commodities/ rendering of labor services

Unit: Yuan Currency: RMB

Related party	Contents of related party transactions	Amount incurred of current period	Amount incurred of last period
Elkem Silicones France SAS	Sales of goods	12,724,679	11,369,056
Syngenta Crop Protection AG	Sales of goods	354,134	571,154
Calyseo Limited	Rendering of services	71,391	284,181
Calyseo (Chongqing) Company Limited	Rendering of services	1,456,900	2,490,415

Related party	Contents of related party transactions	Amount incurred of current period	Amount incurred of last period
Etexe Technologies Limited	Sales of goods	35,506,067	42,747,880

(2) Trust / contracting with related parties

 Applicable Not applicable

(3) Leases with related parties

As lesser:

 Applicable Not applicable

As lessee:

 Applicable Not applicable

Unit: Yuan Currency: RMB

Name of Leasers	Categories of leased assets	Lease expenses incurred on short-term leases and low value asset leases under simplified treatment (if applicable)		Lease paid	
		Current period	Last period	Current period	Last period
China National BlueStar (Group) Co., Ltd	Office building	605,000	266,929	605,000	266,929
Sinochem HongKong (Group) Company Limited	Office building	54,791	50,264	54,791	50,264

(4) Guarantee with related parties

 Applicable Not applicable

(5) Lending and borrowing with related parties
 Applicable Not applicable

As a lender

Unit: Yuan Currency: RMB

Related party	Amount	Start date	End date	Explanations
Calyseo Limited	84,932,753	2/7/2025	6/30/2026	Note (a)

Note (a): In 2025, BANG entered into a shareholder loan agreement with its joint venture, Calyseo Limited. Pursuant to this agreement, BANG may provide shareholder loans to Calyseo Limited up to a maximum amount of USD 16.25 million. As of December 31, 2025, the total shareholder loans provided by BANG to Calyseo Limited amounted to USD 12,125,000 (equivalent to RMB 84,932,753). The shareholder loans bear interest at the rate of U.S. LIBOR (or its replacement benchmark SOFR) plus 1.3% and will mature on 30 June 2026.

Refer to Section 6 XII. Significant related-party transactions for transactions with finance companies

(6) Transfer of assets or debts restructuring with related parties

 Applicable Not applicable

(7) Compensation paid for key management personnel
 Applicable Not applicable

Unit: Ten Thousand Yuan Currency: RMB

Items	Current period	Last period
Remuneration of key management	4,290	3,888

(8) Other related party transactions

√ Applicable Not applicable

a) Interest income from related party financing

Unit: Yuan Currency: RMB

Items	Current period	Last period	Explanation
Calysseo Limited	4,115,198	-	Refer to (5) Financing activities with related parties - Note (a)

b) Transactions with related parties

i) **Deposit**

Unit: Yuan Currency: RMB

Related party	Relation	Limit amount of daily deposit	Interest rate	Beginning balance	Deposit in the period	Withdrawn in the period	Ending balance
Sinochem Finance Co, Ltd	Controlled by the same ultimate controlling shareholder	2,000,000,000	0.25% - 5.3%	149,990,745	17,850,621,302	16,784,274,165	1,216,337,882
Total	/	/	/	149,990,745	17,850,621,302	16,784,274,165	1,216,337,882

ii) **Loan**

Related party	Relation	Loan limit amount	Interest rate	Beginning balance	Transaction amount in the period		Ending balance
					Borrowing	Repayment	
Sinochem Finance Co, Ltd	Controlled by the same ultimate controlling shareholder	1,000,000,000	-	-	-	-	-
Total	/	/	/	-	-	-	-

iii) **Credit and other business**

Related party	Relation	Business type	Top limit	Granted
Sinochem Finance Co, Ltd	Controlled by the same ultimate controlling shareholder	Comprehensive credit line	2,000,000,000	70,000,000

6. Receivables from and payables to related parties

(1) Receivables

Unit: Yuan Currency: RMB

Items	Related parties	Closing balance		Opening balance	
		Book value	Provision for bad debts	Book value	Provision for bad debts
Accounts receivable	Elkem Silicones France SAS	2,791,835		1,595,448	
Accounts receivable	Calyseo Limited	3,961,276	3,961,276	4,011,198	
Other receivables	Calyseo Limited	90,574,120	84,746,120	64,328,683	
Other receivables	Calyseo (Chongqing) Company Limited	1,726,867		1,605,962	
Other receivables	Sinochem Digital Intelligence Technology Co., Ltd.	2,000			
Advances to suppliers	China National BlueStar (Group) Co., Ltd			21,900	
Advances to suppliers	Huaxia Hanhua Chemical Equipment Co., Ltd	2,631,870		662,320	
Advances to suppliers	Southwest Chemical Research and Design Institute Co. LTD			271,150	
Advances to suppliers	Liaocheng Luxi Formic Acid Chemical Co., Ltd.	184,847			
Advances to suppliers	Luxi Chemical Group Co., Ltd. Coal Chemical The Second Branch	4,758,240			
Other non-current assets	Huaxia Hanhua Chemical Equipment Co., Ltd	33,054,000			
Other non-current assets	Sinochem Digital Intelligence Technology Co., Ltd.	3,946,489			
Other non-current assets	Sinochem Luxi Engineering Co Ltd	39,590,073			
Other non-current assets	Sinochem (Quanzhou) Petroleum Co., Ltd.	23,898			

(2) Payables

Unit: Yuan Currency: RMB

Items	Related party	Closing book balance	Opening book balance
Accounts payable	Calyseo (Chongqing) Company Limited	3,334,000	1,226,882
Accounts payable	JMD International SAS		225,771
Accounts payable	Luxi Chemical Group Co., Ltd. Coal Chemical The Second Branch	4,099,875	
Other payables	Sinochem Lianyu (Xiong'an) Engineering Supervision Co., Ltd	1,698,183	663,090
Other payables	China National BlueStar (Group) Co., Ltd	260,734	165,628
Other payables	Changsha Huaxing Construction Supervision Co., Ltd	717,910	
Other payables	Elkem Silicones France SAS		45,154
Other payables	Hangzhou Water Treatment Technology Development Center Co., Ltd	3,808,707	10,000
Other payables	China Bluestar Lehigh Engineering Corp Co. Ltd	1,377,978	93,960
Other payables	Sinochem Bluestar Cleaning Technology (Beijing) Co., Ltd.	578,160	
Other payables	Huaxia Hanhua Chemical Equipment Co., Ltd	8,111,164	3,765,107
Other payables	Calyseo (Chongqing) Company Limited	68,168	
Other payables	Southwest Chemical Research and Design Institute Co. LTD	755,880	310,150
Other payables	Tianhua Chemical Machinery and Automation Research and Design Institute Co. Ltd	13,633,946	30,000
Other payables	SinoChem Environmental Technology Engineering Co., LTD	117,879,542	23,278,670
Other payables	Sinochem Digital Intelligence Technology Co., Ltd.	9,916,972	2,628,640
Other payables	GDEM Conseil		74,885
Other payables	Sinochem Energy Co.,Ltd		23,500

Other payables	Sinochem Fangsheng Energy Management Service Co., LTD	50,270	61,210
Other payables	Nanjing Sanfang Chemical Equipment Supervision Co., Ltd.	234,667	
Other payables	Bluestar Engineering Co., Ltd	44,000	
Other payables	Sinochem Juyuan Enterprise Management (Beijing) Co., Ltd. Quanzhou Branch	40,480	
Other payables	Shenyang Research Institute of Chemical Industry	2,400,000	
Other payables	Beijing Jinmao Living Environment Technology Co., Ltd	13,211	
Other payables	Jinmao Cloud Technology Services (Beijing) Co.,Ltd	753,346	
Other payables	China Chemical Information Center Co., Ltd	148,000	
Other payables	SINOCHEM QUANZHOU PETROCHEMICAL CO.,LTD	28,623	
Other payables	Sinochem Energy Technology Co., Ltd. Shanghai Branch	2,640,455	
Other payables	Jinmao Property Services (Fuzhou) Co., Limited	552,563	
Other payables	Sinochem Jinmao Property Management Services (Beijing) Co Ltd	376,812	
Other payables	Zhonghua Luxi Engineering Co Ltd	44,071,880	
Other payables	Sinochem Group Co Ltd	53,060	
Other payables	Sinochem (Quanzhou) Petroleum Sales Co., Ltd.	10,619	
Other payables	Haohua Gas Co Ltd Wuhan Branch	136,320	
Other payables	Lantian (Beijing) Fluid Control Equipment Co., Ltd.	768,420	
Other payables	Bluestar (Hangzhou) Membrane Industry Co., Ltd	501,600	

7. Commitment to related parties

Applicable Not applicable

8. Other

Applicable Not applicable

XV. Share-based payments

Applicable Not applicable

XVI. Capital management

The Group's capital management policies aim to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, refund capital to shareholders, issue new shares or sell assets to reduce debts.

The Group's total capital is calculated as 'shareholder's equity' as shown in the consolidated balance sheet. The Group is not subject to external mandatory capital requirements and manages capital using gearing ratio.

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
-------	-----------------	-----------------

Total Borrowings	2,056,128,221	1,373,112,012
Less: Cash at bank and on hand	4,272,958,171	1,265,778,795
Net Debt	(2,216,829,950)	107,333,217
Total owners' equity	19,895,872,861	15,569,781,990
Total Capital	17,679,042,911	15,677,115,207
Gearing ratio (note a)	-12.54%	0.68%

Note a: As of 31 December 2025, the gearing ratio was negative, which indicated that the balance of cash and cash equivalent exceeded interest-bearing debt and the company had effectively no financial leverage.

XVII. Commitments and Contingencies

1. Important commitments

✓ Applicable Not applicable

(1) Capital commitments

Capital expenditures contracted for but not yet necessary to be recognized on the balance sheet:

Unit: Yuan Currency: RMB

Commitment type	Closing balance	Opening balance
Houses, buildings and machinery equipment	1,680,250,645	516,889,158
Total	1,680,250,645	516,889,158

2. Contingencies

Applicable ✓ Not applicable

3. Other

Applicable ✓ Not applicable

XVIII. Matters after the Date of Balance Sheet

1. Important non-adjustment matters

Applicable ✓ Not applicable

2. Profit distribution

✓ Applicable Not applicable

On 30 January 2026, the board of directors resolved an interim dividend distribution plan for RMB 0.51 yuan per 10 shares, with total amount of RMB 157,068,742 yuan. This proposal has been approved the 12th meeting held by the 9th session of the Board of Directors of the Company

On 6 March 2026, the board of directors resolved an annual dividend distribution plan for RMB 1.03 yuan per 10 shares, with total amount of RMB 317,217,263 yuan. This proposal is still subject to the approval of 2025 Annual General Shareholders' Meeting.

As of balance sheet date, the dividends were not recorded as a liability.

3. Sales return

Applicable ✓ Not applicable

4. Others

Applicable Not applicable **XIX. Other Important Matters****1. Corrections of prior period errors**Applicable Not applicable **2. Debt restructuring**Applicable Not applicable **3. Assets restructuring**Applicable Not applicable **4. Annuity plan**Applicable Not applicable **5. Discontinued operation**Applicable Not applicable **6. Segment information** Applicable Not applicable**(1) Identifying reportable segments and accounting policy** Applicable Not applicable

Reporting segments are determined according to operating segments, which is in accordance with the Group's internal organization structure, management requirements and internal reporting system. The Group only has one reporting segment – Health and nutrition.

Segment information is disclosed in accordance with the accounting policies and measurement criteria adopted by each segment when reporting to management. The measurement criteria are consistent with the accounting and measurement criteria in the preparation of the financial statements.

(2) Financial information of reportable segments Applicable Not applicable

Current period

Unit: Yuan Currency: RMB

Items	Health & Nutrition	Total
Revenue from external customers	17,230,692,072	17,230,692,072
Revenue from transactions with other segments		
Cost of sales	12,352,266,069	12,352,266,069
Asset impairment losses	(119,991,751)	(119,991,751)
Credit losses	(65,087,766)	(65,087,766)
Interest income	89,233,645	89,233,645
Interest expense	54,220,416	54,220,416
Investment income from associates and joint ventures	(110,008,753)	(110,008,753)
Depreciation, amortization	1,573,890,980	1,573,890,980
Profit before income tax	1,570,496,599	1,570,496,599
Income tax expense or benefit	413,808,327	413,808,327
Net profit	1,156,688,272	1,156,688,272
Other items:		
Total assets	27,795,789,248	27,795,789,248

Total liabilities	7,899,916,387	7,899,916,387
-------------------	---------------	---------------

(3) Explanation of the Group without reportable segment or cannot disclose the total assets or total liabilities of reportable segment

Applicable ✓ Not applicable

(4) Other explanation

✓ Applicable Not applicable

Operating revenue from external customers by product
Refer to the Note VII.43 - *Detail of main businesses*.

Specified non-current assets by geographical location:

Unit: Yuan Currency: RMB

Country or region	Non-current assets other than financial assets and deferred income tax assets	
	Closing balance	Opening balance
Europe / IMEA	7,569,336,835	8,652,698,823
North America	76,383,501	184,732,218
Asia Pacific (China excluded)	42,534,791	69,674,486
Latin America	29,274,313	31,738,671
China	7,836,742,850	5,634,852,236
Total	15,554,272,290	14,573,696,434

7. Other important transactions and matters have impact on decision of investors

Applicable ✓ Not applicable

8. Others

Applicable ✓ Not applicable

XX. Main Items in the Financial Statements of the Company

1. Cash at bank and on hand

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Cash on hand		
Cash at bank	2,163,038,065	908,039
Other monetary funds		
Cash deposited in finance companies	218,540,604	2,422,159
Total	2,381,578,669	3,330,198

As at December 31, 2025 and December 31, 2024, no restricted funds within the company.

2. Other receivables

(1) Other receivables by categories are as follows:

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Interest receivable		
Dividends receivable	49,413,129	600,000,000
Other receivables	715,106,611	6,827,855
Total	764,519,740	606,827,855

(2) Interest receivable by deposit type

Unit: Yuan Currency: RMB

Items	Closing balance	Opening balance
Fixed term deposit	0	0
Loans	0	0
Bond investments	0	0
Total	0	0

(3) Dividends receivable

Items	Closing balance	Opening balance
BANG	49,413,129	600,000,000
Total	49,413,129	600,000,000

(4) Other receivables

(1) Other receivables by ageing

Items	Closing balance	Opening balance
Within 1 year	713,864,607	-
1 to 2 years	1,242,004	
2 to 3 years		
Above 3 years		
Total	715,106,611	6,827,855

(2) Other receivables by nature

Items	Closing balance	Opening balance
Related party receivables	714,417,812	-
Others	688,799	6,827,855
Total	715,106,611	6,827,855

(3) Breakdown of bad debts provision

Applicable Not applicable

(4) Top 5 other receivables

Applicable Not applicable

Nature of other receivables	Closing balance	% of total Other receivables	Nature	Ageing	Bad debt provision
BANG	700,017,500	97.89%	Related party receivable	Within 1 year,	
Bluestar Adisseo Nanjing Co., Ltd	10,676,656	1.49%	Other	Within 1 year,	
Calyseo (Chongqing) Company Limited	1,544,317	0.22%	Other	Within 1 year,	
Calyseo Limited	1,242,004	0.17%	Other	1 to 2 years	
Sinochem Bluestar Adisseo Animal Nutrition Technology (Quanzhou) Co., Ltd.	474,326	0.07%	Other	Within 1 year,	
Total	713,954,803	99.84%	/	/	

3. Long-term equity investments

Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Closing balance			Opening balance		
	Book	Impairment	Book value	Book	Impairment	Book value

	balance	reserve		balance	reserve	
Investments in subsidiaries	10,500,492,549		10,500,492,549	10,500,492,549		10,500,492,549
Investments in joint ventures and associates						
Total	10,500,492,549		10,500,492,549	10,500,492,549		10,500,492,549

(1) Investments in subsidiary companies

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Invested units	Opening balance	Amount increased of current period	Amount decreased of current period	Closing balance	Impairment reserve in current period	Closing balance of impairment reserve
Bluestar Adisseo Nutrition Group Limited	10,500,492,549			10,500,492,549		
Total	10,500,492,549			10,500,492,549		

4. Other payables

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred of current period	Amount incurred of last period
Payables due to related party	16,556,847	0
Interest payables		0
Others	22,804,441	34,325,062
Total	39,361,288	34,325,062

5. Gain on investments

✓ Applicable Not applicable

Unit: Yuan Currency: RMB

Items	Amount incurred of current period	Amount incurred of last period
Gain on long-term equity investments under cost method	50,579,734	765,469,080
Gain on dividend from investment in other equity instrument		
Gain from disposal of investment in other equity instrument		
Total	50,579,734	765,469,080

6. Other

Applicable ✓ Not applicable

XXI. Supplementary Data

1. Schedule of non-recurring gain or loss of current period

Unit: Yuan Currency: RMB

Non-recurring profit or loss items	Amount of current period	Description (if applicable)

Non-recurring profit or loss items	Amount of current period	Description (if applicable)
Net profit or loss on disposal of non-current assets	(1,772,444)	Scrapping of non-conform or defective equipment
Government grants recognized in profit or loss, other than grants which are closely related to the Company's business and are either in fixed amounts or determined under quantitative methods in accordance with the national standard	51,613,732	Mainly grants for land use right and industrial structure adjustment in Nanjing plant
Profit or loss on changes in the fair value of other non-current financial assets	(31,421,344)	Fair value AVF
One-off expenses incurred for discontinued operations of the Company, such as severance payments	(100,247,947)	Restructuring cost
Other non-operating income or expenses other than the above	(5,463,001)	
Impact of income tax	19,204,021	
Effects attributable to minority interests (after tax)		
Total	(68,086,983)	

2. Net return on assets and earnings per share

Profit of the reporting period	Weighted average return on net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to the Company's common share holders	7.14	0.43	0.43
Net profit attributable to the Company's common shareholders after deduction of non-recurring gain or loss	7.54	0.45	0.45

3. Differences between amounts prepared under foreign accounting standards and China Accounting Standards

Applicable Not applicable

4. Other

Applicable Not applicable

Section 11 Document for Reference

1	Financial statements signed and sealed by principal, person in charge of financial function, person in charge of the financial department.
2	The original copies of all documents and announcements of the Company publicly disclosed in the newspapers designated by the CSRC during the reporting period.

Legal representative: HAO Zhigang

Approved by the Board for submission on: Mar 6, 2026