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中国神华

CHINA SHENHUA

中国神华能源股份有限公司

CHINA SHENHUA ENERGY COMPANY LIMITED

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

(Stock Code: 01088)

ANNOUNCEMENT ON PROFIT ALERT FOR THE FIRST HALF OF 2020

This announcement is made pursuant to Rule 13.09(2) and Rule 13.10B of the Listing Rules and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The financial information of the Company contained in this announcement is preliminary estimation prepared in accordance with the International Financial Reporting Standards and has not been audited or reviewed by auditors, and may therefore differ from the reviewed information of 2020 interim financial statements of the Company. Investors should be aware of the investment risk.

I. ESTIMATED RESULTS FOR THE FIRST HALF OF 2020

According to the preliminary estimation, profit attributable to the equity holders of the Company for the period of the first half of 2020 is estimated to be approximately RMB20.4 billion (the first half of 2019: RMB24.240 billion), representing a year-on-year decrease of approximately 16%.

II. MAIN REASONS

In the first half of 2020, the main reasons for the year-on-year decrease in profit attributable to the equity holders of the Company for the period are:

(I) Due to the effect of epidemic COVID-19 on the demand side of the economy, the Group experienced the decrease in sales of coal, electric power and coal chemical products as well as the railway transportation turnover, and the decrease in average sales price of coal and coal chemical products;

(II) The impact of the completion of the establishment of the Joint Venture Company on 31 January 2019: firstly, the profit in January 2019 earned by the power plants contributed by the Company was included in the net profit of the Group for the first half of 2019; secondly, a one-off investment gain of RMB1.121 billion was confirmed on the completion date, resulting in a large base.

III. DEFINITIONS

the Company	China Shenhua Energy Company Limited
the Group	the Company and its subsidiaries
Joint Venture Company	the joint venture company co-established by the Company and GD Power Development Co., Ltd. with their respective holding of equities and assets of the relevant coal-fired power generation companies, namely Beijing GD Power Co., Ltd.
Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

By Order of the Board
China Shenhua Energy Company Limited
Huang Qing
Secretary to the Board of Directors

Beijing, 30 July 2020

As at the date of this announcement, the Board comprises the following: Mr. Wang Xiangxi, Mr. Yang Jiping and Mr. Xu Mingjun as executive directors, Mr. Jia Jinzhong and Mr. Zhao Yongfeng as non-executive directors, Dr. Yuen Kwok Keung, Dr. Bai Chong-En and Dr. Chen Hanwen as independent non-executive directors, and Mr. Wang Xingzhong as employee director.