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ZMJ

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)

FIRST QUARTERLY REPORT OF 2023

This announcement is made by Zhengzhou Coal Mining Machinery Group Company Limited (the “**Company**” or “**ZMJ**”) pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Set out below is the Company’s first quarterly report of 2023 for the three months ended 31 March 2023. The financial report in this report is prepared under the PRC Accounting Standards for Business Enterprises and is not audited. This report is prepared in Chinese and translated into English. In the event of any inconsistency between these two versions, the Chinese version shall prevail. The currency unit in this report is RMB unless otherwise specified.

For the purpose of this quarterly report, the Company and its subsidiaries together shall be collectively referred to as the “**Group**”. This quarterly report was approved on 26 April 2023 at the 24th meeting of the 5th session of the board of directors of the Company.

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

Zhengzhou, PRC, 26 April 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.

Stock Code: 601717

Company's Abbreviation: ZMJ

Zhengzhou Coal Mining Machinery Group Company Limited

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The Board of Directors of the Company and all of its Directors warrant that there are no any false statement, misleading representation or material omission in the contents of this announcement, and shall assume legal liabilities for the truthfulness, accuracy and completeness of the contents thereof.

Important Notice:

1. The Board of Directors, the Board of Supervisors, and the Directors, Supervisors and Senior Management of the Company warrant that information included in this quarterly report is true, accurate and complete without any false statement, misleading representation or material omission, and shall assume several and joint liability thereof.
2. The person-in-charge of the Company, the person-in-charge of the accounting matters and the head of accounting department (the person-in-charge of accounting) warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.
3. Whether the first quarterly financial statements are audited

Yes No

I. Key financial data

(I) Key accounting data and financial indicators

Unit: Yuan Currency: RMB

Item	For the reporting period	The same period of the previous year	Increase or decrease during the reporting period compared with the same period of the previous year (%)
Operating revenue	9,210,943,721.00	8,091,657,739.95	13.83
Net profit attributable to the shareholders of the listed company	783,069,945.71	681,747,340.35	14.86
Net profit attributable to the shareholders of the listed company after deducting non-recurring profit or loss	658,875,020.44	568,195,700.96	15.96
Net cash flows from operating activities	-422,138,838.11	312,070,297.46	-235.27
Basic earnings per share (yuan per share)	0.446	0.390	14.36
Diluted earnings per share (yuan per share)	0.443	0.388	14.18
Weighted average return on net assets (%)	4.30	4.50	Decreased by 0.2 percentage point

Item	As at the end of the reporting period	As at the end of the previous year	Increase or decrease as at the end of the reporting period from the end of the previous year (%)
Total assets	46,227,262,763.40	44,301,175,578.57	4.35
Owners' equity attributable to the shareholders of the listed company	18,651,629,003.91	17,807,266,977.66	4.74

(II) Non-recurring profit and loss items and amounts

Unit: Yuan Currency: RMB

Item	Amount for the reporting period	Description
Profit or loss from disposal of non-current assets	-1,689,811.60	
Tax refund, exemption and reduction which were approved on a ultra-vires basis or without official approval documents or on a one-off basis		
Government grants included in profit or loss for the current period other than those closely related to the normal operation of the Company, in compliance with national policies and regulations, as well as the government grants entitled continuously based on certain standard quota or quantity	38,807,237.32	
Fund appropriation fee charged on non-financial enterprises and included in profit or loss		
Gain arising from the excess of fair value of identifiable net assets of investees at the time of acquisition of investments over the cost of investment in subsidiaries, associates and joint ventures		
Profit or loss arising from exchange of non-monetary assets		
Profit or loss from entrusted investment or asset management	50,445,628.81	
Provision for impairment of assets in case of force majeure such as natural disasters		
Profit or loss from debt restructuring	1,122,181.23	
Expenses for corporate restructuring, such as expenses for staff arrangements and expenses for business combination		
Profit or loss arising from the excess of consideration of transaction over fair value in case of apparently unfair consideration		
Net profit or loss incurred by subsidiaries formed by the consolidation of entities under common control for the period from the beginning of the period to the date of consolidation		
Profit or loss arising from contingencies unrelated to the normal business operation of the Company		
Profit or loss on the changes in fair value generated from financial assets held for trading, derivative financial assets, financial liabilities held for trading and derivative financial liabilities and the investment income received from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investment, other than the effective hedging business relating to the ordinary operating business of the Company	37,785,719.17	
Write back of the provision for impairment of receivables and contract assets that are individually tested for impairment	13,709,509.83	

Profit or loss from external entrusted loans		
Profit or loss arising from the change in fair value of investment properties which are subsequently measured by means of the fair value model		
Effect on profit or loss for the period of one-off adjustment to profit or loss for the period according to requirements under laws and regulations relating to taxation and accounting		
Income of entrustment fees for entrusted operation		
Other non-operating income and expenses other than the above items	2,177,927.52	
Other profit or loss items that meet the definitions of extraordinary profit or loss	-454,254.23	
Less: Amount of effect on income tax	15,789,413.46	
Amount of effect on minority interests (after tax)	1,919,799.32	
Total	124,194,925.27	

Explanation on classifying the non-recurring profit or loss items listed in the Explanatory Announcement No. 1 on Information Disclosure for Companies Making Public Offering of Securities - Non-recurring Profit or Loss as recurring profit or loss items

Applicable Not applicable

(III) Changes in key accounting data and the financial indicators and the reasons thereof

Applicable Not applicable

Changes in key accounts in the consolidated balance sheet and cash flow statement

Item	Percentage of change (%)	Main Reasons
Accounts receivable	21.76	Due to the increase in income affecting the increase in receivables
Prepayments	29.23	Due to the increase in prepayments for materials
Other non-current financial assets	236.43	Due to the increase in large-amount deposit certificates
Non-current liabilities due within one year	-43.93	Due to the repayment of bank borrowings
Long-term borrowings	39.40	Due to the increase in bank borrowings
Net cash flows from operating activities	-235.27	Mainly due to the increase in cash for purchasing goods and accepting payment for labor services
Net cash flows from investing activities	Not applicable	Mainly due to the net cash received for disposal of subsidiaries during the same period of last year
Net cash flows from financing activities	Not applicable	Mainly due to the increase of bank borrowings

Changes in key accounts (by business segment) in the Consolidated Statement of Income

Unit: 0'000 Yuan Currency: RMB

Item	Business Segment	January to March 2023	January to March 2022	Percentage of change (%)
Total operating revenue	Coal mining machinery segment	479,197.31	396,896.55	20.74
	Automotive parts segment	442,440.52	412,783.03	7.18
	Total	921,637.83	809,679.58	13.83

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Gain from investments	Coal mining machinery segment	5,578.69	3,275.37	70.32
	Automotive parts segment	-401.08	-405.12	Not applicable
	Total	5,177.61	2,870.25	80.39
Gain from changes in fair value	Coal mining machinery segment	5,429.30	-1,215.72	Not applicable
	Automotive parts segment	-1,326.76	3,282.07	-140.42
	Total	4,102.54	2,066.35	98.54
Net profit	Coal mining machinery segment	82,024.30	61,771.75	32.79
	Automotive parts segment	4,580.49	9,311.55	-50.81
	Total	86,604.79	71,083.30	21.84
Net profit attributable to owners of the parent	Coal mining machinery segment	76,298.67	61,346.49	24.37
	Automotive parts segment	2,008.32	6,828.24	-70.59
	Total	78,306.99	68,174.73	14.86

Explanations of changes:

- (1) Total operating revenue: Total operating revenue from the beginning of the year to the end of the reporting period (collectively referred to as the “first quarter of 2023” hereinafter) represented an increase of RMB1,119,582,500, or 13.83%, as compared with the same period of last year. This was primarily because (1) the total revenue of coal mining machinery segment increased by RMB823,007,600, or 20.74%, during the reporting period compared with the same period last year, mainly because the coal industry continued to maintain a good development situation and the Company's coal mining machinery business orders continued to grow; (2) the total revenue of automotive parts segment increased by RMB296,574,900, or 7.18%, during the reporting period compared with the same period last year, of which SEG realized an overall operating revenue of RMB3,226,209,700, representing an increase of 9.82% compared with the same period last year.
- (2) Gains from investments: Gains from investments in the first quarter of 2023 increased by RMB23,073,600, or 80.39%, compared with the same period last year. This was primarily due to the increase of gains from investments from coal mining machinery segment with the purchase of wealth management products.
- (3) Gains from changes in fair value: Gains from changes in fair value for the first quarter of 2023 increased by RMB 20,361,800, or 98.54%, compared with the same period last year, which was mainly due to (1) gains from changes in fair value of coal mining machinery segment increased by RMB 66,450,200 compared with the same period last year, mainly as a result of the increase in income caused by changes in the fair value of wealth management products held in the current period; (2) gains from changes in fair value of automotive parts segment decreased by RMB46,088,300 compared with the same period last year, which was mainly due to the decrease in gains from changes in fair value of derivative financial products such as forward foreign exchange contracts held by SEG in the current period.
- (4) Net profit: Consolidated net profit for the first quarter of 2023 increased by RMB155,214,900, or 21.84%, compared with the same period last year, which is mainly due to: (1) net profit of coal mining machinery segment increased by RMB202,525,500, or 32.79%, compared with the same period last year, mainly due to the growth of revenue scale from coal mining machinery segment ; (2) net profit of automotive parts segment decreased by RMB 47,310,600 compared with the same period last year, of which the net profit of SEG decreased by RMB73,871,800 compared with the same period of last year.
- (5) Net profit attributable to owners of the parent: Net profit attributable to owners of the parent company for the first quarter of 2023 increased by RMB 101,322,600, or 14.86%, compared with the same period last year, mainly due to the increase in net profit of the coal mining machinery segment.

II. Shareholders' Information

The table below sets out the total number of holders of ordinary shares and the number of holders of preference shares with voting rights restored and the shareholdings of the top 10 shareholders

Unit: Share

Total number of holders of ordinary shares as at the end of the reporting period	33,237	Total number of holders of preference shares with voting rights restored as at the end of the reporting period (if any)	0			
Shareholding of the top 10 shareholders						
Name of shareholder	Nature of shareholder	Number of shares held	Proportion of share holdings (%)	Number of shares held subject to trading moratorium	Pledged, marked or frozen	
					Status of shares	Number of shares
Hong Yi Investment Management (Henan) Partnership (Limited Partnership) (泓羿投資管理(河南)合夥企業(有限合夥))	Others	277,195,419	15.55		Nil	
Henan Machinery Investment Group Co., Ltd. (河南機械裝備投資集團有限責任公司)	State-owned legal person	243,632,381	13.67		Nil	
HKSCC NOMINEES LIMITED	Foreign legal person	220,757,790	12.39		Unknown	
Henan Asset Management Co., Ltd. (河南資產管理有限公司)	State-owned legal person	69,209,157	3.88		Nil	
Industrial and Commercial Bank of China Limited-Fuguo Tianhui Selected Growth Hybrid Securities Investment Fund (LOF) (中國工商銀行股份有限公司－富國天惠精選成長混合型證券投資基金(LOF))	Others	48,000,000	2.69		Nil	
YITAI GROUP (HONG KONG) CO LIMITED	Foreign legal person	22,399,200	1.26		Unknown	
Hong Kong Securities Clearing Company Limited	Foreign legal person	21,770,121	1.22		Nil	
Jiang Shibo (蔣仕波)	Domestic natural person	19,295,180	1.08		Nil	
National Social Security Fund 107 portfolio (全國社保基金一零七組合)	Others	17,828,403	1.00		Nil	
China Merchants Bank Co., Ltd. - Xingquan Herun Hybrid Securities Investment Fund (招商銀行股份有限公司－興全合潤混合型證券投資基金)	Others	15,435,827	0.87		Nil	

Shareholdings of the top 10 holders of shares not subject to trading moratorium			
Name of shareholder	Number of tradable shares held not subject to trading moratorium	Type and number of shares	
		Type of shares	Type of shares
Hong Yi Investment Management (Henan) Partnership (Limited Partnership) (泓羿投資管理(河南)合夥企業(有限合夥))	277,195,419	Ordinary shares in RMB	277,195,419
Henan Machinery Investment Group Co., Ltd. (河南機械裝備投資集團有限責任公司)	243,632,381	Ordinary shares in RMB	243,632,381
HKSCC NOMINEES LIMITED	220,757,790	Overseas listed foreign shares	220,757,790
Henan Asset Management Co., Ltd. (河南資產管理有限公司)	69,209,157	Ordinary shares in RMB	69,209,157
Industrial and Commercial Bank of China Limited-Fuguo Tianhui Selected Growth Hybrid Securities Investment Fund (LOF) (中國工商銀行股份有限公司－富國天惠精選成長混合型證券投資基金(LOF))	48,000,000	Ordinary shares in RMB	48,000,000
YITAI GROUP (HONG KONG) CO LIMITED	22,399,200	Overseas listed foreign shares	22,399,200
Hong Kong Securities Clearing Company Limited	21,770,121	Ordinary shares in RMB	21,770,121
Jiang Shibo (蔣仕波)	19,295,180	Ordinary shares in RMB	19,295,180
National Social Security Fund 107 portfolio (全國社保基金一零七組合)	17,828,403	Ordinary shares in RMB	17,828,403
China Merchants Bank Co., Ltd. - Xingquan Herun Hybrid Securities Investment Fund (招商銀行股份有限公司－興全合潤混合型證券投資基金)	15,435,827	Ordinary shares in RMB	15,435,827
Description of the connected relationship or acting in concert of the above shareholders	<p>1. Hong Yi Investment Management (Henan) Partnership (Limited Partnership) (泓羿投資管理(河南)合夥企業(有限合夥)) and Henan Asset Management Co., Ltd. (河南資產管理有限公司) Have signed the Acting-in-Concert Agreement and they are acting in concert. They hold 19.43% of shares of the Company in aggregate and have become the controlling shareholders of the Company.</p> <p>2. The Company is not aware of whether there is any connected relationship or acting-in-concert relationship among the other shareholders mentioned above.</p>		
Description of the top 10 shareholders and the top 10 holders of shares not subject to trading moratorium participating in the securities margin trading and refinancing business (if any)	<p>1. Henan Machinery Investment Group Co., Ltd. (河南機械裝備投資集團有限責任公司) Participated in the refinancing business. As at the end of the reporting period, 260,000 A shares held by it were outstanding, if fully repaid, the number of A shares actually held by it will be 243,892,381, representing 13.68% of the total share capital of the Company.</p> <p>2. The Company is not aware of whether other shareholders have participated in the refinancing business.</p>		

Note:

1. As at the end of the reporting period, the total number of registered shareholders of A shares of the Company was 33,180, the total number of registered shareholders of H shares of the Company was 57 and the total number of shareholders of the Company was 33,237;
2. HKSCC NOMINEES LIMITED holds H shares of the Company on behalf of numerous clients;
3. The A shares of the Company held by Hong Kong Securities Clearing Company Limited, are held by investors in the Hong Kong market through Shanghai-Hong Kong Stock Connect;
4. As of the disclosure date of this report, Henan Machinery Investment Group Co., Ltd. (河南機械裝備投資集團有限責任公司) has changed its name to Henan State-owned Capital Operation Group Investment Co., Ltd. (河南國有資本運營集團投資有限公司).

III. Other Reminders

Other important information on the operation of the Company during the reporting period that needs to be brought to the attention of shareholders

Applicable Not applicable

Proposed Spin-off and Listing of a Holding Subsidiary:

Zhengzhou Coal Mining Machinery Group Company Limited (the “**Company**”) hereby intended to spin off a holding subsidiary, Zhengzhou Hengda Intelligent Control Technology Co., Ltd. (鄭州恒達智控科技股份有限公司) (“**Hengda Intelligent Control**”) to list on the Sci-Tech Innovation Board of Shanghai Stock Exchange (the “**Spin-off**”). After the completion of the Spin-off, the shareholding structure of the Company will not change, and the Company still has control over Hengda Intelligent Control.

The Company has held the twentieth meeting of the fifth session of the board of directors and the seventeenth meeting of the fifth session of the board of supervisors on 1 February 2023 to consider and approve the Resolution on the Proposed Spin-off and Listing of a Holding Subsidiary; The Company has held the twenty-third meeting of the fifth session of the board of directors and the nineteenth meeting of the fifth session of the board of supervisors on 18 April 2023 to consider and approve the Resolution Regarding the Initial Public Offering and Listing of Shares on the Sci-Tech Innovation Board of Shanghai Stock Exchange by Zhengzhou Hengda Intelligent Control Technology Co., Ltd., a Subsidiary of the Company and the other proposals related to the Spin-off. For details, please refer to the relevant announcements published on the website of the Shanghai Stock Exchange (www.sse.com.cn) on 2 February 2023 and 19 April 2023.

The Spin-off is subject to various conditions before it can be implemented, including but not limited to obtaining the formal approval of the Spin-off plan by the general meeting of the Company, and fulfilling the corresponding procedures of the stock exchanges and the China Securities Regulatory Commission. Whether the Spin-off can obtain the above approval, review and consent, registration, and the final time for receiving relevant approval, review and consent, and registration are uncertain. Investors are advised to pay attention to investment risks.

IV. Quarterly Financial Statements

(I) Types of audit opinions

Applicable Not applicable

(II) Financial Statements

Consolidated Balance Sheet

31 March 2023

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	31 March 2023	31 December 2022
Current assets:		
Monetary capital	3,868,217,128.42	4,380,495,302.38
Balances with clearing companies		
Funds lent		
Financial assets held for trading	5,810,021,336.67	6,175,874,942.37
Derivative financial assets		
Notes receivable	1,567,705,951.03	1,663,722,850.39
Accounts receivable	8,158,834,200.21	6,700,826,080.96
Receivables financing	2,624,370,982.49	2,830,601,795.99
Prepayments	1,220,606,462.57	944,547,969.75
Premiums receivable		
Accounts receivable from reinsurance		
Contract reserves receivable from reinsurance		
Other receivables	378,916,934.57	344,406,688.42
Including: Interest receivable	3,435,035.21	3,330,881.37
Dividend receivable		
Buying back financial assets resold		
Inventories	8,188,202,299.19	7,835,124,107.35
Contract assets		
Assets held for sale		
Non-current assets due within one year	138,287,594.08	138,995,493.40
Other current assets	2,434,019,517.50	2,386,517,356.08
Total current assets	34,389,182,406.73	33,401,112,587.09
Non-current assets:		
Loans and advances granted		
Debt investment		
Other debt investment		
Long-term receivables	185,489,634.08	203,408,026.31
Long-term equity investment	283,580,960.32	278,868,262.97
Other investments in equity instruments	844,625,314.38	798,171,832.28
Other non-current financial assets	1,166,828,695.20	346,828,695.20
Investment properties	334,107,438.14	336,003,643.27
Fixed assets	4,468,189,263.00	4,426,412,767.92
Construction in progress	849,358,127.34	670,604,527.66

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Biological assets for production		
Fuel assets		
Right-of-use assets	1,305,785,904.22	1,322,590,613.94
Intangible assets	988,993,876.83	1,011,817,418.13
Development expenses	398,323,887.70	429,877,891.31
Goodwill	131,905,143.18	131,905,143.20
Long-term deferred expenditures	174,614,887.62	171,707,446.97
Deferred income tax assets	470,570,479.58	460,703,030.80
Other non-current assets	235,706,745.08	311,163,691.52
Total non-current assets	11,838,080,356.67	10,900,062,991.48
Total assets	46,227,262,763.40	44,301,175,578.57
Current liabilities:		
Short-term borrowings	730,095,096.80	726,439,629.70
Borrowings from central bank		
Funds borrowed		
Financial liabilities held for trading	37,503,427.70	17,394,983.60
Derivative financial liabilities		
Notes payable	3,607,080,946.26	3,290,909,411.43
Accounts payable	5,892,962,425.78	6,030,565,394.41
Receipts in advance	1,812,411.13	2,619,261.98
Contract liabilities	3,915,534,603.95	3,776,715,625.67
Disposal of repurchased financial assets		
Deposit taking and deposits from peer companies		
Proceeds from trading securities by agent		
Proceeds from underwriting securities by agent		
Staff remuneration payable	701,688,285.72	710,541,814.92
Tax payable	533,771,202.65	392,887,674.53
Other payables	843,919,494.81	835,956,076.48
Including: Interest payable		
Dividend payable	36,686,114.80	36,686,114.80
Handling charges and commission payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	1,503,274,850.40	2,681,087,004.68
Other current liabilities	537,779,286.60	519,598,592.42
Total current liabilities	18,305,422,031.80	18,984,715,469.82
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings	6,013,053,717.46	4,313,420,297.26
Debentures payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	1,206,145,252.35	1,250,777,155.57
Long-term payables	16,830,302.89	16,832,298.59
Long-term staff remuneration payable	213,430,576.04	215,170,414.62
Estimated liabilities	345,671,111.30	329,197,222.14

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Deferred income	204,484,035.04	210,443,087.88
Deferred income tax liabilities	340,042,901.13	325,967,769.64
Other non-current liabilities	16,153,856.29	16,370,654.34
Total non-current liabilities	8,355,811,752.50	6,678,178,900.04
Total liabilities	26,661,233,784.30	25,662,894,369.86
Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	1,782,245,970.00	1,782,245,970.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	5,364,428,264.36	5,349,603,760.53
Less: Treasury stock	118,197,845.20	118,197,845.20
Other comprehensive income	264,315,031.76	217,847,455.05
Special reserves		
Surplus reserve	1,023,519,511.31	1,023,519,511.31
Provision for general risks		
Undistributed profit	10,335,318,071.68	9,552,248,125.97
Total owners' equity (or shareholders' equity) attributable to the parent company	18,651,629,003.91	17,807,266,977.66
Minority interests	914,399,975.19	831,014,231.05
Total owners' equity (or shareholders' equity)	19,566,028,979.10	18,638,281,208.71
Total liabilities and owners' equity (or shareholders' equity)	46,227,262,763.40	44,301,175,578.57

Person-in-charge of
the Company:
Jiao Chengyao

Person-in-charge of
accounting matters:
Huang Hua

Head of accounting
department:
Zhou Dehai

Consolidated Statement of Income

January to March 2023

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First Quarter of 2023	First Quarter of 2022
I. Total operating revenue	9,216,378,294.52	8,096,795,783.14
Including: Operating revenue	9,210,943,721.00	8,091,657,739.95
Interest income	5,434,573.52	5,138,043.19
Premium earned		
Handling charges and commission income		
II. Total operating costs	8,297,284,004.75	7,334,523,424.45
Including: Operating costs	7,279,317,322.83	6,362,194,543.25
Interest expenses	3,388,587.85	1,030,776.01
Handling charges and commission expenses		
Surrenders		
Net expenditure for compensation payments		
Net withdrawal of insurance liabilities reserve		
Expenditures for policy dividend		

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Reinsurance expenditures		
Tax and surcharges	37,010,221.34	24,929,861.09
Selling expenses	251,518,909.17	221,199,611.44
Administration expenses	264,462,829.50	280,267,018.37
Research and development expenses	422,024,480.99	408,748,005.74
Financial expenses	39,561,653.07	36,153,608.55
Including: Interest expenses	78,215,797.16	63,587,429.87
Interest income	29,613,733.57	24,494,974.94
Add: Other gains	49,634,732.77	93,544,547.39
Gain from investments (loss is represented by " - ")	51,776,062.89	28,702,455.64
Including: Gain from investments in associates and joint ventures	4,712,697.35	7,524,435.88
Derecognition gains on financial assets measured at amortized cost		
Gain from foreign exchange (loss is represented by " - ")		
Net gains from hedging exposure (loss is represented by " - ")		
Gain from changes in fair value (loss is represented by " - ")	41,025,361.71	20,663,516.11
Credit impairment losses (loss is represented by " - ")	-28,451,894.12	-42,411,768.74
Asset impairment losses (loss is represented by " - ")	2,792,563.84	-1,712,560.88
Gains from disposal of assets (loss is represented by " - ")	-3,509,399.87	5,729,282.54
III. Profit from operations (loss is represented by " - ")	1,032,361,716.99	866,787,830.75
Add: Non-operating income	4,117,731.45	5,793,890.21
Less: Non-operating expenses	1,942,487.87	319,081.29
IV. Total profit (loss is represented by " - ")	1,034,536,960.57	872,262,639.67
Less: Income tax expense	168,489,026.52	161,429,599.22
V. Net profit (net loss is represented by " - ")	866,047,934.05	710,833,040.45
(I) Breakdown by continuity of operation		
1. Net profit from continuing operation (net loss is represented by " - ")	866,047,934.05	710,833,040.45
2. Net profit from discontinued operation (net loss is represented by " - ")		
(II) Breakdown by ownership		
1. Net profit attributable to shareholders of the parent company (net loss is represented by " - ")	783,069,945.71	681,747,340.35
2. Gain or loss attributable to minority interests (net loss is represented by " - ")	82,977,988.34	29,085,700.10
VI. Net other comprehensive income after tax	46,467,576.71	24,532,864.57
(I) Net other comprehensive income attributable to owners of the parent company after tax	46,467,576.71	24,532,864.57
1. Other comprehensive income not to be reclassified into profit or loss	39,931,695.13	14,798,384.64
(1) Changes arising from re-measuring defined benefit scheme	446,235.35	39,541.70

(2) Other comprehensive income not to be classified into profit or loss using the equity method		
(3) Changes in fair value of other investments in equity instruments	39,485,459.78	14,758,842.94
(4) Changes in fair value of the company's own credit risk		
2. Other comprehensive income to be reclassified into profit or loss	6,535,881.58	9,734,479.93
(1) Other comprehensive income to be reclassified into profit or loss using the equity method		
(2) Changes in fair value of other debt investment		
(3) Amount of financial assets reclassified into other comprehensive income		
(4) Other debt investment credit impairment provision		
(5) Cash flow hedge reserve (effective portion of gains and losses from cash flow hedging)	8,283,021.25	1,822,009.27
(6) Exchange differences on foreign currency financial statements	-1,747,139.67	7,912,470.66
(7) Others		
(II) Net other comprehensive income attributable to minority interests after tax		
VII. Total comprehensive income	912,515,510.76	735,365,905.02
(I) Total comprehensive income attributable to owners of the parent company	829,537,522.42	706,280,204.92
(II) Total comprehensive income attributable to minority interests	82,977,988.34	29,085,700.10
VIII. Earnings per share:		
(I) Basic earnings per share (RMB per share)	0.446	0.390
(II) Diluted earnings per share (RMB per share)	0.443	0.388

Person-in-charge of
the Company:
Jiao Chengyao

Person-in-charge of
accounting matters:
Huang Hua

Head of accounting
department:
Zhou Dehai

Consolidated Statement of Cash Flows

January to March 2023

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First Quarter of 2023	First Quarter of 2022
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of labour	7,639,517,540.74	6,561,958,970.92
Net increase in deposits from customers and peer companies		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		

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Net increase in deposits from policyholders and investment funds		
Cash received from interest, handling charges and commission		
Net increase in placements		
Net increase in capital from repurchase business		
Net cash received from trading securities		
Tax refunds received	241,139,985.33	307,995,177.89
Cash received in relation to other operating activities	164,173,250.75	412,336,546.83
Sub-total of cash inflows from operating activities	8,044,830,776.82	7,282,290,695.64
Cash paid for goods purchased and labour received	6,717,583,365.29	4,842,219,078.83
Net increase in loans and advances to customers	32,402,422.40	-27,783,581.91
Net increase in deposits with central bank and peer companies		
Cash paid for compensation payments under original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash paid for interest, handling charges and commission		
Cash paid for policyholder dividend		
Cash paid to and paid on behalf of the employees	820,372,906.79	1,283,174,276.35
Various taxes paid	722,164,694.71	560,871,710.92
Cash paid in relation to other operating activities	174,446,225.74	311,738,913.99
Sub-total of cash outflow from operating activities	8,466,969,614.93	6,970,220,398.18
Net cash flows from operating activities	-422,138,838.11	312,070,297.46
II. Cash flows from investing activities:		
Cash received from recovery of investments	2,215,945,088.13	2,173,313,458.26
Cash received from gain of investment acquired	58,365,447.98	28,323,308.04
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	776,383.15	78,966.61
Net cash received from disposal of subsidiaries and other business units		274,612,162.41
Other cash received in relation to investing activities	4,408,278.89	79,000.00
Sub-total of cash inflow from investing activities	2,279,495,198.15	2,476,406,895.32
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	322,683,261.31	255,617,302.70
Cash paid for investments	2,538,434,000.00	2,509,936,738.01
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other business units		
Other cash paid in relation to investing activities	505,000.00	27,815,764.91
Sub-total of cash outflow from investing activities	2,861,622,261.31	2,793,369,805.62
Net cash flows from investing activities	-582,127,063.16	-316,962,910.30
III. Cash flows from financing activities:		
Cash received from investment		
Including: Cash received by subsidiaries from minority shareholder's investment		
Cash received from borrowings acquired	1,832,517,987.10	160,456,226.48
Other cash received in relation to financing activities	67,927,503.29	19,723,158.74
Sub-total of cash inflow from financing activities	1,900,445,490.39	180,179,385.22

Cash paid for repayment of indebtedness	1,216,939,087.37	121,354,273.40
Cash paid for distribution of dividend and profit or for interest	63,489,569.40	69,439,548.36
Including: Dividend and profit paid to minority shareholders by subsidiaries		
Other cash paid in relation to financing activities	119,744,137.80	601,602,184.83
Sub-total of cash outflow from financing activities	1,400,172,794.57	792,396,006.59
Net cash flows from financing activities	500,272,695.82	-612,216,621.37
IV. Effects of change of exchange rate on cash and cash equivalents	-4,475,032.65	-14,201,418.64
V. Net increase in cash and cash equivalents	-508,468,238.10	-631,310,652.85
Add: Balance of cash and cash equivalents at the beginning of the period	3,637,211,995.63	3,229,454,753.48
VI. Balance of cash and cash equivalents at the end of the period	3,128,743,757.53	2,598,144,100.63

Person-in-charge of
the Company:
Jiao Chengyao

Person-in-charge of
accounting matters:
Huang Hua

Head of accounting
department:
Zhou Dehai

Balance Sheet of the Parent Company

31 March 2023

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	31 March 2023	31 December 2022
Current assets:		
Monetary capital	2,722,044,588.33	2,681,040,144.22
Financial assets held for trading	4,812,755,939.57	4,800,043,184.78
Derivative financial assets		
Notes receivable	1,022,504,484.61	1,055,247,698.14
Accounts receivable	3,280,145,303.00	2,969,625,818.98
Receivables financing	2,155,008,838.03	2,320,874,930.76
Prepayments	1,631,641,645.02	658,814,356.23
Other receivables	488,774,246.70	592,300,558.68
Including: Interest receivable	3,372,693.10	3,372,693.10
Dividend receivable		
Inventories	4,384,508,256.49	4,107,529,202.45
Contract assets		
Assets held for sale		
Non-current assets due within one year	132,622,294.49	133,750,193.81
Other current assets	1,947,467,889.44	2,063,807,328.78
Total current assets	22,577,473,485.68	21,383,033,416.83
Non-current assets:		
Debt investment		
Other debt investment		
Long-term receivables	173,191,980.58	200,829,272.85
Long-term equity investment	8,839,845,333.27	8,655,498,967.15
Other investments in equity instruments	439,695,471.10	393,241,989.00

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Other non-current financial assets	1,166,828,695.20	346,828,695.20
Investment properties	211,828,098.37	214,262,000.68
Fixed assets	1,234,893,389.01	1,214,415,741.08
Construction in progress	208,844,356.57	260,400,352.71
Biological assets for production		
Fuel assets		
Right-of-use assets	24,945,527.71	26,004,892.87
Intangible assets	204,934,287.28	258,702,828.06
Development expenses		
Goodwill		
Long-term deferred expenditures		
Deferred income tax assets	217,527,446.21	216,930,432.56
Other non-current assets	111,862,631.77	168,765,338.98
Total non-current assets	12,834,397,217.07	11,955,880,511.14
Total assets	35,411,870,702.75	33,338,913,927.97
Current liabilities:		
Short-term borrowings		1,500,000.00
Financial liabilities held for trading		
Derivative financial liabilities		
Notes payable	3,309,826,411.43	3,294,767,524.90
Accounts payable	1,813,233,950.83	2,129,400,586.03
Receipts in advance		
Contract liabilities	3,052,714,620.17	2,942,164,187.09
Staff remuneration payable	66,299,349.63	74,688,838.14
Tax payable	71,130,951.50	87,312,294.98
Other payables	2,599,097,831.96	1,439,841,793.75
Including: Interest payable		
Dividend payable		
Liabilities held for sale		
Non-current liabilities due within one year	1,367,894,484.29	2,436,839,624.46
Other current liabilities	396,852,900.62	382,481,344.29
Total current liabilities	12,677,050,500.43	12,788,996,193.64
Non-current liabilities:		
Long-term borrowings	3,806,788,888.89	2,138,176,666.67
Debentures payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	24,044,340.44	23,740,156.46
Long-term payables	16,830,302.89	16,832,298.59
Long-term staff remuneration payable	16,811,200.00	16,811,200.00
Estimated liabilities		
Deferred income	144,055,592.39	150,055,800.38
Deferred income tax liabilities	129,900,454.91	108,886,277.18
Other non-current liabilities		
Total non-current liabilities	4,138,430,779.52	2,454,502,399.28
Total liabilities	16,815,481,279.95	15,243,498,592.92

Owners' equity (or shareholders' equity)		
Paid-up capital (or share capital)	1,782,245,970.00	1,782,245,970.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	4,655,881,380.46	4,643,072,037.77
Less: Treasury stock	118,197,845.20	118,197,845.20
Other comprehensive income	278,324,400.43	238,838,940.65
Special reserves		
Surplus reserve	1,023,519,511.31	1,023,519,511.31
Undistributed profit	10,974,616,005.80	10,525,936,720.52
Total owners' equity (or shareholders' equity)	18,596,389,422.80	18,095,415,335.05
Total liabilities and owners' equity (or shareholders' equity)	35,411,870,702.75	33,338,913,927.97

Person-in-charge of
the Company:
Jiao Chengyao

Person-in-charge of
accounting matters:
Huang Hua

Head of accounting
department:
Zhou Dehai

Statement of Income of the Parent Company

January to March 2023

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First Quarter of 2023	First Quarter of 2022
I. Operating revenue	3,148,670,017.04	2,790,334,889.49
Less: Operating cost	2,485,905,335.04	2,129,408,622.47
Tax and surcharges	14,252,476.04	10,581,993.26
Selling expenses	41,430,481.31	55,864,355.55
Administration expenses	58,702,744.15	78,269,718.86
Research and development expenses	123,084,269.95	142,185,786.73
Financial expenses	11,532,557.55	10,015,610.75
Including: Interest expenses	37,317,296.99	27,112,270.42
Interest income	24,971,144.09	19,333,138.34
Add: Other gains	9,099,266.88	47,600,845.26
Gain from investments (loss is represented by “- ”)	59,486,423.11	162,018,732.49
Including: Gain from investments in associates and joint ventures	4,047,281.75	6,362,295.85
Derecognition gains on financial assets measured at amortized cost		
Net gains from hedging exposure (loss is represented by “ - ”)		
Gain from changes in fair value (loss is represented by “ - ”)	48,188,325.85	-12,157,194.44
Credit impairment losses (loss is represented by “- ”)	-18,558,639.01	-15,839,223.89
Asset impairment losses(loss is represented by “- ”)		

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Gain from disposal of assets (loss is represented by “ - ”)	-3,043,255.77	1,176,040.81
II. Profit from operations (loss is represented by “ - ”)	508,934,274.06	546,808,002.10
Add: Non-operating income	558,692.85	310,377.92
Less: Non-operating expenses	723,258.12	105,034.82
III. Total profit (loss is represented by “ - ”)	508,769,708.79	547,013,345.20
Less: Income tax expense	60,090,423.51	48,291,189.71
IV. Net profit (net loss is represented by “ - ”)	448,679,285.28	498,722,155.49
(I) Net profit from continuing operation (net loss is represented by “ - ”)	448,679,285.28	498,722,155.49
(II) Net profit from discontinued operation (net loss is represented by “ - ”)		
V. Net other comprehensive income after tax	39,485,459.78	
(I) Other comprehensive income that cannot be reclassified into profit or loss	39,485,459.78	
1. Changes arising from re-measuring defined benefit scheme		
2. Other comprehensive income that cannot be reclassified into profit or loss under the equity method		
3. Changes in fair value of other investments in equity instruments	39,485,459.78	
4. Changes in fair value of the company’s own credit risks		
(II) Other comprehensive income to be reclassified into profit or loss		
1. Other comprehensive income that can be reclassified into profit or loss under the equity method		
2. Changes in fair value of other debt investment		
3. Amount of financial assets reclassified into other comprehensive income		
4. Other debt investment credit impairment provision		
5. Cash flow hedge reserve (effective portion of gains and losses from cashflow hedging)		
6. Exchange differences on foreign currency financial statements		
7. Others		
VI. Total comprehensive income	488,164,745.06	498,722,155.49
VII. Earnings per share:		
(I) Basic earnings per share (RMB per share)		
(II) Diluted earnings per share (RMB per share)		

Person-in-charge of
the Company:
Jiao Chengyao

Person-in-charge of
accounting matters:
Huang Hua

Head of accounting
department:
Zhou Dehai

Statement of Cash flow of the Parent Company

January to March 2023

Prepared by: Zhengzhou Coal Mining Machinery Group Company Limited

Unit: Yuan Currency: RMB Audit Type: Unaudited

Item	First Quarter of 2023	First Quarter of 2022
I. Net cash flows from operating activities:		
Cash received from sales of goods and provision of labour	2,882,787,710.41	1,982,493,593.68
Tax refunds received		
Other cash received in relation to operating activities	1,364,766,644.77	156,611,248.81
Sub-total of cash inflows from operating activities	4,247,554,355.18	2,139,104,842.49
Cash paid for goods purchased and labour received	3,667,388,099.98	1,041,686,485.04
Cash paid to and paid on behalf of the employees	133,916,449.70	623,793,363.33
Various taxes paid	118,318,039.14	69,378,944.93
Other cash paid in relation to operating activities	69,100,326.86	195,233,208.91
Sub-total of cash outflow from operating activities	3,988,722,915.68	1,930,092,002.21
Net cash flows from operating activities	258,831,439.50	209,012,840.28
II. Cash flows from investing activities:		
Cash received from recovery of investments	1,744,256,000.00	2,207,781,643.10
Cash received from gain of investment acquired	52,358,129.81	176,189,138.68
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	157,044,880.00	
Net cash received from disposal of subsidiaries and other business units		
Other cash received in relation to investing activities	90,025.89	
Sub-total of cash inflow from investing activities	1,953,749,035.70	2,383,970,781.78
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	88,535,849.99	110,970,081.04
Cash paid for investments	2,651,594,597.22	2,478,761,546.36
Net cash paid for acquiring subsidiaries and other business units		
Other cash paid in relation to investing activities	255,000.00	2,442,500.00
Sub-total of cash outflow from investing activities	2,740,385,447.21	2,592,174,127.40
Net cash flows from investing activities	-786,636,411.51	-208,203,345.62
III. Cash flows from financing activities:		
Cash received from investment		
Cash received from borrowings acquired	1,700,000,000.00	
Other cash received in relation to financing activities	17,037,567.29	
Sub-total of cash inflow from financing activities	1,717,037,567.29	
Cash paid for repayment of indebtedness	1,104,810,218.14	1,536,250.00
Cash paid for distribution of dividend and profit or for interest	26,155,230.09	24,232,743.08
Other cash paid in relation to financing activities		476,306,429.59
Sub-total of cash outflow from financing activities	1,130,965,448.23	502,075,422.67
Net cash flows from financing activities	586,072,119.06	-502,075,422.67
IV. Effect of change of exchange rate on cash and cash equivalents	-225,135.65	-1,026,034.21
V. Net increase in cash and cash equivalents	58,042,011.40	-502,291,962.22

Add: Balance of cash and cash equivalents at the beginning of the period	2,234,824,767.84	2,008,832,801.82
VI. Balance of cash and cash equivalents at the end of the period	2,292,866,779.24	1,506,540,839.60

Person-in-charge of
the Company:
Jiao Chengyao

Person-in-charge of
accounting matters:
Huang Hua

Head of accounting
department:
Zhou Dehai

(III) Information about the adjustments to the opening balances of financial statements for the first year of implementation due to new accounting standards firstly implemented in 2023

Applicable Not applicable

Announcement of the captioned matter is hereby given.

The Board of Directors of
Zhengzhou Coal Mining Machinery Group Company Limited
26 April 2023