Bluestar Adisseo Company
2024 Annual Report of Independent Directors
(Mr. Hengchang ZANG)

In 2024, as independent directors of Bluestar Adisseo Company ("the Company"), according to the *Company Law, Management Measures for Independent Directors of Listed Companies*, *Listing Rules of Shanghai Stock Exchange*, the *Articles of Association of Bluestar Adisseo Company* ("AOA") and *Bluestar Adisseo Company Rules for the Work of the Independent Director*, I fulfilled our duties in a diligent and conscientious manner, deeply understood the Company operation situation, actively attended related meetings, and earnestly deliberated all proposals of Board of Directors and Special Committee, thus fully playing the role of independent directors and protecting the interests of the Company and shareholders, especially the small and medium shareholders. My 2024 annual work report of independent directors is as follows:

1. Basic information on independent directors

Mr. Zang was born in 1964, Chinese, graduated from the school of pharmacy, Shandong University, majoring in Microbiology and biochemical pharmacy, with a doctor's degree. 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 the 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 the School of Pharmacy of Shandong University and director of Key Laboratory of National Medical Products Administration. Since April 2022, he has been the external director of Shandong Luhua Longxin Biotechnology Co., Ltd. Since 2021, he has been the Independent Director of the Company and the Chairman of the Nomination Committee.

Confirmation of independence
As independent director of the Company, I have the qualifications of independent directors and the independence required by laws and regulations. There is no employment relationship, transaction relationship, kinship and other situations affecting our independence with the company, its main shareholders, and actual controllers, and I can maintain objective and independent professional judgment in performing our duties.

2. Annual performance of independent directors

2.1. Information on attending the meetings of the Board of Directors

The Company held five meetings of the Board of Directors (three meetings held through communication voting) in 2024, three meeting of the Strategic Committee of the Board of Directors, one meeting of Nominating Committee, two meetings of the Independent Directors Committee, and two shareholders' meetings. The following is my participation in the meeting.

2.1.1 Participation in board of directors and shareholders' meetings

Name of directos	**Attendance at Board Meeting**						**Attendance at General meetings**
	Required attendance at Board meetings in the term of office this year	Attend-ance in Person	Participation by communications	Attend-ance by proxy	Absence	Consecutively Absent from two meetings	Attendance frequency at the general meeting of shareholders
Hengchang ZANG	5	2	3	0	0	No	2

2.1.2 Participation in special committees and independent directors committee

Name of directos	Name of Special Committees	Required attendance	Attendance in person	Attend-ance by proxy	Absence
Hengchang ZANG	Nominating Committee	1	1	0	0
	Strategic Committee	3	3	0	0
	Independent Directors Committee	2	2	0	0

2.2. Information on the site work

In 2024, I attended company meetings, conducted on-site investigations, and engaged in in-depth exchanges with the company's management team. This allowed me to promptly familiarize myself with and grasp the company's operational and developmental situation. Leveraging my professional knowledge and corporate management experience, I provided constructive opinions and suggestions on relevant board proposals, fully exercising my role in guidance and supervision, and thereby promoting the standardized operation of the company's internal management.

In April 2024, I participated in an on-site board meeting and visited the Nanjing factory. I had in-depth communication with the local team and toured the China R&D Center (RICA), where I engaged in detailed discussions with the China R&D head and the head of the PNE team. I also offered strategic advice on the company's direction, business development, and scientific research innovation.

In September 2024, I attended an on-site board meeting organized by the Company, listened to the management's reports on relevant proposals, and shared my views. I had face-to-face exchanges with the company's Chairman and the Board Secretary, gaining insights into the current state of industry development, the company's operations, and the work arrangements for the new board.

In October 2024, I took part in an online exchange meeting with the company's senior executives, where I learned about the overall business operations and the progress of key projects. I also attended training on the operational mechanisms of the "Three Meetings."
In November 2024, I conducted on-site inspections and participated in meetings to investigate the Quanzhou project of the company. Following the investigation, I provided the company with the "Independent Director's Quanzhou Project Investigation Report," offering suggestions and recommendations in three areas: strengthening energy-saving and carbon-reduction management, enhancing soft power construction, and intensifying policy research while balancing efficiency, safety, and quality.

2.3. Construction of internal control system and communication with internal audit

As an independent director of the Company, through listening to the reports of the Audit Committee and the person-in-charge of internal control, I have understood and paid close attention to the daily business compliance, corporate governance, and internal control construction of the Company. I have also provided independent and professional advice to the Company, promoting the scientific and objectivity decision-making process of the board of directors.

2.4. Communication with small and medium shareholders

I actively participated in the 2023 annual and 2024 Q1 collective, 2024 H1, and 2024 Q3 result presentation held by the Company in 2024. Interacted, exchanged, and communicated with investors on the specific situation of relevant operating results and financial indicators, and answered questions of common concern to investors within the scope of information disclosure.

2.5. Cooperation between listed companies and independent directors in their work

The management of the Company paid high attention to the communication with independent directors and provided periodic information on the Company’s production and operation and the progress of major issues, timely feedback on issues raised. For my on-site research work on listed companies, the Company has provided sufficient support and assistance, thus providing comprehensive conditions and support for us to perform duties.
To understand the independent directors' evaluations and opinions on the functioning of the board of directors, the Company has organized and conducted the 2024 Board of Directors' Performance Evaluation. Through a questionnaire, the Company collected the independent directors' evaluations, opinions, and suggestions on the board's operations, thereby laying the foundation for improving the work of the board and enabling the independent directors to better fulfill their duties.

3. Key issues in the annual performance of independent directors

3.1. Related transactions

Being the Company’s independent director, I provided independent opinions on the 2023 and 2024 day-to-day related transactions of the Company, holding the opinion that the Company in line with regulations, and the day-to-day related transactions have been done following the arm-length principle. The transaction prices are based on the market prices, to ensure that related transactions are performed in a fair, impartial and open manner. The 2023 and 2024 day-to-day related transactions of the Company follow related laws and regulations, bringing no damage to the interests of stockholders of the Company.

3.2. Fulfillment of commitments of the Company and stockholders

The Company and shareholders fulfill their commitments. There is no breach of commitments.

3.3. Financial Information in Financial Reports and Regular Reports

During the reporting period, the Company strictly complied with the requirements of laws, regulations and accounting rules to operate, prepared and disclosed the 2023 Performance Reduction Forecast, 2023 Annual Report, 2024 Q1 Report, 2024 H1 Performance Increase Forecast, 2024 H1 Report and 2024 Q3 Report. The financial information presented in these financial reports and regular reports is truthful, accurate, and complete. There are no false records, misleading statements, or significant omissions in the content. They faithfully reflect the Company's financial condition and operational results for the current reporting period, effectively safeguarding the legitimate rights and interests of the company's shareholders.

3.4. Implementation of internal control

Being the Company's independent director, I received the periodical reports from management related with C-SOX self-assessment and the improvement progress in the board meeting and continuously kept close monitoring on it. In 2024, the Company has further improved the internal control system and applied it effectively. There is no violation against the "*Basic Standards of Internal Control in Enterprises*" required by SSE and internal control regulations.

3.5. Appointment in the accounting firm

Through inspection and evaluation on the auditing work of KPMG Huazhen LLP, as independent directors, we held the opinion that related personnel of this firm have professional quality, abide by due diligence, follow independent, objective, and fair practice standards, complete various audit tasks with due diligence, and issue audit reports that fairly and objectively evaluate the Company's financial performance and operating results. Thus, it is agreed to propose to the board to renew the appointment with KPMG Huazhen LLP as the audit authority of 2024 of the Company.

3.6. Appointment of senior management team

As the chairman of the nomination committee, through careful review of the personal resume and related information of candidates (including General Manager, Deputy General Manager, Chief Financial Officer and Board Secretary), it is agreed that the candidates have the qualification and ability to serve as the Company's senior management, and there is no situation that they are not qualified to serve as the Company's senior management as stipulated in the *Company Law* and the AOA; There is no case that the candidate was prohibited by CSRC to enter A share market, nor the prohibition has not been lifted; There is no case that the stock exchange has publicly announced that the person is not suitable to serve as senior management of listed companies nor the term has not expired. The nomination, deliberation and voting procedures for executive management comply with the provisions of relevant laws and regulations and the articles of association, which are legal and effective.

3.7. Nomination of directors

As the chairman of the nomination committee, it is believed that the nomination of Mr. Zhigang HAO, Mr. Jean-Marc Dublanc, Mr. Gérard Dema, Mr. Wei YAO, Mr. Dachuan DONG, Mr. Yanfeng SUN, Mr. Benny LAM, Mr. Xin LIU, Mr. Hengchang ZANG as a director candidate by the Company complies with relevant laws, regulations, normative documents, and the relevant provisions of the AOA. The nomination and voting procedures are legal and compliant, and there are no situations that harm the legitimate interests of shareholders, especially small and medium-sized shareholders. The director candidates of the Company, Mr. Zhigang HAO, Mr. Jean-Marc Dublanc, Mr. Gérard Dema, Mr. Wei YAO, Mr. Dachuan DONG, Mr. Yanfeng SUN, Mr. Benny LAM, Mr. Xin LIU, Mr. Hengchang ZANG, do not have any circumstances under the *Company Law*, AOA, and relevant regulations of CSRC and Shanghai Stock Exchange that prohibit him from serving as a Director of the Company. Thus, it is agreed to this proposal to the shareholders' meeting for deliberation.

3.8. Remuneration of senior management personnel

The 2024 compensation plan for external directors of the company is formulated based on the actual operation of the Company and does not harm the interests of the company or minority shareholders.

The remuneration of senior management personnel of the Company was defined and paid in line with the approved remuneration policy, and it is accordance with the actual performance of the Company, which facilitated senior management personnel in improving their sense of duty and entrepreneurial spirit.

4. Overall Evaluation and Suggestions

In 2024, the Company’s operating was compliance with rules; the production and the operation were normal; the financial operation was stabilized; the related transactions were fair, transparent and in arm-length; the information disclosure was true, accurate, complete, and timely. I, being an independent director of the Company, I have maintained my independence in my work based on the principle of good faith, diligence, and responsibility, and played my due role in ensuring the standardized operation of the company and improving the corporate governance structure.

In 2025, I will continuously follow the diligent and faithful principles, earnestly carry out our duties, to play an effective role in decision-making and supervision as independent directors; and I will protect the legitimate rights and interests of the Company and all shareholders, especially minority shareholders, thus making contributions to the development of the Company.

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