



Anellotech Announces First \$9 Million of Total \$15 Million Additional Investment to Advance Suntory's Environmental Vision

Alliance continues progress towards the development and commercialization of cost-competitive 100 percent bio-based plastics for use in beverage bottles

Pearl River, New York, January 18, 2018 – Anellotech, a sustainable technology company pioneering the production of cost-competitive renewable chemicals and fuels from non-food biomass, today announced that Japan-based Suntory Holdings Limited, one of the world's leading consumer beverage companies, has invested an additional \$9 million in Anellotech's Bio-TCat technology. This latest tranche, which is part of a new \$15 million package based on Anellotech achieving specific milestones, brings Suntory's total investment in Anellotech to more than \$25 million to date.

Anellotech's Bio-TCat Process will produce cost-competitive renewable aromatic chemicals (benzene, toluene and xylenes, "BTX") from non-food biomass for use in manufacturing plastics such as polyester, nylon, polycarbonate, polystyrene, or for renewable transportation fuels. Anellotech recently announced the completion of the commissioning of its 25 meter tall TCat-8 pilot plant, and has commenced the critical development program to validate process economics and obtain necessary data for commercial plant design.

The alliance with Suntory, one of Anellotech's principal strategic investment partners, began in 2012 with the goal of enabling the development and commercialization of cost-competitive 100 percent bio-based plastics for use in beverage bottles. Suntory currently uses 30 percent plant-derived materials for its Mineral Water Suntory Tennensui brands and is pursuing the development of a 100 percent bio-based PET bottle through this alliance, as part of its commitment to sustainable business practices.

"We have made significant progress achieving key milestones in commissioning the TCat-8 pilot plant, and are now ready to begin the next stage of the development program including the production of prototype test samples of renewable bio-chemicals for ultimate conversion to bio-based plastics," said David Sudolsky, President and CEO of Anellotech. "Suntory is a leader in its commitment to environmental sustainability. With its continued investment in Anellotech's technology, and together with our development partners, we will demonstrate a scalable and cost-effective route to bio-paraxylene production. Our innovative technology will advance the development and commercialization of the world's first cost-competitive bio-based aromatics production for bio-plastics for consumer products."

In 2014, the Suntory Group established its Environmental Vision toward 2050 and set targets toward 2020 to provide clear direction to its environmental management based on its corporate tagline "Follow Your Nature." Suntory is committed to promoting innovative technology solutions to reduce environmental impact through the entire value chain in accordance with its mission - To Create Harmony with People and Nature. Suntory's Environmental Vision will take on the following challenges toward 2050:

- Preserving and regenerating the natural environment in Suntory's major business countries
- Halving the environmental impact generated by Suntory's business activities by 2050 in such areas as water consumption at company plants, and CO2 emission throughout the entire value chain

Suntory Group recognizes the social and environmental impacts that containers and packaging cause and considers the environment in the entire product life cycle – from planning and product design to transport and post-consumption recycling. The company has implemented a wide range of initiatives focused on dramatically decreasing the amount of resources that it uses and is actively introducing renewable resources as a measure to limit its environmental impact as much as possible. For plastic bottle containers, Suntory Group aims to replace petroleum-derived raw materials with renewable raw materials as much as possible.

“We are very pleased to play an important role in helping Suntory advance its environmental vision as the Bio-TCat technology will help enable Suntory to reduce its use of petroleum-derived packaging and reduce its carbon footprint,” added Sudolsky. “Anellotech anticipates that the Bio-TCat Process can produce renewably-sourced aromatic chemicals with significant reduction in greenhouse gas emissions compared to their identical petroleum-derived counterparts, helping brand owners and others achieve their corporate environmental sustainability goals.”

Sudolsky concluded, “Anellotech’s technology has end use applications for a range of consumer products, including clothing/textiles, food and beverage packaging, automobiles, adhesives, coatings, consumer electronics, detergents and tires. We look forward to partnering with innovative consumer product companies and brand owners that are seeking first mover advantage with a renewable technology that offers unique and compelling environmental and cost benefits, especially for benzene-chain bio-plastics which are complementary to Suntory’s interest in p-xylene.”

About Anellotech

Anellotech is developing the Bio-TCat™ process to produce cost-competitive renewable aromatic chemicals (benzene, toluene and xylenes, “BTX”) from non-food biomass for use in making plastics such as polyester, nylon, polycarbonate, polystyrene, or for renewable transportation fuels. Bio-TCat’s cost-competitive advantage results from the use of non-food biomass such as wood or agricultural residues, and an efficient and economical catalyst as the only significant inputs.

By using renewable and readily available non-food feedstock materials the Bio-TCat process is less expensive compared to bio-based processes relying on sugar as a feedstock, and avoids competition with the food chain. These renewable products are expected to be produced and sold profitably either against identical, petroleum-derived BTX counterparts, or as renewable fuel blend stocks. Anellotech complements its world-class R&D team with in-depth, highly-interactive, and long-term alliances with leaders in process development, catalysis, engineering design, and licensing to accelerate development and drive cost-competitiveness. IFPEN is our process development and scale-up partner, Johnson Matthey is our catalyst development partner, and Axens is our partner for industrialization, commercialization, global licensing and technical support. Industry-leading strategic partners in the BTX supply chain, including Suntory and Toyota Tsusho, as well as other confidential strategic investors, also have provided funding to Anellotech. To learn more, please visit: www.anellotech.com

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