

Angel Yeast contributes \$43.46 Million to establish new subsidiary and Yeast Production facility in Indonesia

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Angel Yeast a global leader in yeast manufacturing, is partnering with Indonesian agricultural company PT.Tunas Baru Lampung Tbk (TBLA) to set up a subsidiary in Lampung Province and acquire land to develop yeast production projects, in a move to further optimize Angel Yeast's global yeast production operations and carry forward its international strategy, boosting its competitive advantages in the Asia-Pacific markets.

The subsidiary has a registered capital of 381 million yuan (\$54.29 million), of which Angel Yeast will contribute about 305 million yuan (\$43.46 million) and hold 80 % of the shares, while TBLA will contribute about 76 million yuan (\$10.83 million) for 20 % of the shares. The registration and land transaction procedures are estimated to be completed before February 2025.

The land to be acquired for the project is held by Sungai Budi Group, and the industrial land has a total area of 15.31 hectares, with the total amount of the land acquisition expected to be worth approximately Rp76.6 billion (\$5.015 million).

Indonesia has the world's fourth largest population and a high demand for yeast products, with an abundant supply of raw materials and convenient location in the Straits of Malacca. Chen Hongquan, chairman and general manager of Angel Yeast Indonesia Company, noted that from 2010 to present, Angel Yeast has built factories in Egypt and other countries, and that setting up the subsidiary in Indonesia will fully leverage the local resources, strategic location, tariff advantages to accelerate and deepen the company's development in neighboring markets.

"The subsidiary will not only solidify our presence in Indonesia's yeast market to address increasing demand, but it will also enhance our competitive edge and long-term profitability in line with Angel Yeast's strategic goals. Additionally, we plan to aggressively penetrate markets in India, Oceania, and North America to accelerate our market development and expand our market share," said Chen.

In the first half of 2024, Angel Yeast achieved an operating revenue of 7.175 billion yuan (\$1.02 billion), an increase of 6.86 % year-on-year. The total fermentation production reached 204,000 tons, up 11.5 percent year-on-year. Angel Yeast's overseas revenue in the first half of the year increased significantly, driven by the bright prospects of the industry and the acceleration of the company's international development roadmap.