Indorama secures RMB 2.4 Billion financing to double Henan urea capacity

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The brownfield expansion is expected to lift Anyang Indorama Gasesâ?? urea capacity to around 2 million tonnes a year by 2029, with the company targeting more energy-efficient production and stronger domestic fertilizer supply

Indorama Corporation is putting fresh capital behind a major expansion of its fertilizer business in China, securing RMB 2.4 billion (approximately US$358 million) in long-term financing to expand urea production at its Anyang operations in Henan Province. Anyang Indorama Gases Co., Ltd., a wholly owned subsidiary of Singapore-based Indorama Corporation Pte. Ltd., has signed the long-term loan facility with a consortium of five banks in China. The financing will partially fund the development and construction of the companyâ??s Phase II fertilizer capacity expansion in Anyang City.

The project is expected to double the siteâ??s urea fertilizer capacity, starting from syngas and ammonia, to approximately 2 million tonnes per annum by 2029. The investment marks a significant step in Indoramaâ??s brownfield expansion strategy in China following its acquisition of the Anyang nitrogen fertilizer business earlier this year.

Scaling fertilizer capacity in Henan

The Anyang expansion is designed to increase production capacity while improving the efficiency of manufacturing operations across the site. Indorama said the project will strengthen the reliability of domestic fertilizer supply and contribute to food security, while incorporating more energy-efficient production processes.

The investment comes as fertilizer production remains closely tied to the broader economics of food security, with domestic manufacturing capacity providing an important buffer against disruptions in international markets and supply chains.Â Expanding the Anyang platform also provides a larger base from which to build its fertilizer business in one of the worldâ??s most important agricultural markets. â??This transaction is an important milestone in Indoramaâ??s growth strategy and reflects the confidence of leading international and Chinese financial institutions in our business,â?? said Amit Lohia, Group Vice Chairman, Indorama Corporation.

â??Building on our acquisition of the Anyang business, it strengthens our fertilizer platform in one of the worldâ??s most important markets and reinforces our commitment to supporting food security. We deeply value our banking partnersâ?? support and look forward to advancing Indoramaâ??s continued global growth.â??

Five-bank financing consortium

The RMB 2.4 billion facility was provided by OCBC Bank Limited, Bank of China Limited, Bank of Communications Co., Ltd., Bangkok Bank (China) Company Limited and China CITIC Bank Co., Ltd. OCBC Bank acted as Coordinator and Facility Agent, while Sumitomo Mitsui Banking Corporation (China) Limited acted as Security Agent.

The financing structure brings together international and Chinese banking institutions around an industrial expansion that Indorama expects to execute over the coming years.Chai Wei Joo, Country Head (China), Indorama Corporation, said the financing would support the companyâ??s expansion of fertilizer capacity in Henan while strengthening its role in Chinaâ??s industrial and agricultural economy. â??We deeply value the trust and partnership of our banking partners in China,â?? Chai said. â??This financing supports the expansion of our fertilizer capacity in Henan Province, reinforcing Indoramaâ??s role as a key industrial contributor to Chinaâ??s economy and national food security.â??

Banks deepen Indorama relationship

For the participating banks, the transaction also represents an expansion of existing relationships with Indorama as the company increases its investment in China. Seth Tan, Managing Director & Head of Corporate Banking China at OCBC Bank Limited, said the bank was pleased to coordinate the financing alongside its partner institutions.

The project, he said, represents an industrial investment that will contribute to higher fertilizer production and domestic supply, while extending OCBCâ??s 14-year relationship with Indorama. Bank of Chinaâ??s Senior Credit Approver, LUAN Lin, said the financing marked the beginning of the bankâ??s relationship with Indorama in China, highlighting the companyâ??s investment in Henan and its contribution to the domestic economy and food security.

Bank of Communications similarly described the transaction as the beginning of its partnership with Indorama and said the Anyang project would support domestic fertilizer supply and regional industrial development. Bangkok Bank (China) CEO Sitthichai Jiwattanakul said the financing would deepen the bankâ??s decade-long relationship with Indorama Group and reflected its support for the companyâ??s expansion in China and across the region.

China CITIC Bankâ??s Anyang Branch also described the financing as the beginning of its relationship with Indorama, highlighting the investment and additional capacity being brought to Henan Province.

From acquisition to expansion

The financing gives Indorama a clearer investment pathway following its acquisition of the Anyang nitrogen fertilizer business. Rather than simply maintaining the acquired production base, the company is using the site as a platform for a larger-scale expansion. Once completed, the Phase II project is expected to take annual urea capacity to approximately 2 million tonnes by 2029.

That scale-up could materially increase the role of the Anyang operation within Indoramaâ??s global fertilizer portfolio while strengthening its presence in the Chinese market. The project also illustrates how brownfield investment can combine existing industrial infrastructure with new production capacity, potentially allowing companies to expand established sites while upgrading manufacturing efficiency.

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