

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.



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
ENTERING INTO AN ASSET MANAGEMENT PLAN

The Board of Zhengzhou Coal Mining Machinery Group Company Limited (the “**Company**”) is pleased to announce that, on 17 January 2023, the Company entered into an asset management contract with Zhongtai Asset Management for an asset management plan (the “**Transaction**”) at a consideration of RMB200 million (“**Wealth Management Product No. 6**”).

On 16 January 2023, the Company entered into an asset management contract with Zhongtai Asset Management for an asset management plan at a consideration of RMB300 million (“**Wealth Management Product No. 5**”). On 25 November 2022, the Company entered into an asset management contract with Zhongtai Asset Management for an asset management plan at a consideration of RMB50 million (“**Wealth Management Product No. 4**”). On 15 August 2022, the Company entered into an asset management contract with Zhongtai Asset Management for an asset management plan at a consideration of RMB100 million (“**Wealth Management Product No. 3**”). On 16 June 2022, the Company entered into an asset management contract with Zhongtai Asset Management for an asset management plan at a consideration of RMB150 million (“**Wealth Management Product No. 2**”). On 28 February 2022, the Company entered into an asset management contract with Zhongtai Asset Management for an asset management plan at a consideration of RMB200 million (“**Wealth Management Product No. 1**”) (the five 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. Within the 12-month period, the aggregate subscription amount of Wealth Management Products Nos. 1, 2, 3, 4, 5 and 6 was RMB1,000 million. As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the aggregate subscription amount exceed 5% but are lower than 25%, the Transaction constitutes a discloseable transaction of the Company under relevant provisions of Chapter 14 of the Listing Rules, and is subject to the notification and announcement requirements under the Listing Rules but exempt from the Shareholders’ approval requirement.

THE SUBSCRIPTIONS

1. Subscription for Wealth Management Product No. 6

| | |
|--|---|
| Date | 17 January 2023 |
| Term | 17 January 2023 to 16 January 2024 |
| Parties | <p>The Company acts as the asset principal, with Zhongtai Asset Management as the asset manager and CITIC Securities as the asset custodian.</p> <p>To the best of the Directors' knowledge, information and belief, Zhongtai Asset Management, CITIC Securities and their ultimate beneficial owners are independent third parties of the Company.</p> |
| Type of the Product | Single fixed-income asset management plan |
| Amount of the Product | RMB200 million |
| Main investment direction of the Product | Credit assets |
| Expected yield of the Product | 4.00% |

Custody and disposal of
properties under the asset
management plan

The liabilities of the properties under the asset management plan shall be borne by the properties under the asset management plan, and the asset principal shall be liable for the liabilities of the properties under the asset management plan to the extent of its capital contribution. The properties under the asset management plan are independent of the inherent properties of the asset manager and asset custodian, and are independent of other properties managed by the asset manager and held in trust by the asset custodian. The asset manager and asset custodian shall not subsume the entrusted properties into their inherent properties. The properties and income obtained by the asset manager and asset custodian from the management and application of or otherwise arising from the properties under the asset management plan are attributed to the properties under the asset management plan. The asset manager and asset custodian may receive management fee, custodian fee, performance compensation (if any) and other fees as agreed in the contract, and bear legal responsibility with their own properties, while their creditors shall not request for the exercise of freezing, seizure and other rights on the entrusted properties. If the asset manager or asset custodian is liquidated due to legal dissolution, revocation or declaration of bankruptcy, the properties under the asset management plan shall not serve as part of its liquidation properties. Claims arising from the properties under the asset management plan shall not be set off against such debts that are not part of the properties under the asset management plan. The asset manager and asset custodian shall not claim enforcement by their creditors upon the entrusted properties in relation to the debts not assumed by the properties under the asset management plan. When the aforementioned creditors claim rights on the properties under the asset management plan, the asset manager and asset custodian shall specify the independence of the properties under the asset management plan, take reasonable measures and promptly notify the asset principal.

2. Subscription for Wealth Management Product No. 5

| | |
|--|---|
| Date | 16 January 2023 |
| Term | 16 January 2023 to 15 January 2024 |
| Parties | <p>The Company acts as the asset principal, with Zhongtai Asset Management as the asset manager and CITIC Securities as the asset custodian.</p> <p>To the best of the Directors' knowledge, information and belief, Zhongtai Asset Management, CITIC Securities and their ultimate beneficial owners are independent third parties of the Company.</p> |
| Type of the Product | Single fixed-income asset management plan |
| Amount of the Product | RMB300 million |
| Main investment direction of the Product | Credit assets |
| Expected yield of the Product | 4.00% |

Custody and disposal of
properties under the asset
management plan

The liabilities of the properties under the asset management plan shall be borne by the properties under the asset management plan, and the asset principal shall be liable for the liabilities of the properties under the asset management plan to the extent of its capital contribution. The properties under the asset management plan are independent of the inherent properties of the asset manager and asset custodian, and are independent of other properties managed by the asset manager and held in trust by the asset custodian. The asset manager and asset custodian shall not subsume the entrusted properties into their inherent properties. The properties and income obtained by the asset manager and asset custodian from the management and application of or otherwise arising from the properties under the asset management plan are attributed to the properties under the asset management plan. The asset manager and asset custodian may receive management fee, custodian fee, performance compensation (if any) and other fees as agreed in the contract, and bear legal responsibility with their own properties, while their creditors shall not request for the exercise of freezing, seizure and other rights on the entrusted properties. If the asset manager or asset custodian is liquidated due to legal dissolution, revocation or declaration of bankruptcy, the properties under the asset management plan shall not serve as part of its liquidation properties. Claims arising from the properties under the asset management plan shall not be set off against such debts that are not part of the properties under the asset management plan. The asset manager and asset custodian shall not claim enforcement by their creditors upon the entrusted properties in relation to the debts not assumed by the properties under the asset management plan. When the aforementioned creditors claim rights on the properties under the asset management plan, the asset manager and asset custodian shall specify the independence of the properties under the asset management plan, take reasonable measures and promptly notify the asset principal.

3. Subscription for Wealth Management Product No. 4

| | |
|--|---|
| Date | 25 November 2022 |
| Term | 25 November 2022 to 24 November 2023 |
| Parties | <p>The Company acts as the asset principal, with Zhongtai Asset Management as the asset manager and CITIC Securities as the asset custodian.</p> <p>To the best of the Directors' knowledge, information and belief, Zhongtai Asset Management, CITIC Securities and their ultimate beneficial owners are independent third parties of the Company.</p> |
| Type of the Product | Single fixed-income asset management plan |
| Amount of the Product | RMB50 million |
| Main investment direction of the Product | Credit assets |
| Expected yield of the Product | 4.00% |

Custody and disposal of
properties under the asset
management plan

The liabilities of the properties under the asset management plan shall be borne by the properties under the asset management plan, and the asset principal shall be liable for the liabilities of the properties under the asset management plan to the extent of its capital contribution. The properties under the asset management plan are independent of the inherent properties of the asset manager and asset custodian, and are independent of other properties managed by the asset manager and held in trust by the asset custodian. The asset manager and asset custodian shall not subsume the entrusted properties into their inherent properties. The properties and income obtained by the asset manager and asset custodian from the management and application of or otherwise arising from the properties under the asset management plan are attributed to the properties under the asset management plan. The asset manager and asset custodian may receive management fee, custodian fee, performance compensation (if any) and other fees as agreed in the contract, and bear legal responsibility with their own properties, while their creditors shall not request for the exercise of freezing, seizure and other rights on the entrusted properties. If the asset manager or asset custodian is liquidated due to legal dissolution, revocation or declaration of bankruptcy, the properties under the asset management plan shall not serve as part of its liquidation properties. Claims arising from the properties under the asset management plan shall not be set off against such debts that are not part of the properties under the asset management plan. The asset manager and asset custodian shall not claim enforcement by their creditors upon the entrusted properties in relation to the debts not assumed by the properties under the asset management plan. When the aforementioned creditors claim rights on the properties under the asset management plan, the asset manager and asset custodian shall specify the independence of the properties under the asset management plan, take reasonable measures and promptly notify the asset principal.

4. Subscription for Wealth Management Product No. 3

| | |
|--|---|
| Date | 15 August 2022 |
| Term | 15 August 2022 to 14 August 2023 |
| Parties | <p>The Company acts as the asset principal, with Zhongtai Asset Management as the asset manager and CITIC Securities as the asset custodian.</p> <p>To the best of the Directors' knowledge, information and belief, Zhongtai Asset Management, CITIC Securities and their ultimate beneficial owners are independent third parties of the Company.</p> |
| Type of the Product | Single fixed-income asset management plan |
| Amount of the Product | RMB100 million |
| Main investment direction of the Product | Credit assets |
| Expected yield of the Product | 4.00% |

Custody and disposal of
properties under the asset
management plan

The liabilities of the properties under the asset management plan shall be borne by the properties under the asset management plan, and the asset principal shall be liable for the liabilities of the properties under the asset management plan to the extent of its capital contribution. The properties under the asset management plan are independent of the inherent properties of the asset manager and asset custodian, and are independent of other properties managed by the asset manager and held in trust by the asset custodian. The asset manager and asset custodian shall not subsume the entrusted properties into their inherent properties. The properties and income obtained by the asset manager and asset custodian from the management and application of or otherwise arising from the properties under the asset management plan are attributed to the properties under the asset management plan. The asset manager and asset custodian may receive management fee, custodian fee, performance compensation (if any) and other fees as agreed in the contract, and bear legal responsibility with their own properties, while their creditors shall not request for the exercise of freezing, seizure and other rights on the entrusted properties. If the asset manager or asset custodian is liquidated due to legal dissolution, revocation or declaration of bankruptcy, the properties under the asset management plan shall not serve as part of its liquidation properties. Claims arising from the properties under the asset management plan shall not be set off against such debts that are not part of the properties under the asset management plan. The asset manager and asset custodian shall not claim enforcement by their creditors upon the entrusted properties in relation to the debts not assumed by the properties under the asset management plan. When the aforementioned creditors claim rights on the properties under the asset management plan, the asset manager and asset custodian shall specify the independence of the properties under the asset management plan, take reasonable measures and promptly notify the asset principal.

5. Subscription for Wealth Management Product No. 2

| | |
|--|---|
| Date | 16 June 2022 |
| Term | 16 June 2022 to 15 June 2023 |
| Parties | <p>The Company acts as the asset principal, with Zhongtai Asset Management as the asset manager and CITIC Securities as the asset custodian.</p> <p>To the best of the Directors' knowledge, information and belief, Zhongtai Asset Management, CITIC Securities and their ultimate beneficial owners are independent third parties of the Company.</p> |
| Type of the Product | Single fixed-income asset management plan |
| Amount of the Product | RMB150 million |
| Main investment direction of the Product | Credit assets |
| Expected yield of the Product | 4.00% |

Custody and disposal of
properties under the asset
management plan

The liabilities of the properties under the asset management plan shall be borne by the properties under the asset management plan, and the asset principal shall be liable for the liabilities of the properties under the asset management plan to the extent of its capital contribution. The properties under the asset management plan are independent of the inherent properties of the asset manager and asset custodian, and are independent of other properties managed by the asset manager and held in trust by the asset custodian. The asset manager and asset custodian shall not subsume the entrusted properties into their inherent properties. The properties and income obtained by the asset manager and asset custodian from the management and application of or otherwise arising from the properties under the asset management plan are attributed to the properties under the asset management plan. The asset manager and asset custodian may receive management fee, custodian fee, performance compensation (if any) and other fees as agreed in the contract, and bear legal responsibility with their own properties, while their creditors shall not request for the exercise of freezing, seizure and other rights on the entrusted properties. If the asset manager or asset custodian is liquidated due to legal dissolution, revocation or declaration of bankruptcy, the properties under the asset management plan shall not serve as part of its liquidation properties. Claims arising from the properties under the asset management plan shall not be set off against such debts that are not part of the properties under the asset management plan. The asset manager and asset custodian shall not claim enforcement by their creditors upon the entrusted properties in relation to the debts not assumed by the properties under the asset management plan. When the aforementioned creditors claim rights on the properties under the asset management plan, the asset manager and asset custodian shall specify the independence of the properties under the asset management plan, take reasonable measures and promptly notify the asset principal.

6. Subscription for Wealth Management Product No. 1

| | |
|--|---|
| Date | 28 February 2022 |
| Term | 28 February 2022 to 27 February 2023 |
| Parties | <p>The Company acts as the asset principal, with Zhongtai Asset Management as the asset manager and CITIC Securities as the asset custodian.</p> <p>To the best of the Directors' knowledge, information and belief, Zhongtai Asset Management, CITIC Securities and their ultimate beneficial owners are independent third parties of the Company.</p> |
| Type of the Product | Single fixed-income asset management plan |
| Amount of the Product | RMB200 million |
| Main investment direction of the Product | Credit assets |
| Expected yield of the Product | 4.00% |

Custody and disposal of properties under the asset management plan

The liabilities of the properties under the asset management plan shall be borne by the properties under the asset management plan, and the asset principal shall be liable for the liabilities of the properties under the asset management plan to the extent of its capital contribution. The properties under the asset management plan are independent of the inherent properties of the asset manager and asset custodian, and are independent of other properties managed by the asset manager and held in trust by the asset custodian. The asset manager and asset custodian shall not subsume the entrusted properties into their inherent properties. The properties and income obtained by the asset manager and asset custodian from the management and application of or otherwise arising from the properties under the asset management plan are attributed to the properties under the asset management plan. The asset manager and asset custodian may receive management fee, custodian fee, performance compensation (if any) and other fees as agreed in the contract, and bear legal responsibility with their own properties, while their creditors shall not request for the exercise of freezing, seizure and other rights on the entrusted properties. If the asset manager or asset custodian is liquidated due to legal dissolution, revocation or declaration of bankruptcy, the properties under the asset management plan shall not serve as part of its liquidation properties. Claims arising from the properties under the asset management plan shall not be set off against such debts that are not part of the properties under the asset management plan. The asset manager and asset custodian shall not claim enforcement by their creditors upon the entrusted properties in relation to the debts not assumed by the properties under the asset management plan. When the aforementioned creditors claim rights on the properties under the asset management plan, the asset manager and asset custodian shall specify the independence of the properties under the asset management plan, take reasonable measures and promptly notify the asset principal.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

As the Wealth Management Products offer the Company better returns than the interest rates of time deposits offered by commercial banks in the PRC, such products are beneficial to the Company with higher capital income and better capital preservation and appreciation. 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 OF THE PARTIES

Information of the Company

The Company is principally engaged in the manufacturing and sales of auto parts and hydraulic roof supports and related components for comprehensive coal mining and provision of related services. Products of the Company are manufactured according to sales orders and tailor-made to suit customers' specific requirements. Research and development, design, procurement, production and sales of the major products of the Company are all completed internally.

Information of Zhongtai Asset Management

Zhongtai Asset Management principally engages in securities asset management and public offering securities investment fund management business. Zhongtai Asset Management is a subsidiary of Zhongtai Securities Co., Ltd.. Zhongtai Securities Co., Ltd. is a joint stock company incorporated in the PRC with limited liability, whose shares are listed on the main board of Shanghai Stock Exchange (stock code: 600918.SH). To the best of the Company's knowledge, having made all reasonable enquiries, the ultimate beneficial owner of Zhongtai Asset Management is Shandong Provincial State-owned Assets Supervision and Administration Commission (山東省人民政府國有資產監督管理委員會).

Information of CITIC Securities

CITIC Securities principally engages in securities brokerage; securities investment consulting; financial advisory services related to securities trading and securities investment activities; securities underwriting and sponsorship; securities proprietary business; securities asset management; margin financing and securities lending; securities investment fund sales agency; provision of intermediate referral services to futures companies; distribution of financial products; and stock options market making business. CITIC Securities is a limited liability company incorporated in PRC, whose H shares are listed on the main board of the Stock Exchange (stock code: 6030.HK) and A shares are listed on the main board of the Shanghai Stock Exchange (stock code: 600030.SH). To the best of the Company's knowledge, having made all reasonable enquiries, CITIC Securities has no ultimate beneficial owner.

IMPLICATIONS UNDER THE LISTING RULES

Pursuant to Rule 14.22 of the Listing Rules, the Transaction shall be aggregated with the Previous Transactions. Within a 12-month period, the aggregate subscription amount of Wealth Management Products Nos. 1, 2, 3, 4, 5 and 6 was RMB1,000 million. As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the aggregate subscription amount exceed 5% but are lower than 25%, the Transaction constitutes a discloseable transaction of the Company under relevant provisions of Chapter 14 of the Listing Rules, and is subject to the notification and announcement requirements under the Listing Rules but exempt from the Shareholders' approval requirement.

DEFINITIONS

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

| | |
|------------------------------|---|
| “Board” | the board of Directors of the Company |
| “CITIC Securities” | CITIC Securities Company Limited (中信證券股份有限公司) |
| “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 boards of the Stock Exchange and Shanghai Stock Exchange (stock codes: 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, the 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 Nos. 1, 2, 3, 4, 5 and 6, the principal terms of which are summarized in this announcement |

“Zhongtai Asset Management” Zhongtai Securities (Shanghai) Asset Management Co., Ltd.
(中泰證券(上海)資產管理有限公司)

“%” per cent

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

Zhengzhou, PRC, 17 January 2023

As at the date of this announcement, the executive Directors of the Company are Mr. JIAO Chengyao, Mr. XIANG Jiayu, Mr. JIA Hao, Mr. FU Zugang and Mr. WANG Xinying, the non-executive Directors are Mr. CUI Kai and Mr. FEI Guangsheng and the independent non-executive Directors are Mr. CHENG Jinglei, Mr. JI Feng, Ms. GUO Wenqing and Mr. FANG Yuan.