

Note: Key data/information in this sample page is hidden, while in the report it is not.

3 L-Cysteine production situation in China

The industrialized production of L-Cysteine products in China started in 1983. After almost twenty years' development, China has become one of the main production countries in the world. The production situation of L-Cysteine products with different applications and different demand is varied in China.

At present, the production scale of L-Cysteine hydrochloride monohydrate is the largest, with capacity of █ t/a in 2010. L-Cysteine hydrochloride anhydrous comes next with █ t/a capacity in 2010. The capacity of other three kinds (L-Cysteine base, N-Acetyl-L-Cysteine and S-Carboxymethyl-L-Cysteine) is all lower than █ t/a in 2010.

Table 3.1.1-2 Production situation of top three producers of L-Cysteine hydrochloride monohydrate in China, 2006-2010

| No. | Company | Capacity, t/a | | | | | Output, tonne | | |
|-----|------------------|---------------|------|------|------|------|---------------|------|------|
| | | 2010 | 2009 | 2008 | 2007 | 2006 | 2010 | 2009 | 2008 |
| 1 | Shine Star | █ | █ | █ | █ | █ | █ | █ | █ |
| 2 | Wuhan Grand Hoyo | █ | █ | █ | █ | █ | █ | █ | █ |
| 3 | Ningbo Haide | █ | █ | █ | █ | █ | █ | █ | █ |

Source: CCM International

4.2 Major applications in China

In China, L-Cysteine products are mainly used in foods, pharmaceuticals, cosmetics and so on. Its total consumption reaches █ tonnes in 2010. However, the volume is still lower than that in 2008.

L-Cysteine hydrochloride monohydrate constitutes the largest part of the consumption in 2010. Meanwhile, it has the largest market size counted by value with USD █ million in 2010. L-Cysteine hydrochloride anhydrous comes next with USD █ million, much less than L-Cysteine hydrochloride monohydrate due to the less demand for the former.

6 Production cost and profitability of L-Cysteine in China

Table 6.1.1.1-1 Estimation on production cost of L-Cysteine hydrochloride monohydrate in Shine Star, Sept. 2011

| Item | Cost, USD/t |
|--------------------|-------------|
| Manufacturing cost | █ |
| Management cost | █ |
| Total | █ |

Source: CCM International

Table 6.1.1.2-1 Estimation on manufacturing cost of L-Cysteine hydrochloride monohydrate in Shine Star, Sept. 2011

| No. | Item | Unit cost, USD/t |
|--------------|---------------|------------------|
| 1 | Raw materials | ■ |
| 2 | Utilities | ■ |
| 3 | Labor | ■ |
| 4 | Packing | ■ |
| 5 | Depreciation | ■ |
| Total | | ■ |

Source: CCM International

Table 6.1.1.4-1 Estimation on profit of L-Cysteine hydrochloride monohydrate in Shine Star, Sept. 2011

| Item | Unit cost, USD/t | Remark |
|-----------------------|------------------|---|
| 1. Total income | ■ | Price + other income |
| Price | ■ | Sept. 2011 |
| Other income | ■ | / |
| 2. Expense | ■ | Total production cost + VAT |
| Total production cost | ■ | Manufacturing cost + management cost |
| VAT | ■ | $(\text{Price} + \text{other income} - \text{total manufacturing cost}) / 1.17 \times 17\%$ |
| 3. Pretax profit | ■ | Income - expense |
| 4. Profit tax | ■ | Pretax profit x 25% |
| 5. Profit after tax | ■ | Pretax profit - profit tax |

Source: CCM International