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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)

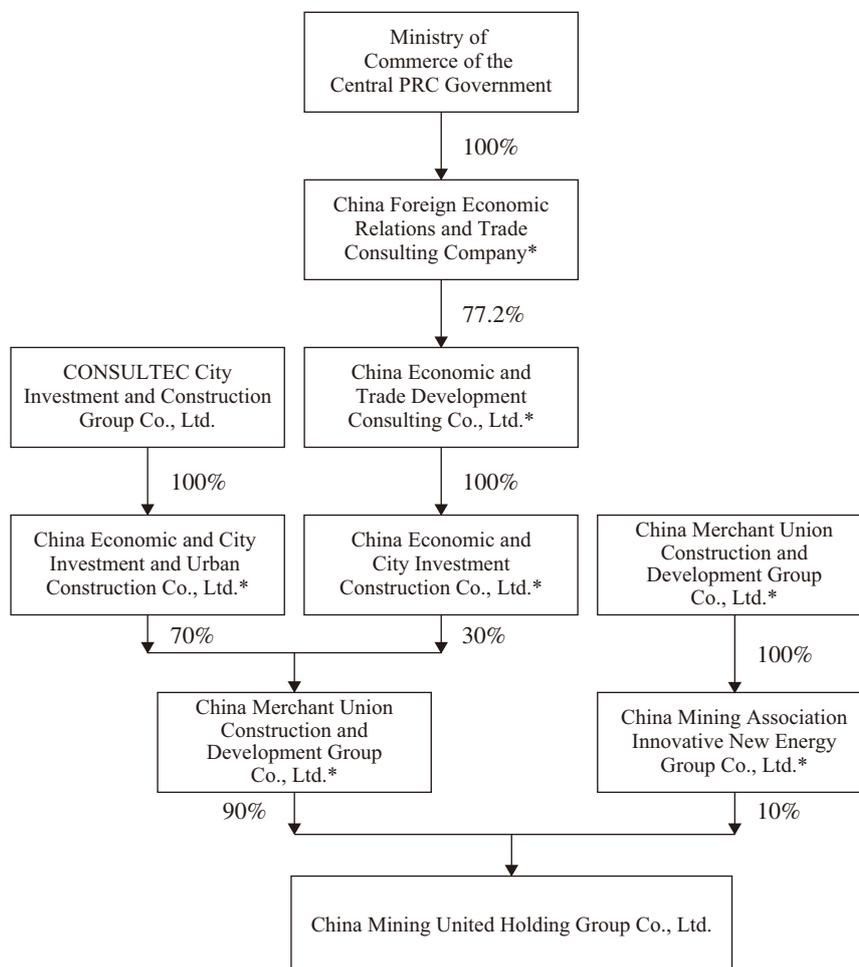
(Stock Code: 362)

SUPPLEMENTAL ANNOUNCEMENT

References are made to the announcements of China Zenith Chemical Group Limited (the “**Company**”) dated 13 March 2024 in relation to, among other things, (1) subscription of the Subscription Shares under the General Mandate (the “**Subscription Announcement**”); (2) discloseable transaction in relation to the formation of joint venture company (the “**DT Announcement**”) and (3) the resignation of Ms. Chan as the executive Director and chairman of the Board (the “**Resignation Announcement**”, together with the Subscription Announcement and the DT Announcement, the “**Announcements**”). Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

(1) SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Company would like to supplement that the shareholding structure of the Subscriber (中礦聯合控股集團有限公司) as at the date of the Subscription Announcement is as follows:



To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, all corporate shareholders of the Subscriber are managed and ultimately owned by Ministry of Commerce of the Central PRC Government (中華人民共和國商務部) and thus, the Subscriber is stated in the Subscription Announcement to be an enterprise established in the PRC under the direct management of the Central Government.

The Company intends to use the net proceeds from the Subscription as general working capital as per below:

Categories	<i>HKD</i>
Repair and maintenance for Heihe Plant and Machinery	6,000,000
Rent and Management fee	504,000
Salary	1,000,000
Professional fee	2,000,000
Unallocated	<u>796,000</u>
Total	<u><u>10,300,000</u></u>

(2) DISCLOSEABLE TRANSACTION IN RELATION TO THE FORMATION OF JOINT VENTURE COMPANY

The Company would like to supplement that the capital contribution to be made by the Company is expected to be financed as follows:

1. RMB3 million to be financed by the proceeds upon the completion of disposal of land in Heihe city, the PRC;
2. RMB4 million to be financed by the internal resources from Mudanjiang Haidi Technology Company Limited, a subsidiary of the Company; and
3. RMB3 million to be financed by the proceeds upon the disposal of idle plant and machinery of the Group located in the PRC.

(3) RESIGNATION OF EXECUTIVE DIRECTOR AND CHAIRMAN OF THE BOARD

Following the resignation of Ms. Chan on 13 March 2024, the Company was left with a single gender board and failed to comply with Rule 13.92 of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Pursuant to No. 19F (1) of the Frequently Asked Questions series 17 of the Stock Exchange, the Company shall appoint a director to re-comply with the requirements under Rule 13.92 within three months after failing to meet such requirements.

The Company is in the process of identifying suitable candidate(s) to fill the vacancy of Ms. Chan and will endeavor to appoint suitable candidate(s) so as to fulfill the requirement under Rule 13.92 of the Listing Rules. The Company will make further announcement(s) in relation to such appointment(s) as and when appropriate in accordance with Listing Rules.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By order of the Board
China Zenith Chemical Group Limited
Law Tze Ping Eric
Acting Chief Executive Officer

Hong Kong, 10 April 2024

As at the date of this announcement, Mr. Law Tze Ping Eric, Mr. Tang Yiduan, Mr. Shing Pan Yu James and Mr. Chin Chun Hin 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.

** For identification purposes only*