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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)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The following is the announcement published by Zhengzhou Coal Mining Machinery Group Company Limited on the website of the Shanghai Stock Exchange and newspapers in Chinese for information purpose only.

By order of the Board

Zhengzhou Coal Mining Machinery Group Company Limited

Jiao Chengyao

Chairman

Zhengzhou, PRC, 23 August 2017

As at the date of this announcement, the executive directors of the Company are Mr. JIAO Chengyao, Mr. XIANG Jiayu, Mr. WANG Xinying, Mr. GUO Haofeng and Mr. LIU Qiang and the independent non-executive directors are Ms. LIU Yao, Mr. JIANG Hua and Mr. LI Xudong.

Stock Code: 601717

Abbreviation: ZMJ

No: Lin 2017 - 057

**ZHENGZHOU COAL MINING MACHINERY GROUP COMPANY LIMITED
ANNOUNCEMENT ON THE CONTINUOUS SUSPENSION OF TRADING DUE TO
MATERIAL ASSET REORGANIZATION**

The board of directors of the Company and all of its directors warrant that the information herein is free from any false statement, misleading representation or material omission, and assume several and joint liability for the truthfulness, accuracy and completeness of such information.

In connection with the planning for material matters, trading in the A shares of Zhengzhou Coal Mining Machinery Group Company Limited (the "Company") has been suspended with effect from 24 April 2017 upon application of the Company (for details, please refer to the Announcement on the Suspension of Trading Due to Material Matters of Zhengzhou Coal Mining Machinery Group Company Limited disclosed on 22 April 2017 under the announcement number Lin 2017-014). As the planned matters constitute a material asset reorganization, on 29 April 2017, the Company disclosed the Announcement on the Suspension of Trading Due to Material Asset Reorganization of Zhengzhou Coal Mining Machinery Group Company Limited under the announcement number Lin 2017-016. Trading in the shares of the Company would continue to be suspended with effect from 2 May 2017, and such continuous trading suspension was expected to be not more than one month from 24 April 2017. On 24 May 2017, the Company disclosed the Announcement on the Progress of the Material Asset Reorganization and Extension of Suspension of Trading under the announcement number Lin 2017-023 in respect of the continuous suspension of trading with effect from 24 May 2017, which continuous suspension was expected to be not more than one month. As considered and approved at the meeting of the board of directors of the Company convened on 5 June 2017 and with application made to the Shanghai Stock Exchange, trading in the A shares of the Company would continue to be suspended for a period of not more than one month with effect from 24 June 2017. On 6 June 2017, the Company disclosed the Announcement on the Continuous Suspension of Trading Due to Material Asset Reorganization of Zhengzhou Coal Mining Machinery Group Company Limited under the announcement number Lin 2017-030. At the same time, the aforementioned meeting also considered and approved the Resolution in Relation to the Application for Continuous Suspension of Trading in the A Shares of the Company for a Period of Not More Than Two Months with Effect from 24 July 2017 in Specific Circumstances (for details, please refer to the relevant board resolution announcement under the announcement number Lin 2017-029), and a notice convening general meeting of the shareholders of the Company was issued on 6 June 2017 under the announcement number Lin 2017-031. On 21 July 2017, the Company convened the First Extraordinary General Meeting of 2017, at which the Resolution in Relation to the Application for Continuous Suspension of Trading in the A shares of the Company for a Period of Not More Than Two Months with Effect from 24 July 2017 in Specific Circumstances was considered and approved. On 22 July 2017, the Company disclosed the Announcement on the Continuous Suspension of Trading Due to Material

Asset Reorganization of Zhengzhou Coal Mining Machinery Group Company Limited under the announcement number Lin 2017 - 046, to the effect that trading in the A shares of the Company continued to be suspended for a period of not more than two months with effect from 24 July 2017. During the period of trading suspension, the Company will release an announcement in relation to the progress of the Material Asset Reorganization at the interval of every five trading days.

To date, the relevant details of the Material Asset Reorganization are as follows:

I. Description of the Material Asset Reorganization Proposal

(I) Background

On 2 May 2017, the Company, SMG Acquisition Luxembourg Holdings S.à r.l. (a limited liability company established jointly and indirectly by the Company and other investors), New Neckar Autoparts Holdings and Operations GmbH & Co. KG (the “Transferee”, being an enterprise wholly - owned by SMG Acquisition Luxembourg Holdings S.à r.l.) and Robert Bosch GmbH and its subsidiary Robert Bosch Investment Nederland B.V. (the “Seller”) entered into a share purchase agreement (the “Share Purchase Agreement”) and other agreements and legal documents in relation to the Transaction, pursuant to which the Transferee would purchase 100% equity interests in Robert Bosch Starter Motors Generators Holding GmbH (“SG Holding”) held by the Seller by way of cash payment (the “Transaction”, the “Material Asset Reorganization” or the “Reorganization”).

On 7 August 2017, the Company, Zhengzhou Shengji Mechanical and Electrical Equipment Company Limited (“Zhengzhou Shengji”, a wholly-owned subsidiary of the Company) and Chizhou Zhongan Zhaoshang Equity Investment LLP (Limited Partnership) (“Zhongan Zhaoshang”) entered into the conditional Agreement on the Joint Investment in Zhengzhou Shengji Mechanical and Electrical Equipment Company Limited by Zhengzhou Coal Mining Machinery Group Company Limited and Chizhou Zhongan Zhaoshang Equity Investment LLP (Limited Partnership), pursuant to which the Company and Zhongan Zhaoshang will participate, among other investors, in the Transaction through their investments in Zhengzhou Shengji.

(II) Key Counterparties under the Transaction

The Seller is the key counterparty under the Transaction. It is a limited liability company incorporated under the laws of the Netherlands and a wholly - owned subsidiary of Robert Bosch GmbH. Both Robert Bosch GmbH and the Seller are independent third parties and are not connected to the Company. This Transaction does not constitute a connected transaction.

(III) The Target Asset

The target asset under this Transaction is 100% equity interests in SG Holding. SG Holding and its subsidiaries have been established to undertake from Robert Bosch GmbH the businesses relating to research and development, manufacturing, distribution and sales of automobile starter motors and generators as well as power recuperation systems. The businesses of SG Holding and its subsidiaries have initially been classified as in the manufacturing and processing industry.

(IV) Transaction Method and Its Impact on the Company

The Transaction is proposed to be by way of purchasing assets by cash payment. The Transaction will not lead to any change in the de facto controller of the Company. The Transaction does not constitute a back - door listing.

Prior to the completion of the Reorganization, the Company is a listed company principally engaged in dual principal businesses comprising the manufacturing of coal mining machinery and auto parts. In view of the more ample room for market development and stronger counter - cycle capabilities of the auto parts industry, the Company will enhance the deployment of its auto parts business segment on the basis of its operational strategy of dual principal businesses. Upon completion of the Reorganization, the Company will achieve further development in the auto parts business segment, which will be beneficial for the Company in enhancing its position in the auto parts industry and strengthen the core competence of the Company in an effective way. SG Holding and its subsidiaries will develop synergy in business and technology with the existing auto parts business and traditional coal mining machinery business of the Company and foster the business development of the Company in an effective way.

(V) Working Progress during the Period of Suspension of Trading

During the period of suspension of trading, the Company has preliminarily identified China Merchants Securities Co., Ltd. ("CMSC") as the independent financial adviser for the Transaction, and has arranged intermediaries including lawyers and accountants to commence their legal and audit work. The Company has communicated with the state-owned assets supervision and administration authority in relation to the proposals for the Reorganization. The listed company and the relevant intermediaries have been actively proceeding with the Material Asset Organization, so as to resume trading and complete the Reorganization as soon as possible.

(VI) Prior Approval by Relevant Government Authorities

The Material Asset Reorganization is subject to approval, verification or filing, including but not limited to the following: (1) anti-monopoly inspection is to be carried out by relevant authorities in the PRC, Poland, Portugal, Slovak Republic, Spain and Ukraine; (2) the transfer of the 100% equity interests in SG Holding to the Transferee (i) is not in violation of the German Foreign Trade and Payments Act and the German Foreign Trade Ordinance; (ii) is not prohibited pursuant to the relevant provisions for a voluntary filing with the Committee on Foreign Investment in the United States (CFIUS); (3) the Transferee or its affiliates has/ have (i) completed the filing with, and a filing notice has been issued by, the National Development and Reform Commission of the PRC or its local counterparts; (ii) completed the filing with, and an enterprise outbound investment certificate has been issued by, MOFCOM or its local counterparts; and (iii) completed registration with SAFE or its local counterparts for the remittance of the portion of the Purchase Price; (4) the transactions contemplated under the Share Purchase Agreement have been approved (i) by the shareholders' general meeting of the Company as a material asset reorganization/ acquisition of a listed company under the Administrative Measures for Material Asset Reorganization of Listed Companies issued by the CSRC, and (ii) by the shareholders' general meeting of the Company as a very substantial acquisition under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; (5) approval by authorities in charge of the supervision of state - owned assets.

Based on the current proposed structure of the Transaction, the Transaction has, as of now, passed the anti-monopoly inspection conducted by the relevant authorities in the PRC, Poland, Portugal, Slovak Republic, Spain and Ukraine respectively.

II. Reasons for the Continuous Suspension of Trading

Since the suspension of trading, the Company and all relevant parties have been actively working on relevant matters and have had full communications and negotiations on specific matters. However, in view of the involvement of approval by authorities in charge of the supervision of state-owned assets and overseas acquisition, complicated businesses and large workload, and the fact that intermediaries were yet to complete their work, it is expected that disclosure of the proposals for the Reorganization cannot be made and thus trading cannot resume within four months from the commencement of trading suspension. The Company will actively work on following up with the Reorganization and seek to complete the proposals for the Reorganization within five months from the commencement of trading suspension. In order to ensure fair disclosure of information, protect the interests of investors, and avoid unusual movements in share price of the Company, the Company has made its application for the continuous suspension of trading in the A shares of the Company.

III. Verification Opinions of the Independent Financial Adviser

After verification, China Merchants Securities, the independent financial adviser, considered that the Company has disclosed true information about the progress of the Reorganization during the period of suspension of trading due to the Material Asset Reorganization.

Since the suspension of trading, the Company and all relevant parties have been actively working on relevant matters and have had full communications and negotiations on specific matters. However, in view of the involvement of approval by authorities in charge of the supervision of state-owned assets and overseas acquisition, complicated businesses and large workload, and the fact that intermediaries were yet to complete their work, it is expected that trading cannot resume within four months from the commencement of trading suspension in respect of the Material Asset Reorganization. For the smooth continuation of the relevant work related to the Material Asset Reorganization, and to protect the interests of investors and avoid unusual movements in share price of the Company, the Company has applied for the continuous suspension of trading in its shares. This continuous trading suspension is justified.

During the period of suspension of trading, the listed company and relevant parties strictly abided by relevant requirements of the CSRC and the Shanghai Stock Exchange and have been actively working on relevant matters of the Material Asset Reorganization. The listed company and its counterparties underwent communications and negotiations on relevant matters regarding the Material Asset Reorganization. The listed company and intermediaries including independent financial adviser and relevant parties underwent consultation, design and substantiation about the Material Asset Reorganization. Corresponding arrangements were made for matters of different stages of the Material Asset Reorganization. The listed company is actively working on relevant matters of the Material Asset Reorganization and has fulfilled its obligations of information disclosure in strict accordance with the relevant requirements of the CSRC and the Shanghai Stock Exchange. It is expected that the listed company can convene a meeting of its board of directors within the required time frame to consider proposals for the Reorganization and disclose a Material Asset Reorganization proposal in accordance with relevant requirements, and trading in the shares of the Company will resume.

For details of the verification opinions of the independent financial adviser, please refer to Verification Opinions of China Merchants Securities Co., Ltd. about the Truthfulness of Disclosure of Information about the Progress of the Reorganization during the Period of Trading Suspension due to the Material Asset Reorganization, Justification of Continuous Trading Suspension and Feasibility of Trading Resumption within Five Months of Zhengzhou Coal Mining Machinery Group Company Limited published on the same day.

IV. Subsequent Work Arrangements and Expected Time of Trading Resumption

In order to ensure the smooth progress of the relevant work of the Material Asset Reorganization, ensure fair disclosure of information, protect the interests of investors, and avoid unusual movements in share price of the Company, pursuant to requirements including the “Standards for the Form and Substance of Information Disclosure by Companies with Publicly Issued Securities No. 26 – Material Asset Reorganization of Listed Companies” and “Business Guidelines for the Suspension and Resumption of Trading of Listed Companies in Contemplation of Material Matters”, the Company will prepare proposals for the Material Asset Reorganization and, upon completion of relevant work including audit, prepare reports and other relevant documents in relation to the Material Asset Reorganization. The Company will fulfill its obligations of decision-making and information disclosure in a timely manner. It is expected that a meeting of its board of directors will be convened before 24 September 2017 to consider relevant proposals for the Material Asset Reorganization and application will be made to the Shanghai Stock Exchange in a timely manner for trading resumption.

During the period of continuous trading suspension, the Company will, based on the progress of the Material Asset Reorganization, fulfill its obligations of information disclosure in a timely manner and release an announcement in relation to the progress of the Material Asset Reorganization at the interval of every five trading days. Upon completion of the relevant work, a meeting of the board of directors of the Company will be convened to consider matters relating to the Reorganization, an announcement will be released in a timely manner and trading in the shares of the Company will resume.

Announcement is hereby given.

Board of Directors of
Zhengzhou Coal Mining Machinery Group Company Limited
23 August 2017