

Bluestar Adisseo Company

Announcement on Credit Line Application to Sinochem Finance Co., Ltd

The board of directors and all directors guarantee that this announcement does not contain any false statement, misleading statement or material omission, and assume personal and joint liability for the authenticity, accuracy and integrity of this announcement.

Prompts for Important Content:

- Bluestar Adisseo Company (hereinafter referred to as “the Company”) applies to Sinochem Finance Co., Ltd. (“SCF”) for a comprehensive credit line of no more than RMB one billion (or equivalent foreign currency), and the credit term is no longer than 3 years, for loans, notes acceptance, letter of guarantee and other credit businesses.
- This connected transaction helps to ultimate financial management of the Company, improve the efficiency of capital utilization and reduce financing costs and risks, and meet the needs of the Company's business development.
- This connected transaction has to be submitted to the shareholders' general meeting for deliberating and related shareholders who have an interest in this transaction shall waive their voting rights at the shareholders' general meeting.
- In the past 12 months, the maximum daily deposit of the Company with ChemChina Finance Co., Ltd. (hereinafter referred to as "ChemChina Finance") is RMB 207.45 million yuan. Except for the deposit, the company has no other related transactions with chemical finance company. In the past 12 months, there is no related-party transaction between the Company and SCF.

I. Overview of the Related Party Transactions

Bluestar Adisseo Company (hereinafter referred to as “the Company”) deliberated and passed the proposal on Credit Line Application to Sinochem Finance Co., Ltd with 5 votes in favor, 0 objection, and 0 abstention, related directors Zhigang Hao, Gérard Deman, Yougen Ge and Jingwan Wu withdrawing from voting at the third meeting of the 8th board of directors held on 30th March 2022, and the relevant information is as follows:

In order to ultimate financial management, improve the efficiency of capital utilization and reduce financing costs and risk, the Company applies to Sinochem Finance Co., Ltd. (“SCF”) for a comprehensive credit line of no more than RMB one billion (or equivalent foreign currency), and the credit term is no longer than 3 years, for loans, notes acceptance, letter of guarantee and other credit businesses. SCF promises that it

shall provide the Company and its subsidiaries with a preferential loan interest rate, lower than that of the same level in the same period obtained by the Company and its subsidiaries from other domestic financial institutions. Both parties hereto shall conclude and enter into a separate agreement for the concrete matters concerning credit service.

Sinochem Finance is a subsidiary of Sinochem Holdings Co., Ltd. (“Sinochem Holdings”, which is the parent company of China National BlueStar (Group) Co., Ltd., the controlling shareholder of the Company. Sinochem Finance and the Company are all subject to the same actual controller, which is a case that according to the stipulation in Paragraph (2), Article 6.3.3 of the *Rules Governing the Listing of Stocks on the Shanghai Stock Exchange*. The transaction will be deemed as a connected transaction. The transaction is not a major restructuring of assets.

II. Introduction to the Related Party

(I) Introduction to related party relationship

Sinochem Finance is a subsidiary of Sinochem Holdings, which is the parent company of China National BlueStar (Group) Co., Ltd., the controlling shareholder of the Company. Sinochem Finance and the Company are all subject to the same actual controller, which is a case that according to the stipulation in Paragraph (2), Article 10.1.3 of the *Listing Rules of Stocks on the Shanghai Stock Exchange*.

(II) Basic information of the related party

1. Company Name: Sinochem Finance Co., Ltd.
2. Organization Form: A limited liability company
3. Registered Address: 3/F, Central Tower, Chemsunny World Trade Center, 28 Fuxingmennei Street, Xicheng District, Beijing
4. Main office: 3/F, Central Tower, Chemsunny World Trade Center, 28 Fuxingmennei Street, Xicheng District, Beijing
5. Legal Representative: Yang Lin
6. Registered Capital: RMB 6,000.00 million
7. Business Scope: accounting and financial consultation, credit authentication for member units; assisting member units to collect and pay amounts for transactions; guarantee services for members units; loans and investment on behalf of member units; acceptance and discounting of bills for member units; internal transfer and settlement between member units and development of plans for corresponding settlement; acceptance of deposits of member units; loans and finance leases for member units; inter-bank borrowing; underwriting of corporate bonds for member units; issuance of bonds upon approval; equity investment in financial institutions; portfolio investment; and buyer's credit for member unit products;
8. Equity Structure: Sinochem Holdings holds 72.00%, and Sinochem Capital Co., Ltd. holds 28.00% of the stake.
9. Development Status in the last three years: From 2019 to 2021, the total assets of Sinochem Finance amounted to CNY31.12 billion, CNY38.38 billion and CNY40.71 billion (unaudited), Sinochem Finance realized operating income of

CNY1.40 billion, CNY1.65 billion and CNY1.84 billion (unaudited) respectively; realized total profits of CNY696 million, CNY908 million, and CNY1,227 million (unaudited) respectively; average daily deposits were CNY18.50 billion, CNY20.90 billion and CNY24.20 billion (unaudited); average daily loans were CNY16.40 billion, CNY18.70 billion and CNY22.30 billion (unaudited). In the past three years, all regulatory indicators have met the regulatory requirements. Since the opening of Sinochem Finance, with the tenet of "serving the group's strategy and assisting the development of the industry", adhering to the concept of maximizing the group's value, making every effort to build a fund-centralized service platform and an industrial financial service platform, focusing on expanding the business scope, actively innovating business varieties, and continuously enrich service connotation, continuous improvement of financial R&D and innovation capabilities, and gradually formed a product system covering deposits, loans, industrial chain finance, financial investment, foreign exchange, cross-border and other value-added services, playing a pivotal role in the industrial development and strategic transformation of Sinochem Group. Sinochem Finance implements the concept of "standardized governance and stable operation" and has built a management guarantee system dominated by comprehensive risk management. It has created a scientifically designed and efficient system and process system, established a risk management and control mechanism with strict specifications and comprehensive coverage, and formed an internal organization with clear rights and responsibilities and reasonable constraints, so as to effectively manage risks for the enterprise, steadily enhance its core competitiveness, and achieve comprehensive, coordinated and sustainable development has laid a solid foundation.

10. As of 31st December, 2021, the total assets of Sinochem Finance amounted to CNY40.71 billion, net assets came to CNY10.99 billion, the operating income reached CNY1.84 billion, and net profit reached CNY1.07 billion. The above data have not been audited.
11. As of disclosure date of this announcement, there is no other relationship between Sinochem Finance and the Company in terms of property rights, business, assets, claims and debts, personnel, etc.

III. The main content and arrangement of Related Party Transactions

The Company applies to SCF for a comprehensive credit line of no more than RMB one billion (or equivalent foreign currency), and the credit term is no longer than 3 years, for loans, notes acceptance, letter of guarantee and other credit businesses. SCF promises that it shall provide the Company and its subsidiaries with a preferential loan interest rate, lower than that of the same level in the same period obtained by the Company and its subsidiaries from other domestic financial institutions.

In line with the related laws and regulations in China, Sinochem Finance shall provide integrated credit services for the Company and its subsidiaries upon the demands of Party A's operation and development. The Company and its subsidiaries may use the integrated credit line provided by Sinochem Finance to handle loans, bill acceptance, bill discounting, guarantee, and other forms of financing businesses. Sinochem Finance shall endeavor to satisfy the Company and its subsidiaries' demands preferentially

within the scope of its own financial capacity. Sinochem Finance promises that it shall provide the Company and its subsidiaries with a preferential loan interest rate, lower than that of the same level in the same period obtained by the Company and its subsidiaries from other domestic financial institutions. Both parties hereto shall conclude and enter into a separate agreement for the concrete matters concerning credit service.

IV. Purpose and impact of the agreement on the Company

This connected transaction helps to ultimate financial management, improve the efficiency of capital utilization and reduce financing costs and risks, and meet the needs of the Company's business development. The connected transaction is based on the market-oriented principle, fair and reasonable, and does not damage the interests of the company and other shareholders, especially minority shareholders. The connected transaction will not affect the independence of the Company.

V. Deliberation Procedure of the Transaction

- (I) **Deliberation Procedure of the Board of Directors**

The Company deliberated and passed the proposal on Credit Line Application to Sinochem Finance Co., Ltd with 5 votes in favor, 0 objection, and 0 abstention and related directors Zhigang Hao, Gérard Deman, Yougen Ge and Jingwan Wu withdrawing from voting at the third meeting of the 8th board of directors held on 30th March 2022. The independent directors all voted in favor of the transaction. The proposal is to be submitted to the shareholders' general assembly for deliberation.
- (II) **Independent Directors' Advanced Opinions and Independent Opinion**

The independent directors have approved the transaction in advance and agreed to submit the proposal to BOD. The independent directors issued opinions in this regard: the Credit Line Application to Sinochem Finance Co., Ltd could optimize financial management, improve efficiency of capital utilization and reduce financing costs and risks. This connected transaction is fair and reasonable, and consistent with relevant laws and regulations of Shanghai Stock Exchange as well as the Articles of Association. This will not jeopardize the benefits of the Company, its shareholders, especially the minorities. We agree to submit this proposal to the shareholder's general meeting for deliberation.
- (III) **Audit, Risk and Compliance Committee's Opinions**

The transaction between the associated parties is conducive to Bluestar Adisseo Company in optimizing its financial management, improving its efficiency of capital utilization, and reducing the financing costs and risks. We agree the Credit Line Application to Sinochem Finance Co., Ltd. This transaction will not prejudice the benefits of the Company and shareholders, especially the benefits of the medium and small shareholders. We agree to submit this proposal to the board for deliberation.
- (IV) **This connected transaction needs to be submitted to the general meeting of shareholders of the Company for deliberation, and the connected shareholders interested in the transaction will avoid voting.**

It is hereby announced.

Board of Directors of Bluestar Adisseo Company

30th March 2022

(In case of discrepancies between the English version and the Chinese version of this announcement, the Chinese version, officially published and disclosed, shall prevail.)