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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 with limited liability)

(Stock Code: 362)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting of China Zenith Chemical Group Limited (the “**Company**”) will be held at Unit 1101–12, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong on Monday, 20 June 2011 at 4:30 p.m. for the following purposes:

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

1. “**THAT**, subject to and conditional upon (i) the Listing Committee of The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the Consolidated Shares (as defined below) in issue and to be issued upon the Share Consolidation (as defined below) becoming effective:
 - (a) every ten (10) existing issued and unissued shares of par value HK\$0.01 each in the share capital of the Company be consolidated into one (1) share of par value of HK\$0.10 (the “**Consolidated Share**”) in the share capital of the Company (the “**Share Consolidation**”) with effect from the business day immediately following the date on which this resolution is passed, such Consolidated Shares shall rank pari passu in all respects with each other, and any fractional entitlements be aggregated to the then issued Consolidated Shares resulting from the Share Consolidation and the sale in the form of Consolidated Shares for the benefit of the Company in such manner and on such terms as the directors of the Company (the “**Directors**”) may think fit be and are hereby approved; and

(b) any one executive director of the Company be and is hereby authorised to do all such acts and things and execute all documents, including under the seal of the Company, and make such arrangement as he may determine to be appropriate, necessary or desirable to give effect to or to implement the Share Consolidation.”

2. (A) “**THAT**, to the extent not already exercised, the mandate to allot, issue and deal with the shares of the Company given to the directors of the Company (the “**Directors**”) at the annual general meeting of the Company held on 20 December 2010 (the “**AGM**”) be and is hereby revoked and replaced by the mandate **THAT**:

(a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.01 each (or HK\$0.10 each after the Share Consolidation) in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers, after the end of the Relevant Period;

(c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option 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; 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:

(i) 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution; and

(ii) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this resolution (up to a maximum equivalent to 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of such resolution),

and the authority pursuant to paragraph (a) of this resolution shall be limited accordingly; and

(d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier 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 articles of association of the Company or any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders in general meeting;

“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 of a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as to 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 recognized regulatory body or any stock exchange outside Hong Kong).”

- (B) “**THAT** conditional upon the passing of resolution no. 2.(A) above, the mandate granted to the Directors at the AGM to extend the general mandate to allot and issue Shares to Shares repurchased by the Company be and is hereby revoked and replaced by the mandate **THAT** the Directors be and they are hereby authorised to exercise the authority referred to in paragraph (a) of resolution no. 2.(A) above in respect of the share capital of the Company referred to in sub-paragraph (ii) of paragraph (c) of such resolution.”
- (C) “**THAT** the existing scheme mandate limit under the share option scheme adopted by a resolution of the shareholders of the Company on 18 November 2002 (“**Share Option Scheme**”) be refreshed so that the aggregate nominal amount of the shares of the Company to be allotted and issued pursuant to the grant or exercise of the options under the Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the Share Option Scheme) shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of the passing of this resolution (“**Refreshed Scheme Limit**”) and that the Directors be and are hereby authorized, subject to compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time), to grant options under the Share Option Scheme up to the Refreshed Scheme Limit and to exercise all the powers of the Company to allot, issue and deal with shares of the Company pursuant to the exercise of such options.”

3. “**THAT** subject to the passing of resolution 1 above and the Share Consolidation becoming effective, the authorised share capital of the Company be and is hereby increased from HK\$100,000,000 divided into 1,000,000,000 ordinary shares of HK\$0.10 each to HK\$200,000,000 divided into 2,000,000,000 ordinary shares of HK\$0.10 each.”

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

Hong Kong, 26 May 2011

As at the date hereof, Mr. Chan Yuen Tung, Ms. Chan Yuk Foebe, Mr. Chiau Che Kong, Mr. Peng Zhanrong and Mr. Wu Jianwei are the executive Directors and Mr. Ma Wing Yun Bryan, Mr. Tam Ching Ho, Dato' Wong Sin Just and Wong Sin Lai are the independent non-executive Directors.

Notes:

- (1) Members of the Company whose names appear on the register of members maintained by the Company's branch Share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong at 4:30 p.m., Thursday on 16 June 2011 shall qualify for attending and voting at the extraordinary general meeting. The register of members of the Company will be closed from Friday, 17 June 2011 to Monday, 20 June 2011 (both days inclusive), during which period no share transfer will be registered. In order to qualify to attend and vote on the proposed resolution set out in this notice, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch Share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 16 June 2011.
- (2) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if he is a holder of more than one share), to attend and vote on his behalf. A proxy needs not be a member of the Company.
- (3) The instrument appointing a proxy and the power of attorney or other, if any, under which it is signed, or a notarially certified copy of such power of attorney or other authorisation document(s), must be lodged with the Company's branch Share registrar in Hong Kong, Tricor Tengis Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting or at any adjournment thereof.