

**Announcement of Wanhua Chemical Group Co., Ltd.
On Release of Part of Shares from the Pledge
by the Controlling Shareholder Wanhua Industrial Group Co., Ltd.**

The Board of Directors and all the directors of the Company undertake that the information in this announcement contains no false records, misleading statements or material omissions, and they are jointly and severally liable for the veracity, accuracy, and integrity of the content hereof.

Wanhua Chemical Group Co., Ltd. (hereinafter referred to as “Company” or “the Company”) received the notice on the release of part of shares from the pledge from the controlling shareholder Wanhua Industrial Group Co., Ltd. (hereinafter referred to as “Wanhua Industrial”) on June 14, 2017. The details are as follows:

The pledge of the 180,000,000 tradable shares of the Company, representing 6.58% of the total shares of the Company, made by Wanhua Industrial to China Development Bank Co., Ltd. Hong Kong Branch was released, and the procedures for cancelling the registration of such pledge have been completed by Wanhua Industrial at China Securities Depository and Clearing Co. Ltd. Shanghai Branch on June 14, 2017.

As at the date of this announcement, Wanhua Industrial holds 1,310,256,380 shares of the Company, representing 47.92% of the total shares of the Company; Wanhua Industrial has pledged 213,120,000 shares in total, representing 7.80% of the total shares of the Company and 16.27% of the shares it holds with the Company.

Wanhua Chemical Group Co., Ltd.
June 15, 2017