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VEOCEL™ Lyocell Production Expands to Asia – Launching a New Chapter for Nonwovens in the Region

- Lenzing's Thailand production plant starts producing nonwoven-grade lyocell fibers, marking a significant milestone.
- Built to serve Asia from Asia, the site strengthens regional lyocell fiber supply and reduces the fiber's transport-related environmental impact due to significantly shorter lead times.
- The expansion of the facility advances Lenzing's commitment to empowering the wider adoption of responsible, resource-efficient fibers in the region

Prachinburi (Thailand) – VEOCEL™, Lenzing's flagship specialty nonwovens brand, expands production at its Thai plant in Prachinburi. This is the first-ever production of its nonwoven-grade lyocell fibers in Asia. Built in 2022 with a 100,000-ton annual production capacity, the facility - previously focused on fibers for textile applications - now can directly meet the demand for VEOCEL™'s biodegradable¹, wood-based lyocell fibers for nonwovens products. These fibers are an essential ingredient for high-quality nonwovens products, ranging from baby wipes to facial sheet masks and everyday personal hygiene items.

Serving Asia from Asia

For more than 25 years, Lenzing has led the way in lyocell fiber production, driving sustainability, pioneering innovation, and setting new standards in cellulosic fibers. This expansion brings those fibers closer to nonwovens customers and value-chain partners across Asia, improving access and reinforcing VEOCEL™'s commitment to the region. With production in Thailand, manufacturers and brand partners can now count on greater supply chain stability with significantly shorter lead times.

Localized production also means fewer miles traveled. Sourcing these fibers directly within Asia, rather than from Lenzing's other lyocell facility in Austria, reduces the need for intercontinental imports. This significantly contributes to reducing transport-related emissions, supporting the environmental commitments of both Lenzing and its partners in Asia.

"This expansion is a landmark achievement for the VEOCEL™ brand and the broader nonwovens industry in Asia," said Patricia A. Sargeant, Executive Vice President Nonwovens at Lenzing AG speaking at the launch ceremony on 18th March in Prachinburi. "We are now ideally positioned to serve our valued customers with

¹ A range of LENZING™ Lyocell fibers for nonwoven applications are certified by TÜV AUSTRIA to be biodegradable in soil, freshwater and marine conditions and compostable under home and industrial conditions.

enhanced speed, stability, and sustainability². We deeply value the partnership we have built so far, yet there is more to come. We believe that true progress is only possible when we move forward together. By offering a robust local supply of biodegradable¹, wood-based lyocell fibers, we are empowering our partners in Asia to meet the consumer demand for environmentally responsible wipes and hygiene products, while significantly reducing the carbon footprint associated with global logistics.”

Building on a Sustainable Foundation

The Prachinburi plant itself exemplifies Lenzing’s commitment to responsible fiber manufacturing. Its production of VEOCEL™ Lyocell fibers utilizes a resource-efficient, closed-loop production process that results in low air and water emissions². The facility also drives Lenzing’s broader climate goals, targeting 95 percent biomass energy by 2027 and Scope 1 and 2 carbon neutrality by 2030³.

“Our site in Thailand was built with future growth and our ambitious climate goals in mind,” added Krishna Manda, Global Head of Sustainability for Lenzing Group. “Expanding the facility’s capabilities for VEOCEL™ fibers is a testament to our ongoing investments in sustainable innovation. Once fully commercialized, this capability will play a vital role in transitioning the regional nonwovens industry from fossil-based synthetics to biodegradable, cellulosic alternatives. We look forward to strengthening collaboration as we begin this new chapter together.”

The plant uses optimized processes to guarantee the high performance, skin comfort, and sustainability benefits VEOCEL™ is known for. By aligning local supply with global environmental standards, Lenzing is advancing an eco-conscious supply chain and reinforcing its leadership in environmentally responsible fibers.

Photo download:

<https://bmapac.egnyte.com/fl/XfvHgQcYrnrX>

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About the Lenzing Group

The Lenzing Group stands for the responsible production of specialty and premium fibers based on regenerated cellulose. As an innovation leader, Lenzing is a partner of global textile and nonwoven manufacturers and drives many new technological developments. The Lenzing Group’s high-quality fibers are the raw material for a wide range of textile

² VEOCEL™ Lyocell fibers have gained a commendable reputation for their environmentally responsible, closed loop production process, which transforms wood pulp into cellulosic fibers using a highly resource-efficient process with low ecological impact. Within this solvent-spinning process, the process water is recycled, and the solvent can be recovered up to 99.8 percent and reused.

³ Please refer to [Lenzing Annual and Sustainability Report 2025](#).

applications – ranging from functional, comfortable, and fashionable clothing through to durable and sustainable home textiles. TÜV-certified biodegradable and compostable Lenzing fibers are also ideal for demanding use in everyday hygiene applications.

The Lenzing Group's business model extends far beyond that of a traditional fiber producer. Together with its customers and partners, Lenzing develops innovative products along the value chain, adding value for consumers. The Lenzing Group strives for efficient utilization and processing of all raw materials and offers solutions for the transition of the textile industry from the current linear economic system to a circular economy. In order to align its commitment to limiting man-made climate change with the goals of the Paris Agreement, Lenzing has a clear, science-based climate action plan that provides for a significant reduction in greenhouse gas emissions (Scopes 1, 2, and 3) by 2030 and a net-zero target by 2050.

Key Facts & Figures Lenzing Group 2025

Revenue: EUR 2.60 bn

Nominal capacity (fibers): 1,110,000 tonnes

Employees (full-time equivalents): 7,738

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