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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)

VERY SUBSTANTIAL ACQUISITION
AMENDMENT TO THE SHARE PURCHASE AGREEMENT

References are made to the announcements dated 20 September 2017 and 2 May 2017 (the “**Announcements**”) and the circular dated 26 November 2017 (the “**Circular**”) of the Company regarding, inter alia, the entering into of the Share Purchase Agreement on 2 May 2017 and the entering into of the Amendment No. 1 on 19 September 2017 by the Purchaser, the Company, Robert Bosch GmbH, SMG Acquisition Luxembourg and the Seller. Unless otherwise specified, the terms defined in the Announcements and the Circular shall have the same meaning when used in this announcement. The Share Purchase Agreement and other agreements and legal documents related to the Acquisition are collectively referred to as the Transaction Documents (the “**Transaction Documents**”).

The Board is pleased to announce that on 29 December 2017, the Purchaser, the Company, Robert Bosch GmbH, SMG Acquisition Luxembourg and the Seller entered into the *Amendment No. 2* to the Share Purchase Agreement (the “**Amendment No. 2**”) and related documents in connection with the detailed closing arrangements for the Acquisition and the implementation of the Transaction Documents and so forth, to amend and supplement the Transaction Documents mainly in the following aspects:

1. The Closing Date shall be adjusted, so that the “First Closing Date” shall refer to the day on which the closing actions corresponding to the First Closing Date shall have taken place or shall have been duly waived, which is 29 December 2017. The “Second Closing Date” shall refer to the day on which the closing actions corresponding to the Second Closing Date shall have taken place or shall have been duly waived. It shall be the second business day following the confirmation by the Purchaser of the availability of the financial means to repay the deferred amount and is expected to be 8 January 2018.

2. Arrangements for the closing actions shall be adjusted, so that:

The parties to the Transaction shall take or cause to take the following actions on the First Closing Date:

- (1) The Seller and the Purchaser shall implement the agreement on the transfer of the Sale Share in a form stipulated under the appendix to the Share Purchase Agreement, including an authorization to the effect that the Purchaser will be authorized to exercise its rights as a shareholder of SG Holding in respect of the Sale Share after the Closing Date;
- (2) The Seller and the Purchaser shall enter into an agreement on the sale and transfer of receivables in respect of the inter-group receivables amount;
- (3) The Purchaser shall pay, inter alia, the Closing Payment Amount and the inter-group receivables, subject to a cap of EUR428.8 million;
- (4) The Seller shall deliver a resignation letter to take effect on or before the Closing Date;
- (5) The Seller shall deliver signed ancillary agreement(s), if such agreements have not been entered into before the Closing Date;
- (6) The Seller shall deliver the guarantee to be executed by SG Holding regarding the performance of all liabilities and obligations of the SG Companies as stipulated under the ancillary agreements.

The parties to the Transaction shall take or cause to take the following actions on the Second Closing Date:

- (1) The Purchaser shall pay, inter alia, the deferred Closing Payment Amount, inter-group receivables, etc. to the Seller, in an amount of EUR125 million;
- (2) The Seller shall return the original guarantee to the Purchaser;
- (3) The Purchaser (or ZMJ on behalf of the Purchaser) shall deliver a post-closing guarantee to the Seller, or the parties shall enter into a post-closing escrow, which is to be funded by the Purchaser;
- (4) The Purchaser shall deliver evidence satisfactory to the Seller that all seller's guarantees have been released, or the Purchaser (or ZMJ on behalf of the Purchaser) shall deliver a bank guarantee;
- (5) Reimbursement by or on behalf of ZMJ of 50% of the reasonable costs and expenses incurred by the Seller's Group Companies for EY and PwC, up to an amount of EUR5,000,000, if such amounts are not paid before the Second Closing Date. Such amounts may be paid before the Second Closing Date.

If the sum of the Closing Payment Amount, the inter-group receivables amount, etc. exceeds the aforesaid amount already paid, such excessive part shall be paid after the First Closing Date with interest;

3. Further confirmation shall be given that upon completion of the closing actions on the First Closing Date, the Seller and the Purchaser shall submit to the acting notary public a joint instruction and authorization to file, on 2 January 2018, an updated shareholders' list of SG Holding reflecting the change in the shareholder structure with the competent commercial register pursuant to the relevant requirements; and
4. Supplemental agreements have been entered into regarding certain arrangements related to working capital and equity interests.

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

Zhengzhou, PRC, 2 January 2018

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 of the Company are Ms. LIU Yao, Mr. JIANG Hua and Mr. LI Xudong.