CCM Data & Business Intelligence

Market and Competitive Analysis of Dicamba Industry in China in 2023

The Eleventh Edition

September 2023

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1. Introduction

In recent years, development of dicamba-tolerant crops and weeds' increasing resistance to competing products like glyphosate have directed more and more attention to dicamba. Development and promotion of dicamba-tolerant crops in the US and South America also indicate a promising future of dicamba products.

Amidst a fast-growing dicamba market in the globe, Chinese enterprises are also preparing for catching up with the trend. Currently, China is the world's largest producing country by capacity of dicamba technical. And it had been developing rapidly in China in the past few years but the growth slowed since 2018. In 2022, the increase in global dicamba demand was driven by two main factors. Firstly, Bayer and BASF have launched dicamba drift-resistant additive to reduce drifting. Secondly, in the US, two dicamba products were newly registered and one extension of a dicamba product registration was approved in Oct. 2020. Dicamba is expected to have good market prospects in the future.

In an aim of helping investors dig out the business opportunities and avoid the risks in this promising market, this report presents information and data for the overall market of dicamba in China. Besides, the top three dicamba producers in China, which have been taking the lead in the industry development, have been selected for in-depth benchmarking analysis in the aspects of production, sales, cost, finance and so on.Detailed information on the following aspects will be showed in this report:

- Overview of the global dicamba market
- Overall development of China's dicamba industry
- Capacity and output of dicamba technical in China (2018–2022)
- Manufacturers of dicamba technical and their capacities and outputs in China (2022–H1 2023)
- Potential capacity of dicamba technical as of July 2023
- Analysis of dicamba exports from China (2018–Q1 2023)
- Consumption of dicamba in China by volume and application fields (2018–2022)
- Price trend of dicamba in China (2011–June 2023)
- Forecast on supply and demand of dicamba in China (2023–2027)
- Benchmarking research on the three major Chinese dicamba manufacturers
- Investment opportunities and suggestions

2. Approach for this report

The report is drafted by diverse methods as follows:

X. Desk research

The sources of desk research are various, including published magazines, journals, government statistics, industrial statistics, customs statistics, association seminars as well as information from the Internet. Information obtained has been compiled and analysed. When necessary, checks have been made with Chinese suppliers regarding market information such as key producers, key end-users, production and demand.

X. Telephone interview

CCM has carried out extensive telephone interviews in order to survey the actual market situation of dicamba in China.

Interviewees cover:
- Key producers
- Key traders
- Associations
- Experts

X. Internet research

CCM contacted with players in the industry through BXB websites and software.

Data processing and presentation

The data collected and compiled are sourced from:
- CCM's database
- Published articles from periodicals, magazines and journals
- Statistics from governments and international institutes
- Telephone interviews with domestic suppliers, end-users, traders and industrial experts
- Third-party data providers
- Customs statistics

- Information from the internet
- Enterprises' financial reports

The data obtained from various sources have been combined and cross-checked to make this report as precise and scientific as possible. Throughout the process, a series of internal discussions were held in order to analyse the data and draw conclusions from them.

In the cost analysis, CCM concluded the unit consumption of major raw materials used for producing dicamba technical of specific dicamba producers based on national average level. At the same time, CCM obtained different ex-works prices of these raw materials in different regions where those dicamba producers are located. Finally, the cost of raw materials in those major producers' dicamba production was concluded based on the above-mentioned unit consumption and regional ex-works prices. In addition, costs of other items such as labour are mainly evaluated from those dicamba producers' financial reports accompanied by CCM's understanding and experience in the dicamba industry.

Unit

USD: US dollar, currency unit in the US

CNY: currency unit in China

RMB: currency unit in China

Tonne: ton, equaling to metric ton in this report

t/a: tonne per annum

/t: per tonne

Full names and abbreviations

Table: Full names and abbreviations

Source:The People's Bank of China

3. Executive summary

Dicamba was developed by Syngenta AG early in the XXXXs, yet it ushered in a fast development only from XXXX. In XXXX–XXXX, the demand for dicamba recovered as dicamba products got approved again in the US. Dicamba is expected to have good market prospects in the future because of two main factors: weeds' serious resistance to glyphosate and the development of dicamba-tolerant crops by international agricultural giants like Bayer and BASF.

The present market situation of dicamba in China is summarised as follows:

- In XXXX, the capacity for dicamba technical in China rose to XX,XXX t/a from XX,XXX t/a in XXXX, since Jiangsu Changqing's new dicamba technical production line was put into production in QX XXXX. As for output, it increased to XX,XXX tonnes in XXXX from XX,XXX tonnes in XXXX.

-In XXXX, the ex-works price of dicamba XX% technical went down because of the gradual production recovery and weak downstream demand in China. In XXXX, although it showed a slight increase before QX, the price slid again owing to the sluggish demand from the overseas market in HX.

-As of X Aug., XXXX, there had been XXX dicamba products registered in China—XX registrations for dicamba technical and XXX for formulations (including XX single formulations and XX mixed formulations). Among them, X single formulations and two kinds of mixtures were newly registered in XXXX–HX XXXX.

- China is a large dicamba supplier in the world and exports a large amount of dicamba products every year. Large demand from abroad drove China's export volume of dicamba products to a record high in XXXX. However, impacted by the Sino-US trade friction and sluggish demand, the export volume decreased sharply in XXXX. As China's dicamba manufacturers maintained stable operating rates during the overseas COVID-XX outbreak, it experienced a rebound in XXXX–XXXX and continued to rise to XX,XXX tonnes in XXXX.

- In China, most dicamba products are exported and only a small amount is left for domestic application, primarily for weed control in wheat and corn fields. During XXXX–XXXX, more than XX% of dicamba products were exported. However, the percentage declined significantly because of less demand in the US in XXXX and XXXX. Along with the ease of the Sino-US trade friction, the percentage rebounded a bit and returned to XX% in XXXX. As for application, most of the dicamba technical products are turned into dicamba formulations of XX% AS at home and abroad at present.

- At present, the industry is rather concentrated and there is enough supply. Besides, increasing pesticide resistance and GM crop planting area will bring new growth drivers for the dicamba business. Accordingly, the capacity for and output of dicamba technical in China are estimated to enjoy steady growth in the next five years (XXXX–XXXX).

4. What is in the report?

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

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2.1.3 Product registration

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Table 2.1.3-1 Valid registrations of dicamba technical in China, as of 3 August, 2023

No.	Registrant	Registration number	Content	Expiry date
X	XXXXXXXX XX	XXXXXXXX	XXX	XXXXXXXXXX
X	XXXXX XXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
X	XXXXXXX XXXXXX XXXXXXXX XXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
X	XXXXXXX XXXXX XXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
X	XXXXX XXXX XXXXXXXXXX XXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXXX
X	XXXXX XXXXXXXX XXXXXXXXXX XXXX XXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXXX
X	XXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
X	XXXXXXX XXXXXXXXX XXXXXXXXXXXX X XXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
X	XXXXXX XXXXX XXXXXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
XX	XXXXX XXXXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
XX	XXXXX XXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
XX	XXXXXXXX XXXXX XXXX XXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
XX	XXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXX XXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXXX

XX	XXXXXXXX XXXXX XXX XXXXXX XXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXX XXXXXXX XXXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXX XXXXX XXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXX XXXXX XXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXXX XXXXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXX XXXXXXXX XXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
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XX	XXXXXXX XXXXXXXXX XXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXXX
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XX	XXXXXXXX XXXXXXX XXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXXXXXX XXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXX XXXXXX XXXXX XXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
XX	XXXXX XXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXX XXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
XX	XXXXXXX XXXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXX XXXXXXXXX XXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXX XXXXXXXXX XXXXXXXXXXXX (XXXXXXX) XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXX XX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXXX
XX	XXXXX XXXXXXXX XXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXXX XXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX

XX	XXXXXX XXXXX XXXXXXXXX XXXXXXX XXX XXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXXX
XX	XXXXX XXXXXXXX XXXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXX XXXXXXX XXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXXX XXXXX XXXXXXXXX X XXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXXX XXXXXXX XXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXX XXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXX
XX	XXXXXXX XXXX XXXXXXXX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXXX
XX	XXXXXXX XXXX XXXXXXXXXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXXXX	XXXXXXXXX
XX	XXXXXXX XXXXXXXXX XX XXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX
XX	XXXXXXXX XXXX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXXX	XXX	XXXXXXXXX

Note:Established on 21 April, 2021, Inner Mongolia Guanshida Chemical Co., Ltd. was invested by Hebei Guanlong Agrochemical Co., Ltd., which was the previous registrant of PD20110499.
Source:The Institute for the Control of Agrochemicals, Ministry of Agriculture (ICAMA)

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2.3.1 By month

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Table 2.3.1-1 China's exports of 98% dicamba technical by month, 2019

Month	Quantity, tonne	Price, USD/kg	Value, USD
XXXXXXX	XXXXXXX	XXXXX	XXXXXXXXXX
XXXXXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXX	XXXXXXXXX	XXXXX	XXXXXXXXXX
XXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXXXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXXXXX	XXXXXXX	XXXXX	XXXXXXXXX
XXXXX	XXXXXXXXX	XXXXX	XXXXXXXXXX

Note:Nuances in some data are mainly caused by rounding principle.
Source:Tranalysis

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Table 2.3.1-2 China's exports of dicamba 48% AS by month, 2022

Month	Quantity, tonne	Price, USD/kg	Value, USD
XXXXXXX	XXXXX	XXXX	XXXXXX
XXXXXXXX	XXXXX	XXXX	XXXXXX
XXXXX	XXXXX	XXXX	XXXXXX
XXXXX	XXXXXX	XXXXX	XXXXXXX
XXX	XXXXXX	XXXXX	XXXXXXX
XXXX	XXXXX	X	X
XXXX	XXXXXX	XXXXX	XXXXXXX
XXXXXX	XXXXX	XXXXX	XXXXXX
XXXXXXXXX	XXXXXX	XXXXX	XXXXXXX
XXXXXXX	XXXXX	X	X
XXXXXXXX	XXXXX	X	X
XXXXXXXX	XXXXXX	XXXX	XXXXXX
XXXXX	XXXXXXX	XXXX	XXXXXXXXX

Note:Nuances in some data are mainly caused by rounding principle.
Source:Tranalysis

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2.3.2 By destination

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Table 2.3.2-1 China's exports of dicamba 48% AS by destination, 2020

No.	Destination	Quantity, tonne	Price, USD/kg	Value, USD
X	XXXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXX XX	XXXXXX	XXXX	XXXXXXX
X	XXX XXXXXXXXX XXXXXXXX	XXXXXX	XXXX	XXXXXX
X	XXXXXX	XXXXXX	XXXX	XXXXXX
X	XXXXXXX	XXXXX	XXXX	XXXXXX
X	XXXXXXXX	XXXXX	XXXX	XXXXXX
X	XXX XXXXXXX	XXXXX	XXXX	XXXXXX
XX	XXX XXXXXXXX XX XXXXXXX	XXXXX	XXXX	XXXXX
XXXXX		XXXXXXX	XXXX	XXXXXXXXX

Note:Nuances in some data are mainly caused by rounding principle.
Source:Tranalysis

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Table 2.3.2-2 China's exports of dicamba 48% AS by destination, 2018

No.	Destination	Quantity, tonne	Price, USD/kg	Value, USD
X	XXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXX XXXXXXXX XX XXXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXX XXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXX XX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXX	XXXXXX	XXXX	XXXXXXX

X	XXXXXXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXX	XXXXXX	XXXX	XXXXXXX
XX	XXXXXX	XXXXXX	XXXX	XXXXXXX
XX	XXXXXXXXX	XXXXXX	XXXX	XXXXXXX
XX	XXXXXXXXX	XXXXXX	XXXX	XXXXXX
XX	XXXXXXXX	XXXXXX	XXXX	XXXXXX
XX	XXXXXX	XXXXX	XXXX	XXXXXX
XX	XXX XXXXXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXXXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXX	XXXXX	XXXX	XXXXX
XX	XXX XX	XXXXX	XXXXX	XXXXXX
XX	XXXXXX XXXXXXXXX	XXXXX	XXXXX	XXXXX
XXXXX		XXXXXXX	XXXX	XXXXXXXXX

Note:Nuances in some data are mainly caused by rounding principle.
Source:Tranalysis

2.3.3 By exporter

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Table 2.3.3-1 China's exports of 98% dicamba technical by exporter, 2020

No.	Exporter	Quantity, tonne	Price, USD/kg	Value, USD
X	XXXXXX XXXXXX XXXXX XXXXXXXXX XXXX XXXX	XXXXXXXXX	XXXXX	XXXXXXX
X	XXXXXXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXXXXXX	XXXXX	XXXXXXX
X	XXXXXX XXXXXXXXX XXXXXXXXXXX XXXX XXXX	XXXXXXXXX	XXXXX	XXXXXXX
X	XXX XXXXXX XXXXX XXXXXXXXX XXXX XXXX	XXXXXXX	XXXXX	XXXXXXXX

X	XXXXXXXX XXXXXXX XXXXXXX XXXXXXXX XXXX XXXX	XXXXXXX	XXXXX	XXXXXXXXX
X	XXXXXXXXX XXXXXXX XXXXXXX	XXXXXXX	XXXXX	XXXXXXXXX
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X	XXXXXXXX XXXXXXXX XXXX X XXXX XXXX XXXX	XXXXXX	XXXXX	XXXXXXX
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XX	XXXXXXXX XXXXXXXXX XXXXXX XXXXXXXXXXXXX XXXX XXXX	XXXXXX	XXXXX	XXXXXXX
XX	XXXXXX XXXXX XXXXXXXXXX XXXX XXXX	XXXXXX	XXXXX	XXXXXXX
XX	XXXXXXXX XXXXXXXXXXX XXXX XXXX XXXX XXXX	XXXXXX	XXXXX	XXXXXXX
XX	XXXXX XXXX XXXXXXXX XXXX XXXX	XXXXXX	XXXXX	XXXXXXX
XX	XXXXXXX XXXXXXXXX XXXXXXXXXXX XXXXX XXXX XXXX	XXXXXX	XXXXX	XXXXXXX
XX	XXXXXX XXXXXXXXXX XXXXXXX XXXX XXXX	XXXXXX	XXXXX	XXXXXXX
XX	XXXXX XXXX XXXXXXXXX XXXX XXXX	XXXXX	XXXXX	XXXXXXX
XX	XXXXXXXX XXXXXXXXX XXXXXX X XXXXXX XXXXXXXXXX	XXXXX	XXXXX	XXXXXX
XX	XXXXXX XXXXX XXXXXXXXXXXX XXXX XXXX	XXXXX	XXXXX	XXXXXX
XXXXXX		XXXXXX	XXXXX	XXXXXXX
XXXXX		**XXXXXXXXX**	**XXXXX**	**XXXXXXXXX**

Note:Nuances in some data are mainly caused by rounding principle.

Source:Tranalysis

...

Table 2.3.3-2 China's exports of dicamba 48% AS by exporter, 2018

No.	Exporter	Quantity, tonne	Price, USD/kg	Value, USD
X	XXXXXXXX XXXXXXX XXXXXXX XXXXXXXX XXXX XXXX	XXXXXXX	XXXX	XXXXXXXXX
X	XXXXXXXX XXXXXXXX XXXXXX X XXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXXX XXXXXXX XXXXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXX XXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXXXX XXXXX XXXXXXXX XXXXXXXX XXXXXX XXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXXX XXXX XXXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXXX XXXXXXXXX XXXXXXXX XXXXXXXX XXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXXXX XXXX XXXXXXXXXX XXXXXXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
X	XXXXX XXXXXX XXXXXXXXXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXXX
XX	XXXXXXX XXXXXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXX
XX	XXXXXXXX XXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXX
XX	XXXXXX XXXXXXX XXXXXXXX XXXX XXXX	XXXXXX	XXXX	XXXXXX
XX	XXXXXX XXXXXXXXXX XXXX X XXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXX XXXXXXX XXXXXXXXXXXX XXXXXXXX XXXXXXXX XXXXXXXXX XXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXXXX XXXXXX XXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXX XXXXXXXXX XXXXXX XXXXXXXXXX XXXXXX X XXXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXXX XXXXXXXX XXXX XXXXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXX XXXXXXXXXX XXXX XXXX XXXX XXXX	XXXXX	XXXX	XXXXXX

XX	XXXXXXX XXXXXX XXXXX XXXXXXXXXXXXX XXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXX XXXXXX XXX XXXXXXXXX XXXXXXXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXXX XXXXX XXXXXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXXX XXXX XXXXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXXXX XXXXXXXXX XXXXXXXX XXXX XXXX	XXXXX	XXXX	XXXXXX
XX	XXXXX XXXXXX XXXXXXXX XXXXXXXXXX XXXX XXXX	XXXXX	XXXXX	XXXXXX
XX	XXXXXX XXXXX XXXXXX XXX XXXXXX XXXX XXXX	XXXXX	XXXX	XXXXX
XX	XXXXXXX XXXXXXX XXXXXXX XXXX XXXX	XXXXX	XXXXX	XXXXX
XXXXX		XXXXXXX	XXXX	XXXXXXXXX

Note:Nuances in some data are mainly caused by rounding principle.
Source:Tranalysis

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2.4.2 Consumption pattern

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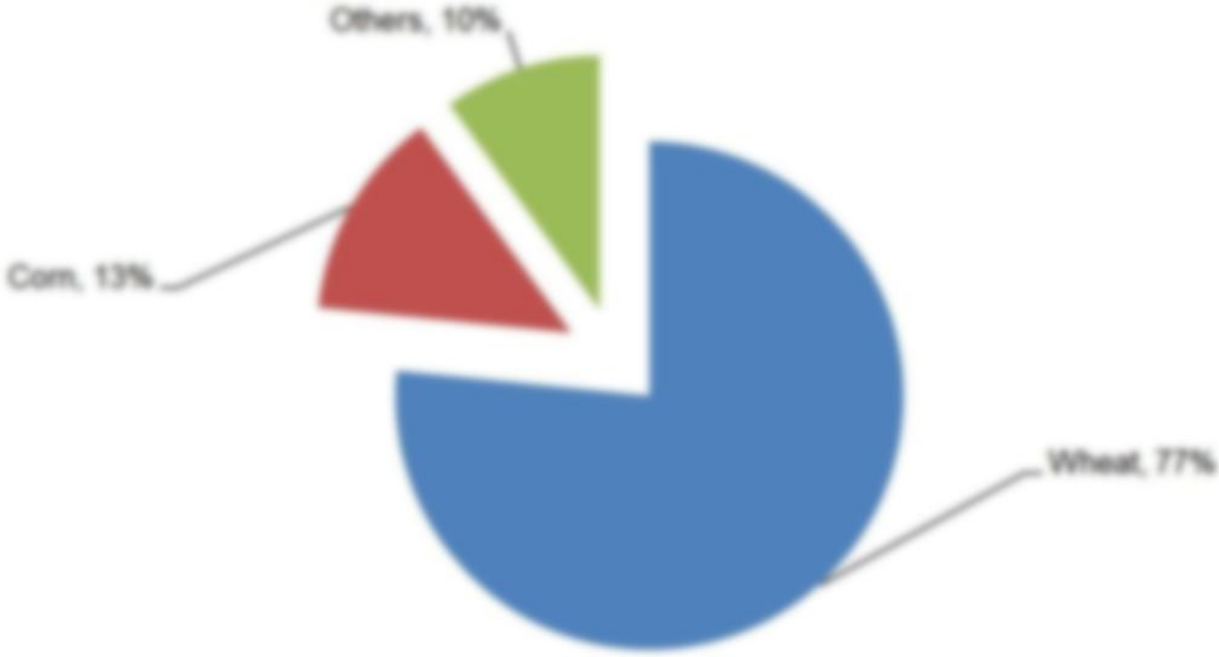
Figure 2.4.2-1 Share of apparent consumption of dicamba in China by crop, 2022



Source:CCM

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2.5.1 Historical price (2011–June 2023)

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Figure 2.5.1-1 Monthly ex-works price of dicamba 98% technical in China, Jan. 2022–June 2023

Source:CCM

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3.1.6 Commercial activity

In Nov. XXXX, Jiangsu Yangnong built a post-doctoral researching workstation. In XXXX, Jiangsu Youjia Plant Protection Co., Ltd. (Jiangsu Youjia) invested USDXX million in the first phase of the Rudong Project, which proposed to establish production lines of dicamba technical (X,XXX t/a), X,X-dimethyl-X-pentenoic acid methyl ester (X,XXX t/a), bifenthrin technical (XXX t/a), fluazinam technical (XXX t/a) and trinexapac-ethyl technical (XXX t/a). By the end of XXXX, all these production lines had been put into operation.

In XXXX, Jiangsu Yangnong became one of the first companies to be affirmed as high-tech enterprises.

On XX June, XXXX, Jiangsu Yangnong invested USDXX.XX million to purchase trust estate with a deadline of one year.

On XX Dec., XXXX, Yangnong Group won the title of Model Enterprise with Brand Cultivation at the Summarisation Convention of China Petroleum & Chemical Industry Quality Activity in Beijing.

In May XXXX, the construction of the Rudong Project (Phase II) started, mainly involving the production line of dicamba technical with XX,XXX t/a of capacity. In April XXXX, the partial production capacity in Rudong Project (Phase II), including XX,XXX t/a for dicamba technical, came on stream. In Jan. XXXX, the whole Rudong Project (Phase II) finished construction, and entered equipment commissioning.

In Dec. XXXX, Jiangsu Yangnong paid USDXX.XX million for the X% equity of Youth Chemical Co., Ltd. and USDXX.XX million for the X% equity of Jiangsu Youjia Plant Protection Co., Ltd. held by Yangzhou Tianping Chemical Plant Co., Ltd. After that, Jiangsu Yangnong owns XXX% equity of the two companies.

In Nov. XXXX, Jiangsu Yangnong paid USDXXX.XX million for the XXX% equity of Sinochem International Crop Care Co., Ltd. and Shenyang Sinochem Agrochemicals Research and Development Co., Ltd. held by Sinochem Group.

In Jan. XXXX, its subsidiary Jiangsu Youjia obtained XXX% equity of Nantong Baoye Chemical Co., Ltd.

In Aug. XXXX, Jiangsu Youjia's phase III project was put into trial production, which includes XX,XXX t/a pyrethroids insecticides, XX t/a metoxadiazone, XXX t/a thidiazuron, X,XXX t/a propiconazol, XXX t/a chlorfluazuron, XXX t/a haloxyfop-R-methyl andX,XXX t/a difenoconazole.

In Dec. XXXX, Sinochem International Corporation (Sinochem International) announced that it would obtain XX.XX% stake in Yangnong Group transferred from Syngenta Group Co., Ltd. (Syngenta Group). Meanwhile, Yangnong Group will transfer XX.XX% stake of its subsidiary Jiangsu Yangnong to Syngenta Group. And on XX July, XXXX, the controlling shareholder of Jiangsu Yangnong was officially changed to Syngenta Group.

In XXXX, the construction of stage I of Jiangsu Youjia's phase IV project was completed. And relevant product lines were put into trial production in early XXXX. Stage I involves four products, namely difenoconazole, mesotrione, bifenthrin and fluazinam.

In Jan. XXXX, the first stage of Jiangsu Youjia's phase IV project was put into trial production, including a total of X,XXX t/a of pyrethroid pesticides production lines for difenoconazole, mesotrione, bifenthrin, and fluazinam.

On X March, XXXX, the environmental impact (EI) report of "XX,XXX t/a pesticide technical materials and X,XXX t/a pesticide intermediates project", submitted by Liaoning Youchuang Plant Protection Co., Ltd. (Liaoning Youchuang)—a wholly-owned subsidiary of Jiangsu Yangnong, was approved by local environmental authority. Liaoning Youchuang proposes to invest USDXXX.XX million (RMBX.XX billion) into this project. According to the EI report, XX new production lines will be built in Liaoning Youchuang's factory compound, delivering X,XXX t/a of production capacity for pesticide intermediates, and XX,XXX t/a for pesticide technical materials that include X,XXX t/a for imazethapyr, XXX t/a for imazamox, XXX t/a for imazameth, X,XXX t/a for clethodim, XXX t/a for sethoxydim, XXX t/a for anilofos, XXX t/a for pyrisoxazole, XXX t/a for diflufenican, XXX t/a for paclobutrazol, X,XXX t/a for lambda-cyhalothrin, X,XXX t/a for pydiflumetofen and X,XXX t/a for diamide insecticides.

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3.1.9 SWOT analysis

Strength

- Brand advantage

Jiangsu Yangnong focuses on brand building. Its brands Moju and Youshi are well-recognised in domestic market.

- Technology advantage

By the end of XXXX, Jiangsu Yangnong has operated nearly XX varieties of technical products, and has been granted more than XXX patents in China and the world. There were XXX technicians in the company. Core products of the company are under patent protection. Particularly, flumorph, a new fungicide developed by Jiangsu Yangnong, is the first pesticide product with independent intellectual property right that has been officially registered in China. Jiangsu Yangnong is also the only domestic pyrethroid producer that has a complete industrial chain covering from raw materials, intermediates to pyrethroid technical and formulations.

- Product advantage

Jiangsu Yangnong is one of the few global pyrethroid producers which can manufacture pyrethroids for both public health and agricultural use, and its pyrethroid products such as tetramethrin, β-cypermethrin and permethrin enjoy high market share. Since XXXX, its production capacity for pyrethroids has been further strengthened with the completion of the third phase of the Rudong Project. Moreover, lambda-cyhalothrin formulation product from Jiangsu Yangnong has won "International Famous Brand to be Cultivated and Developed in Jiangsu Province" for many years in a row.

Weakness

Jiangsu Yangnong is a state-owned enterprise, suggesting possible systemic problems that enterprises of its kind in China would normally have, such as employees in excessive numbers. With the increase of retirees, Jiangsu Yangnong needs to undertake increasing costs.

Opportunity

By making full use of the resources in its R&D centres, Jiangsu Yangnong has achieved results in R&D of innovative varieties, original generic technical products and formulation products. Moreover, Jiangsu Yangnong has made improvements to a number of products, having achieved significant results in the reduction of three wastes (wastewater, waste gas and solid waste), capacity enhancement, quality improvement, reduction of raw material consumption, and essential safety.

Jiangsu Yangnong has strengthened top-level design and improved scientific and technological innovation mechanism. In XXXX, among Jiangsu Yangnong's projects, one project was approved as a national key science and technology (S&T) project in the "XXth Five-Year Plan" period (XXXX–XXXX), X projects were approved as provincial-level S&T projects, X projects were awarded the Sinochem S&T Progress Award, and one project was awarded the First Prize of China's Pesticide Innovation Contribution. Meanwhile, the

company was granted XX patents in the year, X of which were awarded China Patent Excellence Award and Sinochem Patent Silver Award respectively.

Threat

Falling product prices or soaring raw material costs could negatively impact the company's profits.

Fluctuations in CNY exchange rates and tariffs will affect Jiangsu Yangnong's pesticide exports, since the company's export business is quite large, accounting for more than XX% of total sales. If the CNY depreciates or tariffs rise, the cost of sales will increase.

Given that more than XX% of the company's revenue comes from overseas markets, the global economic and political environment will also affect its business to a certain extent. For example, the escalation of geopolitical conflicts in Eastern Europe is not favourable to maritime logistics.

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3.2.3 Current ownership structure

As of April XXXX, there were XX,XXX shareholders in Jiangsu Changqing and XX.XX% shares were held by the top ten.

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Table 3.2.3-1 Subsidiaries of Jiangsu Changqing Agrochemical Co., Ltd., as of April 2023

No.	Subsidiary	Share holding
X	XXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXXXXX XXX XXXXXXXXXX XXXXXXX XXXX XXXX	XXX
X	XXXXXXX XXXXXXXXX XXXXXXXXXX XXXXXXXXXX XXXX XXXX	XXXX
X	XXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXXX XXXX XXXX	XXXX
X	XXXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXXXX XXXXXX XXXX XXXX	XXXX
X	XXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXXXXXXXX XXXX XXXX	XXXX
X	XXXXXXX XXXXXXXXX XXXXXXXXXXXX XXXXXXX XXXX XXXX	XXXX
X	XXXXX XXXXXXXXX XXXXXXXXXX XXXXXXXXXXXX XXXX XXXX	XXX
X	XXXXXXX XXXXXXXXX XXXXXXXX XXXX XXXX	XXXX
X	XXXXXXXXX XXXXXXX XXXXXXXXXXXX XXXX XXXX	XXXX
XX	XXXXXXXXX XXXXXXXXXXXXXX XXXXXXXXXXXX XXXXXXX XXX XXXXXXXXXX XXXX XXXX	XXXX

Source:Jiangsu Changqing

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3.2.6 Commercial activity

On XX Feb., XXXX, Jiangsu Changqing purchased part of stakes of Hunan Changqing Runkangbao Agrochemical Co., Ltd. (Changqing Runkangbao). In the meantime, the company subscribed and increased capital in the latter and held XX% stocks in it.

In Oct. XXXX, eight new products researched and developed independently by Jiangsu Changqing passed the provincial appraisal.

In June XXXX, Jiangsu Changqing issued USDXXX million of convertible bonds. Afterwards, it got listed on the Shenzhen Stock Exchange on X July, XXXX. As of XX April, XXXX, all convertible bonds of the company have been redeemed or transferred.

In Dec. XXXX, Jiangsu Changqing's fenoxanil obtained the title of "Top XX Pesticide Products" awarded by

the Jiangsu Province Agricultural Science and Technology and Production Material Marketing and Application Association.

In June XXXX, Jiangsu Changqing ranked XXth in the list of XXXX Chinese Top XXX Pesticide Enterprises by Sales Revenue, which was released at the third Pesticide Industry Economy Operating Analysis Meeting. Jiangsu Changqing's fenoxanil XX% SC under the brand name "Changqing" was awarded the title of Best Selling Brand Fungicide Product in Chinese Crop Protection Market in XXXX. At the same time, its cyhalofop-butyl XX% EW under the brand name "Youxian" was on the list of Market-explosive Brand Products in Chinese Crop Protection Market in XXXX.

On XX Oct., XXXX, "Continuous Asymmetric Catalytic Hydrogenation S-metolachlor Industrialisation Technology", jointly developed by Jiangsu Changqing and Nanjing Tech University, was awarded Technology Innovation First Prize in the sixteenth AgroChemEx.

In XXXX, seven products of Jiangsu Changqing got rated as high-tech products in Jiangsu Province and three patents for invention were granted.

On XX Feb., XXXX, Jiangsu Changqing issued X,XXX,XXX convertible corporate bonds to the public, each with RMBXXX face value. The total amount raised through this means was USDXXX.XX million. It is to be used for the construction of six production projects, including a X,XXX t/a dicamba technical production line.

In XXXX, Jiangsu Changqing established two subsidiaries—Changqing (Hubei) Biotechnology Co., Ltd. (Changqing Hubei) and Jiangsu Changsheng Environmental Technology Co., Ltd.

In HX XXXX, the X,XXX t/a dicamba technical production line started construction. As of late XXXX, the facilities were installed and were put into operation gradually.

In XXXX, at its production base in Hubei Province, the company's production lines for XX,XXX t/a X-Ethyl-X-methylaniline, X,XXX t/a cyhalothrin technical, and XXX t/a fipronil technical were put into operation; and the XX,XXX t/a S-Metolachlor technical and X,XXX t/a thiamethoxam technical project was put into trial operation, while the X,XXX t/a bifenthrin technical project was at the equipment installation stage.

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3.3.4 Overall business performance

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Table 3.3.4-1 Total assets, revenue and profit of Shandong Sino-Agri United Biotechnology Co., Ltd., 2018–2022

Time	Year-end total assets, USD	Revenue, USD	Net profit, USD
XXXX	XXXXXXXXXXX	XXXXXXXXXXX	XXXXXXXXXX
XXXX	XXXXXXXXXXX	XXXXXXXXXXX	XXXXXXXXXX
XXXX	XXXXXXXXXXX	XXXXXXXXXXX	XXXXXXXXXX
XXXX	XXXXXXXXXXX	XXXXXXXXXXX	XXXXXXXXXX
XXXX	XXXXXXXXXXX	XXXXXXXXXXX	XXXXXXXXXX

Source:Sino-Agri United

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If you want more information, please feel free to contact us

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