

# Press Release

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## DSM completes acquisition of stake in Andre Pectin (China)

Royal DSM, the global Life Sciences and Materials Sciences company, announced recently that it has completed the acquisition of a 19% equity interest in Yantai Andre Pectin Co. Ltd. (Andre Pectin), a China based producer of texturing ingredients. DSM announced this acquisition on 5 May 2013.

DSM had previously acquired a 10% stake in Andre Pectin from Hony Capital. DSM's total interest in Andre Pectin is now 29%. The parties have agreed that DSM has option rights to increase its stake in Andre Pectin to a majority stake at a later stage.

Andre Pectin, headquartered in Yantai (Shandong Province, China), was established in 2003 and is active in the manufacturing and sale of apple and citrus pectin, a key food hydrocolloid providing texture, as well as pectin related food products. Andre Pectin realizes annual net sales of around €30 million. As the only successful global pectin market entrant in the past 20 years, Andre Pectin is the only significant pectin manufacturer in Asia with premier access to the world's fastest growing specialty food ingredients market.



At the new joint venture opening ceremony in Yantai on September 26, 2013, Zhang Anming (right), former president, Yantai Andre Pectin Co. Ltd. handed over the company seal and certificates to Gong Xiangwei, DSM Food Specialties Regional President Asia and now also general manager of Yantai Andre Pectin Co. Ltd.

With a market size of around €6 billion with an annual average growth rate of 3-5%, the global hydrocolloids market provides an attractive growth area to leverage DSM's bio-ingredients capabilities and global customer access. Some food hydrocolloids, such as pectin and gellan gum possess unique properties that are highly relevant to a broad range of processed and healthy food applications.

DSM's investment in Andre Pectin, synergistically combined with the previously acquired gellan gum assets based in China, creates a China-based hydrocolloids growth platform, in line with DSM's strategy for the Nutrition cluster, Continued Value Growth.

**DSM - Bright Science. Brighter Living.™**

Royal DSM is a global science-based company active in health, nutrition and materials. By connecting its unique competences in Life Sciences and Materials Sciences DSM is driving economic prosperity, environmental progress and social advances to create sustainable value for all stakeholders. DSM delivers innovative solutions that nourish, protect and improve performance in global markets such as food and dietary supplements, personal care, feed, pharmaceuticals, medical devices, automotive, paints, electrical and electronics, life protection, alternative energy and bio-based materials. DSM's 23,500 employees deliver annual net sales of around €9 billion. The company is listed on NYSE Euronext. More information can be found at [www.dsm.com](http://www.dsm.com).

DSM began trading with China in 1963 and established its first China sales office and first manufacturing facility in early 1990s. The company currently has 40 affiliates in China including 26 manufacturing sites and employs about 3,500 people. DSM China regional headquarters and China Science and Technology Center is located in Shanghai. DSM's business is growing healthily and steadily in China with revenue of USD1.7 billion in 2012. For further information, please visit [www.dsm.com.cn](http://www.dsm.com.cn).

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