

Sateri Boosts Closed-Loop Manufacturing Capabilities with New R&D Innovation Centre

30 September 2020, Shanghai. Sateri has taken another bold step in its endeavour to diversify its portfolio of fibre products and maintain best-in-class manufacturing standards with a new R&D Innovation Centre.

The US\$48 million (RMB330 million) centre is housed in a brand new multi-storey building located in Rizhao, Shandong, China, where Sateri's 20,000 ton per annum Lyocell production facility is also sited. It features a 5,000 ton per annum Lyocell production line dedicated for pilot trials, and other state-of-the-art imported equipment.

The Centre's activities will focus initially on laboratory tests for pulp selection, new and differentiated fibre product development, and quality and productivity improvements in Lyocell production. The Centre is also poised to explore frontier next-generation textile fibre solutions and other related downstream innovation in the near future.

About 150 staff members will be involved in the Centre's work. These include R&D scientists, professionals with material science and chemical engineering expertise, and specialists in fibre technical, production and operations.

Tu Jian Zhong, Head of the Centre, said, "My team and I are proud to be part of Sateri's first major R&D Innovation Centre that consolidates our various competencies in one location. This facility will be the lynchpin of our innovation efforts. We are eager to achieve breakthroughs that will not only enhance Sateri's existing products but also advance solutions in alternative cellulosic feedstock and closed-loop manufacturing. The company's investment in this Centre is founded on a strong culture of continuous improvement and part of its long-term commitment to create value."

The Centre recently hosted a visit by the Vice Governor of Shandong Province, Sun Ji Ye. Vice Governor Sun lauded the benefits of Lyocell fibre as a sustainable material for use in high-end fabrics, medical and other consumer products, and urged companies to leverage on technology to create value-added products to bolster China's economic development.

Sateri is part of the RGE group of companies which has committed to investing <u>USD200 million</u> to advance next-generation textile fibre innovation and technology. In addition to Lyocell, Sateri's other environmentally sustainable products introduced this year include <u>FINEX™</u>, made from recycled textile waste, and StretchCosy in partnership with DuPont™ Sorona®.

About Sateri

Sateri is the world's largest producer of viscose fibre, a natural and sustainable raw material found in everyday items like textiles, baby wipes and personal hygiene products. Our range of high quality viscose products is independently verified as safe and responsibly produced. Our five mills in China collectively produce about 1.4 million metric tonnes of viscose fibre

yearly. We also operate a yarn spinning mill and 20,000-ton Lyocell facility. Headquartered in Shanghai, where we have a sales, marketing and customer service network covering Asia, Europe and the Americas, Sateri is strategically positioned to serve the China market which is the world's largest and fastest growing market for viscose fibre. www.sateri.com

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