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**Zhengzhou Coal Mining Machinery Group Company Limited**  
**鄭州煤礦機械集團股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 00564)**

**DISCLOSEABLE TRANSACTION**  
**SUBSCRIPTIONS OF WEALTH MANAGEMENT PRODUCTS**  
**OF CHINA GUANGFA BANK**

The Board of Zhengzhou Coal Mining Machinery Group Company Limited (the “**Company**”) is pleased to announce that, on 10 April 2020, the Company subscribed for a wealth management product issued by China Guangfa Bank (the “**Transaction**”) at a consideration of RMB200 million (“**Wealth Management Product No. 4**”).

On 26 February 2020, the Company subscribed for a wealth management product issued by China Guangfa Bank at a consideration of RMB190 million (“**Wealth Management Product No. 3**”). On 16 August 2019, the Company subscribed for a wealth management product issued by China Guangfa Bank at a consideration of RMB130 million (“**Wealth Management Product No. 2**”). On 26 July 2019, the Company subscribed for a wealth management product issued by China Guangfa Bank at a consideration of RMB180 million (“**Wealth Management Product No. 1**”) (the three subscriptions are collectively referred to as the “**Previous Transactions**”).

Pursuant to Rule 14.22 of the Listing Rules, the Transaction shall be aggregated with the Previous Transactions. The aggregate subscription amount of the Wealth Management Products No. 1, No. 2, No. 3 and No. 4 within a 12-month period is RMB700 million. As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) of the aggregate subscription amount exceed 5% but are lower than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules but exempt from the Shareholders’ approval requirement.

## THE SUBSCRIPTIONS

### 1. Subscription for Wealth Management Product No. 4

<b>Date of subscription:</b>	10 April 2020
<b>Term of investment:</b>	10 April 2020 – 9 July 2020
<b>Investment portfolio:</b>	The principal of the structured deposits is operated and managed with bank capital on a collective basis. The proportion of investment in monetary market instruments (including but not limited to bank deposits, interbank borrowings, repurchases, etc.) ranges from 20% to 100%, and the proportion of investment in bonds (including but not limited to treasury bonds, central bank bills, financial bonds, short-term commercial papers, enterprise bonds, medium-term notes and corporate bonds) and other financial assets ranges from 0% to 80%, with the yield invested in financial derivatives linked to the exchange rate of USD against HKD
<b>Parties:</b>	<p>The Company and Zhengzhou Huanghe Road Branch of China Guangfa Bank Co., Ltd.</p> <p>China Guangfa Bank is a licensed bank incorporated under the PRC laws. To the best knowledge, information and belief of the Directors, China Guangfa Bank and its ultimate beneficial owners are Independent Third Parties.</p>
<b>Type of product:</b>	Principal-guaranteed floating-income structured deposits
<b>Consideration of subscription:</b>	RMB200 million
<b>Expected annualized yield rate:</b>	1.5% or 3.95%
<b>Linked subject:</b>	<p>The yield rate on structured deposits is linked to the final exchange rate of USD against HKD.</p> <p>The final exchange rate of USD against HKD refers to the exchange rate of USD against HKD published on Reuters page “HKDFIX” at 11:30 a.m. on 20 April 2020 (Hong Kong time).</p>

**Determination on the yield of the product:**

- (1) If the final exchange rate of USD against HKD remains within the exchange rate range of (7.3000, 8.8000) (excluding the boundary points), the yield rate on structured deposits to maturity is 3.95% (annualized yield rate);
- (2) If the final exchange rate of USD against HKD remains beyond the exchange rate range (7.3000, 8.8000) (including the boundary points), the yield rate on structured deposits to maturity is 1.5% (annualized yield rate)

**Yield calculation:**

Yield = principal of structured deposits × annualized yield rate to maturity × actual days of structured deposits (from the establishment date (inclusive) to the maturity date (exclusive))/365

**2. Subscription for Wealth Management Product No. 3**

**Date of subscription:** 26 February 2020

**Term of investment:** 26 February 2020–28 September 2020

**Investment portfolio:** The principal of the structured deposits is operated and managed with bank capital on a collective basis. The proportion of investment in monetary market instruments (including but not limited to bank deposits, interbank borrowings, repurchases, etc.) ranges from 20% to 100%, and the proportion of investment in bonds (including but not limited to treasury bonds, central bank bills, financial bonds, short-term commercial papers, enterprise bonds, medium-term notes and corporate bonds) and other financial assets ranges from 0% to 80%, with the yield invested in financial derivatives linked to the exchange rate of USD against HKD

**Parties:** The Company and Zhengzhou Huanghe Road Branch of China Guangfa Bank Co., Ltd.

China Guangfa Bank is a licensed bank incorporated under the PRC laws. To the best knowledge, information and belief of the Directors, China Guangfa Bank and its ultimate beneficial owners are Independent Third Parties.

**Type of product:** Principal-guaranteed floating-income structured deposits

**Consideration of subscription:** RMB190 million

**Expected annualized yield rate:** 1.5% or 4.15%

**Linked subject:** The yield rate on structured deposits is linked to the final exchange rate of USD against HKD.

The final exchange rate of USD against HKD refers to the exchange rate of USD against HKD on Reuters page “HKDFIX” at 11:30 a.m. on 9 March 2020 (Hong Kong time).

**Determination on the yield of the product:**

- (1) If the final exchange rate of USD against HKD remains within the exchange rate range of (7.3000, 8.8000) (excluding the boundary points), the yield rate on structured deposits to maturity is 4.15% (annualized yield rate);
- (2) If the final exchange rate of USD against HKD remains beyond the exchange rate range (7.3000, 8.8000) (including the boundary points), the yield rate on structured deposits to maturity is 1.5% (annualized yield rate)

**Yield calculation:**  $\text{Yield} = \text{principal of structured deposits} \times \text{annualized yield rate to maturity} \times \text{actual days of structured deposits (from the establishment date (inclusive) to the maturity date (exclusive))} / 365$

### 3. Subscription for Wealth Management Product No. 2

**Date of subscription:** 16 August 2019

**Term of investment:** 16 August 2019–18 February 2020

**Investment portfolio:** The principal of the structured deposits is operated and managed with bank capital on a collective basis. The proportion of investment in monetary market instruments (including but not limited to bank deposits, interbank borrowings, repurchases, etc.) ranges from 20% to 100%, and the proportion of investment in bonds (including but not limited to treasury bonds, central bank bills, financial bonds, short-term commercial papers, enterprise bonds, mid-term notes and corporate bonds) and other financial assets ranges from 0% to 80% with the yield invested in financial derivatives linked to the exchange rate of USD against HKD

**Parties:** The Company and Zhengzhou Huanghe Road Branch of China Guangfa Bank Co., Ltd.

China Guangfa Bank is a licensed bank incorporated under the PRC laws. To the best knowledge, information and belief of the Directors, China Guangfa Bank and its ultimate beneficial owners are Independent Third Parties.

**Type of product:** Principal-guaranteed floating-income structured deposits

**Consideration of subscription:** RMB130 million

<b>Expected annualized yield rate:</b>	2.6% or 3.85%
<b>Linked subject:</b>	<p>The yield rate on structured deposits is linked to the final exchange rate of USD against HKD.</p> <p>The final exchange rate of USD against HKD refers to the exchange rate of USD against HKD on Reuters page “HKDFIX” at 11:30 a.m. on 26 August 2019 (Hong Kong time).</p>
<b>Determination on the yield of the product:</b>	<p>(1) If the final exchange rate of USD against HKD remains within the exchange rate range of (7.3000, 8.8000) (excluding the boundary points), the yield rate on structured deposits to maturity is 3.85% (annualized yield rate);</p> <p>(2) If the final exchange rate of USD against HKD remains beyond the exchange rate range of (7.3000, 8.8000) (including the boundary points), the yield rate on structured deposits to maturity is 2.6% (annualized yield rate)</p>
<b>Yield calculation:</b>	$\text{Yield} = \text{principal of structured deposits} \times \text{annualized yield rate to maturity} \times \text{actual days of structured deposits (from the establishment date (inclusive) to the maturity date (exclusive))} / 365$

#### 4. Subscription for Wealth Management Product No.1

<b>Date of subscription:</b>	26 July 2019
<b>Term of investment:</b>	26 July 2019–23 January 2020
<b>Investment portfolio:</b>	<p>The principal of the structured deposits is operated and managed with bank capital on a collective basis. The proportion of investment in monetary market instruments (including but not limited to bank deposits, interbank borrowings, repurchases, etc.) ranges from 20% to 100%, and the proportion of investment in bonds (including but not limited to treasury bonds, central bank bills, financial bonds, short-term commercial papers, enterprise bonds, medium-term notes and corporate bonds) and other financial assets ranges from 0% to 80%, with the yield invested in financial derivatives linked to the exchange rate of USD against HKD</p>
<b>Parties:</b>	<p>The Company and Zhengzhou Huanghe Road Branch of China Guangfa Bank Co., Ltd.</p> <p>China Guangfa Bank is a licensed bank incorporated under the PRC laws. To the best knowledge, information and belief of the Directors, China Guangfa Bank and its ultimate beneficial owners are Independent Third Parties.</p>

<b>Type of product:</b>	Principal-guaranteed floating-income structured deposits
<b>Consideration of subscription:</b>	RMB180 million
<b>Expected annualized yield rate:</b>	2.6% or 3.9%
<b>Linked subject:</b>	<p>The yield rate on structured deposits is linked to the final exchange rate of USD against HKD.</p> <p>The final exchange rate of USD against HKD refers to the exchange rate of USD against HKD published on Reuters page “HKDFIX” at 11:30 a.m. on 5 August 2019 (Hong Kong time).</p>
<b>Determination on the yield of the product:</b>	<p>(1) If the final exchange rate of USD against HKD remains within the exchange rate range of (7.0000, 9.0000) (excluding the boundary points), the yield rate on structured deposits to maturity is 3.9% (annualized yield rate);</p> <p>(2) If the final exchange rate of USD against HKD remains beyond the exchange rate range of (7.0000, 9.0000) (including the boundary points), the yield rate on structured deposits to maturity is 2.6% (annualized yield rate)</p>
<b>Yield calculation:</b>	$\text{Yield} = \text{principal of structured deposits} \times \text{annualized yield rate to maturity} \times \text{actual days of structured deposits (from the establishment date (inclusive) to the maturity date (exclusive))} / 365$

## REASONS AND BENEFITS FOR THE SUBSCRIPTIONS

As the Wealth Management Products offer better returns to the Company when compared to the fixed-term deposit interest rates offered by commercial banks in the PRC, they are beneficial to the Company for increasing its capital income and realizing better maintenance and appreciation of its capital value. The Directors consider that the subscriptions for the Wealth Management Products are on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

## INFORMATION ABOUT THE COMPANY

The principal activities of the Company are the manufacturing of comprehensive coal mining and excavating equipment.

## IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.22 of the Listing Rules, the Transaction shall be aggregated with the Previous Transactions. The aggregate subscription amount of the Wealth Management Products No. 1, No. 2, No. 3 and No. 4 within a 12-month period is RMB700 million. As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) of the aggregate subscription amount exceed 5% but are lower than 25%, the Transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules but exempt from the Shareholders' approval requirement.

## DEFINITIONS

In this announcement, the following expressions have the following meanings unless the context otherwise requires:

“Board”	the board of Directors of the Company
“China Guangfa Bank”	China Guangfa Bank Co., Ltd., a licensed bank incorporated under the law of the People's Republic of China
“Company”	Zhengzhou Coal Mining Machinery Group Company Limited (鄭州煤礦機械集團股份有限公司), a company incorporated in the PRC with limited liability and listed on the Main Board of the Stock Exchange and Shanghai Stock Exchange (Stock Code: 0564.HK and 601717.SH)
“Director(s)”	the director(s) of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Independent Third Parties”	third parties independent of the Company and its connected persons (within the meaning of the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People's Republic of China, but for the purpose of this announcement only, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s) of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealth Management Products”	the Wealth Management Products No. 1, No. 2, No. 3 and No. 4 to be issued or issued by China Guangfa Bank, the principal terms of which are summarized in this announcement
“%”	per cent

By order of the Board  
**Zhengzhou Coal Mining Machinery Group Company Limited**  
**Jiao Chengyao**  
*Chairman*

Zhengzhou, PRC, 13 April 2020

*As at the date of this announcement, the executive Directors of the Company are Mr. JIAO Chengyao, Mr. JIA Hao, Mr. XIANG Jiayu, Mr. FU Zugang, Mr. WANG Xinying and Mr. WANG Bin and the independent non-executive Directors are Ms. LIU Yao, Mr. JIANG Hua, Mr. LI Xudong and Mr. CHENG Jinglei.*