

PRESS RELEASE

Number 1

WACKER Greater China Achieves Record Sales in 2021 and Expects Continuous Growth in 2022

Shanghai, April 2, 2021 — WACKER, the Munich-based chemical group, posted record sales of €1.79 billion (2020: €1.02 billion) in China for 2021. The significant 75 percent growth was mainly attributed to the strong product portfolio, which is perfectly geared to China's accelerating trends toward low carbon, as well as to the higher selling prices for most products. With a new round of investment projects, WACKER Greater China expects continuous growth in 2022.

All the company's four divisions have achieved at least a two-digit sales increase. With high quality products for both highly efficient solar cells and semiconductor applications, WACKER's polysilicon business performed particularly robustly due to strong customer demand in a tight market and markedly higher prices, especially for solar-grade polysilicon. Other products the country needs in its enormous efforts towards sustainability and decarbonation also enjoyed rapid growth, for example, silicones for e-mobility, wind energy and ultra-high voltage power transmission; polymer powders for thin-bed tile adhesives and ETICS (external thermal insulation composite systems); and bioingredient products for food applications.

"In addition to the company's sustainable product portfolio, the extraordinary success we have obtained is also because our 'In China for China' strategy is paying off," says Paul Lindblad, President

of WACKER Chemicals (China) Co., Ltd. In the last few years, WACKER has kept building its full-range capabilities in China for the Chinese market, from R&D to production and comprehensive services. By the end of 2021, WACKER had an accumulated investment of over €730 million in China. “To accelerate our pace of growth, WACKER has planned a new round of investment projects in the region, while capital expenditure in the next 5 years is expected to exceed 50 percent of the amount in the last 2 decades,” says Paul Lindblad.

Currently, WACKER is building a new dispersion reactor and a spray dryer for dispersible polymer powders at its Nanjing site. The dispersion reactor is scheduled to come on stream in the second half of the year, while the spray dryer is to enter production in 2023. As a result, the company’s capacity for polymer products in China will more than double, enabling the company to meet growing customer demand for its high-quality binders, particularly from China’s modern construction industry.

In October 2021, WACKER reached an agreement about a 60 percent stake acquisition with Shandong SICO Performance Material Co., Ltd, one of the leading specialty silane manufacturers in China. Through cooperation with Shandong SICO, WACKER will be able to further expand its range of high-performance specialty products in China. The €120 million transaction is expected to close in the first half of 2022 after the necessary regulatory and antitrust approvals have been granted.

Moreover, WACKER is also considering and evaluating further expansion of its production capacities for a series of silicone downstream products at its Zhangjiagang site. With the ambitious investment plans, which are aimed at meeting increasing customer demand in the long-run, WACKER is confident about continuous growth in China.

For further information, please contact:

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WACKER is a globally active chemical company with some 14,400 employees and annual sales of around €6.21 billion (2021). WACKER has a global network of 26 production sites, 23 technical competence centers and 52 sales offices.

WACKER SILICONES

Silicone fluids, emulsions, rubber and resins; silanes; pyrogenic silicas; thermoplastic silicone elastomers

WACKER POLYMERS

Polyvinyl acetate and vinyl acetate copolymers and terpolymers in the form of dispersible polymer powders, dispersions, solid resins and solutions

WACKER BIOSOLUTIONS

Biotech products such as cyclodextrins, cysteine and biologics, as well as fine chemicals and PVAc solid resins

WACKER POLYSILICON

Polysilicon for the semiconductor and photovoltaics industries