

香港聯合交易所有限公司

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FOR REFERENCE ONLY

Subject : Display of Adjusted Previous Closing Price of China Zenith Chemical Group Limited (stock code 362) on OTP-C for its 5-for-2 Rights Issue on Ex-Rights Date, 19 December 2022

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Pursuant to the rights issue timetable issued by China Zenith Chemical Group Limited ("China Zenith Chemical"), China Zenith Chemical's shares will be marked "ex-rights" on 19 December 2022, the Ex-Rights Date. Shareholders, investors and market participants should read the China Zenith Chemical's announcements, circulars and prospectus documents in full including the terms and conditions of the rights issue of China Zenith Chemical in dealing with China Zenith Chemical's shares. If they are in doubt, they should consult their professional adviser(s).

As an OTP-C standard practice for ex-rights issue and for reference only, an Adjusted Previous Closing Price will be displayed in the "PRV CLOSE" field of China Zenith Chemical's OTP-C temporary stock page (stock code 2986) on 19 December 2022, the Ex-Rights Date. The unadjusted previous closing price will instead be displayed in the free text field. Calculation of the Adjusted Previous Closing Price will be based on China Zenith Chemical's closing price on 16 December 2022 (i.e. last cum-rights trading day) and by using the following standard adjustment formula for rights issue generally.

Adjustment Formula:

Adjusted Previous Closing Price

$$= [(Closing Price on the last cum-rights trading day \times Y) + (S \times X)] \div (X + Y)$$

where:

S = Subscription price per rights share, i.e. HK\$0.20

X = Number of rights shares a shareholder is entitled to subscribe when he/she holds Y existing shares on the record date, i.e. 5 rights shares

Y = Number of existing shares a shareholder has to hold on the record date for entitling him/herself to subscribe for X rights shares, i.e. 2 shares

Note: Price adjustment for rights issue will not be made and the previous closing price will remain unchanged on ex-rights date when the subscription price is higher than the closing price of the shares on the last cum-rights trading day.

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For illustration purpose, depending on China Zenith Chemical's closing price on 16 December 2022, the Exchange shall base on the above standard formula for rights issue generally to calculate and display the Adjusted Previous Closing Price on China Zenith Chemical's OTP-C temporary stock page on 19 December 2022 as follows:-

<u>CUM-RIGHTS</u>	<u>EX-RIGHTS</u>
<u>Unadjusted Closing Price</u> <u>on 16 December 2022</u>	<u>Adjusted</u> <u>Previous Closing Price</u> <u>on 19 December 2022</u>
(HK\$)	(HK\$)
0.1860	0.186*
0.1870	0.187*
0.1880	0.188*
0.1890	0.189*
0.1900	0.190*
0.1910	0.191*
0.1920	0.192*
0.1930	0.193*
0.1940	0.194*
0.1950	0.195*
0.1960	0.196*
0.1970	0.197*
0.1980	0.198*
0.1990	0.199*
0.2000	0.200
0.2035	0.201
0.2070	0.202
0.2105	0.203
0.2140	0.204
0.2175	0.205
0.2210	0.206
0.2245	0.207
0.2280	0.208
0.2315	0.209
0.2350	0.210
0.2385	0.211
0.2420	0.212
0.2455	0.213
0.2490	0.214
0.2525	0.215

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