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**內蒙古伊泰煤炭股份有限公司**

**INNER MONGOLIA YITAI COAL CO., LTD.\***

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

**(Stock Code: 3948)**

**ANNOUNCEMENT PURSUANT TO RULE 3.7 OF  
THE TAKEOVERS CODE, RULE 13.09 OF THE LISTING RULES AND  
INSIDE INFORMATION PROVISIONS UNDER PART XIVA OF  
THE SECURITIES AND FUTURES ORDINANCE**

This announcement is made by Inner Mongolia Yitai Coal Co., Ltd. (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), Rule 3.7 of The Code on Takeovers and Mergers (the “**Takeovers Code**”) issued by the Securities and Futures Commission of Hong Kong and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company wishes to announce that a board meeting was held on 29 March 2023, in which the board of directors (the “**Directors**”) resolved, among other matters, to approve a possible proposal to buy-back all the issued H shares (the “**Possible H Share Buy-back**”) in the issued share capital of the Company (the “**H Shares**”), at a minimum indicative offer price of HK\$17 per H Share (the “**Indicative Offer Price**”), and to authorise the carrying out of the relevant planning and preliminary preparation works. Based on the Indicative Offer Price and assuming the Possible H Share Buy-back is fully accepted by all H Shareholders, the minimum indicative total consideration for the Possible H Share Buy-back is expected to be HK\$5,542,119,000. The Indicative Offer Price is disclosed for the purposes of obtaining the relevant registrations with the local bureau of the State Administration of Foreign Exchange (“**SAFE**”) in the People's Republic of China (“**PRC**”) in connection with the Possible H Share Buy-Back in accordance with the applicable requirements under the PRC laws and regulations.

\* For identification purposes only

The Possible H Share Buy-back, which may or may not proceed, is subject to, amongst others, the registration of the Possible H Share Buy-back with the local SAFE to be made by the Company, and compliance with the applicable requirements under the Listing Rules, the Takeovers Code, The Code on Share Buy-backs (the “**Share Buy-backs Code**”) and other applicable laws and regulations, including but not limited to the requisite approval of the Possible H Share Buy-back by the shareholders of the Company (the “**Shareholders**”). If the Possible H Share Buy-back materialises, it is intended that the listing of the H Shares will be withdrawn from The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), while the B shares in the issued share capital of the Company (the “**B Shares**”) will remain listed on the Shanghai Stock Exchange, upon the completion of the Possible H Share Buy-back.

Taking into account (i) the low trading volume and limited liquidity of the H Shares, which creates difficulty for the Company to effectively conduct fund raising exercise in the H Share market; (ii) the Possible H Share Buy-back, if materialised, will result in an one-off investment gain for the accepting H shareholders; and (iii) the delisting of the H Shares, if materialised, will allow the Company to save costs and expenses associated with regulatory compliance of its listing of H Shares, the Directors believe that the Possible H Share Buy-back and the delisting of H Shares will be beneficial to the Company and its Shareholders as a whole.

## **SECURITIES OF THE COMPANY**

In compliance with Rule 3.8 of the Takeovers Code, as at the date of this announcement, the Company has a total issued share capital of 3,254,007,000 shares, comprising 326,007,000 H Shares, 1,328,000,000 B Shares and 1,600,000,000 unlisted domestic shares. Save for the abovementioned shares, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this announcement.

## **MONTHLY UPDATES**

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the Possible H Share Buy-back will be made by the Company until an announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code, or of a decision not to proceed with an offer, is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules, the Takeovers Code and/or the Share Buy-backs Code (as the case may be).

## **DISCLOSURE OF DEALINGS**

The associates of the Company (as defined in the Takeovers Code and including a person who owns or controls 5% or more of any class of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company) are reminded to disclose their dealings in any securities of the Company under Rule 22 of the Takeovers Code.

## **RESPONSIBILITIES OF STOCKBROKERS, BANKS AND OTHER INTERMEDIARIES**

For the purposes of the Takeovers Code, the offer period has commenced on the date of this announcement. In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code (capitalized terms in the text reproduced below shall have the meanings ascribed to them under the Takeovers Code):

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

“Executive” referred to above has the meaning ascribed to it under the Takeovers Code.

**There is no assurance that the Possible H Share Buy-back as described in this announcement will materialize or eventually be consummated. In addition, even if the Company proceeds with the Possible H Share Buy-back, the terms and conditions of the Possible H Share Buy-back remain subject to further consideration and finalisation by the Company and discussion with its advisers. Shareholders and public investors are urged to exercise extreme caution when dealing in the securities of the Company.**

**By order of the Board**  
**Inner Mongolia Yitai Coal Co., Ltd.\***  
**Zhang Jingquan**  
*Chairman*

Inner Mongolia, the PRC, 29 March 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Zhang Jingquan, Mr. Liu Chunlin, Mr. Li Juncheng, Mr. Zhao Like, Mr. Yang Jialin and Mr. Bian Zhibao; and the independent non-executive directors of the Company are Mr. Wong Hin Wing, Ms. Du Yingfen and Mr. E Erdun Tao Ketao.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

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