

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Zoomlion Heavy Industry Science and Technology Co., Ltd



Zoomlion Heavy Industry Science and Technology Co., Ltd.*

中联重科股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1157)

REDUCTION OF GROSS PROCEEDS TO BE RAISED FROM THE NON-PUBLIC ISSUANCE OF A SHARES

Reference is made to the circulars of Zoomlion Heavy Industry Science and Technology Co., Ltd.* (the “**Company**”) dated 27 July 2020 and 9 October 2020 respectively and announcements of the Company dated 12 August 2020 and 29 September 2020 respectively in relation to the non-public issuance of A shares (the “**Non-public Issuance**”).

The Non-public Issuance has been approved by the board of directors of the Company (the “**Board**”) at the extraordinary meeting on 5 July 2020, the shareholders of the Company at the extraordinary general meeting on 12 August 2020, the Board at the extraordinary meeting on 29 September 2020 and the shareholders of the Company at the extraordinary general meeting on 27 October 2020, respectively. The Board subsequently approved “The Resolutions of Reduction of Gross Proceeds to be Raised from the Non-Public Issuance of A Shares” and other resolutions relating thereto at the extraordinary meeting on 30 November 2020 (the “**Extraordinary Board Meeting**”). The amendments to the Non-public Issuance is subject to the approval by the China Securities Regulatory Commission (the “**CSRC**”).

Pursuant to relevant regulatory requirements specified in “The Notice by the CSRC of Issuing Several Questions and Answers Concerning the Refinancing Business”, the amount of new or proposed financial investments made or to be made during the period commencing from six months prior to the Board approving the Non-public Issuance on 5 July 2020 to the date of commencement of the Non-public Issuance shall be deducted from the gross proceeds to be raised from the Non-public Issuance. Pursuant to the above regulatory requirements and the need to use proceeds in a prudent way, the Company proposed to deduct a sum of RMB401 million from the gross proceeds to be raised from the Non-public Issuance for financial investments and other purposes.

The Board has approved “The Resolutions of Reduction of Gross Proceeds to be Raised from the Non-Public Issuance of A Shares” at the Extraordinary Board Meeting. The details of the adjustments of the Non-public Issuance are as follows:

1. Use of proceeds

Before adjustment:

The gross proceeds to be raised from the Non-public Issuance will not exceed RMB5,600 million. After deduction of the relevant issuing fees, the net proceeds are proposed to be used in the following projects:

No.	Project name	Total investment amount (RMB million)	Proposed amount of proceeds to be contributed (RMB million)
1	Excavating machinery intelligent manufacturing project	3,083.13	2,400.00
2	Project for upgrading of intelligent manufacturing of mixer product	829.77	350.00
3	Key components intelligent manufacturing project	1,667.50	1,300.00
4	Liquidity replenishment	1,550.00	1,550.00
Total		7,130.40	5,600.00

If the actual net proceeds to be raised from the Non-public Issuance is less than the proposed amount of proceeds to be applied to the above projects, the Company will adjust and finally determine the specific investment projects to which the proceeds are to be applied, the order of priority and specific amount of investment in each project based on the actual net proceeds to be raised and taking account of the project conditions such as degree of importance and urgency. Any shortfall of proceeds will be supplemented by the Company with its own funds or through other financing methods.

Prior to the availability of the proceeds from the Non-public Issuance, the Company will use alternative methods to raise capital based on the actual progress of the projects and, when the proceeds are available, allocate the proceeds to replace the funds raised by alternative methods in accordance with the procedures required by relevant laws and regulations.

After adjustment:

The gross proceeds to be raised from the Non-public Issuance will not exceed RMB5,199 million. After deduction of the relevant issuing fees, the net proceeds are proposed to be used in the following projects:

No.	Project name	Total investment amount (RMB million)	Proposed amount of proceeds to be contributed (RMB million)
1	Excavating machinery intelligent manufacturing project	3,083.13	2,400.00
2	Project for upgrading of intelligent manufacturing of mixer product	829.77	350.00
3	Key components intelligent manufacturing project	1,667.50	1,300.00
4	Liquidity replenishment	1,149.00	1,149.00
Total		6,729.40	5,199.00

If the actual net proceeds to be raised from the Non-public Issuance is less than the proposed amount of proceeds to be applied to the above projects, the Company will adjust and finally determine the specific investment projects to which the proceeds are to be applied, the order of priority and specific amount of investment in each project based on the actual net proceeds to be raised and taking account of the project conditions such as degree of importance and urgency. Any shortfall of proceeds will be supplemented by the Company with its own funds or through other financing methods.

Prior to the availability of the proceeds from the Non-public Issuance, the Company will use alternative methods to raise capital based on the actual progress of the projects and, when the proceeds are available, allocate the proceeds to replace the funds raised by alternative methods in accordance with the procedures required by relevant laws and regulations.

By order of the Board
Zoomlion Heavy Industry Science and Technology Co., Ltd.*
Zhan Chunxin
Chairman

Changsha, the PRC, 30 November 2020

As at the date of this announcement, the executive director of the Company is Dr. Zhan Chunxin; the non-executive directors of the Company are Mr. He Liu and Mr. Zhao John Huan; and the independent non-executive directors of the Company are Mr. Zhao Songzheng, Mr. Lai Kin Keung, Ms. Liu Guiliang and Mr. Yang Changbo.

* For identification purpose only