Asahi**KASEI**

Asahi Kasei Europe GmbH 15 February 2023

Asahi Kasei completes second plant for Ceolus™ microcrystalline cellulose

Düsseldorf, New York and Tokyo, 15 February 2023 – Asahi Kasei has completed the construction of its second plant for Ceolus[™] microcrystalline cellulose (MCC) at its Mizushima Works in Kurashiki, Okayama, Japan, in January 2023. With the new facility, the company underlines its commitment to meet the substantially growing demand for its MCC.

The Functional Additives Division of Asahi Kasei's Life Innovation SBU has manufactured Ceolus[™] in Nobeoka, Miyazaki, Japan, since 1970. Ceolus[™] is supplied to customers around the world, primarily for use as tablet binder for pharmaceuticals.

Demand for Ceolus[™] used in pharmaceutical tablets is growing substantially, especially for the proprietary high-performance grades Ceolus[™] KG and Ceolus[™] UF. The second plant will not only raise supply capacity but also enhance the supply stability through production at multiple sites. The new plant is currently undergoing trial operation, with commercial production of each grade scheduled to begin in succession from April 2023.

"The increased capacity at this new plant will enable us to provide a more stable supply of Ceolus™ for distribution centers around the world to get products to customers in greater quantities," says Eiichi Hori, Senior General Manager of Functional Additives Division. "The second plant will make Ceolus™ more accessible to patients around the world. We are excited to see the innovative, new formulations that pharmaceutical and supplement manufacturers will develop utilizing our MCC."

Featuring an innovative particle morphology, Ceolus[™] offers various solutions to the pharmaceutical and supplement industries: It facilitates challenging formulations, solves tableting issues, and enables unique and patient-friendly dosage forms. It also contributes to customers' production efficiency by enabling high-speed tableting and reducing production problems. In addition, less black particles, less impurities including nitrite and nitrate which may cause nitrosamine associated risk, and the consistently high quality of Ceolus[™] directly contribute to the quality improvement of customers' formulations.

Asahi Kasei expects that the new plant will make a further contribution to life and living for people around the world by providing Ceolus[™] to more customers globally, enabling the manufacture of pharmaceuticals and supplements that have been difficult to make into tablets, and meeting the needs of pharmaceutical companies, supplement companies, and patients through the development of high-performance products.

About the Asahi Kasei Corporation

The Asahi Kasei Group contributes to life and living for people around the world. Since its foundation in 1922 with ammonia and cellulose fiber businesses, Asahi Kasei has consistently grown through the proactive transformation of its business portfolio to meet the evolving needs of every age. With more than 46,000 employees around the world, the company contributes to a sustainable society by providing solutions to the world's challenges through its three business sectors of Material, Homes, and Health Care. Its Materials sector, comprised of Environmental Solutions, Mobility & Industrial, and Life Innovation, includes a wide array of products from battery separators and biodegradable textiles to engineering plastics and sound solutions. For more information, visit www.asahi-kasei.com.

Asahi Kasei is also dedicated to sustainability initiatives and is contributing to reaching a carbon neutral society by 2050. To learn more, visit <u>https://www.asahi-kasei.com/sustainability/</u>.

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