

Stock Code: 600299

Stock Name: Adisseo

Bluestar Adisseo Company

Announcement on the Report of the First Quarter of 2023

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.

Important Notice

- The Board of Directors, and Board of Supervisors 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.
- The person in charge of the Company, person in charge of finance function and the head of the accounting department (accountants in charge), hereby confirm that the truthfulness, accuracy and completeness of the financial statements in the first quarter report 2023.
- The financial statements in the first quarter report 2023 have not been audited.

I. Major financial data

1. Main accounting data and financial indicators

Unit: Yuan Currency: RMB

Items	From 1 January 2023 to 31 March 2023	Changes in comparison with the same period of last year (%)
Operating revenues	3,151,977,858	-8.83
Net profits attributable to shareholders of the Company	1,487,743	-99.65
Net profits attributable to shareholders of the Company deducting non-recurring profit or losses	(22,863,841)	-105.38
Net cash flow arising from operating activities	525,623,605	44.12
Basic earnings per share (Yuan/share)	0.0006	-99.65
Diluted earnings per share (Yuan/share)	0.0006	-99.65
Weighted average return on net assets (%)	0.01	-3.02ppt

Items	31 March 2023	31 December 2022	Changes in comparison with the year end (%)
Total assets	21,519,502,988	21,343,401,913	0.83
Net assets attributable to the shareholders of the Company	14,996,879,006	14,933,588,455	0.42

2. Non-recurring profit/loss items

Unit: Yuan Currency: RMB

Item	For the 3 months ended 31 March 2023	For the 3 months ended 31 March 2022	Description
Net profit/loss on disposal of non-current assets	(32,740)	(45,460)	Scrapping of non-conform or defective equipment
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	3,601,672	3,239,262	Mainly grants for land use right and industrial structure adjustment in Nanjing plant
Profit or loss on changes in the fair value of investment properties that are subsequently measured using the fair value mode	29,627,600		Fair Value AVF
Other non-operating income or expenses other than the above	(1,976,551)	(197,148)	
Less: Impact of income tax	(6,868,397)	659,264	
Total	24,351,584	2,337,390	

Description of defining the non-recurring profit and loss items listed in the *explanatory announcement no. 1 on information disclosure of companies offering securities to the public – non-recurring profits and losses*.

Applicable Not applicable

3. Changes and reasons of main accounting data and financial indicators

√ Applicable □ Not applicable

Item	Change proportion (%)	Reason
Net profits attributable to shareholders of the Company (This reporting period vs the same period of last year)	-99.65	Despite that volume of sales continued to grow, the profitability was severely squeezed due to the sharp decrease in prices of performance products and relatively high inventory costs.
Net profits attributable to shareholders of the Company deducting non-recurring profit or losses (This reporting period vs the same period of last year)	-105.38	
Basic earnings per share (Yuan/share) (This reporting period vs the same period of last year)	-99.65	
Diluted earnings per share (Yuan/share) (This reporting period vs the same period of last year)	-99.65	
Weighted average return on net assets (%)	-3.02ppt	
Net cash flow arising from operating activities (From beginning of the year to period end vs the same period of last year)	44.12	Mainly due to strict management of working capital and cash.

II. Information of shareholders

1. 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					32,788	
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	13,520,000	SOE

Blusstar-GTJA-19 Bluestar EB Guarantee and Trust Property Account	592,078,113	22.08	0	Unknown	0	Other
Hong Kong Central Clearing Limited	10,473,031	0.39	0	Unknown	0	Overseas legal Person
National Social Security Fund	7,772,208	0.29	0	Unknown	0	Other
Jiangsu Juhe Chuangyi Emerging Industry Investment Fund LLP	6,607,000	0.25	0	Unknown	0	Other
China Securities Finance Corporation Limited	5,576,997	0.21	0	Unknown	0	SOE
China Electronic Investment Holding Company	5,185,185	0.19	0	Unknown	0	SOE
Beijing Research and Design Institute of Rubber Industry	3,737,262	0.14	0	Unknown	0	SOE
Agricultural Bank of China Limited - Fuguo CSI 500 Index Enhanced Securities Investment Fund (LOF)	3,555,400	0.13	0	Unknown	0	Other
Zhejiang Commercial Bank Co., Ltd. - Guotai Zhongzheng Livestock Breeding Trading Open-ended Index Securities Investment Fund	3,300,095	0.12	0	Unknown	0	Other
Details on top ten shareholders without trade restrictions						
				Type of shares		

Name of shareholder	Number of unrestricted shares held at the end of the reporting period	Type	Number
China National Bluestar (Group) Co., Ltd.	1,709,387,160	RMB ordinary shares	1,709,387,160
Blusstar-GTJA-19 Bluestar EB Guarantee and Trust Property Account	592,078,113	RMB ordinary shares	592,078,113
Hong Kong Central Clearing Limited	10,473,031	RMB ordinary shares	10,473,031
National Social Security Fund	7,772,208	RMB ordinary shares	7,772,208
Jiangsu Juhe Chuangyi Emerging Industry Investment Fund LLP	6,607,000	RMB ordinary shares	6,607,000
China Securities Finance Corporation Limited	5,576,997	RMB ordinary shares	5,576,997
China Electronic Investment Holding Company	5,185,185	RMB ordinary shares	5,185,185
Beijing Research and Design Institute of Rubber Industry	3,737,262	RMB ordinary shares	3,737,262
Agricultural Bank of China Limited - Fuguo CSI 500 Index Enhanced Securities Investment Fund (LOF)	3,555,400	RMB ordinary shares	3,555,400
Zhejiang Commercial Bank Co., Ltd. - Guotai Zhongzheng Livestock Breeding Trading Open-ended Index Securities Investment Fund	3,300,095	RMB ordinary shares	3,300,095
Statement on related relationship or acting in concert among the above shareholders	<p>The above shareholders, China National Bluestar (Group) Co., Ltd. and Beijing Research and Design Institute of Rubber Industry are subsidiaries of Sinochem Holdings Co., Ltd.</p> <p>Blusstar-GTJA-19 Bluestar EB Guarantee and Trust Property Account is a special account for China National Bluestar (Group) Co., Ltd. to guarantee and trust some of its shares when issuing exchangeable bonds. For more information, please refer to the announcements 2019-008, 2019-014, 2019-029, 2019-034 and 2020-024.</p> <p>Except for the abovementioned 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.</p>		

Description on the participation of the top 10 shareholders and the top 10 non selling shareholders in margin trading and refinancing business (if any)	Not applicable
---	----------------

III. Other events that have significant impact over the company's production and operation

Applicable Not applicable

IV. Quarterly reports

1. Type of audit opinion

Applicable Not applicable

2. Financial statements

Consolidated Balance Sheet

As of 31 March 2023

Prepared by: Bluestar Adisseo Company

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	Notes	Closing balance	Opening balance
Current Assets:			
Cash at bank and on hand		776,084,627	796,360,472
Financial assets at fair value through profit or loss			
Derivative financial assets		8,548,212	4,884,268
Notes receivable			
Accounts receivable		1,831,885,917	1,966,254,021
Receivable financing			
Advances to suppliers		129,764,050	106,820,399
Other receivables		212,113,436	169,719,213
Including: interests receivable		2,905	1,499
dividends receivable			
Inventories		2,410,186,920	2,371,157,023
Other current assets		740,044,021	686,504,941
Total current assets		6,108,627,183	6,101,700,337

Items	Notes	Closing balance	Opening balance
Non-current Assets:			
Available-for-sale financial assets			
Long-term receivables		386,043,737	356,217,439
Long-term equity investments		259,400,366	275,944,401
Investments in other equity instruments		265,805,598	262,657,438
Other non-current financial assets		106,643,420	75,870,564
Investment properties			
Fixed assets		8,986,167,219	9,158,021,828
Construction in progress		626,858,301	517,223,599
Right-of-use assets		372,690,181	339,662,669
Intangible assets		2,141,450,009	2,064,713,837
Development costs		102,646,928	96,777,098
Goodwill		1,992,032,609	1,923,700,544
Long-term prepaid expenses		7,599,423	8,267,247
Deferred tax assets		133,355,265	134,152,929
Other non-current assets		30,182,749	28,491,983
Total non-current assets		15,410,875,805	15,241,701,576
TOTAL ASSETS		21,519,502,988	21,343,401,913
Current Liabilities:			
Short-term borrowings		1,089,651,435	850,296,856
Financial liabilities at fair value through profit or loss			
Derivative financial liabilities		122,565	363,722
Notes payable			
Accounts payable		1,577,742,437	1,536,944,038
Advances from customers			
Contract liabilities		9,110,376	8,934,000
Wages and benefits payable		478,705,736	403,573,983
Taxes payable		160,542,621	142,516,899
Other payables		465,612,315	571,091,319
Including: interests payable		5,882,913	6,019,947
dividends payable			
Current portion of non-current liabilities		216,754,683	288,069,057
Other current liabilities		3,579,346	6,638,993
Total current liabilities		4,001,821,514	3,808,428,867
Non-current Liabilities:			
Long-term borrowings		648,960,168	843,596,515

Items	Notes	Closing balance	Opening balance
Lease liabilities		329,641,599	281,545,289
Long-term payables		20,851,250	14,631,033
Long-term employee benefits payable		245,685,957	245,908,163
Provisions		342,771,383	296,836,310
Deferred income		145,931,935	147,451,798
Deferred tax liabilities		767,646,139	752,169,578
Other non-current liabilities			
Total non-current liabilities		2,501,488,431	2,582,138,686
TOTAL LIABILITIES		6,503,309,945	6,390,567,553
SHAREHOLDERS' EQUITY:			
Paid-in capital		2,681,901,273	2,681,901,273
Other equity instruments		0	0
Capital reserve		1,004,724,976	1,004,724,989
Other comprehensive income		(837,981,693)	(899,784,514)
Special reserve		0	0
Surplus reserve		597,195,660	597,195,660
Undistributed profits		11,551,038,790	11,549,551,047
Total equity attributable to equity holders of the Company		14,996,879,006	14,933,588,455
Non-controlling interests		19,314,037	19,245,905
TOTAL OWNERS' EQUITY		15,016,193,043	14,952,834,360
TOTAL LIABILITIES AND OWNERS' EQUITY		21,519,502,988	21,343,401,913

Person in charge of the company: Jean-Marc DUBLANC

Person in Charge of the Accounting Body: Jean-Marc DUBLANC

Chief Accountant: Yun CAI

Consolidated Income Statement

For the 3 months ended 31 March 2023

Prepared by: Bluestar Adisseo Company

Unit: Yuan Currency: RMB Audit Type: Unaudited

Items	For the 3 months ended 31 March 2023	For the 3 months ended 31 March 2022
I. Total operating revenues	3,151,977,858	3,457,385,114
Including: Operating income	3,151,977,858	3,457,385,114
II. Total operating costs	3,139,009,504	2,880,492,819
Including: Cost of sales	2,485,103,765	2,349,986,027
Business taxes and surcharges	14,712,390	17,306,009
Selling and distribution expenses	307,624,778	252,447,123
General and administrative expenses	179,398,357	179,840,117
Research and development expenses	99,800,857	69,723,455
Financial expenses - net	52,369,357	11,190,088
Including: Interest expenses	18,709,281	5,245,636
Interest income	5,285,965	1,462,704
Add: Other income	3,601,672	3,239,262
Investment income (Loss)	(13,179,749)	114,197
Including: Income from investments in associates and joint ventures	(13,179,749)	114,197
Gains (losses) from disposal of financial assets at amortized cost.		
Gains (losses) from changes in fair values	34,678,461	(768,776)
Credit losses	(4,375,293)	(26,138,165)
Asset impairment losses	(14,529,047)	(1,160,458)
Gain (loss) from disposal of assets	(32,740)	(45,460)
III. Operating profit (Loss)	19,131,658	552,132,895
Add: Non-operating income	6,551,903	578,980
Including: Gains from disposal of non-current assets		
Less: Non-operating expenses	8,528,454	776,129
Losses from disposal of non-current		
IV. Total profit (Total loss)	17,155,107	551,935,746
Less: Income tax expenses	15,722,130	121,459,141
V. Net profit (Net loss)	1,432,977	430,476,605
Net profit (loss) from continuing operations	1,432,977	430,476,605
Net profit (loss) from discontinued operations	0	0
Net profit attributable to equity holders of the Company	1,487,743	427,412,264
Net profit attributable to non-controlling interests	(54,766)	3,064,341
VI. Net other comprehensive income	61,920,281	(161,852,458)

Items	For the 3 months ended 31 March 2023	For the 3 months ended 31 March 2022
Other comprehensive income (net of tax) attributable to owners of the parent company	61,797,383	(161,619,678)
1. Other comprehensive income which will not be reclassified subsequently to profit or loss	0	558,298
1) Actuarial differences on defined benefit plans	0	558,298
3) Profit/Loss from changes in fair value of Investments in other equity instruments		
2. Other comprehensive income which will be reclassified subsequently to profit or loss	61,797,383	(162,177,976)
1) Financial assets that is reclassified to other comprehensive income		
2) Effective hedging portion of gains or losses arising from cash flow hedging instruments	(915,626)	8,549,078
3) Differences on translation arising on translation of foreign currency financial statements	62,713,009	(170,727,054)
Net other comprehensive income to minority shareholders after tax	122,898	(232,780)
VII. Total comprehensive income	63,353,258	268,624,147
Total comprehensive income attributable to equity holders of the Company	63,285,126	265,792,586
Total comprehensive income attributable to non-controlling interests	68,132	2,831,561
VIII. Earnings per share		
(I) Basic earnings per share	0.00	0.16
(II) Diluted earnings per share	0.00	0.16

Person in Charge of the Company: Jean-Marc DUBLANC

Person in Charge of the Accounting Body: Jean-Marc DUBLANC

Chief Accountant: Yun CAI

Consolidated Cash Flow Statement

For the 3 months ended 31 March 2023

Prepared by: Bluestar Adisseo Company

Unit: Yuan

Currency: RMB

Audit Type: Unaudited

Items	For the 3 months ended 31 March 2023	For the 3 months ended 31 March 2022
I. Cash Flows from Operating Activities:		
Cash received from sale of goods or rendering of services	3,515,165,666	3,407,635,541
Refunds of taxes and surcharges	29,627,600	0
Cash received relating to other operating activities	2,403,715	0
Sub-total of cash inflows from operating activities	3,547,196,981	3,407,635,541
Cash paid for goods and services	2,540,748,039	2,488,566,673
Cash paid to and on behalf of employees	425,479,858	400,370,923
Payments of taxes and surcharges	6,004,433	125,662,775
Cash paid relating to other operating activities	49,341,046	28,319,047
Sub-total of cash outflows from operating activities	3,021,573,376	3,042,919,418
Net Cash Flow generated from Operating Activities	525,623,605	364,716,123
II. Cash Flows from Investing Activities:		
Cash received from disposals of investments	0	0
Cash received from investment income and interest income	5,277,111	1,220,984
Net cash received from disposals of fixed assets, intangible assets and other long-term assets	68,694	140,065
Net cash received from disposals of subsidiaries and other business units	0	0
Cash received relating to other investing activities	18,163,280	0
Sub-total of cash inflows from investing activities	23,509,085	1,361,049
Cash paid to purchase fixed assets, intangible assets and other long-term assets	323,484,140	426,805,208
Cash paid to acquire investments	605,129	1,894,671
Net cash paid for acquisitions of subsidiaries	138,287,999	0
Cash paid relating to other investing activities	84,457,566	55,333,863

Items	For the 3 months ended 31 March 2023	For the 3 months ended 31 March 2022
Sub-total of cash outflows from investing activities	546,834,834	484,033,742
Net Cash Flow used in Investing Activities	(523,325,749)	(482,672,693)
III. Cash Flows from Financing Activities:		
Cash received from capital contributions		
Including: cash received from capital contributions by non-controlling interests of subsidiaries		
Cash received from borrowings	199,970,829	859,778,659
Cash received from issuance of debentures	0	0
Cash received relating to other financing activities	0	0
Sub-total of cash inflows from financing activities	199,970,829	859,778,659
Cash repayments of borrowings	197,496,281	1,317,803
Cash payments for interest expenses and distribution of dividends or profits	26,366,103	11,540,398
Including: dividends and profits paid to non-controlling shareholders of subsidiaries	0	3,118,670
Cash paid relating to other financing activities	23,663,716	1,581,367,742
Sub-total of cash outflows from financing activities	247,526,100	1,594,225,943
Net Cash Flow from Financing Activities	(47,555,271)	(734,447,284)
IV. Effect of Foreign Exchange Rate Changes on Cash and Cash Equivalents	24,981,570	(42,122,385)
V. Net Increase in Cash and Cash Equivalents	(20,275,845)	(894,526,239)
Add: Opening balance of Cash and Cash Equivalents	796,360,472	2,114,710,481
VI. Closing Balance of Cash and Cash Equivalents	776,084,627	1,220,184,242

Person in Charge of the Company: Jean-Marc DUBLANC

Person in Charge of the Accounting Body: Jean-Marc DUBLANC

Chief Accountant: Yun CAI

The first implementation of the new lease standards from 2023 to adjust the first implementation of the financial statements at the beginning of the year.

Applicable Not applicable

It is hereby announced.

Board of Directors of Bluestar Adisseo Company

26 April 2023