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TIANHE CHEMICALS GROUP LIMITED

天合化工集團有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock Code: 1619)

MONTHLY UPDATE ANNOUNCEMENT

This monthly update announcement is made by Tianhe Chemicals Group Limited pursuant to Rule 13.24A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Reference is made to the announcements published by the Company on 25 May, 18 August, 29 September and 31 October 2017. Capitalised terms used in this announcement shall have the same meanings as defined in the abovementioned announcements.

Specialty fluorochemicals segment – business update

Regarding the progress on Fuxin Hengtong's relocation, during the past three months, the Company has been communicating with relevant authorities and the necessary approval procedures are basically completed. Fuxin Hengtong commenced the disassembling work of the existing production lines. As of the date of this announcement, approximately 70% equipment was disassembled and Fuxin Hengtong is currently undergoing system checking and assessment for such equipment. In addition, the price quotation and the tender process for certain new equipment were initiated. In general, the overall relocation process is being carried out according to plan. The Company maintains the target to complete the relocation, installation and adjustments of the production lines and to commence trial run in phases in the third quarter of 2018.

Lubricant additives segment – change of senior management

The Board announces that Mr. Ravi Girimaji has stepped down as the lubricant additives segment's chief executive officer ("CEO"). Dr. Tariq M. Khan has been appointed as the CEO of the segment.

Dr. Khan has over 30 years of experience in lubricant and lubricant additives industry. Prior to joining the Company, Dr. Khan had held senior positions in additives and lubricants industry. He has extensive experiences in emerging markets as well as Middle East and Africa. Dr. Khan holds a Ph.D. degree in Chemistry.

Dr. Khan joined the lubricant additives segment of the Group in 2013, focusing on the development of the Group's export sales. During the past few years, the export sales revenue of the Group's lubricant additives segment recorded considerable growth. As the CEO of lubricant additives segment, Dr. Khan will continue to lead the team to expand our worldwide sales network.

Dr. Khan does not have any relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company. To the best of the directors' knowledge, Dr. Khan is not interested or deemed to be interested in any shares or underlying shares of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Dr. Khan has not held other directorship in any public companies whose securities are listed on any securities market in Hong Kong or overseas in the last three years.

The Board would like to express the gratitude to Mr. Girimaji for his hard working and contribution to the Group, and to extend its welcome to Dr. Khan.

Resumption progress

As of the date of this announcement, the Company has been proactively taking steps to address the Commission's concerns. The Company will continue to address the concerns of the Commission to its satisfaction in order to lift the trading suspension.

The Company will keep its shareholders and potential investors informed of any material development in connection with the above matters by way of periodic announcements and/or further announcements as and when appropriate.

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited will remain suspended until further notice.

By order of the Board of Directors
Tianhe Chemicals Group Limited
WEI Qi
Chairman and Executive Director

Hong Kong, 30 November 2017

As at the date of this announcement, the Board of Directors of the Company comprises WEI Qi, WEI Xuan, Joseph LEE and JIANG Po, as executive Directors; Homer SUN, as non-executive Director; LOKE Yu (alias LOKE Hoi Lam), CHAN Kin Sang and XU Xiaodong, as independent non-executive Directors.