Stock Code: 600299 Stock Name: Adisseo No: 2019-017

Bluestar Adisseo Company

Announcement Changing of Accounting Standards

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.

Note:

The Ministry of Finance ("MoF") released several accounting standards for enterprises as following: No.22 - Recognition and Measurement of Financial Instruments, No.23 - Transfer of Financial Assets, No.24 - Hedge Accounting and No.37 - Presentation of Financial Instruments. Due to the issuance and revision of the above accounting standards, Adisseo has made changes to the relevant contents of accounting policies accordingly.

I. Summary of changes in accounting standards
(I) Reasons for changes
On 31 March 2017, the MoF released No.22 - Recognition and Measurement of Financial Instruments, No.23 - Transfer of Financial Assets and No.24 - Hedge Accounting; on 2 May, the Ministry of Finance released No.37 - Presentation of Financial Instruments (collectively referred to as "New Standards for Financial Instruments"). The standards require enterprises listed both at home and abroad or enterprises listed at abroad to implement the New Standards for Financial Instruments since 1 January 2018, while other enterprises listed at home to implement the New Standards since 1 January 2019.

According to above circulars and regulations and requirements for the Accounting Standards for Business Enterprises, Bluestar Adisseo Company (the "Company") should make corresponding changes for original accounting standards.

(II) Accounting standards adopted before changes
Before changes, the Company adopted the Accounting Standards for Business Enterprises - Basic Standards printed and issued by the MoF on 15 February 2006, 38 items of specific accounting standards, subsequently issued and revised accounting standards for business enterprises, application guidance for accounting standards, interpretations for accounting standards and other regulations thereto.

(III) Accounting standards adopted after changes
After changes, the Company adopted No.22 - Recognition and Measurement of Financial Instruments, No.23 - Transfer of Financial Assets, No.24 - Hedge Accounting and No.37 - Presentation of Financial Instruments. Otherwise, relevant standards and other

regulations issued by the MoF on 15 February 2006 are still applicable to other unchanged accounting standards and those for which the implementation date has not fallen due.

(IV) Date of changes
The Company has adopted the new standards for financial instruments since 1 January 2019.

II. Effect on the Company due to changes in accounting standards
1. Classification of financial assets is changed from the current "four categories" to "three categories" (financial assets measured at amortized cost, financial assets measured at fair value through other comprehensive income ("FVTOCI") and financial assets measured at fair value through profit or loss ("FVTPL")), which reducing categories of financial assets and improving objectivity of classification and consistence of relevant accounting treatment;

2. The provision for impairment loss of financial assets has changed from "incurred loss method" to "expected loss method" so as to make provision for impairment loss of financial assets in full amount and in a timely manner, as well as to reveal and control credit risks of financial assets.

3. Adjustment of accounting treatment for non-tradable investment in equity instrument: the enterprise is allowed to designate the non-tradable investment in equity instrument as financial assets at FVTOCI, but such designation shall not be revoked, and the changes in fair value accumulated in other comprehensive income at that time is not allowed to carried forward into profit or loss.

4. Revision of relevant regulations for hedge accounting can make the hedge accounting more faithfully reflect the enterprise's risk management activities;

5. Corresponding adjustment for disclosure of financial instrument
The enterprises are not required to restate the comparative data in previous periods based on the new standards for financial instruments. Therefore, the Company will change the accounting standards at the beginning of 2019. The Company will make disclosure of financial statements according to the new standards since the first quarter of 2019 while not restate the comparative figures in 2018. Changes in financial standards do not affect relevant financial indicators of the Company in 2018.

III. Independent opinions of independent directors on changes in accounting standards
The Company has changed the accounting standards in accordance with No.22 - Recognition and Measurement of Financial Instruments, No.23 - Transfer of Financial Assets, No.24 - Hedge Accounting and No.37 - Presentation of Financial Instruments. The changed accounting standards can more objectively and fairly reflect the Company's financial positions and operating results. The decision-making process for changes in accounting standards is in line with relevant laws, rules and regulations and articles of association, without damages against interests of the Company and small- and medium-shareholders, we hereby consent the changes in accounting standards.

IV. Opinions of board of supervisors on changes in accounting standards
The Company made the changes in the accounting standards in accordance with No.22 - Recognition and Measurement of Financial Instruments, No.23 - Transfer of Financial Assets, No.24 - Hedge Accounting and No.37 - Presentation of Financial Instruments. The changed accounting standards can more objectively and fairly reflect the Company's financial positions and operating results. The decision-making process for changes in accounting standards is in line with relevant laws, rules and regulations and articles of association, without damages against interests of the Company and small- and medium-shareholders, we hereby consent the changes in accounting standards.

V. Documents for future reference
(I) Independent Opinions of the Independent Directors on the Proposal of the Fifth Meeting of the Seventh Board of Directors
(II) Announcement of the Resolution of the Fourth Meeting of the Seventh Board of Supervisors

It is hereby announced.

Board of Directors
24th April 2019

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