

August 2, 2024

## Nippon Shokubai Announces a Subsidiary in Indonesia Plans to Expand Its Superabsorbent Polymers (SAP) Plant

NIPPON SHOKUBAI CO., LTD. (headquarters: Osaka, Japan, President: Kazuhiro Noda, hereinafter “Nippon Shokubai”) hereby announces that Nippon Shokubai has resolved, at its board meeting held on July 30, 2024, to give approval to the investment plan at PT. NIPPON SHOKUBAI INDONESIA (hereinafter “NSI”).

The plan is to build superabsorbent polymers (hereinafter “SAP”) plant with 50,000 metric tons per year (“T/Y”), as follows.

### 1. Background of the investment

SAP, one of Nippon Shokubai’s core businesses, shows steady growth of demand as a key material for diapers globally, particularly in the regions the populations are anticipated to increase rapidly.

As a result of the study, Nippon Shokubai concluded to expand the capacity of NSI, as it had already expanded its production facility of acrylic acid (hereinafter “AA”) by 100,000 T/Y (total AA capacity after the expansion: 240,000 T/Y) and can take advantages of its strength from the vertically integrated production from AA to SAP to meet the strong demand growth in Asian region and the expectation for synergistic effect with the existing plant. On the other hand, for the old SAP production facilities with relatively low productivity in Himeji, Japan, Nippon Shokubai will consider stopping some of these facilities to optimize Nippon Shokubai’s global SAP supply network in future.

### 2. Feature of investment

Production capacity	SAP 50,000 T/Y (current capacity 90,000 T/Y, total 140,000 T/Y after completion)
Schedule	Mechanical completion – January 2027 Commercial operation – July 2027
Location	Existing plant site of NSI
Investment amount	Approx. 110 million US dollars

### 3. Corporate outline of NSI

Established	August 1996
Location	Cilegon, Banten Province, Republic of Indonesia (head office and plant)
Representative	Shinichiro Yoshimoto (Mr.) President Director
Business	Manufacture and sale of AA, acrylates and SAP
Capital	120 million US dollars (paid-in capital) 99.9% contributed by Nippon Shokubai
Number of employees	448 (as of March 31, 2024)

#### 4. Influence on the business results

This project makes no influence on the business results of the current fiscal year ending on March 31, 2025. As for the business results in future, after the operation on fiscal year 2027, Nippon Shokubai will maintain and improve profitability by utilizing the above mentioned new plant effectively.

#### 【Related releases】

- Inauguration Ceremony Held for a New Acrylic Acid Facility in Indonesia (May 24, 2023)  
<https://www.shokubai.co.jp/en/news/2023052412480/>

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About NIPPON SHOKUBAI CO., LTD.: Nippon Shokubai utilizes the unique technology to manufacture chemicals such as ethylene oxide, acrylic acids, catalysts, superabsorbent polymers. We use chemistry to make the impossible possible, and offer unprecedented solutions to the world, specifically in Environment & Energy, Electronics & Imaging and Daily Use fields. Our corporate mission is "TechnoAmenity: Providing prosperity and comfort to people and society with our unique technology".

For more information: <https://www.shokubai.co.jp/en>

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