2024 Q1 Results

April 2024

Disclaimer

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

Table of Contents

1 Business Highlights 3

2 Financial Performance 11

3 2024 Outlook 16

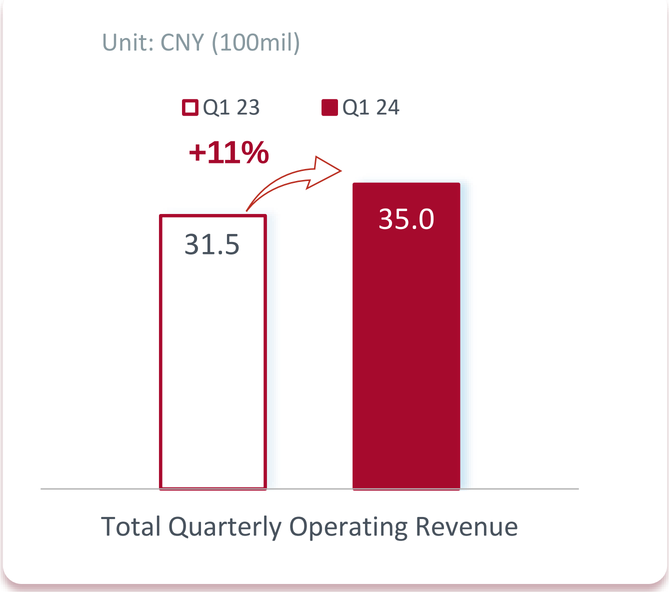
ADISSEO
A Bluestar Company

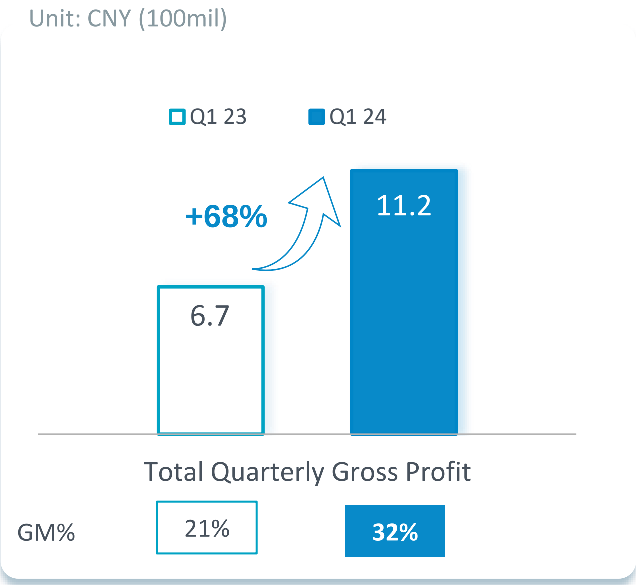
Business Highlights

Business Highlights

- **Sustainability & Environment:**
  - Safety is and will remain Adisseo's first priority: Q1 2024 TRIR landed at **0** with no recordable accident
  - Adisseo on track towards sustainability ambition thanks to tight management of environmental KPIs and investments:
    - Nanjing steam recycling project put in use since early 2024
    - Nanjing plant wastewater treatment project started construction in April
- **Business highlights: Q1 revenues of CNY3.5bn (+11% yoy), and strong recurring net profit of CNY379m, representing a 10.8% margin, thanks to:**
  - Strong volume growth in methionine driven by **+13%** volume growth in liquid methionine
  - Continued growth in specialties in monogastric, aqua offsetting difficult dairy market in the U.S.
  - Positive impact from decreased raw material and energy cost as well as continuous monitoring and optimization on global supply chain, distribution and duties management
- **Key Projects on track**
  - European Specialties Expansion Project construction completed, the start-up is expected in early May this year
  - Internalization of protected methionine production, allowing both cost improvements and capacity expansion, is well on track
  - New Innovia plant built in France, a drying formulation unit for specialties, is in the industrial ramp-up phase
- **One-China Strategy continues its successful track**
  - Continuous penetration of liquid methionine in China market
  - Nanjing Plant continues to improve its competitiveness. Turnaround is being successfully completed
  - New 150KT powder methionine plant in Quanzhou obtained all permits and groundbreaking ceremony organized at the end of March
  - 1st Chinese specialty manufacturing plant in Nanjing on track targeting to complete construction by the end of 2024
  - 1st sales of FeedKind® were delivered in April 2024
- **Launch of no more than CNY3bn private placement to support business growth and strategy implementation**

Strong rebound of Q1 2024 operational performance

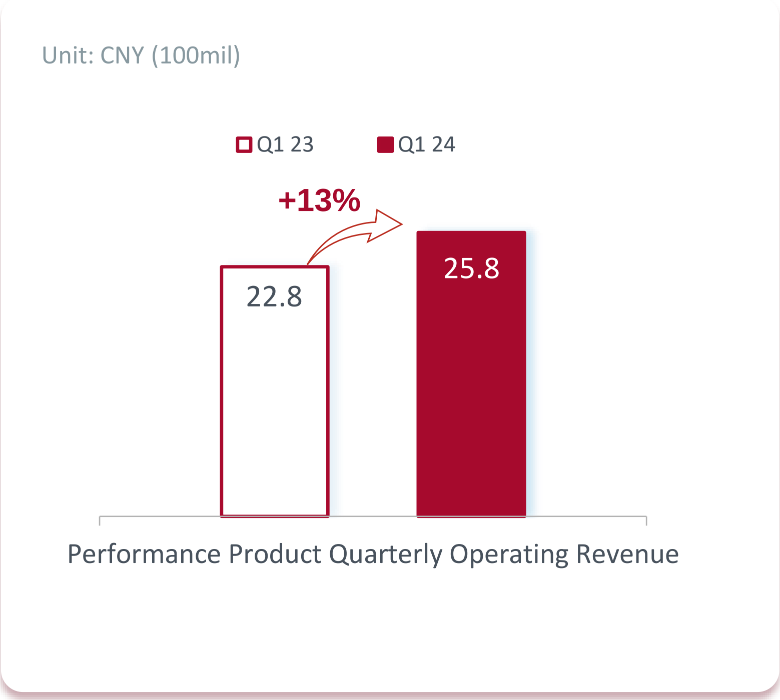


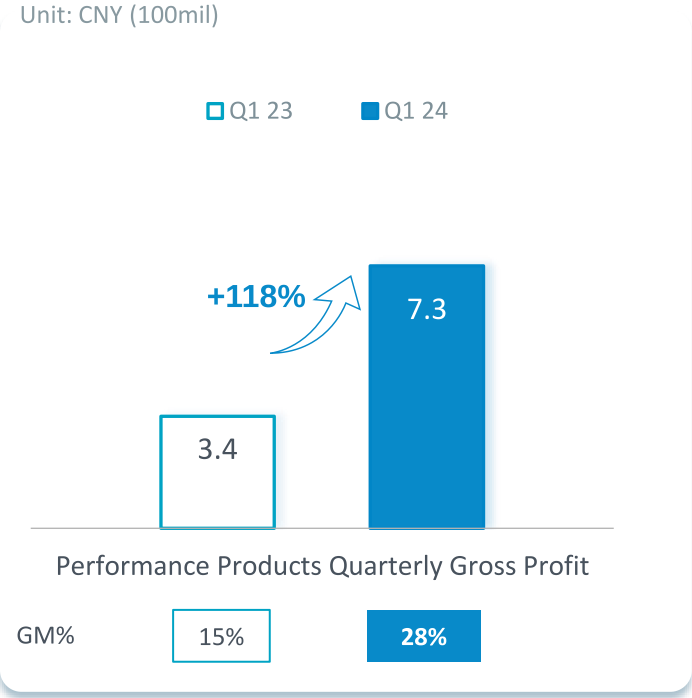


Q1 revenue (CNY3.5bn) recorded a 11% yoy increase and gross margin improved by +11ppt to 32%, thanks to:

- Strong volume growth in methionine driven by continuous volume penetration in liquid methionine **(+13%)**
- Continued specialty business growth in monogastric **(+5%)** and aqua business **(+16%)** offsetting struggling dairy market in the U.S.
- Gross margin improvement thanks to decreased raw material and energy costs as well as improved yield and tolling terms
- Positive impacts arising from global supply chain, distribution and duties management

Q1 2024 Performance Products revenue (+13% yoy) and gross profit (+118% yoy)





Q1 performance products revenues (CNY2.58bn, +13% yoy) and +13ppt increase in gross margin, thanks to:

- Strong volume growth in methionine contributed by main regions
- Methionine selling price increasing
- Vitamin business' encouraging trend

**Note: Since 2024, Adisseo streamlined its business units and recategorized all the products into performance and specialty products business units. Performance products include methionine, vitamins, ammonium sulfate, sodium sulfate, and sulfur products. Specialty products include monogastric, ruminant and aqua products, of which Norfeed and FeedKind are also included. Q1 2023 figures were restated per the new categorization.*

Performance Products business highlights in Q1 2024

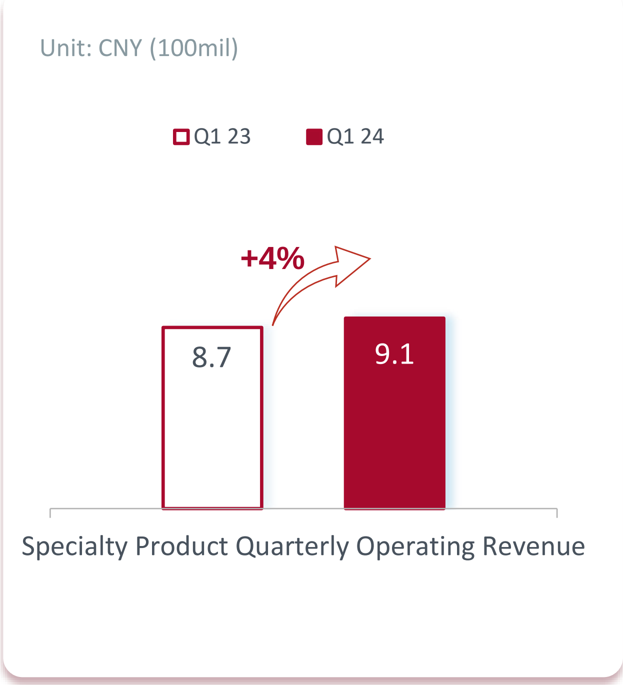
Methionine

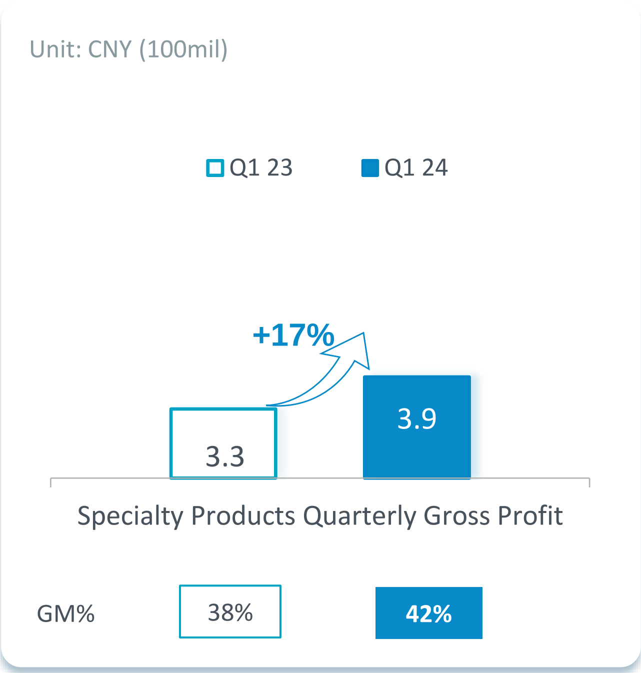
- Continued penetration in liquid methionine led to a strong volume growth of **+13%** contributed by China, Europe/CIS, MEA, Latin America
- Methionine prices increased in Q1, and the upward momentum is being pursued in Q2
- Nanjing and European liquid methionine plants continued to improve production costs, thanks to lower raw materials and energy costs, yield and operational efficiency improvements
- Manufacturing cost of powder methionine is also at good level thank to the high reliability of the powder plant
- The new 150KT powder methionine plant in Quanzhou obtained all permits and the groundbreaking ceremony organized on 29th March

Vitamins

- Encouraging Vitamin business trend in Q1 2024
- Vitamin A pricing continues to stabilize
- Vitamin portfolio volumes at a high level

Specialty Products in Q1: revenue growth (+4% yoy) with margin @ 42%





Despite the persistently challenging dairy market in the U.S., specialties revenues reached CNY910m (+4% yoy) and gross margin improved to 42% in Q1 2024, thanks to:

- Business growth in monogastric
- Continuous double-digit growth in aqua
- Decrease in raw material, energy and tolling costs

**Note: Since 2024, Adisseo streamlined its business units and recategorized all the products into performance and specialty products business units. Performance products include methionine, vitamins, ammonium sulfate, sodium sulfate, and sulfur products. Specialty products include monogastric, ruminant and aqua products, of which Norfeed and FeedKind are also included. Q1 2023 figures were restated per the new categorization.*

Specialty Products business highlights in Q1 2024

- In Q1 2024, Specialty business recorded a yoy revenue growth of **+4%**, resulting from a combined effect of:
  - Growth in monogastric sales **(+5%)**, led by good performance of Selisseo **(+16%)**, feed integrity **(+27%)**, Framelco and palatability as well as overall good performance in Middle East Asia, Asia Pacific, Latin America and North America
  - Continuous double-digit growth in aqua **(+16%)**, with strong sales performance in most regions
  - Successful launch of a new solution leveraging Norfeed product in Q1
  - Despite low demand on dairy market in the U.S., resulting from continuous low protein prices
- **The European Specialties Expansion and Optimization project** construction was completed, and the start-up is expected in early May this year
- The new **Innovia** plant built in France, a drying formulation unit for specialties, is in industrial ramp-up phase
- **The project to internalize esterification process to produce Metasmart** is well on track. Thanks to a new innovative, eco-circular process, it allows both cost improvements and capacity expansion to support ruminant business in a more efficient and sustainable way

One-China strategy

- Continuous penetration of **liquid methionine** in China market
- **Nanjing Plant** continues to improve its competitiveness, thanks to its excellent safety performance, high yield as well as decreased raw material and energy costs.
  - Turnaround is being successfully completed
  - Steam recycling project in Nanjing put in use since early 2024, aiming to enjoy energy consumption efficiency as well as cost competitiveness
  - Nanjing plant wastewater treatment started its construction in April, expected to start up in 2025
- **The new 150KT powder methionine plant in Quanzhou** has obtained all permits and groundbreaking organized on 29th March, expected to start up in 2027
- **The first Chinese Specialty Blending Facility in Nanjing** is on track, with construction expected to be completed by the end of 2024
- The first sales of **FeedKind®** were delivered in April 2024

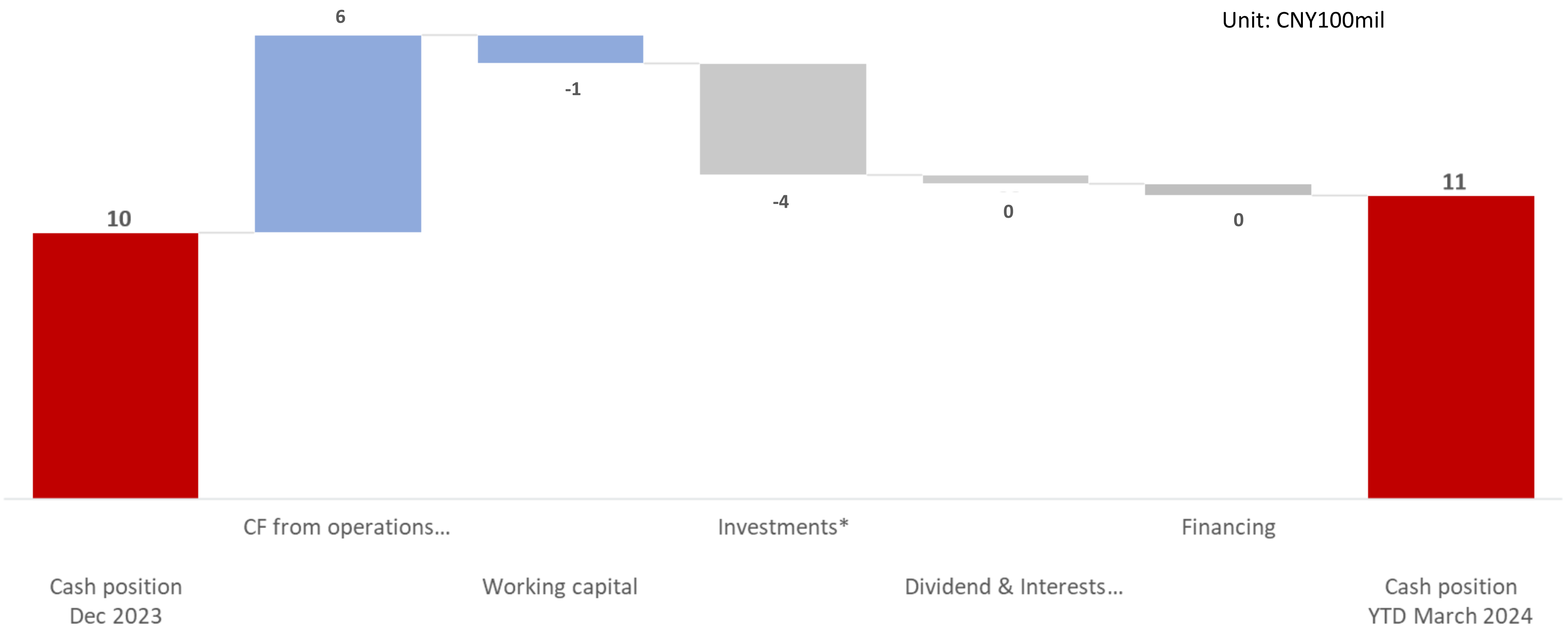
Financial Performance

Q1 2024 financial performance

Unit: CNY 100mil	Q1 2024	Q1 2023	vs PY%
Revenue	35.0	31.5	11%
Gross profit	11.2	6.7	68%
Contribution on sales	32%	21%	
EBITDA	7.6	4.1	85%
EBITDA margin	22%	13%	
Recurring EBITDA	8.6	3.9	121%
Recurring EBITDA margin	25%	12%	
Net profit attributable to shareholders	2.77	0.01	n/a
Net margin	8%	0.03%	
Recurring net profit attributable to shareholders	3.79	-0.23	n/a
Recurring net margin	10.8%	-0.7%	

- Q1 2024 **net profit attributable to shareholders** landed at **CNY277 million** despite non-recurring restructuring costs. **The recurring net profit attributable to shareholders** landed at **CNY379 million.**
- **Recurring EBITDA ratio** rebounded from **12%** in Q1 2023 to **25%** in Q1 2024, largely supported by the improved gross margin.

Q1 2024 cash flow



- **Cash position** as of 31 March 2024 stood at **CNY1.1 billion**, an increase of **CNY0.1 billion** compared to 31 December 2023.
- In Q1 2024, Adisseo recorded a positive cashflow from operating activities of **CNY0.6 billion,** mainly driven by improved profitability of the business.

Cost control and optimization

- Ongoing **cost competitiveness enhancement program** continues with expected recurring savings of **CNY111mil** in 2024, leveraging:
  - Digitalization capabilities
  - Continuous yield improvement
  - Purchasing power thanks notably to synergies with Sinochem (insurance program, energy…)
- **Operational excellence program in progress in European plants**, notably the definitive shutdown of the powder methionine production line in Commentry (France), is expected to further boost the competitiveness of European platform
- Continuous active monitoring and optimization of global supply chain, distribution and duties costs, notably in the U.S.

Private placement of no more than CNY3bn to be launched in April

Key Terms	Summary
Offering Size	• No more than CNY3bn (including CNY3bn)
Pricing Mechanism	• Price floor of 80% of 20-day VWAP prior to pricing benchmark date (1)
Target Investors	• No more than 35 target investors (with a lock-up period of 6 months). • Bluestar Group and related parties will not be involved
Use of Proceeds (UoP)	• 70% for project construction / capacity expansion • 30% for general purpose (working capital and debt repayment)
Expected schedule	• Expected to be completed by the end of 2024

Note:
1. Pricing benchmark date is defined as the first day of the offering period

Total investment amount (CNY6bn)

CNY:100mil	Performance Product	Specialties		Sustainability
	1 PICSAR	2 FOSIC	3 SPEAR	4 PAQUES
Project	150KT Powder Methionine	37KT Specialties Blending Facilities	Spanish Protected Methionine internalization project	Wastewater treatment project
Product	**Powder Methionine**	**Specialties**	**Ruminant**	**ESG**
Location	**Fujian, China**	**Jiangsu, China**	**Burgos, Spain**	**Jiangsu, China**
Total Investment	**49.32**	+ **3.05**	+ **3.95**	+ **3.28**

ADISSEO A Bluestar Company

2024 Outlook

2024 Outlook

Business Outlook

Sustainability and safety will remain Adisseo's top priorities.

Market demand is progressively recovering. The good operating dynamics in Q1 2024 is expected to be pursued in Q2 2024.

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

- Continue to improve operational excellence, while reinforcing cost leadership and delivering sustainability
- Accelerate methionine and specialties growth including turnover and volume
- Continuously accelerate innovation to deliver improvement on cost position and technical service to customers and new product offerings or solutions
- Pursue strategic investment to support sustainable and profitable business growth


СПАСИБО
THANK YOU!
¡GRACIAS!
谢谢!
DANKE!
OBRIGADO!
MERCI !
SAĞOL
شكرا