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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Zenith Chemical Group Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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China Zenith Chemical Group Limited
中國天化工集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 362)

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;**
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED CHANGE OF COMPANY NAME; AND
(4) NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of the Company to be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Thursday, 18 January 2024 at 4:00 p.m. is set out on pages 18 to 22 of this circular. A form of proxy for use at the annual general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you are able to attend the annual general meeting, you are requested to complete the enclosed form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the annual general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Thursday, 18 January 2024 at 4:00 p.m. to consider and, if thought fit, approve, among other things, the proposed grant of the General Mandate and the Repurchase Mandate, the Proposed Change of Company Name and the proposed re-election of Directors
“Annual Report”	the annual report of the Company for the year ended 30 June 2023
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Audit Committee”	the audit committee of the Company
“Board”	the board of Directors
“Bye-Laws”	the bye-laws of the Company
“Company”	China Zenith Chemical Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the issued Shares as at the date of granting of the General Mandate
“Group”	the Company and all of its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 December 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“Proposed Change of Company Name”	the proposed change of the English name of the Company “China Zenith Chemical Group Limited” to “Northeast New Materials Energy Storage Group Limited” and to adopt “東北新材料儲能集團有限公司” as the Chinese secondary name of the Company to replace its existing name of “中國天化工集團有限公司”
“Remuneration Committee”	the remuneration committee of the Company
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to repurchase up to 10% of the issued Shares as at the date of granting of the Repurchase Mandate
“Schemes”	the New Share Option Scheme, any other share option scheme(s) and the Share Award Scheme(s) of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Award Scheme”	a scheme including the grant of shares by the Company
“Share Option Scheme”	the share option scheme approved and adopted by the Company at the Shareholders’ meeting of the Company held on 14 December 2022
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



China Zenith Chemical Group Limited

中國天化工集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 362)

Executive Directors:

Mr. Law Tze Ping Eric (*Acting Chief Executive Officer*)
Mr. Tang Yiduan
Mr. Shing Pan Yu James
Ms. Chan Yuk Foebe (duties suspended on 12 October 2023)

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

Independent non-executive Directors:

Mr. Ma Wing Yun Bryan
Mr. Tam Ching Ho
Mr. Hau Chi Kit

*Head office and principal place of
business in Hong Kong:*

Room 4007, 40/F
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

22 December 2023

To the Shareholders

Dear Sir or Madam,

- (1) PROPOSED GRANT OF GENERAL MANDATES
TO ISSUE AND REPURCHASE SHARES;**
- (2) PROPOSED RE-ELECTION OF DIRECTORS;**
- (3) PROPOSED CHANGE OF COMPANY NAME; AND**
- (4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

At the forthcoming AGM, resolutions will be proposed to seek the Shareholders' approval for, among other things, the grant of the General Mandate and the Repurchase Mandate, the re-election of Directors and the Proposed Change of Company Name.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the granting of the General Mandate and the Repurchase Mandate, the re-election of Directors, the Proposed Change of Company Name and the notice of the AGM.

GENERAL MANDATE AND REPURCHASE MANDATE

At the AGM, the Directors propose to seek the approval of the Shareholders to grant to the Directors the General Mandate and the Repurchase Mandate.

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 Bye-Laws) or make or grant offers, agreements, options and warrants which might require the exercise of such power, of an aggregate nominal amount of up to 20% of the issued Shares as at the date of granting of the General Mandate.

In addition, a separate ordinary resolution will further be proposed for extending the General Mandate authorising the Directors to allot, issue and deal with Shares to the extent of the Shares repurchased pursuant to the Repurchase Mandate. Details of the Repurchase Mandate are further elaborated below.

As at the Latest Practicable Date, the Company has an aggregate of 541,828,168 Shares in issue. Subject to the passing of the relevant resolutions for the approval of the General Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the General Mandate to allot, issue and deal with a maximum of 108,365,633 Shares.

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 amount of up to 10% of the issued Shares as at the date of granting of the Repurchase Mandate.

Subject to the passing of the relevant resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 54,182,816 Shares.

LETTER FROM THE BOARD

The General Mandate (including the extended General Mandate) and the Repurchase Mandate shall continue to be in force during the period from the date of passing the resolutions for the approval of the General Mandate (including the extended General Mandate) and the Repurchase Mandate until the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws of Bermuda to be held; or (iii) the revocation or variation of the General Mandate (including the extended General Mandate) or the Repurchase Mandate (as the case may be) by ordinary resolution of the Shareholders in general meeting.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement contains all the requisite information required under the Listing Rules to be given to the Shareholders to enable them to make an informed decision on whether to vote for or against the resolution approving the Repurchase Mandate.

RE-ELECTION OF DIRECTORS

Pursuant to Article 99 of the Bye-Laws, at each annual general meeting one-third of the Directors for the time being, or, if the number is not three or a multiple of three, then the number nearest one-third, shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. A retiring Director shall be eligible for re-election.

Pursuant to Article 102 of the Bye-Laws, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting.

The Nomination Committee noted that pursuant to Articles 99 and 102 of the Bye-Laws and the prevailing nomination policy of the Company (the “**Nomination Policy**”), Ms. Chan Yuk Foebe, Mr. Tang Yiduan, Mr. Shing Pan Yu James and Mr. Hau Chi Kit shall retire by rotation, and being eligible for re-election at the AGM, the Nomination Committee has nominated Ms. Chan Yuk Foebe, Mr. Tang Yiduan, Mr. Shing Pan Yu James and Mr. Hau Chi Kit to the Board for it to recommend to Shareholders for re-election at the AGM. The nomination was made in accordance with the Nomination Policy and took into account the diversity aspects (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service), with due regard for the benefits of diversity, as set out under the board diversity policy of the Company (the “**Board Diversity Policy**”). The Nomination Committee also took into account the extensive knowledge and business experience of the retiring Directors, the profiles of which are set out in Appendix II to this circular, and their contributions to the Board. The Board accepted the nominations from the Nomination Committee and recommended Ms. Chan Yuk Foebe, Mr. Tang Yiduan, Mr. Shing Pan Yu James and Mr. Hau Chi Kit to stand for re-election by Shareholders at the AGM. The Board considers that the re-election of each of Ms. Chan Yuk Foebe, Mr. Tang Yiduan, Mr. Shing Pan Yu James and Mr. Hau Chi Kit as Director is in the best interest of the Company and the

LETTER FROM THE BOARD

Shareholders as a whole. Each of Ms. Chan Yuk Foebe, Mr. Tang Yiduan, Mr. Shing Pan Yu James and Mr. Hau Chi Kit has indicated his/her willingness to offer himself for re-election at the AGM.

Pursuant to code provision A.4.3 of the Corporate Governance Code contained in Appendix 14 to the Listing Rules, if an independent non-executive director serves more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders. Mr. Hau Chi Kit was appointed as an independent non-executive Director in December 2013 and therefore would have served for more than nine years as at the date of the AGM. Mr. Hau Chi Kit has confirmed his independence with reference to the factors as set out in Rule 3.13 of the Listing Rules. Notwithstanding his years of service as an independent non-executive Director, (i) the Board has assessed and reviewed the annual confirmation of independence based on the criteria set out in Rule 3.13 of the Listing Rules and confirmed that Mr. Hau Chi Kit remains independent; (ii) the Nomination Committee has assessed and is satisfied of the independence of Mr. Hau Chi Kit; and (iii) the Board is satisfied that through exercising scrutinising and monitoring functions as an independent non-executive Director, Mr. Hau Chi Kit has continued to provide independent and objective judgement and advice to the Board to safeguard the interests of the Group and the Shareholders. As such, the Board believes that Mr. Hau Chi Kit has the character, integrity, independence and expertise to continue to fulfil his role as an independent non-executive Director effectively and will continue to bring valuable experience, knowledge and professionalism to the Board and would recommend Mr. Hau Chi Kit for re-election as an independent non-executive Director at the AGM.

Details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix II to this circular.

PROPOSED CHANGE OF COMPANY NAME

The Board proposed to change the English name of the Company “China Zenith Chemical Group Limited” to “Northeast New Materials Energy Storage Group Limited” and to adopt “東北新材料儲能集團有限公司” as the Chinese secondary name of the Company to replace its existing name of “中國天化工集團有限公司”.

Conditions of the Proposed Change of Company Name

The Proposed Change of Company Name is subject to the following conditions:

- (i) the passing of a special resolution by the shareholders of the Company at the AGM to approve, among others, the Proposed Change of Company Name; and
- (ii) the Registrar of Companies in Bermuda approving the Proposed Change of Company Name.

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Subject to the satisfaction of the conditions set out above, the Proposed Change of Company Name will take effect from the date of entry of the new English name and the Chinese secondary name of the Company on the register maintained by the Registrar of Companies in Bermuda. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

Subject to the Proposed Change of Company Name becoming effective, the English and Chinese stock short names of the Company will also be changed. Further announcement on the Proposed Change of Company Name and change in stock short names will be made once the Proposed Change of Company Name has become effective.

Reasons for the Proposed Change of Company Name

1. The Existing Businesses

In relation to the latest update of the production of chemical products for agriculture division, Mudanjiang Haidi Technology Company Limited* (牡丹江海迪科技有限公司), a subsidiary of the Company, has commenced production since June 2023. It is currently under stable operation to achieve production output and target. Its output target is 3,500 tons per annual and its output value is RMB500 million.

2. The Latest Updates on the Production of Electrolyte for Lithium Batteries of Electric Vehicles

Mudanjiang Dongbei Chemical Engineering Company Limited* (牡丹江東北化工有限公司), a subsidiary held as to 63.11% by the Company, has reached consensus in principle with the partners and will file a project regarding the electrolyte for lithium batteries to the provincial and municipal development and reform commissions (“DRC”) and at the same time apply for approvals from 11 different related authorities of the local government, including the fire/environment/safety ministries. It is expected to commence project development in 2024 and commence production by the end of 2024. If the production output and target could be reached, the output value of the project is expected to be RMB2 billion.

3. Future Development

As many countries around the world have committed to achieving the goal of net zero emissions, international enterprises have also followed the main stream trend by announcing adoption of the renewable energy and improvement on the energy efficiency of equipment. In order to reduce carbon emission, the renewable energy has been considered as a low carbon solution. Due to the intermittent trait of the renewable energy, the energy storage technology is required for stable utilization. Apart from the production of chemical products for agriculture and electrolyte for lithium batteries of electric vehicles, the Company will be able to grasp the opportunities arising from the rapid development of energy storage, develop energy storage technology by utilizing its own refined chemical techniques and idle land, and expand its foothold in this segment.

LETTER FROM THE BOARD

The Board considers that the Proposed Change of Company Name will better reflect the current status of the Group's business development and its direction of future development. The Board believes that the new name can provide the Company with a more appropriate corporate image and identity which will benefit the Company's business development and is in the best interests of the Company and Shareholders as a whole.

Effects of Proposed Change of Company Name

The Proposed Change of Company Name, once approved and after becoming effective, will not, of itself, affect any rights of the Shareholders of the Company or the Company's daily business operation and its financial position. All existing certificates of securities in issue bearing the present name of the Company shall, after the Proposed Change of Company Name becoming effective, continue to be evidence of legal title to such securities and the existing share certificates will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for exchange of the existing share certificates for new share certificates bearing the new name of the Company. Once the Proposed Change of Company Name becomes effective, new share certificates will be issued only in the new name of the Company.

Further announcements will be made by the Company concerning the effective date of the Proposed Change of Company Name and the change of the stock short name upon the Proposed Change of Company Name becoming effective as and when appropriate.

AGM

A notice convening the AGM to be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Thursday, 18 January 2024 at 4:00 p.m. is set out on pages 18 to 22 of this circular. Ordinary resolutions will be proposed at the AGM to approve, among other things, the grant of the General Mandate (including the extended General Mandate) and the Repurchase Mandate, the proposed re-election of Directors and the Proposed Change of Company Name.

A form of proxy for use at the AGM is enclosed with this circular and such form of proxy is also published at the website of the Stock Exchange at www.hkex.com.hk. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

All the resolutions proposed to be approved at the AGM will be taken by poll and an announcement in relation to the results of the AGM will be made by the Company thereafter.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider the proposed grant of the General Mandate (including the extended General Mandate) and the Repurchase Mandate, the proposed re-election of Directors and the Proposed Change of Company Name are in the interests of the Company, and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the AGM.

GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on any resolutions to be proposed at the AGM. The Board confirms that to the best of its knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, there was no voting trust or other agreement or arrangement or understanding (other than an outright sale) entered into by or binding upon any Shareholder and there was no obligation or entitlement of any Shareholder whereby he has or may have temporarily or permanently passed control over the exercise of the voting right in respect of his Shares to a third party, either generally or on a case-by-case basis.

MISCELLANEOUS

Your attention is drawn to the additional information set out in the Appendices to this circular.

Yours faithfully
On behalf of the board of
China Zenith Chemical Group Limited
Law Tze Ping Eric
Acting Chief Executive Officer

* *For identification purposes only*

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. REPURCHASE OF SECURITIES FROM CONNECTED PARTIES

The Listing Rules prohibit the Company from knowingly purchasing its securities on the Stock Exchange from a “connected person”, that is, a director, chief executive or substantial shareholder of the Company or any of its subsidiaries or their respective associates (as defined in the Listing Rules) and a connected person is prohibited from knowingly selling to the Company his/her/its securities of the Company.

No connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company nor has any such connected person undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is passed.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 541,828,168 fully paid Shares.

Subject to the passing of the proposed resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 54,182,816 fully paid Shares, representing approximately 10% of the issued Shares as at the date of passing of the resolution. The exercise of the proposed Repurchase Mandate in full would result in up to a maximum of 54,182,816 Shares, representing approximately 10% of the issued Shares as at the date of passing the resolution, being repurchased by the Company during the period ending at the earliest of (i) the conclusion of the next annual general meeting of the Company, (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws, the Companies Act 1981 of Bermuda or any applicable laws of Bermuda to be held, or (iii) the passing of an ordinary resolution by the Shareholders in general meeting revoking or varying the authority given to the Directors by the resolution. Assuming that (i) all outstanding share options of the Company are exercised in full on or before the date of the AGM; and (ii) no further Shares are/will be issued and/or repurchased by the Company between the Latest Practicable Date and the date of the AGM, the exercise of the proposed Repurchase Mandate in full would result in up to a maximum of 54,182,816 Shares being repurchased by the Company during the above-said period.

3. REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net

assets per Share and/or earnings per Share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.

4. FUNDING OF REPURCHASES

Repurchases would be funded entirely from the Company's available cash flow or working capital facilities which will be funds legally available under the laws of Bermuda and the Bye-Laws and for such purpose.

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital and gearing position of the Company compared with those as at 30 June 2023, being the date of its latest published audited consolidated accounts. The Directors do not, however, intend to make any repurchase in circumstances that would have a material adverse impact on the working capital or gearing position of the Company.

5. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve calendar months immediately prior to the Latest Practicable Date were as follows:

	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2022		
December	0.223	0.200
2023		
January	0.236	0.191
February	0.310	0.204
March	0.255	0.213
April	0.240	0.222
May	0.300	0.227
June	0.530	0.270
July	0.680	0.440
August	0.890	0.600
September	0.730	0.091
October (<i>Note</i>)	N/A	N/A
November	0.180	0.099
December (up to the Latest Practicable Date)	0.132	0.093

Note: The trading in the Shares on the Stock Exchange has been suspended in October 2023.

6. DISCLOSURE OF INTERESTS AND MINIMUM PUBLIC HOLDING

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell to the Company or its subsidiaries any of the Shares if the Repurchase Mandate is approved at the AGM.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and applicable laws of Bermuda.

If a Shareholder's proportionate interest in the voting rights of the Company increases on the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, as far as the Directors are aware and the disclosure information on the Stock Exchange's website, the following Shareholders are interested in more than 10% of the Shares then in issue:

Name	Capacity	Number of Shares held (long position)	Approximate percentage of shareholding
Mr. Tang Yiduan	Beneficial owner	142,850,000	26.36%

In the event that the Directors exercise in full the power to repurchase Shares in accordance with the Repurchase Mandate, and taking no account of the issue of new Shares by the Company pursuant to any general or specific mandates granted by the Shareholders at any general meeting, the Share Option Scheme and/or any scheme or otherwise, the shareholding percentage of the above Shareholder in the Shares would be increased to:

Name	Percentage holding
Mr. Tang Yiduan	29.29%

The exercise of the Repurchase Mandate in full will give rise to an obligation on the part of Mr. Tang Yiduan to make a general offer for all the Shares not already owned by him and agreed to be acquired by him under Rules 26 and 32 of the Takeovers Code. Save as disclosed, the Directors are not aware of any other consequences which will arise under the Takeovers Code as a result of the exercise of the power in full under the Repurchase Mandate.

As at the Latest Practicable Date, the Directors have no intention to exercise the Repurchase Mandate to such an extent that will result in a requirement of Mr. Tang Yiduan, or any other persons to make a general offer under the Takeovers Code or the number of Shares in the hands of the public falling below the prescribed minimum percentage of 25%.

7. SHARES REPURCHASE MADE BY THE COMPANY

The Company had not purchased any of its Shares (whether on the Stock Exchange or otherwise) during the previous six months immediately prior to the Latest Practicable Date.

(1) Ms. Chan Yuk Foebe (“Ms. Chan”)

Ms. Chan Yuk Foebe, aged 54, is the chairman and chief executive officer of the Group and joined the Group in January 2004. Ms. Chan is responsible for the overall management and business development of the Group. Ms. Chan holds a bachelor’s degree in Accountancy from the Queensland University of Technology in Australia. Ms. Chan has more than 10 years’ experience in the areas of corporate finance and management. Ms. Chan is a non-executive director of Heng Tai Consumables Group Limited (Stock Code: 197), whose shares are listed on the main board of the Stock Exchange. Save as disclosed herein, Ms. Chan did not hold any other directorships in listed public companies in the last three years. Ms. Chan Yuk Foebe was appointed as the Chairman and a member of nomination committee with effect from 2 February 2012. On 28 September 2023, the Independent Commission against Corruption (“ICAC”) arrested Ms. Chan for the investigation related to the bonds for the purpose of immigration investment and suspended the duties on 12 October 2023.

As at the Latest Practicable Date, Ms. Chan was interested in 143,000 Shares of the Company (representing approximately 0.03% of the total number of Share in issue) within the meaning of Part XV of the SFO. Save as being an executive Director, Ms. Chan does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company or its subsidiaries.

Save as disclosed above, Ms. Chan does not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years preceding the date hereof, nor does he hold any other position with the Company and other members of the Group or possess any other major professional qualifications.

Ms. Chan has entered into a service contract with the Company commencing from 22 November 2004, which shall, subject to the re-appointment as a Director in accordance with the Articles of Association, continue until terminated by either party giving not less than three months’ notice in writing to the other. Ms. Chan is entitled to HK\$10,000 per month payable by the Group under the service contract. Ms. Chan’s emoluments is determined by the Board with reference to Ms. Chan’s experience, duties and responsibilities and the prevailing market practice, and in accordance with the remuneration policy adopted by the remuneration committee of the Company.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders in relation to the re-election of Ms. Chan and there is no information required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matters that ought to be brought to the attention of the Shareholders.

(2) Mr. Tang Yiduan (“Mr. Tang”)

Mr. Tang, aged 36, is an executive Director. He is currently the chairman of the board of director of Beijing Gaoya Investment Management Limited* (北京高雅投資管理有限公司). He has extensive experience in investment banking and strategic management of technology companies.

Mr. Tang has been engaged in financial technology investment for years, having served as a member of the 1st Communist Youth League Committee of the Shanghai Equity Exchange in 2014 and head of corporate finance department of Lianxun Securities Co., Ltd.* (聯訊證券股份有限公司) from 2015 to 2016, participated in the equity investment in Beijing Caimao Network* (北京財貓網路) (a company quoted on the New Third Board held by Huobi Holdings* (火幣網控股)) personally in 2015, and invested and established Beijing Fashion Topnews Investment Management Co., Ltd.* (北京時尚銅牛投資管理有限公司) (currently known as “Beijing Gaoya Investment Management Limited”* (北京高雅投資管理有限公司)) as the chairman of the board of directors in 2017. He also participated in the equity investment in Hong Kong One TV personally in 2018, transforming it into a technology media company specializing in the information industry, and in January 2020, he set up Asia Pacific Equity Quotations System Limited in Hong Kong to provide financing services to scientists and technology ventures in the Asia-Pacific region.

Mr. Tang graduated with a bachelor’s degree from Fudan University. He is a scholar of science and technology management from the Southern University of Science and Technology, and holds a master’s degree from the Chinese University of Hong Kong and a master’s degree from Shanghai Jiao Tong University.

As at the Latest Practicable Date, Mr. Tang was interested in 142,850,000 Shares of the Company (representing approximately 26.36% of the total number of Shares in issue) within the meaning of Part XV of the SFO. Save as being an executive Director, Mr. Tang does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company or its subsidiaries.

Save as disclosed above, Mr. Tang does not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years preceding the date hereof, nor does he hold any other position with the Company and other members of the Group or possess any other major professional qualifications.

Mr. Tang has entered into a service agreement with the Company for an initial term of 2 years with an annual director fee of HK\$10,000. The remuneration of Mr. Tang has been determined by the Board with reference to his duties and responsibilities, experience, qualification and prevailing market conditions and will be subject to annual review. He is subject to retirement and eligible for re-election pursuant to the bye-laws of the Company.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders in relation to the re-election of Mr. Tang and there is no information that is required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matters that ought to be brought to the attention of the Shareholders.

(3) Mr. Shing Pan Yu James (“Mr. Shing”)

Mr. Shing, aged 46, is an executive Director. He is currently the director of China Topnew Holding Limited and Beijing Gaoya Investment Management Limited* (北京高雅投資管理有限公司) and the partner of Shanshan Venture Capital Co., Ltd.* (杉杉創業投資有限公司) in Hong Kong. Mr. Shing was also an angel investor and an executive director of Hong Kong Asia Television. He has extensive experience in media, entertainment, e-commerce and other industries, corporate strategy, corporate finance and business development and management. He also has rich resources, interpersonal relationships and public relations publicity in Mainland China, which can facilitate the integration of resources, technology and business expansion of the Company’s enterprises in the Greater China region in the future.

Mr. Shing holds a Bachelor’s degree in Commerce and Administration from Victoria University.

Mr. Shing is a member of the 11th to 13th Jiangsu Provincial CPPCC, and a member of the 13th to 15th Changzhou Municipal People’s Political Consultative Conference of Jiangsu Province, a vice chairman of Youth Committee of the Association for the Promotion of Global Chinese Traders Fraternity Limited and a member of Hong Kong Elite Club.

As at the Latest Practicable Date, Mr. Shing does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company or its subsidiaries nor does he have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Shing does not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years preceding the date hereof, nor does he hold any other position with the Company and other members of the Group or possess any other major professional qualifications.

Mr. Shing has entered into a service agreement with the Company for an initial term of 2 years with no basic salary but an annual discretionary bonus of no more than 10% of the net profit before tax generated from the Company’s newly acquired businesses (the “**New Businesses**”) introduced by Mr. Shing. The remuneration of Mr. Shing has been determined by the Board with reference to his duties and responsibilities, experience, qualification and prevailing market conditions and will be subject to annual review. He is subject to retirement and eligible for re-election pursuant to the bye-laws of the Company.

Save as disclosed above, there is no other matter that needs to be brought to the attention of the Shareholders in relation to the re-election of Mr. Shing and there is no information that is required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matters that ought to be brought to the attention of the Shareholders.

(4) Mr. Hau Chi Kit (“Mr. Hau”)

Mr. Hau, aged 51, appointed on 18 December 2013, is an independent non-executive Director and also a member of the Audit committee, Remuneration committee and Nomination committee of the Company. He was a barrister-at-law in private practice in Hong Kong from 2001 to 2008. Prior to becoming a barrister, he worked at the Securities and Futures Commission. Mr. Hau is currently a solicitor and an independent non-executive director of Zhongzheng International Company Limited (formerly known as “e-Force Holdings Limited”) (Stock Code: 943), a company listed on the Main Board of the Stock Exchange. Mr. Hau was an independent non-executive director of Jiading International Group Holdings Limited (formerly known as “Farnova Group Holdings Limited”) (Stock Code: 8153) and hmvod Limited (formerly known as “Trillion Grand Corporate Company Limited”) (Stock Code: 8103), a company listed on GEM of the Stock Exchange until 18 July 2019 and 12 August 2022, respectively. Mr. Hau was an independent non-executive director of Fresh Express Delivery Holdings Group Co., Limited (delisted securities) (Stock code: 1175), a company listed on the Main Board of the Stock Exchange from 6 January 2022 until 15 August 2022. Save as disclosed herein, Mr. Hau did not hold any other directorships in listed companies in the last three years.

As at the Latest Practicable Date, Mr. Hau does not have relationship with any Directors, senior management or substantial or controlling Shareholders of the Company or its subsidiaries nor does he have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Hau does not hold any directorship in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the three years preceding the date hereof, nor does he hold any other position with the Company and other members of the Group or possess any other major professional qualifications.

Mr. Hau has entered into a letter of appointment with the Company on 18 December 2021 and his appointment is initially for 2 years. His appointment is also subject to retirement by rotation and/or re-election at the annual general meeting of the Company according to the Bye-Laws. He is entitled to annual emoluments of HK\$180,000, which were determined by the Board with reference to his duties and responsibilities and the prevailing market conditions. The emoluments will be reviewed by the Board and the remuneration committee of the Company on an annual basis.

Save as disclosed above, in relation to the re-election of Mr. Hau, the Board is not aware of any information that required to be disclosed pursuant to any of the requirements of Rules 13.51(2)(h) to (v) of the Listing Rules, nor is there any other matters that ought to be brought to the attention of the Shareholders.

* *For identification purpose only*

NOTICE OF AGM



China Zenith Chemical Group Limited

中國天化工集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)
(Stock Code: 362)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of China Zenith Chemical Group Limited (the “**Company**”) will be held at 22/F, Euro Trade Centre, 13–14 Connaught Road Central, Central, Hong Kong on Thursday, 18 January 2024 at 4:00 p.m. to transact the following:

AS ORDINARY RESOLUTIONS

1. To receive and approve the audited consolidated financial statements and the reports of the directors (the “**Directors**”) and independent auditor of the Company for the year ended 30 June 2023;
2.
 - (a) To re-elect Ms. Chan Yuk Foebe as an executive Director;
 - (b) To re-elect Mr. Tang Yiduan as an executive Director;
 - (c) To re-elect Mr. Shing Pan Yu James as an executive Director;
 - (d) To re-elect Mr. Hau Chi Kit as an independent non-executive Director; and
 - (e) To authorise the board of Directors to fix the Directors’ remuneration;
3. To re-appoint McMillan Woods (Hong Kong) CPA Limited as the auditor of the Company and to authorise the board of Directors to fix its remuneration;
4. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) of this resolution, pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the exercise by the Directors during the Relevant Period (as

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hereinafter defined) of all the powers of the Company to allot, issue and deal with unissued shares of the Company (the “**Shares**”) and to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers be and the same is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this resolution shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for Shares, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to options or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); or (ii) the exercise of any options granted under the existing share option scheme of the Company; or (iii) any scrip dividend scheme 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 Bye-Laws 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 nominal amount of the issued Shares as at the date of passing this resolution; and
 - (bb) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any Shares repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the issued Shares as at the date of passing resolution no. 6),and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the date of passing this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws, the Companies Act 1981 of Bermuda (the “**Companies Act**”) or any other applicable laws of Bermuda to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution;

“Rights Issue” means an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction outside Hong Kong or any recognised regulatory body or any stock exchange outside Hong Kong).”

5. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“THAT:

- (a) the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to purchase the Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for such purpose, and otherwise in accordance with the rules and regulations of the Securities and Futures Commission, the Stock Exchange, the Companies Act and all other applicable laws in this regard, be and the same is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount 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 nominal amount of the issued Shares as at the date of passing this resolution and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and
- (c) for the purposes of this resolution, “Relevant Period” means the period from the date of passing this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws of the Company, the Companies Act or any other applicable laws of the Bermuda to be held; and
 - (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors by this resolution.”
6. To, as special business, consider and, if thought fit, pass the following resolution as an ordinary resolution:

“**THAT** the Directors be and are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 4 in respect of the Shares referred to in sub-paragraph (bb) of paragraph (c) of such resolution.”

AS SPECIAL RESOLUTION

7. To, as special business, consider and, if thought fit, pass the following resolution as a special resolution:

“**THAT:**

- (a) subject to and conditional upon the approval of the Registrar of Companies in Bermuda, the English name of the Company be changed from “China Zenith Chemical Group Limited” to “Northeast New Materials Energy Storage Group Limited” and to adopt “東北新材料儲能集團有限公司” as the Chinese secondary name of the Company to replace its existing name of “中國天化工集團有限公司” with effect upon the date of the issue of a certificate of incorporation on change of name by the Registrar of Companies in Bermuda; and
- (b) any one of the Directors or the company secretary of the Company be and is hereby authorised to do all such acts and things and to sign all documents and to take any steps which in his/her absolute discretion considered to be necessary, desirable or expedient for the purpose of implementing and/or giving effect to the proposed change of company name.”

Yours faithfully
On behalf of the board of
China Zenith Chemical Group Limited
Law Tze Ping Eric
Acting Chief Executive Officer

Hong Kong, 22 December 2023

NOTICE OF AGM

Registered office:
Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

*Head office and principal place of
business in Hong Kong:*
Room 4007, 40/F
China Resources Building
26 Harbour Road
Wanchai
Hong Kong

Notes:

1. As at the date hereof, the Board comprises Mr. Law Tze Ping Eric, Mr. Tang Yiduan, Mr. Shing Pan Yu James and Ms. Chan Yuk Foebe (duties suspended) as executive Directors and Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho and Mr. Hau Chi Kit as independent non-executive Directors.
2. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present in person at the annual general meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed.
3. In order to be valid, the form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, at the offices of the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time for holding the annual general meeting or any adjournment thereof. Completion and return of a form of proxy will not preclude a shareholder of the Company from attending in person and voting at the annual general meeting or any adjournment thereof, should he so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. Where there are joint holders of any share, any one of such holders may vote at the meeting either personally or by proxy in respect of such share as if he/she were solely entitled to vote; but if more than one of such joint holders be present at the meeting in person or by proxy, then the one of such holders whose name stands first on the register of members in respect of such share shall alone be entitled to vote in respect thereof.
5. For the purpose of determining shareholders' entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from Monday, 15 January 2024 to Thursday, 18 January 2024 (both days inclusive) during which period no transfer of Shares will be registered. In order to qualify for attending at the annual general meeting, all properly 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 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 12 January 2024.