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To whom it may concern:

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Notice on Cessation of the Production of Methacrylates in Mitsubishi Chemical UK Limited

Mitsubishi Chemical Group Corporation announced on November 24, 2022 the notice of the start of labor-management consultation on cessation of the production of methacrylates (*) at Mitsubishi Chemical UK's Cassel Site, and announced today that its Corporate Executive Officers Committee resolved in the day to cease the production of methacrylates at its Cassel Site subject to completion of the labor-management consultation.

1. Reason for decision

The production of methacrylates at the site have been offline since January 2022, initially to undertake a planned overhaul, and since then due to the impact of rapidly escalating natural gas prices caused by the situation in Ukraine, a significant downturn in the European economy as a result of high inflation, and the weak demand in the methacrylates market.

A comprehensive business review was undertaken which concluded that the company does not believe that the UK manufacturing operation of methacrylates can be economically sustainable for the foreseeable future in an increasingly competitive global market. The Group therefore resolved today to cease the production of methacrylates at the site subject to completion of the labor-management consultation.

2. Overview of the methacrylates business at the Cassel site

- (1) Location: Cassel, New Road, Billingham, Cleveland, TS23 1LE, UK
- (2) Business Description: Manufacturing of methacrylates
- (3) Production capacity: About 200,000 tons/year (ACH method)
- (4) Start of operations: 1930
- (5) Number of employees: Approximately 400
- (6) Asset Value (End of December 2022 forecast): 268 million euro

3. Results impact

This matter is currently under careful examination, including its impact to the Group's earnings. The Group will promptly disclose any matters, should events arise that require disclosure. The earnings impact would be expected to include impairment loss on fixed asset and in addition plant removal costs, employee severance payments, and others in the future.

*Methacrylates include MMA (Methyl Methacrylates) monomer, Methacrylic Acid and Higher Methacrylates.