

## II-2 Current situation

### II-2.1 Players

#### ➤ Capacity and output

Through CCM's investigation in May 2009, there are [REDACTED] active companies confirmed to involve in niacin production, with their total niacin output accounting for around 95% of the national total in 2008.

Table II-2-1 Basic information of active niacin manufacturer in China, 2009

No.	Company	Abbreviation	Location	Launch time
1	Lonza Guangzhou Fine Chemical Co., Ltd.	Lonza Guangzhou	Guangdong	1998
2	[REDACTED]	[REDACTED]	Zhejiang	2005
3	[REDACTED]	[REDACTED]	Tianjin	1989
4	[REDACTED]	[REDACTED]	Jiangsu	2003
5	[REDACTED]	[REDACTED]	Tianjin	2004
6	[REDACTED]	[REDACTED]	Henan	1993
7	[REDACTED]	[REDACTED]	Zhejiang	2008
8	[REDACTED]	[REDACTED]	Beijing	1995
9	[REDACTED]	[REDACTED]	Zhejiang	2004
10	[REDACTED]	[REDACTED]	Zhejiang	2002
11	[REDACTED]	[REDACTED]	Anhui	2008
12	[REDACTED]	[REDACTED]	Shanghai	2007
13	[REDACTED]	[REDACTED]	Tianjin	N/A
14	[REDACTED]	[REDACTED]	Hubei	N/A
15	[REDACTED]	[REDACTED]	Hunan	N/A

Source: CCM International

Table II-2-2 Niacin manufacturer having suspended production by May 2009

No.	Company	Abbreviation	Location
1	[REDACTED]	[REDACTED]	Shandong
2	[REDACTED]	[REDACTED]	Shandong
3	[REDACTED]	[REDACTED]	Zhejiang
4	Hubei Xiangfan King Success Fine Chemical Co., Ltd.	Hubei King Success	Hubei

Source: CCM International

Because supply of raw materials is tight currently, Shandong Dahua and Shandong Sunwin have suspended niacin production for several months. The last time that Shandong Sunwin produced niacin was in November 2008. Zhejiang Health Creation, a subsidiary of Zhejiang Medicine Co., Ltd., received a large order for another product at the beginning of this year, so it needed to suspend niacin production and focus on the large order. Its niacin production is expected to resume at the end of this year. Hubei King Success whose production capacity is about [REDACTED]t/a, has suspended its production since last year and it expressed that if there is

large order, they will operate niacin production at once.

Table II-2-3 Capacity and output of major niacin manufacturers in China as of May 2009

No.	Company	Status'09	Capacity'09(t/a)	Output'08(t)
1	Lonza Guangzhou	Active	█	█
2	█	Active	█	█
3	█	Active	█	█
4	█	Active	█	█
5	█	Active	█	█
6	█	Active	█	█
7	█	Active	█	█
8	█	Active	█	█
9	█	Active	█	█
10	█	Active	█	█
11	█	Active	█	█
12	█	Active	█	█
13	█	Active	█	█
14	█	Active	█	█
15	█	Active	█	█
16	█	Idled	█	█
17	█	Idled	█	█
18	█	Idled	█	█
19	Hubei King Success	Idled	█	█
<b>Total</b>			█	█

Source: CCM International

In past five years, niacin capacity in China has changed from █ t/a in 2004 to █ t/a in 2008, with CAGR of █. The capacity as of May 2009 maintains the same as that in 2008. Niacin production is still dominated by Lonza Guangzhou and several large domestic producers. Lonza Guangzhou is the largest niacin producer in China, with its capacity of █ t/a as of May 2009, accounting for █ of the total in China. It has two production bases, one of which is launched in 1998 in Guangzhou and the other is launched in 2005 in Nansha Guangzhou. The output of Lonza Guangzhou was about █ tonnes, accounting for █ of the total in China in 2008. There are three more manufacturers with capacity of over █ t/a in 2008, namely Zhejiang Ideal Nutrition, Tianjin Veterinary, Nantong Acetic Acid Chemical. The total output of the three manufacturers in 2008 was █ tonnes, accounting for about █ of the total in China in 2008.