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XINYANG MAOJIAN GROUP LIMITED

信陽毛尖集團有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 362)

TERMINATION OF (1) DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION OF 100% EQUITY INTERESTS OF THE TARGET COMPANY AND (2) PROPOSED CHANGE OF COMPANY NAME

Reference is made to the announcements (the “**Announcements**”) of Xinyang Maojian Group Limited (the “**Company**”) dated (i) 2 February 2021 in relation to the discloseable transaction regarding the acquisition of 100% equity interests of Beijing Yaolai Longwei Wine Co., Ltd.* (北京耀萊龍微酒業有限公司) by Mudanjiang Longjin Wine Co., Ltd.* (牡丹江龍晉酒業有限公司), an indirect wholly-owned subsidiary of the Company; and (ii) 16 February 2021, 22 February 2021 and 23 February 2021 in relation to the Proposed Change of Company Name. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcements unless otherwise stated.

The Board announces that as a result of the anticipated difficulty in fulfilling all of the conditions precedent to the Agreement, it is announced that the Agreement was terminated according to its terms on 18 May 2021 and none of the parties to the Agreement shall have any claim against the others for costs, damages, compensation or otherwise. Consequently, the Proposed Change of Company Name shall also be terminated.

The Board is of the view that the above terminations will not have any material adverse impact on the existing businesses and operations of the Company. Owing to the recent change in energy saving and emission reduction policies from the Central Government and the drastic changes in the price of raw materials in the PRC, the Group's existing chemical business will be more advantageous and is expected to sustain its performance in the foreseeable future. In view of this, the Group is revitalizing its production line of calcium carbide with Heihe Longjiang Chemical Co., Ltd. The production lines of two refined chemical products, Permanent Violet RL and BMAP, are expected to commence production in June, bringing considerable revenue to the Group.

By order of the Board
Xinyang Maojian Group Limited
Chan Yuk Foebe
Chairman and Chief Executive Officer

Hong Kong, 18 May 2021

As at the date of this announcement, Ms. Chan Yuk Foebe, Mr. Gao Ran, Mr. Law Tze Ping Eric and Mr. Yu Defa 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*