

# **BIOAMBER AND CJ CHEILJEDANG PLAN JV FOR SUCCINIC ACID PRODUCTION IN ASIA**

Dec 19, 2016

**Intent is to produce cost competitive bio-succinic acid in China to accelerate sales growth**

MONTREAL, Dec. 19, 2016 /CNW Telbec/ - BioAmber Inc. (NYSE: BIOA) has signed a non-binding letter of intent with South Korean-based CJ CheilJedang Corporation (KRX:097950) ("CJ"). Under the terms of the agreement, BioAmber and CJ plan to establish a joint venture in China to produce up to 36,000 metric tons of bio-succinic acid annually and commercialize the output in Asia.

The goal is to competitively produce bio-succinic acid in China and quickly penetrate the world's largest succinic acid market. This can be achieved rapidly, cost effectively and with limited capital investment by retrofitting an existing CJ fermentation facility with BioAmber's succinic acid technology. CJ would incur all capital costs required to retrofit their fermentation facility, including the capital needed during plant commissioning and startup, and production would begin in Q1 2018. If market demand were to

subsequently exceed production capacity, the joint venture could expand production through debottlenecking and/or additional investment. The partners would also have a mutual right-of-first-refusal to retrofit additional CJJ fermentation facilities globally.

CJJ would own 65% of the JV and BioAmber would own 35%. The JV would pay BioAmber a technology royalty for having access to BioAmber's proven bio-succinic acid technology, and would pay CJJ a tolling fee for producing bio-succinic acid on behalf of the JV. Both partners would be entitled to a share of the profits equal to their respective equity ownership positions.

The proposed joint venture is subject to certain conditions, including technical and commercial due diligence, with the definitive agreements expected to be signed by July 2017. As part of the letter of intent, BioAmber will be selling CJJ bio-succinic acid manufactured at its Sarnia, Ontario plant, so that CJJ can undertake market development in China and South Korea in the first half of 2017.

"While we remain focused on ramping up our Sarnia plant and building a second plant in North America, this JV is an opportunity for BioAmber to accelerate the deployment of its bio-succinic acid technology on a global scale without capital investment," stated Jean-Francois Huc, BioAmber's CEO. "This joint venture would allow us to quickly penetrate the Chinese and broader Asian market and accelerate cash flow and earnings for our shareholders. It would also serve as a blueprint for the build-out of additional bio-succinic acid production with very limited capital investment."

"This JV is an opportunity for CJJ to leverage BioAmber's unique, low pH yeast technology and utilize our existing fermentation assets more effectively in order to competitively supply the growing market for bio-succinic acid in Asia," added Dr. Hang Duk Roh, Head of CJ CheilJedang BIO.

Fabrice Orecchioni, BioAmber's COO, added: "CJJ has visited our Sarnia facility and we have visited their intended plant in China. Both partners are confident that the China plant can be reconfigured to quickly produce bio-succinic acid, for a fraction of what it cost us to build our Sarnia facility."

### **About CJ CheilJedang Corporation**

CJ CheilJedang (CJ) is a Korean-based food, feed and bioscience company, and a subsidiary of the CJ Group. CJ is a global leader in the area of industrial biotechnology, with innovations in fermentation and purification technologies. CJ is also a leading producer of fermentation-based products such as feed amino acids, monosodium glutamate and nucleotides, with global manufacturing and business operations in six continents. As a socially responsible company, CJ strives towards practicing carbon-neutral manufacturing operations by utilizing renewable raw materials and developing value-added co-products to minimize waste into the environment. CJ BIO is a division of CJ CheilJedang and operates world-scale fermentation facilities in the United States, China, Indonesia, Malaysia and Brazil.

### **About BioAmber**

BioAmber (NYSE: BIOA) is a renewable materials company. Its innovative technology platform combines biotechnology and catalysis to convert renewable feedstock into building block materials that are used in a wide variety of everyday products including plastics, paints, textiles, food additives and personal care products. For more information visit [www.bio-amber.com](http://www.bio-amber.com)

### **Forward-Looking Statements**

This press release contains forward-looking statements, which are subject to substantial risks, uncertainties and assumptions, including, without limitation, statements related to (i) the potential joint venture with CJ which remains subject to several conditions, including due diligence, the negotiation of key considerations and definitive agreements, (ii) the projected capital costs and scheduled completion of the retrofit of CJ's plant located in China, (iii) the use of our technology in such plant with the goal to produce high quality bio-based succinic acid, and (iv) future sales projections of products produced at such plant. These statements often include words such as "believe," "expect," "anticipate," "intend," "plan," "estimate," "seek," "will," "may" or similar expressions. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the events and circumstances reflected in the forward-looking statements will be achieved or occur and the timing of events and circumstances and actual results could differ materially from those projected in the forward-

looking statements. Accordingly, you should not place undue reliance on these forward-looking statements. All such statements speak only as of the date made, and we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise. For additional disclosure regarding these and other risks faced by BioAmber, see disclosures contained in BioAmber's public filings with the SEC including, the "Risk Factors" section of BioAmber's most recent Annual Report on Form 10-K and the recent quarterly reports on Form 10-Q.

SOURCE BioAmber Inc.

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**BioAmber** is a sustainable chemicals company. Its proprietary technology platform combines industrial biotechnology and chemical catalysis to convert renewable feedstock into chemicals for use in a wide variety of