

Lenzing Aktiengesellschaft  
Werkstraße 2  
4860 Lenzing, Austria  
[www.lenzing.com](http://www.lenzing.com)

**Phone** +43 7672 701 2743  
**Fax** +43 7672 918 2743  
**E-mail** [media@lenzing.com](mailto:media@lenzing.com)

**Date** March 03, 2022

## **Lenzing successfully opens world's largest lyocell plant in Thailand**

- Project delivered on schedule and at budget after two and a half years of construction despite challenges arising from a global pandemic
- New state-of-the-art lyocell plant with a capacity of 100,000 tons will help serve the growing demand for sustainably produced fibers
- Important milestone towards a carbon-free future has been set

Prachinburi (Thailand) – The Lenzing Group, the world's leading supplier of wood-based specialty fibers, is pleased to announce the successful completion of its key lyocell expansion project in Thailand. The new plant, the largest of its kind in the world with a nameplate capacity of 100,000 tons per year, started production on schedule and will help to even better meet the increasing customer demand for TENCEL™ branded lyocell fibers. For Lenzing, the project also represents an important step towards strengthening its leadership position in the specialty fiber market and into a carbon-free future.

The construction of the plant located at Industrial Park 304 in Prachinburi, around 150 kilometers northeast of Bangkok, started in the second half of 2019 and proceeded largely according to plan, despite the challenges arising from the COVID-19 pandemic. The recruiting and onboarding of new employees has been successful. Investments (CAPEX) amounted to approx. EUR 400 mn.

“We are very proud of this achievement. Our sincere thanks go to the entire Lenzing team and especially to our staff in Thailand but also to many external stakeholders, who joined forces in times of a global pandemic to make this key project reality. To deliver such a huge project in time and at budget is an outstanding achievement given the challenges of the global pandemic”, said Cord Prinzhorn, CEO of Lenzing Group.

Robert van de Kerkhof, Member of the Managing Board, agreed with him and added: “The demand for our wood-based, biodegradable specialty fibers under the TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ brands is growing very well. In Asia in particular, we see huge growth potential for our brands based on sustainable

innovation. With the production start of the lyocell plant in Thailand, Lenzing reached an important milestone in its growth journey, supporting our ambitious goal to make the textile and nonwoven industries more sustainable.”

### **Worldwide expansion of lyocell production**

Pollution of the environment – especially marine pollution – is one of the biggest problems of our time. The fashion industry has an extremely negative impact on the environment with its fast fashion business model and the growing consumption of fossil resources. The lyocell production process is the most modern method for producing fibers from wood. It has been successfully applied on an industrial scale for about 30 years and is particularly environmentally responsible. The underlying idea of the lyocell process is to dissolve and process the pulp in a closed loop without any chemical derivatisation.

Lenzing will continue to expand its production capacity for lyocell fibers in line with its sCore TEN strategy, which aims to generate 75 percent of its fiber revenue from eco-responsible specialty fibers such as TENCEL™, LENZING™ ECOVERO™ and VEOCEL™ fibers by 2024. The Thailand site offers space for several production lines. The investment in the first phase already includes general infrastructure that would benefit future expansion. However, Lenzing will continue to look for opportunities to expand lyocell production in other parts of the world too.

### **Target of a zero-carbon future**

“Investments in Thailand and other Lenzing sites around the world support us not only along our transformation towards becoming a supplier of eco-friendly specialty fibers but also in implementing our ambitious climate targets, thus further increasing our company value”, said Cord Prinzhorn.

In 2019, Lenzing made a strategic commitment to reducing its greenhouse gas emissions per ton of product by 50 percent by 2030. The target is to be climate-neutral by 2050. Due to the established infrastructure, the site in Thailand can be supplied with sustainable biogenic energy and contribute significantly to climate protection.

Together with the key project in Brazil and the substantial investments at the existing sites in Asia, Lenzing is currently implementing the largest investment program in its corporate history (with more than approx. EUR 1.5 bn). Lenzing will continue to drive the execution of its strategic projects, which are to make a significant contribution to earnings from 2022.

**You can watch the recording of the opening ceremony via the following link:**

[https://youtu.be/38\\_VPu-y0vE](https://youtu.be/38_VPu-y0vE)

**Photo download:**

<https://mediadb.lenzing.com/pinaccess/showpin.do?pinCode=LD1pibmYZVj2>

PIN: LD1pibmYZVj2

**Your contact for**

**Public Relations:**

**Dominic Köfner**

Vice President Corporate Communications & Public Affairs  
Lenzing Aktiengesellschaft  
Werkstraße 2, 4860 Lenzing, Austria

**Phone** +43 7672 701 2743

**E-mail** [media@lenzing.com](mailto:media@lenzing.com)

**Web** [www.lenzing.com](http://www.lenzing.com)

**Investor Relations:**

**Sébastien Knus**

Vice President Capital Markets  
Lenzing Aktiengesellschaft  
Werkstraße 2, 4860 Lenzing, Austria

**Phone** +43 7672 701 3599

**E-mail** [s.knus@lenzing.com](mailto:s.knus@lenzing.com)

**Web** [www.lenzing.com](http://www.lenzing.com)

---

**About the Lenzing Group**

The Lenzing Group stands for ecologically responsible production of specialty fibers made from the renewable raw material wood. As an innovation leader, Lenzing is a partner of global textile and nonwoven manufacturers and drives many new technological developments.

The Lenzing Group's high-quality fibers form the basis for a variety of textile applications ranging from elegant ladies clothing to versatile denims and high-performance sports clothing. Due to their consistent high quality, their biodegradability and compostability Lenzing fibers are also highly suitable for hygiene products and agricultural applications.

The business model of the Lenzing Group goes far beyond that of a traditional fiber producer. Together with its customers and partners, Lenzing develops innovative products along the value chain, creating added value for consumers. The Lenzing Group strives for the efficient utilization and processing of all raw materials and offers solutions to help redirect the textile sector towards a closed-loop economy. In order to reduce the speed of global warming and to accomplish the targets of the Paris Climate Agreement and the "Green Deal" of the EU Commission, Lenzing has a clear vision: namely to make a zero-carbon future come true.

**Key Facts & Figures Lenzing Group 2020**

Revenue: EUR 1.63 bn

Nameplate capacity: 1,045,000 tons

Employees: 7,358

TENCEL™, VEOCEL™, LENZING™, REFIBRA™, ECOVERO™, LENZING MODAL™, LENZING VISCOSE™, MICROMODAL™ and PROMODAL™ are trademarks of Lenzing AG.

---