# Bluestar Adisseo Company

## Communication Record of 2023 H1 Result Presentation

I. Meeting Time:

28th September 2023 (Thursday) 16:00 p.m.-17:00 p.m.

II. Participants or institutions

Investors who ask online questions through the Shanghai Stock Exchange Roadshow Center

III. Participants of the Company

Mr. Hao Zhigang, Chairman and General Manager (CEO)
Mr. Zang Hengchang, Independent Director
Mr. Frederic Jacquin, Deputy General Manager and Chief Operating Officer of the Company
Ms. Virginie Cayatte, CFO of the Company
Ms. Cai Yun, Communication & Digital Transformation Director
Ms. Liang Qinan, Secretary of the Board of Directors

IV. Meeting platform

Shanghai Stock Exchange (SSE) Roadshow Center (website: http://roadshow.sseinfo.com/)

V. Communication content

The Company communicated with investors about the performance and business situation of the Company for 2023 H1, and the common concerned questions were answered by the Company at the Results Presentation.

1. What is the layout of Adisseo in the Belt and Road?

   Adisseo aims to become a leader in the Chinese methionine and specialty product industries. At the same time, backed by China and looking globally, the "the Belt and Road" initiative also provides rare opportunities for the future development. Adisseo's production bases and global sales network in Europe and China can fully cover the regional markets along the "the Belt and Road". The Company actively responds to the "the Belt and Road" strategy, and deeply develops important target markets. Adisseo continuously expands local sales organizations according to the needs of emerging market development. For example, Adisseo set up new sales subsidiaries in India, Malaysia, Dubai and Türkiye in 2016, 2017, 2018 and 2020, so that our team can better provide products and services to the local market.

2. Does the Company have accounts opened with Credit Suisse and Silicon Valley Bank?

   Bluestar Adisseo Company does not have accounts with Credit Suisse and Silicon Valley Bank.

3. How much investment is required for the 37,000-ton special additive project recently announced by the Company? Is it estimated that the project can be completed and put into production?
The FOSIC project is an important component of Adisseo's “two-business-pillar” strategy and also a landmark event for the continuous promotion of Adisseo's "One-China Strategy ". Regarding the investment amount and completion and production time, due to the involvement of trade secrets and specific circumstances, we will strive to advance the progress of the project according to the plan and schedule, and timely disclose relevant information to the public in accordance with disclosure standards. If you have any other questions or need more details, please feel free to contact our Investor Relations Department at any time.

4. What is the current utilization rate of liquid methionine production capacity?
Adisseo currently has two methionine production platforms located in Europe and Nanjing, China. Both plants are world-class methionine plants, with production stability, safety and environmental performance, and production costs all at world leading levels. As of now, the operational levels of both production bases are at a high level of stability and reliability. We continue to strive to improve production efficiency and optimize supply and costs, providing customers with higher quality products and services.

5. Chongqing Calysseo has been in trial production for almost a year now and its products have not been delivered to the market. What is the reason?
FeedKind® protein is a natural, traceable and safe non-animal source of high protein produced using the world’s only commercially validated gas fermentation process. It is a sustainable alternative to high protein feed ingredients such as fishmeal which can bring additional value to the Asian aquaculture market and provide a new level of safety for the feed supply chain. We look forward to FeedKind® becoming a transformant in the sustainability of aquaculture. Chongqing plant is the world's first large-scale production unit to use disruptive fermentation technology thus team needs to continuously repeat the rigorous and meticulous debugging process throughout the entire production process. Since the start of trial production and operation in early 2023, the local team has accumulated rich driving experience and is expected to achieve results by the end of 2023.

6. Since the fourth quarter of 2022, the Company's profitability has declined and further deteriorated in the first quarter of 2023. In the second quarter of 2023, there was a recovery. How does the Company view the subsequent performance recovery? What measures has the Company taken to improve performance? What are the short-term and medium to long-term plans, and are there any capital expenditure plans to increase production capacity?
In the context of rise of inflation, demand has been impacted. However, Adisseo is pursuing its development and is notably delivering strong volume growth in

liquid methionine.
Prices have been under great pressure and are starting to stabilize while raw material and energy cost have reduced.
Adisseo is fully engaged to implement all necessary actions to protect margins and to pursue investments for future. This includes ongoing proactive margin and cost optimization arising from competitiveness enhancement program and extra cost-cutting plans; full leverage of raw material and energy costs decrease; strategic projects to support sustainable and profitable business growth in the long term such as the 150,000-ton powder methionine project as well as the expansion and optimization of production capacity for special product additives in China and Europe.

7. How do you think about NHU's methionine profit of 453 million yuan for the half year of 2023?
We do not comment on competitors' performance.
As a global industry leader with over 80 years of experience in the animal nutrition industry, Adisseo is committed to improve the quality and competitiveness of its products and services.

8. Does the Company have a relevant layout in the field of animal NMN? Are there any related plans in the future?
Adisseo is one of the leading experts in the global field of feed additives and does not produce NMN products,

9. How to raise investment funds for special products in Nanjing and Quanzhou projects? Is there any pressure on funds and have you considered introducing strategic investors? Does the recent changes in methionine production by CJ and Evonik continue to have an impact on the methionine pattern in the second half of the year?
Adisseo solid financial structure is expected to provide various possibilities of debt financing and equity financing. The Company is also open to introduce strategic investors from upstream and downstream industries.
Supply and demand patterns are overall impacting price dynamic. While methionine prices have dropped sharply since 2022, they now seem to stabilize.

10. The price of methionine has increased in the third quarter. What is the impact on the annual performance? Does the Company have a willingness to introduce strategic investors due to the large proportion of shares held by major shareholders? What is the reason for launching the Quanzhou project despite the low market price of methionine?
In this uncertain environment, Adisseo is fully engaged to implement all necessary actions to protect margins and to pursue investments for future.
The Company maintains a positive and open attitude towards introducing strategic investors from upstream and downstream industries.

In emerging markets such as China, India and South East Asia more globally, powder methionine remains important given its ease of use. The global demand for various types of methionine is expected to continue especially in China and other APAC regions. The Nanjing factory now has no production capacity for powder methionine. There is a huge cost-effective production potential in China considering the low labor cost, synergy from industrial cluster, and favorable policies. This project will allow Adisseo to strengthen its global market leadership. optimize the Company's methionine product structure, and layout domestic and foreign production capacity.