

PRESS RELEASE

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DOMO Chemicals to invest €12 million in new nylon plant in China

Jiaxing - DOMO Chemicals, a leading producer of high-quality engineering materials for a diverse range of markets, has announced plans for a new state-of-the-art plant in Zhejiang, China. The new plant will be capable of producing 50,000 tons of sustainable and innovative engineered nylon compounds each year. The company signed a new factory project through "cloud contract" with PingHu DuShan port Economic Development District on February 20, 2020. Production is expected to commence in the fourth quarter of this year.

DOMO Chemicals will invest €12 million in the new plant, which will have more than 11,500m² floor space. The company plans to install multiple production lines at the first stage of development, which would offer an estimated capacity of 25,000 tons/year. There will be enough additional space available to cope with future demand requirements. The move is in line with the company's global growth strategy with a strong focus on the Asia Pacific (APAC) region.

Speaking during a video ceremony of the signing, Vice President Global Engineering Plastics, Mr. Ludovic Tonnerre stated: "DOMO Chemicals has only been operating in China since 2015, but we are growing rapidly. Despite the current coronavirus challenges, we are confident that China will lead the world in embracing a future generation of sustainability and e-mobility solutions. We are very grateful to the government and relevant departments for their patience and assistance and are confident in our long term cooperation, relationships and mutual opportunities."

The new plant will be located in the convenient transportation port area of DuShan Pinghu city, Zhejiang province, which is in close proximity to Shanghai and facing the East China Sea. The modern factory will integrate R&D, production, and sales. It will mainly develop and produce modified engineering plastics such as nylon

6, nylon 6.6* and high temperature nylon (HTN). These products meet the rising market demand for modified materials for the automotive, electronics and consumer industries.

DOMO will implement measures that exceed the requirements for environmental protection for the equipment, processes and technologies used at the new plant. The company will be investing in new air and water treatment technologies, and in the reduction of water and energy consumption. This is in line with the overarching DOMO Philosophy: "Caring is our formula."

The contract, which was signed remotely during the ongoing coronavirus situation, demonstrates DOMO's long term commitment to the Chinese economy and the resilience of local Chinese colleagues and partners. DOMO has strictly complied with the government's protection requirements at all times and diligently checked on the wellbeing of the work personnel.

Fabrizio Cochi, General Manager Asia/Pacific at DOMO Chemicals concludes: "When DOMO Engineering Plastics started in China, we operated a small plant with two machines, with the aim of supplying our global automotive customers. In 2019, despite the slowdown of the Chinese economy, we were already selling 6,000 tons of engineering nylon compounds to diverse local applications. I believe that we are about to enter a period of rapid development in China once today's hurdles are overcome. We remain strongly committed to China and the APAC region."

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About DOMO Chemicals

DOMO Chemicals is a leading producer of high-quality engineering nylon materials for a diverse range of markets, including the automotive, food, medical, pharmaceutical, chemicals and electronics industries. The company offers a complete portfolio of integrated nylon 6 and 66 products, including intermediates, resins, engineering plastics, performance fibres, packaging film and distribution of petrochemical products. Headquartered in Germany, the family-owned company leverages advanced technology and consumer insights to deliver sustainable & innovative solutions. DOMO

generated 2019 sales over EUR 900 million and employs in 2020 approximately 2200 employees worldwide.

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