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ZOOMLION 中 聯 重 科

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

中聯重科股份有限公司

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

(Stock Code: 1157)

UPDATE ANNOUNCEMENT – ACQUISITION OF FURTHER 36% INTEREST IN TARGET

Reference is made to the announcement of Zoomlion Heavy Industry Science and Technology Co., Ltd.* (the “**Company**”) dated 20 May 2025 in relation to possible discloseable transactions and possible connected transaction (“**First Announcement**”) and 28 May 2025 in relation to a connected transaction, respectively (together the “**Announcements**”). Unless otherwise stated, terms used in this announcement have the same meaning as given in the Announcements.

BACKGROUND

The Board is pleased to announce that further to the Announcements, the Company was successful in its tender for Sale Interest B at the opening bid price.

On 4 June 2025 (after trading hours), the Company entered into a sale and purchase agreement with Seller B to acquire Sale Interest B at the purchase price of RMB723,240,100 (equivalent to approximately HK\$788,504,628) in cash (“**Acquisition B**” together with Acquisition A, the “**Acquisitions**”).

As disclosed in the First Announcement, the Target’s appraised value as at the Reference Date is RMB2,009,000,200, which is the basis upon which the purchase price payable for Sale Interest B was determined. The consideration for Sale Interest B represents approximately 36% of said appraised value. The valuation of the Target was commissioned by the Sellers and not by (or together with) the Company. Having considered the valuation report on the whole (including the valuation methods, key inputs and assumptions used) and the Independent Valuer’s professional qualifications and relevant experience, however, the Board is of the view that the valuation provides a credible basis for its assessment of the Target, and it is reasonable in the circumstances to place reliance on said valuation.

Payment of the cash consideration will be funded out of the Company’s internal resources.

ACQUISITION B

The principal terms of the sale and purchase agreement entered into between the Company and Seller B with respect to Acquisition B are set out as follows:

Date	:	4 June 2025
Parties	:	Seller B (as seller) The Company (as buyer)
Subject matter	:	Sale Interest B, representing 36% interest in the Target
Consideration	:	RMB723,240,100 (equivalent to approximately HK\$788,504,628)
Terms of payment	:	The Company shall remit the purchase price in a single payment to a settlement account designated by the Hunan Exchange
Registration of change in ownership	:	The Target shall complete the procedures for change in ownership with the local industrial and commercial bureau within 60 working days from the date on which (i) approval for the transfer of Sale Interest B is given by the local financial supervision and administration bureau in Beijing, the PRC and (ii) a notice of asset appraisal certification with respect to the transfer of Sale Interest B is issued by the Ownership Management Office of Hunan SASAC
Post-completion	:	As from completion of said registration of change in ownership, the Company shall be entitled to and assume all shareholder's rights and obligations attaching to its interest in the Target, and Seller B shall no longer be entitled to such rights nor be liable to such obligations

INFORMATION ABOUT THE PARTIES

The Company and the Group

The Company is a joint stock company incorporated in the PRC with limited liability. The Group is a leading PRC-based construction machinery manufacturer providing diversified products, including concrete machinery, crane machinery and agricultural machinery, with a presence in Asia, Europe and other regions.

Seller B

Seller B is a company incorporated in the PRC with limited liability and is principally engaged in equity investment and finance leasing business.

Seller B is directly wholly-owned by Hunan Iron and Steel Group Co., Ltd.* (湖南鋼鐵集團有限公司), which is directly held as to approximately 70.65% and 10.84% by Hunan SASAC and Seller A, respectively. Hunan Iron and Steel Group Co., Ltd. is primarily engaged in the smelting, manufacture and sale of iron and steel products, as well as nonferrous metal products.

Hunan SASAC is a PRC Governmental Body (within the meaning of Rule 19A.04 of the Hong Kong Listing Rules) and therefore not a connected person of the Company by virtue of Rule 14A.10 of the Hong Kong Listing Rules.

INFORMATION ABOUT THE TARGET

The Target was incorporated in February 2002 as a limited liability company in the PRC and then held as to 90% by the Company. It became a wholly-owned subsidiary of the Company in December 2009. In June 2021, the Company sold 45% and 36% interest in the Target to Seller A and Seller B, respectively.

The Target is principally engaged in finance leasing business and the provision of insurance agency services.

On 28 May 2025, the Company re-acquired from Seller A 45% interest in the Target, which is not yet completed. As at the date of this announcement, the Company held 19% interest in the Target. Upon completion of the Acquisitions, the Company will come to hold 100% interest in the Target and its results will be consolidated into the Company's financial statements.

Please refer to the section headed "Information about the Target" in the First Announcement for further information about the Target (including its valuation and financial information).

REASONS FOR AND BENEFITS OF ACQUISITION B

Conducive to enhancing the synergy between industry and finance

Completion of Acquisition B (together with Acquisition A) will result in the Company becoming the sole shareholder of the Target, which is conducive to enhancing the synergy between industry and finance, creating a package of "equipment and service" solutions, initiating comprehensive service for the entire equipment lifecycle, enhancing the Company to promote the competitiveness of its products and services, and fostering the sustainable development of customers' business.

Conducive to promoting the digital management strategy

After obtaining complete ownership in the Target, the Company will further enhance its business management model, perform "digital" and "end-to-end" business management across the entire chain and processes, and develop an intelligent decision-making model utilising big data from both industry and finance, so as to better control the quality of business operation, improve profitability and strengthen the overall risk control capabilities of the Company.

Conducive to reducing related party transactions

The Target is principally engaged in the finance leasing of the Company's tower cranes. Closing of Acquisition B (together with Acquisition A), which will lead to the Target's consolidation into the Company's accounts, can help reduce the Group's related party transactions.

Having considered the above, the Directors believe that the terms of Acquisition B are fair and reasonable and in the interests of the shareholders as a whole.

IMPLICATIONS UNDER HONG KONG LISTING RULES

As all applicable percentage ratios in respect of Acquisition B (when aggregated with Acquisition A) are less than 5%, it does not constitute a notifiable transaction of the Company under Chapter 14 of the Hong Kong Listing Rules.

In this announcement, amounts in RMB are translated into HK\$ on the basis of HK\$1 = RMB0.91723. The conversion rate is for illustration purpose only and should not be taken as a representation that RMB could be converted into HK\$ at such rate or at all.

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

Changsha, the PRC, 4 June 2025

As at the date of this announcement, the executive Director is Dr. Zhan Chunxin; the non-executive Directors are Mr. He Liu and Mr. Wang Xianping; and the independent non-executive Directors are Mr. Zhang Chenghu, Mr. Huang Guobin, Mr. Wu Baohai and Ms. Huang Jun.

* *For identification purpose only*