Tel: +45 4593 3800 Dir: +45 4527 3465 Mob: +45 3142 6313 Email: communications@hempel.com



Press release

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Hempel inaugurates state-of-the-art production facilities in China

Responding to increasing demands for innovative coating solutions, Hempel's new state-of-the-art production facilities in Zhangjiagang substantially enhance capacity to better serve Marine, Energy and Infrastructure customers.

Three years after announcing plans to invest in two new production facilities in China, Hempel today brings the Zhangjiagang site online to begin servicing customers in the region.

Today's inauguration ceremony includes participation from Jiangsu province government officials, representatives from the Danish General Consulate in Shanghai, as well as customers, suppliers and members of Hempel's senior management.

"Today is truly a day to celebrate. Our teams, both here in Zhangjiagang and in Yantai, have put in a massive effort to make this happen and I am very proud of the results," says Katarina Lindstroem, Hempel's Chief Operating Officer and Executive Vice President. "Getting Zhangjiagang online is a major step towards better serving our customers in the Marine, Energy and Infrastructure sectors. This new location will significantly improve 'time to market' of both products and services – especially at the shipyards along the Yangtze," adds Katarina.

With the majority of the world's marine newbuild business located in China, and over 50% of Chinese shipyards located in a 200km radius around Zhangjiagang, antifouling coatings are in high demand. Shipowners and charterers around the world are in constant pursuit of fuel efficiency, which has resulted in an exponential growth in sales of silicone-based, antifouling coatings like Hempel's <u>Hempaguard</u>.

The Zhangjiagang factory will gradually increase capacity to reach 100 million litres annually in 2025, with the potential to further increase production to meet future demand.

Facts & figures on Hempel in Zhangjiagang:

- Number of employees:
- Expected capacity in 2025:
- Land size:
- Building footprint:

150 approx. 100m litres/annum 136,097m² 37,761m²

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Press contact: Joanna Ashmead, Head of Media Relations Tel: +45 30 77 28 16 Email: communications@hempel.com

About Hempel

As a world-leading supplier of trusted coating solutions, Hempel is a global company with strong values, working with customers in the decorative, marine, infrastructure and energy industries. Hempel factories, R&D centres and stock points are established in every region.

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Across the globe, Hempel's paints and coatings can be found in almost every country of the world. They protect and beautify buildings, infrastructure, and other assets, and play an essential role in our customers' businesses. They help minimise maintenance costs, improve aesthetics and increase energy efficiency.

At Hempel, our purpose is to shape a brighter future with sustainable coating solutions. We firmly believe that we will succeed as a business only if we place sustainability at our heart. Not only is it the right thing to do, it will strengthen our competitive position, make ourselves more resilient and reduce our risk.

Hempel was founded in Copenhagen, Denmark in 1915. It is proudly owned by the Hempel Foundation, which ensures a solid economic base for the Hempel Group and supports cultural, social, humanitarian and scientific purposes around the world. <u>www.hempel.com</u>