

## **PART 3 – AROMA CHEMICALS from PETROCHEMICAL FEEDSTOCKS**

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### **7 ATTRACTIVE OPTIONS**

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The products in the Petrochemical Aroma and Fine Chemical portfolio were subjected to a screening process designed to identify the most attractive products in the portfolio (Appendices 2 and 3). The products were categorised accordingly into “Bets” categories - Good, Conservative, High Risk and No Bets. The results are displayed as Appendix 4. pAA and thymol were evaluated as in terms of their use as flavour and fragrance aroma chemicals as well as intermediates in the manufacture of other products in the portfolio e.g. OMC and menthol.

The products menthol, ethyl vanillin, OMC, pAA (intermediate) and thymol (intermediate and food grade) all fall in the category of Good Bets. Vanillin, pHB, raspberry ketone and zingerone are all conservative bets. Menthol is clearly the most attractive product in the portfolio. The results of this analysis confirm menthol, OMC and vanillin/ethyl vanillin as key business drivers in terms of their market size. Vanillin however is subject to more market threats than ethyl vanillin. Its price is under more pressure due to the influence of Chinese producers in the market and its margins being squeezed. Ethyl vanillin is therefore the preferred vanillin product. OMC as a product does not have as many internal South African strengths at this point as a technology is not yet available. Raspberry ketone and zingerone are extremely small products in comparison to the other flavour and fragrance Aroma Chemicals, and therefore do not have much influence in the overall portfolio.

The results of this analysis have been taken into account in the construction of the overall optimal product portfolio during the techno-economic evaluation of the basket of products.