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China Zenith Chemical Group Limited

中國天化工集團有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 362)

CLARIFICATION ANNOUNCEMENT

Reference is made to the notice of annual general meeting (the “**AGM Notice**”) of China Zenith Chemical Group Limited (the “**Company**”) dated 10 November 2016 and the circular of the Company dated 10 November 2016 (the “**Circular**”), capitalized terms used in this announcement shall have the same meanings ascribed to them in the Circular.

The Board would like to clarify that references to the made to the nominal value or the nominal amount of the share capital or the share capital in issue in the AGM Notice and the Circular shall refer to the number of shares or the number of issued shares. As such:

1. In the resolution item no. 4(c), 4(c) (aa) on page 2 of the AGM Notice and page 15 of the Circular shall be amended and read as follows:

“(c) the aggregate number of shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time; or (iv) any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

(aa) 20% of the aggregate number of shares of the Company in issue on the date of the passing of this resolution; and...”

2. In the resolution item no. 4(c) (bb) on page 2 of the AGM Notice and page 15 of the Circular shall be amended and read as follows:

“(bb) (if the Directors are so authorized by a separate ordinary resolution of the shareholders of the Company) the number of shares of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate number of shares of the Company in issue on the date of the passing of resolution no. 6),...”

3. In the resolution item no. 5(b) on page 3 of the AGM Notice and page 16 of the Circular shall be amended and read as follows:

“(b) the aggregate number of Shares which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10% of the aggregate number of shares of the Company as at the date of the passing of this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and...”

4. Page 4 of the Circular shall be amended and read as follows:

“General Mandate

At the AGM, an ordinary resolution will be proposed such that the Directors be given an unconditional general mandate (i.e. the General Mandate) to allot, issue and deal with, unissued Shares or underlying shares of the Company (other than by way of rights or pursuant to a share option scheme for employees of the Company or Directors and/or any of its subsidiaries or pursuant to any scrip dividend scheme or similar arrangements providing for the allotment and issue of Shares in lieu of whole or part of the dividend on Shares in accordance with the Articles) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate number of shares of up to 20% of the issued Shares as at the date of granting of the General Mandate.”

5. Page 5 of the Circular shall be amended and read as follows:

“Repurchase Mandate

At the AGM, an ordinary resolution will also be proposed such that the Directors be given an unconditional general mandate to repurchase Shares (i.e. the Repurchase Mandate) on the Stock Exchange of an aggregate number of shares up to 10% of the issued share of the Company as at the date of granting of the Repurchase Mandate.”

In relation to the book closure dates for determining shareholders' entitlement to attend and vote at the annual general meeting, the Board would like to clarify that all proper completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch registrars, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 8 December 2016.

Save as disclosed above, all other information in the AGM Notice and the Circular remains unchanged. This clarification announcement is supplemental to and should be read in conjunction with the AGM Notice and the Circular, and in that connection, the existing English and Chinese versions of the AGM Notice and the Circular in the form as they are now will continue to be valid.

By Order of the Board
China Zenith Chemical Group Limited
Chan Yuk Foebe
Chairman and Chief Executive Officer

Hong Kong, 14 November 2016

As at the date hereof, Ms. Chan Yuk Foebe, Mr. Law Tze Ping Eric and Mr. Yu Defa are the executive Directors and Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho, and Mr. Hau Chi Kit are the independent non-executive Directors.