Bluestar Adisseo Company
蓝星安迪苏股份有限公司

The First Quarter Report 2020 (Abstract)
2020 年第一季度报告正文

1 Important Notice

1.1 The Board of Directors, and Supervisory Committee of Bluestar Adisseo Company (hereinafter referred to as “BAC” or “the Company”), as well as all the directors, supervisors and senior executives hereby confirm that the whole content of the quarterly report is true, accurate and complete, and no false statement, misleading statements or important omissions carried in this report, and that they shall take all responsibilities jointly and individually for such content.

1.2 All directors were present at the meeting of the Board for deliberating the first quarter report of the Company.

1.3 The legal representative of the Company Jean-Marc DUBLANC, person in charge of finance function Jean-Marc DUBLANC and the head of the accounting department (accountants in charge) Yun CAI, hereby confirm that the truthfulness, accuracy and completeness of the financial statements in the first quarter report 2020.

1.4 The financial statements in the first quarter report 2020 have not been audited.

1.5 This is an English translation of the 2020 Q1 Report of Bluestar Adisseo Company. If there is any conflict between the Chinese version and its English translation, the Chinese version will prevail.

2 Basic Information of the Company

2.1 Major financial data

Unit: Yuan Currency: RMB

	As of March 31 2020	As of December 31 2019	Changes in comparison with the end of last year (%)
Total assets	21,785,787,430	21,127,258,090	3.1
Net assets attributable to the shareholders of the Company	14,087,228,917	13,797,572,348	2.1
	From January 1 2020 to March 31 2020	From January 1 2019 to March 31 2019	Changes in comparison with the same period of last year (%)
Net cash flow arising from operating activities	678,830,693	316,150,314	114.7
	From January 1 2020 to March 31 2020	From January 1 2019 to March 31 2019	Changes in comparison with the same period of last year (%)
Operating revenues	2,852,332,039	2,732,969,498	4.4
Net profits attributable to shareholders of the Company	294,751,633	295,968,769	-0.4
Net profits attributable to shareholders of the Company deducting non-recurring profit or losses	293,434,215	286,964,466	2.3
Weighted average return on net assets	2.11	2.17	-0.06ppt
Basic earnings per share (Yuan/share)	0.11	0.11	-
Diluted earnings per share (Yuan/share)	0.11	0.11	-

The Company recorded an operating revenue of CNY2.85bn and a gross profit of CNY1.1bn, representing a yoy increase of 4% and 10% respectively, which was mainly driven by double-digit volume growth in liquid methionine (+13%), best-ever quarterly volume in Vitamin A business and strong revenue growth in specialties (+26%). The net profit contributed to shareholders was nearly flat compared with last year due to the growth in gross profit was mainly offset by reinforcement of sales & marketing capacities to support notably future growth in specialty business and negative FX impact resulting from sharp currency decrease in Brazil, Mexico and Russia due to COVID-19 and sharp decreased oil brent.

Non-recurring profit/loss items

☑ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Item	Amount for current period (Jan. – Mar. 2020)	Description
Net profit/loss on disposal of non-current assets	(72,782)	
Government grants recognized in profit or loss, other than grants which are closely related to the Company's business and are either in fixed amounts or determined under quantitative methods in accordance with the national standard	3,566,287	Mainly grants for land use right return and industrial structure adjustment for the Nanjing plant
Other non-operating income or expenses other than the above	(1,358,765)	
Impacts attributable to minority interests (after tax)	(232,485)	
Impact of income tax	(584,837)	
Total	1,317,418	

2.2 Total number of shareholders, and details on top ten shareholders and top ten shareholders without trade restrictions as of the end of reporting period

Unit: Share

Total number of shareholders						31,643
Details on top ten shareholders						
Name of shareholder	Number of ordinary	Proportion of ordinary shares held (%)	Number of restricted ordinary shares held	Number of ordinary share pledged/frozen		Nature of shareholder
				Share status	Number	
China National Bluestar (Group) Co., Ltd.	1,709,387,160	63.74	0	Frozen	10,000,000	SOE
Blusstar-GTJA-19 Bluestar EB guarantee and trust property account	680,000,000	25.36	0	Unknown	0	Unknown
China Securities Finance Corporation Limited	13,794,697	0.51	0	Unknown	0	Unknown
Jiangsu Juhe Chuangyi Emerging Industry Investment Fund LLP	6,607,000	0.25	0	Unknown	0	Unknown
China Electronic Investment Holding Company	5,185,185	0.19	0	Unknown	0	Unknown
Beijing Research and Design Institute of Rubber Industry	3,737,262	0.14	0	Unknown	0	Unknown
Hong Kong Central Clearing Limited	3,650,981	0.14	0	Unknown	0	Unknown
China Construction Bank - The Belt and Road Fund	2,437,560	0.09	0	Unknown	0	Unknown
Bank of China - The Belt and Road Fund	2,257,643	0.08	0	Unknown	0	Unknown
Chen Bo	2,142,412	0.08	0	Unknown	0	Unknown

Details on top ten shareholders without trade restrictions			
Name of shareholder	Number of unrestricted shares held at the end of the reporting period	Type of shares	
		Type	Number
China National Bluestar (Group) Co., Ltd.	1,709,387,160	RMB Common share	1,709,387,160
Blusstar-GTJA-19 Bluestar EB guarantee and trust property account	680,000,000	RMB Common share	680,000,000
China Securities Finance Corporation Limited	13,794,697	RMB Common share	13,794,697
Jiangsu Juhe Chuangyi Emerging Industry Investment Fund LLP	6,607,000	RMB Common share	6,607,000
China Electronic Investment Holding Company	5,185,185	RMB Common share	5,185,185
Beijing Research and Design Institute of Rubber Industry	3,737,262	RMB Common share	3,737,262
Hong Kong Central Clearing Limited	3,650,981	RMB Common share	3,650,981

China Construction Bank - The Belt and Road Fund	2,437,560	RMB Common share	2,437,560
Bank of China - The Belt and Road Fund	2,257,643	RMB Common share	2,257,643
Chen Bo	2,142,412	RMB Common share	2,142,412
Statement on related relationship or acting in concert among the above shareholders	The State-owned corporation shareholders, China National Bluestar (Group) Co., Ltd. and Beijing Research and Design Institute of Rubber Industry (who owns 3,737,262 shares), are subsidiaries of China National Chemical Corporation. Bluestar-GTJA-19BluestarEB guarantee and trust property account (who owns 680,000,000 shares) is a special account for China National Bluestar (Group) Co., Ltd. to guarantee and trust some of its shares when issuing exchangeable bonds. Except for the above-mentioned shareholders, the Company does not know whether any related relationship exists among other shareholders, or whether the other shareholders have acted in concert as regulated by the Administrative Measures for Purchasing of Listed Companies.		
Details on preferred shareholders with voting rights and the quantity of shares held	Not applicable		

2.3 Total number of preferred shareholders, and details on top ten preferred shareholders and top ten preferred shareholders without trade restrictions as of the end of reporting period

☐Applicable ☑ Not applicable

3 Important Matters

3.1 Major changes to any of the main items in the financial statements or financial indicators of the Company for the reporting period and the reasons for such changes

☑ Applicable ☐ Not applicable

Unit: Yuan Currency: RMB

Balance Sheet Items	**31/03/2020**	**31/12/2019**	**Total Fluctuation**		**Explanations on fluctuation**
			RMB	**%**	
Long-term receivables	303,202,848	62,752,154	240,450,694	383.2	Shareholder loan to Calysseo
Long-term equity investments	36,038,400	0	36,038,400	NA	Investment in 50:50 JV (Calysseo) with Calysta
Other non-current financial assets	256,665,417	32,676,606	223,988,811	685.5	Investment in Calysta as minority shareholder

Balance Sheet Items	31/03/2020	31/12/2019	Total Fluctuation RMB	%	Explanations on fluctuation
Derivative financial liabilities	17,077,846	2,063,292	15,014,554	727.7	Impact from new commodity derivatives & EUR depreciation
Advances from customers	0	7,568,111	-7,568,111	-100	Adoption of new revenue standard, reclassification to contract liabilities.
Contract liabilities	13,945,914	0	13,945,914	NA	Adoption of new revenue standard, reclassification from advance from customers. Increase of customer prepayment
Taxes payable	406,576,401	212,310,116	194,266,285	91.5	Tax provision for the year 2020
Other payables	370,946,476	531,710,168	-160,763,692	-30.2	Payment of dividends and Capex orders
Other current liabilities	2,696,307	11,611,670	-8,915,363	-76.8	One-off reclassification

Income statement items	1/01/2020-31/03/2020	1/01/2019-31/03/2019	Total Fluctuation RMB	%	Explanations on fluctuation
Financial expenses/(income) - net	37,445,599	-13,894,502	51,340,101	NA	FX impact arising from weakening currencies
Investment income (Loss)	0	648,600	-648,600	-100	Liquidation of investment in 2019 Q1. No such activity in 2020.
Gains (losses) from changes in fair values	-4,676,554	-436,871	-4,239,683	970.5	Combined impact of positive fair value of LTIP and negative derivatives valuation
Credit losses	-1,246,517	0	-1,246,517	NA	Change in credit risk
Asset impairment losses	-723,915	10,928,238	-11,652,153	NA	Reversal of inventory depreciation booked in 2019.
Non-operating expenses	2,922,715	294,498	2,628,217	892.4	Increase of miscellaneous expenses

Cash flow statement items	1/01/2020-31/03/2020	1/01/2019-31/03/2019	Total Fluctuation		Explanations on fluctuation
			RMB	%	
Net Cash Flow generated from Operating Activities	678,830,693	316,150,314	362,680,379	114.7	Delayed payment of trade payables
Net Cash Flow generated from investing Activities	(817,783,940)	(399,745,155)	(418,038,785)	104.6	More investment activities, especially in Calysseo & Calysta
Net Cash Flow from Financing Activities	(48,761,353)	(478,575,498)	429,814,145	-89.8	Early redemption of (USD70mil) preferred shares in 2019

3.2 Progress and impact of important events, and the analysis of the solutions

☑ Applicable ☐ Not applicable

Purchase of 15% shares of Bluestar Adisseo Nutrition Group Limited

Up till now, the filing procedures with NDRC and MOC of related party acquisition of 15% common shares in Bluestar Adisseo Nutrition Group Limited has been completed. And the Company has received NDRC WaiZiBei[2020]146 and MOC HeTouZi[2020]N00125 filing notification from NDRC and MOC on 18 March 2020 and 9 April 2020 respectively.

3.3 Unsatisfied or overdued commitments in the reporting period

☐Applicable ☑Not applicable

3.4 Warning of loss forecasted from the beginning of the year to the end of next reporting period, or significant fluctuation in the net profit compared with the same period of last year, and explanations.

☐ Applicable ☑Not applicable

Entity 公司名称	Bluestar Adisseo Company. 蓝星安迪苏股份有限公司
Legal representative 法定代表人	Jean-Marc DUBLANC
Date 日期	2020/4/22