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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)**

## **INSIDE INFORMATION STRATEGIC INVESTMENT FRAMEWORK AGREEMENT**

This announcement is made by China Zenith Chemical Group Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

### **STRATEGIC INVESTMENT FRAMEWORK AGREEMENT**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 18 November 2024 (after trading hours), the Company entered into a strategic investment framework agreement (the “**Framework Agreement**”) with three companies incubated by Suzhou Chuyihe Enterprise Management Co., Ltd\* (蘇州楚一合企業管理有限公司) (“**Suzhou Chuyi**”), namely Hubei Yidong Yimei Management Company Limited\* (湖北省伊動伊媿管理有限責任公司) (“**Yidong Yimei**”), Hubei Daohe Industrial Development Company Limited\* (湖北省道合實業發展有限公司) (“**Daohe Industrial**”) and Fafudo Catering Management (Beijing) Company Limited\* (法芙朵餐飲管理(北京)有限公司) (“**Fafudo**”).

Pursuant to the Framework Agreement, Yidong Yimei, Daohe Industrial and Fafudo agreed to cooperate with the Company and undertook to make strategic investments in the Company to support the Company’s business development, subject to compliance with the Hong Kong capital market regulations and certain conditions. Based on the different stages of cooperation, it is expected that Yidong Yimei, Daohe Industrial and Fafudo will make a strategic investment of not less than US\$20,000,000 to the Company based on the market conditions and use of capital at the relevant time, including but not limited to debt and equity investments, such as subscription and issuance of notes, bonds, convertible bonds, and/or share placements.

The parties agreed that the Framework Agreement shall be valid for 120 days from the date of execution. Any of the parties has the right to terminate the Framework Agreement by giving one-month notice to the other party. Any amendments, changes or additions or deletions to the terms of the Framework Agreement, as well as supplementary agreements, may be agreed upon by the parties in writing.

Save for the terms in relation to, among others, confidentiality contained in the Framework Agreement, the Framework Agreement is not legally binding. Details of the parties' cooperation and the investment method(s) by Yidong Yimei, Daohe Industrial and Fafudo will be determined by the parties after further negotiations and the conclusion of the formal agreement (the "**Formal Agreement**").

## **INFORMATION ON YIDONG YIMEI, DAOHE INDUSTRIAL AND FAFUDO**

Yidong Yimei specializes in the field of non-invasive facial anti-aging, and has innovated in the field of anti-aging by externally applying it to achieve extreme anti-aging effects, which has been well received by the market.

Daohe Industrial is an innovative and platform-based company specializing in the healthcare industry and focusing on head health management. It is a global chain organization that integrates brand building, product research and development and production, business model operation and professional technique team training and output. The company is committed to enabling every entrepreneur, employee and consumer to achieve both health and wealth.

FARFOD 9.9 Selection Bakery Workshop (FARFOD法芙朵9.9甄選麵包工坊) under the brand of Fafudo was co-founded by Lin Yejiang (林業強), a champion of the World Bread Contest, and Bai Donghai (白東海), an expert in microbial fermentation. FARFOD has gained widespread market recognition with its innovative business model of bakery + beverages (Freshly Brewed Milk, Secret Brewed Yogurt, and Stylish Coffee), along with its comfortable shopping experience + its novel and innovative products.

To the best of the Board's knowledge, information and belief, having made all reasonable enquiries, Suzhou Chuyi, Yidong Yimei, Daohe Industrial and Fafudo and their ultimate beneficial owners are all third parties independent of the Company and its connected persons (as defined in the Listing Rules).

## **REASONS FOR AND BENEFITS OF THE STRATEGIC INVESTMENT FRAMEWORK AGREEMENT**

The Company is a Hong Kong-based investment holding company committed to the manufacture and sale of coal-related chemical products and chemical products for agriculture.

The Board is of the view that the parties would leverage on their respective advantages, resources and expertise to build a stable and mutually-beneficial strategic cooperation relationship to expand the market in Mainland China and tap into the healthcare and consumer industries. The entering into of the Framework Agreement is in line with the development strategies of the Company as a whole, which will enable the Company to seize any potential business and investment opportunities, and is in the interests of the Company and its shareholders as a whole.

**Shareholders of the Company and other investors should note that the Framework Agreement may or may not proceed and are advised to 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, 18 November 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*