Wanhua Chemical Group Co., Ltd.

Announcement in Respect of Commencement of

Operations of Zhuhai Project

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.

The first phase of the Zhuhai industrial park project of Wanhua Chemical Group Co., Ltd. has recently been officially placed into production, which will be used to produce 100,000 tons of waterborne surface material resins and 40,000 tons of modified MDI. The Zhuhai industrial park of Wanhua Chemical Group Co., Ltd. is located in the state-level economic and technology development zone (ETDZ) of Gaolan harbor, Zhuhai, Guangdong province, covering an area of around 340,000 square meters.

The smooth production of the Zhuhai industrial park is of great strategic significance to the development of Wanhua Chemical Group Co., Ltd.: Firstly, after the equipment has been put into use, Wanhua Chemical Group Co., Ltd. will introduce the MDI, acrylic acid and ester produced in Yantai industrial park as materials and carry out downstream deepen processing, which will effectively extend the industrial chain of its products.

Secondly, it will improve its strategic layout in South China. After its establishment, the products of Wanhua will allow an efficient covering of Pearl River Delta, Southeast Asia and other areas, get closer with customers and give rapid responses to their demands, which will in return provide them with competitive multi-choices of new material products and polyurethane application system solutions, thus bringing product and service premiums.

It is hereby notified the above.

Wanhua Chemical Group Co., Ltd
July 29, 2017