

# DSM Press Release

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## **DSM Deretil formed joint venture with Shangyu Yuntao Chemicals in China**

Today, DSM Deretil, global leader in the field of development, production and sales of side chains for betalactamic antibiotics and the Chinese company Shangyu Yuntao Chemicals, announced that they have formed a Joint Venture for the production of DL Phenyl Glycine and D(-) Phenyl Glycine. DSM Deretil acquired 51% of the shares and obtained an option to acquire the remaining 49% to gain full ownership of the company within the next three years.

“With this joint venture we realize the opportunity to combine Deretil’s superior technology with the low cost infrastructure of a Chinese manufacturer. This enables us to further build on the value proposals we can make to our customers and supply them with the quality they need in the highly competitive anti-infectives market”, concludes Lluís Franquesa, General Manager of DSM Deretil at the closing of the agreement.

“China plays a key role in the production of antibiotics”, comments Lluís Franquesa, “The joint venture of DSM Deretil and Shangyu Yuntao Chemicals in China highlights DSM’s strong commitment to continue to play its leading role in this business.”

### **About DSM Deretil**

DSM Deretil is part of DSM N.V. through its DSM Anti-Infectives Business Group and is the worldwide leading company in the field of development, production and sales of side chains for betalactamic antibiotics, the largest group of pharmaceuticals to combat diseases based in bacterial infections. DSM Deretil employs 300 people in its plant in Almeria and offices in Barcelona, both in Spain.

### **About Shangyu Yuntao Chemicals**

Shangyu Yuntao Chemicals is a privately owned company, with Mr. Zhu Yuntao as sole shareholder. The company is located in Shangyu (Zhejiang Province) and was established in 2001. Shangyu Yuntao Chemicals produces DL Phenyl Glycine and D(-) Phenyl Glycine, has annual sales of around USD 7.3 million and employs 130 people.

### **DSM**

DSM is active worldwide in life science products, performance materials and industrial chemicals. The group develops, produces and markets innovative products and services that are designed to raise the quality of life. DSM’s products are used in a wide range of end-use

markets and applications, including human and animal nutrition and health, cosmetics, pharmaceuticals, the automotive industry, coatings, the construction industry and the electrics & electronics market. The group has annual sales of around EUR 8 billion and employs about 24,000 people worldwide. DSM is a leading world player in many of the markets in which it operates and has plants and facilities on every continent. The company's head office is in the Netherlands. For more information on DSM, please visit [www.dsm.com](http://www.dsm.com)

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Forward-looking statements

This press release contains forward-looking statements. These statements are based on current expectations, estimates and projections of DSM management and information currently available to the company. The statements involve certain risks and uncertainties that are difficult to predict and therefore DSM does not guarantee that its expectations will be realized. Furthermore, DSM has no obligation to update the statements contained in this press release.