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XINYANG MAOJIAN GROUP LIMITED

信陽毛尖集團有限公司

(formerly known as 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 Xinyang Maojian 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 13 February 2020 (after trading hours), the Company entered into a strategic investment framework agreement (the “**Framework Agreement**”) with SB Green Investment Fund Limited (“**SB Green**”).

Pursuant to the Framework Agreement, SB Green agrees to cooperate with the Company and commits to make strategic investments in the Company to support the Company’s development of new economic businesses that meet the requirements of green sustainable 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 SB Green will make strategic investment of not less than US\$50,000,000 to the Company based on the market situation 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.

Both parties agree 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 both 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 SB Green will be determined by the parties after further negotiations and signing of the formal agreement (the "**Formal Agreement**").

REASONS AND BENEFITS FOR 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 generation and supply of power and steam. At the same time, the Company is committed to seeking new business opportunities such as the potential acquisition as refer to the announcement of 23 January 2020.

SB Green is a company incorporated in Hong Kong in 2017 and is principally engaged in business investment.

The Board is of the view that both parties would leverage on their respective advantages, resources and expertise to build a stable and mutually-beneficial strategic cooperation relationship. The entry into 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.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Mr. Sha Tao ("**Mr. Sha**"), a substantial shareholder of the Company, has an indirect equity interest in SB Green, and SB Green is an associate (as defined in the Listing Rules) of Mr. Sha. Accordingly, SB Green is a connected person of the Company as defined under Chapter 14A of the Listing Rules and the entering into of the Formal Agreement, if any, will constitute a connected transaction of the Company.

As at the date of this announcement, all terms and conditions of the Formal Agreement are still being negotiated and no binding agreement has been entered into. There is no assurance that the Formal Agreement will be materialized and entered into between the parties. The Formal Agreement may or may not constitute a connected transaction of the Company under the Listing Rules. Further announcement in relation to the Framework Agreement and/or Formal Agreement will be made by the Company as and when appropriate in compliance with the Listing Rules.

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
Xinyang Maojian Group Limited
Chan Yuk Foebe
Chairman and Chief Executive Officer

Hong Kong, 13 February 2020

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