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Adisseo is building a new powder methionine plant in China, consolidating its leadership in methionine industry

Adisseo (SH: 600299), one of the world's leading companies in feed additives, announced to build a new powder methionine plant with an annual production capacity of 150Ktons in Fujian Province in China. The total investment amount is expected to be around RMB 4.9 billion. The plant is expected to operate in 2027.

Dr. Zhigang Hao, Chairman and CEO of Adisseo, said: "By demonstrating unparalleled cost and size leadership in the liquid methionine, Adisseo is willing to also complement its leadership in the powder methionine to become one of the global frontrunners in 2030. This project will strengthen our leading position in the methionine industry as well as optimize our methionine product portfolios and global production capacity layout, thereby creating value for our customers. Sustainability and digitalization are key success factors of the project. Adisseo is fully committed to implement FORUS (SinoChem HSE strategy: For Runner Strategy), to fully leverage digital capabilities to design a smart plant, to apply green technologies and source low-carbon raw materials etc., aiming to build a greener, smarter, and more competitive plant."

Adisseo can produce liquid and solid methionine simultaneously. The Adisseo Nanjing plant is one of the world's largest, most technologically advanced, and the most competitive liquid methionine production platforms in the world. In China and other emerging markets, demand of powder methionine is still strong. The global demand for various types of methionine is expected to continue especially in China and other Asia Pacific countries (APAC). With this investment, Adisseo is willing to become one of the global frontrunners in the powder methionine market in the future.

The 150Ktons/year powder methionine project will be located at Quanhui Petrochemical Industrial Zone, Quanzhou City, Fujian Province, China, with estimated investment amount around RMB 4.9 billion. Thanks to the adjacent to SinoChem sister company, the project is expected to benefit from strong synergies in supply chain, receiving operational support and further gaining cost advantages by optimizing capital investments and operating costs as well as enhanced whole value-chain sustainability.

Driven by growing population and declining arable land per capital, as well as the growing awareness of environmental sustainability, global methionine market continues to grow with unchanged fundamentals, especially in China and other APAC countries where cost competitiveness, economy of scale, and a multi-asset approach are essential for success.



The project will further contribute to the "One-China" Strategy and will allow to strengthen Adisseo's global leading position in the methionine industry while allowing to optimize its methionine product structure and global production capacity layout.

Besides, the project will allow Adisseo to further strengthen cost advantage and improve overall performance profitability through innovative technology synergy and production scale effect, empowering the company to further reinforce its competitiveness in the methionine industry.

Additionally, methionine is an important contributor to the improvement of feed conversion. The project, with its 150Ktons/year production capacity, will help stabilize and improve national food productivity, and therefore provides strong support for national food security as well as agriculture sustainability.

This 150Ktons/year powder methionine project will further increase Adisseo's production capacity in China with promising economic benefits and enriched product mix. Adisseo is committed to further delivering continuous and sustainable business growth.

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About Adisseo

Adisseo is one of the world's leading experts in feed additives. The group relies on its 8 research centers and its production sites based in Europe, USA, China, and Thailand to design, produce and market nutritional solutions for sustainable animal feed.

With more than 2,650 employees, it serves around 4,200 customers in over 110 different countries through its global distribution network.

Adisseo is one of the main subsidiaries of China National BlueStar, leader in the Chinese chemical industry with more than 20,000 employees and a turnover of CNY 73.5 billion. Adisseo is listed on the Shanghai Stock Exchange.

Adisseo Corporate websites: <u>www.adisseo.com</u>; <u>www.bluestar-adisseo.com</u>

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