
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold or transferred all your shares in Inner Mongolia Yitai Coal Co., Ltd., you should at once hand this circular and the proxy form dispatched to shareholders on 30 March 2023 to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or the transfer was effected for transmission to the purchaser(s) or transferee(s).



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)

**ANNUAL REPORT AND ITS SUMMARY FOR THE YEAR 2022,
ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31
DECEMBER 2022
REPORT OF THE BOARD FOR THE YEAR 2022
PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS
FOR THE YEAR 2022
REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2022
PROFIT DISTRIBUTION PLAN FOR THE YEAR 2022
CAPITAL EXPENDITURE PLAN FOR THE YEAR 2023
ESTIMATES OF THE PROVISION OF GUARANTEE FOR THE HOLDING
SUBSIDIARIES FOR THE YEAR 2023
ESTIMATES OF THE PROVISION OF GUARANTEE FOR COMMERCIAL
ACCEPTANCE BILL FINANCING BUSINESS OF CERTAIN WHOLLY-OWNED
SUBSIDIARIES AND HOLDING SUBSIDIARIES FOR THE YEAR 2023
ENTRUSTED WEALTH MANAGEMENT WITH TEMPORARILY IDLE
SELF-OWNED FUNDS
RE-APPOINTMENT OF FINANCIAL AUDIT INSTITUTION
FOR THE YEAR 2023
RE-APPOINTMENT OF INTERNAL CONTROL AUDIT INSTITUTION
FOR THE YEAR 2023
RE-ELECTION AND APPOINTMENT OF DIRECTORS
RE-ELECTION AND APPOINTMENT OF SUPERVISORS
REMUNERATION PLAN FOR DIRECTORS OF THE NINTH SESSION OF
THE BOARD
REMUNERATION PLAN FOR SUPERVISORS OF THE NINTH SESSION
OF THE SUPPLEMENTARY COMMITTEE
AND
REVISED NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR 2022**

A letter from the Board is set out on pages 3 to 38 of this circular.

A revised notice convening the AGM to be held at 3:00 p.m. on Friday, 19 May 2023 is set out on pages 47 to 50 of this circular. A form of proxy for use at the AGM has been dispatched to Shareholders on 30 March 2023. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.yitaicoal.com).

Whether or not you are able to attend the AGM, you are requested to complete the form of proxy dispatched to Shareholders on 30 March 2023 in accordance with the instruction printed thereon and return it to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not less than 24 hours before the time appointed for the holding of the AGM (i.e. 3:00 p.m. on Thursday, 18 May 2023) or 24 hours before the time appointed for the holding of any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof if you so wish.

19 April 2023

* For identification purposes only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company for the year 2022 which will be held at 3:00 p.m. on Friday, 19 May 2023
“Articles of Association”	Articles of Association of the Company
“Board”	the board of directors of the Company
“Company”	Inner Mongolia Yitai Coal Co., Ltd. (內蒙古伊泰煤炭股份有限公司), a joint stock limited company incorporated in the PRC on 23 September 1997, whose H shares are listed on the Hong Kong Stock Exchange (stock code: 3948) and whose B shares are listed on the Shanghai Stock Exchange (stock code: 900948)
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent non-executive Director(s)” or “Independent Director(s)”	the independent non-executive director(s) of the Company
“Latest Practicable Date”	13 April 2023, being the latest practicable date prior to the printing of this circular for ascertaining certain information herein
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, which for the purposes of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	RMB, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of the Company

DEFINITIONS

“Shareholder(s)”	the shareholder(s) of the Company
“subsidiary” or “subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Supervisory Committee”	the supervisory committee of the Company
“Yitai Chemical”	Inner Mongolia Yitai Chemical Co., Ltd.* (內蒙古伊泰化工有限責任公司)
“Yitai Group”	Inner Mongolia Yitai Group Co., Ltd. (內蒙古伊泰集團有限公司), a limited liability company established in the PRC and one of the Company’s Controlling Shareholder
“%”	percent

LETTER FROM THE BOARD



内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)

Executive Directors:

Mr. Zhang Jingquan
Mr. Liu Chunlin
Mr. Li Juncheng
Mr. Zhao Like
Mr. Yang Jialin
Mr. Bian Zhibao

Independent non-executive Directors:

Mr. Wong Hin Wing
Ms. Du Yingfen
Mr. E Erdun Tao Ketao

Registered office:

Yitai Building
North Tianjiao Road
Dongsheng District, Ordos
Inner Mongolia, the PRC

Principal place of business in Hong Kong:

40/F, Dah Sing Financial Centre
248 Queen's Road East
Wan Chai, Hong Kong

19 April 2023

To the Shareholders

Dear Sir or Madam,

**ANNUAL REPORT AND ITS SUMMARY FOR THE YEAR 2022,
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LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular, of which this letter forms a part, is to give you the revised notice of the AGM and to provide you with all the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the AGM.

At the AGM, ordinary resolutions will be proposed to approve, among others: (i) annual report and its summary for the year 2022, annual results announcement for the year ended 31 December 2022; (ii) report of the Board for the year 2022; (iii) performance report of the Independent Directors for the year 2022; (iv) report of the Supervisory Committee for the year 2022; (v) profit distribution plan for the year 2022; (vi) capital expenditure plan for the year 2023; (vii) estimates of the provision of guarantee for the holding subsidiaries for the year 2023; (viii) estimates of the provision of guarantee for commercial acceptance bill financing business of certain wholly-owned subsidiaries and holding subsidiaries for the year 2023; (ix) entrusted wealth management with temporarily idle self-owned funds; (x) re-appointment of financial audit institution for the year 2023; (xi) re-appointment of internal control audit institution for the year 2023; (xii) re-election and appointment of Directors; (xiii) re-election and appointment of supervisors; (xiv) remuneration plan for the Directors of the ninth session of the Board; and (xv) remuneration plan for the supervisors of the ninth session of the Supervisory Committee.

2. ANNUAL REPORT AND ITS SUMMARY FOR THE YEAR 2022, ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

An ordinary resolution will be proposed at the AGM to approve the annual report and its summary for the year 2022, annual results announcement for the year ended 31 December 2022. The annual results announcement for the year ended 31 December 2022 of the Company is set out in the annual report of the Company which has been dispatched to the Shareholders and also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.yitaicoal.com).

3. REPORT OF THE BOARD FOR THE YEAR 2022

An ordinary resolution will be proposed at the AGM to approve the report of the Board for the year 2022. The full text of the report of the Board for the year 2022 is set out in the annual report of the Company which has been dispatched to the Shareholders and also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.yitaicoal.com).

4. PERFORMANCE REPORT OF THE INDEPENDENT DIRECTORS FOR THE YEAR 2022

The full text of the performance report of Independent non-executive Directors of the Company is set out below:

In 2022, as the Independent Directors of Inner Mongolia Yitai Coal Co., Ltd. (the “**Company**”), in strict compliance with laws and regulations including the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies and the Rules for Independent Directors of

LETTER FROM THE BOARD

Listed Companies, as well as the requirements of relevant systems such as the Articles of Association of Inner Mongolia Yitai Coal Co., Ltd., we have actively attended relevant meetings, carefully reviewed various proposals, and issued prior approval statements and independent opinions on relevant matters in a diligent and conscientious way. We have promoted the improvement of the Company's decision-making process and internal control system in relation to major projects, which played a positive role in safeguarding the overall interests of the Company and protecting the interests of minority investors. The performance in 2022 is presented as follows:

I. Overview of the Performance of Independent Directors for the year

(I) Attendance and Voting

In 2022, the Company totally convened 8 Board meetings and 4 Shareholders' general meetings, and all Independent Directors attended all the meetings without no one being absent or authorizing other Independent Directors to attend on his/her behalf. At these meetings, we actively participated in the discussion of various proposals and put forward opinions and suggestions, and we exercised our voting rights in a rigorous manner. During the year, we voted in favor of all the proposals, and there were no objections or abstentions.

(II) Independent Opinions

In 2022, as the Independent Directors of the Company, with a serious and responsible working attitude of seeking truth from facts, and based on our independent judgments, we have expressed our opinions of independence for relevant matters of the Company, as follows:

Session No. of the Board meeting	Matters considered	Opinion
18th of eighth session (29 March 2022)	The Resolution Relating to the 2021 Internal Control Evaluation Report of Inner Mongolia Yitai Coal Co., Ltd.	Passed
	The Resolution Relating to 2021 Profit Distribution Plan of the Company	Passed
	The Resolution Relating to the Changes in Accounting Policies of the Company	Passed
	The Resolution Relating to the Confirmation of the Actual Amount of the Daily Related Party Transactions/Continuing Connected Transactions of the Company in 2021	Passed
	The Resolution Relating to the Supplemental Estimates of the Company for the Maximum of the Daily Related Party Transactions/Continuing Connected Transactions for 2022-2023	Passed

LETTER FROM THE BOARD

Session No. of the Board meeting	Matters considered	Opinion
	The Resolution Relating to the Estimates of the Company for the Maximum of Continuing Connected Transactions (H shares) for 2022-2023	Passed
	The Resolution Relating to the New Daily Related Party Transactions (B shares) of the Company	Passed
	The Resolution Relating to the Estimates of the Provision of Guarantee for Holding Subsidiaries by the Company in 2022	Passed
	The Resolution Relating to the Estimates of the Provision of Guarantees for Commercial Acceptance Bill Financing Business of Certain Wholly-owned Subsidiaries and Holding Subsidiaries by the Company in 2022	Passed
	The Resolution Relating to the Entrusted Wealth Management with Temporarily Idle Self-Owned Funds of the Company	Passed
	The Resolution Relating the Re-appointment of Financial Audit Institution by the Company for 2022	Passed
	The Resolution Relating the Re-appointment of Internal Control Audit Institution by the Company for 2022	Passed
	The Resolution Relating to the Risk Disposal Plan for the Financial Business Conducted by the Company with Inner Mongolia Yitai Finance Co., Ltd.	Passed
	The Resolution Relating to the Risk Assessment Report of Inner Mongolia Yitai Finance Co., Ltd.	Passed
20th of eighth session (5 May 2022)	The Resolution Relating to the Appointment of Deputy General Manager of the Company	Passed

LETTER FROM THE BOARD

Session No. of the Board meeting	Matters considered	Opinion
21st of eighth session (30 August 2022)	The Resolution Relating to the Adjustment of the Company's Estimates of the Provision of Guarantee for Commercial Acceptance Bill Financing Business of Certain Wholly-owned Subsidiaries and Holding Subsidiaries by the Company in 2022	Passed
	The Resolution Relating to the Supplemental Estimates of the Company for the Maximum of the Daily Related Party Transactions/Continuing Connected Transactions for 2022-2023	Passed
	The Resolution Relating to the Supplemental Estimates of the Daily Related Party Transactions (B shares) of the Company	Passed
	The Resolution Relating to the Risk Assessment Report of Inner Mongolia Yitai Finance Co., Ltd.	Passed
	The Resolution Relating to the Changes in Accounting Policies of the Company	Passed
23rd of eighth session (11 November 2022)	The Resolution Relating to the Signing of the Financial Services Framework Agreement between the Company and Inner Mongolia Yitai Finance Co., Ltd.	Passed

(III) Performance in the Special Committees of the Board

In 2022, the Audit Committee held 5 meetings in total, the Strategy Committee held 1 meeting in total, the Nomination Committee held 2 meetings in total, the Remuneration and Appraisal Committee held 1 meeting, and the Production Committee held 1 meeting.

Du Yingfen, Huang Sujian (resigned due to expiration of term of office in November 2022) and E Erdun Tao Ketao, all Independent Directors, serve as the chairman of each of the Audit Committee, the Remuneration and Appraisal Committee and the Nomination Committee under the Board, respectively. Each committee has specific work allocations and clear accountabilities and operates in high efficiency, and fully exerts its professional functions and provides scientific and professional advice for the decision-making of the Board. During the reporting period, the Audit Committee proactively guided the internal audit work. During the audit process, it diligently reviewed the Company's financial report and expressed its opinion upon review, and proposed to the Board to engage an accounting firm; the Strategy Committee earnestly studied the macroeconomic condition and development trend in the industry, provided professional advice for the Board to make decisions on external investments and capital expenditure, etc., which effectively guaranteed the Company's strategic direction; the Nomination Committee constantly perfected the talent reserve of Directors and senior

LETTER FROM THE BOARD

management, and reviewed the capabilities of performance and qualifications of the candidates of senior management; the Remuneration and Appraisal Committee reviewed the remuneration policies and payment of remuneration of Directors and senior management of the Company; and the Production Committee kept abreast of the production and operation, and considered and approved the 2022 production work plan of the Company.

II. Key Concerns for the Independent Directors' Annual Performance

(I) *Related Party Transactions*

In 2022, the consideration and voting procedures of the daily related party transactions of the Company complied with laws and regulations, regulatory rules for listed companies and the Articles of Association. All related party transactions that occurred were based on market prices and carried out on the basis of equality and mutual benefit, which were in the overall interests of the Company and its Shareholders. There is no damage to the interests of minority Shareholders of the Company.

(II) *Guarantees*

The guarantees of the Company are to meet the daily operation needs of the Company and its subsidiaries, which are conducive to the Company's long-term development, and in compliance with the listing rules of the stock exchange where the Company is listed and the Articles of Association. The guarantee risk is controllable, and there is no damage to the interests of the Shareholders of the Company, especially minority Shareholders.

(III) *Nomination and Remuneration of Senior Management*

In 2022, we have carefully considered the nomination proposals of senior management of the Company, and reviewed the qualifications and professional qualities of the candidates. The nomination and appointment procedures for senior management of the Company comply with the Company Law and the Articles of Association. We have reviewed the basis for determining the remuneration of Directors and senior management of the Company and the actual payment, etc., and are of the view that their remuneration complies with the performance appraisal and the relevant remuneration system regulations of the Company, and the remuneration payment complies with relevant laws and regulations, as well as the Articles of Association, rules and regulations.

(IV) *Proposed Engagement of the Auditor*

On 29 March 2022, the Company held the 18th meeting of the eighth session of the Board, considered and approved the Proposal regarding the Re-appointment of the 2022 Financial Audit Institution of the Company and the Proposal regarding the Reappointment of the 2022 Internal Control Audit Institution of the Company, and

LETTER FROM THE BOARD

approved the re-appointment of Da Hua Certified Public Accountants (Special General Partnership) as the audit institution of the Company for the year 2022 for issuance of audit reports and other relevant documents. We are of the opinion that the reappointment of the audit institution is conducive to maintaining the continuity and stability of the external audit work, and the engagement procedures comply with relevant provisions of laws and regulations without prejudice to the interests of the Company and Shareholders.

(V) *Cash Dividends*

On 29 March 2022, at the 18th meeting of the eighth session of the Board of the Company, the Proposal regarding the Profit Distribution Plan of the Company in 2021 was considered and approved. We have carefully reviewed the proposal and expressed independent opinions. We are of the opinion that the 2021 profit distribution plan of the Company is in line with the objective condition of the Company, the provisions of relevant laws and regulations and the Articles of Association, and there is no case found prejudice to the interests of the Company and Shareholders.

(VI) *Other Work Performance for Protecting Legitimate Interests of the Shareholders*

1. We actively understood the Company's production and operation development dynamics, maintained timely communication with the Company's management, carefully reviewed relevant information of the Company and made several advice and recommendations to the Board.
2. We continued to keep an eye on the Company's information disclosure and urged the Company to strictly implement the relevant requirements of regulatory documents of the CSRC, Shanghai Stock Exchange, Hong Kong Stock Exchange and the management system of the Company, making sure the information disclosure of the Company being true, accurate, complete, timely and fair.
3. Through strengthening learning, we understood and kept abreast of relevant laws, regulations, rules and policies, especially focused on the understanding of laws and regulations related to regulating the corporate governance structure and protecting the legitimate rights and interests of the public Shareholders, and actively participated in relevant trainings organized by securities regulatory authorities and the stock exchanges in various ways, continuously improved our ability to performance.

III. OVERALL APPRAISAL AND RECOMMENDATIONS

In 2022, as Independent Directors of the Company, we upheld the attitude of honesty, trustworthy, due and diligence, performed our duties as Independent Directors in an independent, objective, impartial and prudent manner in accordance with the provisions and requirements of relevant laws and regulations, and played a positive role in the correct decision-makings of the Board according to our own expertise.

LETTER FROM THE BOARD

In 2023, we will continuously uphold the objective of being responsible for the Company and Shareholders, and cautiously, earnestly and diligently exercise the right and perform the obligations as the Independent Directors in accordance with the laws and regulations, enhance the communications and collaboration with the Board, the Supervisory Committee and management. Besides, we will make full use of our own expertise and working experience to provide more reasonable recommendations for the Company's development, improve the scientific decision-making level of the Board of the Company, and effectively safeguard the legitimate rights and interests of the Company and all Shareholders, especially small and medium Shareholders.

The report is hereby given.

Independent Directors

Huang Sujian Wong Hin Wing Du Yingfen E Erdun Tao Ketao

5. REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2022

An ordinary resolution will be proposed at the AGM to approve the report of the Supervisory Committee for the year 2022. The full text of the report of the Supervisory Committee for the year 2022 is set out in the annual report of the Company which has been dispatched to the Shareholders and also published on the website of the Hong Kong Stock Exchange (www.hkexnews.hk) and the website of the Company (www.yitaicoal.com).

6. PROFIT DISTRIBUTION PLAN FOR THE YEAR 2022

As audited by Da Hua Certified Public Accountants (Special General Partnership), the net profit attributable to owners of the parent company for the year 2022 amounted to RMB10,975,354,792.47 and the accumulated profit available for distribution to shareholders at the end of the year of the parent company amounted to RMB31,170,401,609.29, as set out in the consolidated financial statements of the Company prepared in accordance with the PRC Accounting Standards for Business Enterprise.

The Company intends to repurchase all of the issued H Shares and cancel the corresponding H Shares by way of an offer and voluntarily revoke the listing status of the H Shares of the Company on the Hong Kong Stock Exchange (the "**H Share Repurchase and Delisting**"). By far, the Company has 326,007,000 H Shares in issue, representing 10.02% of the total share capital of the Company. Based on preliminary estimates, the preliminary estimated price of the Company's H Share Repurchase Offer is not less than HKD17 per share (the "**Preliminary Intended Offer Price**"). Based on the Preliminary Intended Offer Price and assuming the full acceptance of the Offer by all H Shareholders, the total consideration for the H Share Repurchase Offer will be no less than HKD5,542 million.

Taking into account the capital expenditure scale of the H Share Repurchase and Delisting, the production and operation needs of the Company and other factors, and in order to protect the Company's capital requirements for project construction, research and development, production and other daily operations, the Company intends to decide not to make any profit distribution, conversion of capital reserve into share capital and other forms of distribution for the year 2022.

LETTER FROM THE BOARD

7. CAPITAL EXPENDITURE PLAN FOR THE YEAR 2023

Based on future strategic development needs and the actual situation of production and management, the Company will carry out preparation steadily for important proposed projects and put more efforts to promote the projects under progress in 2023. Details about capital expenditure plan for the year 2023 of the Company are as follows:

2023 Capital Expenditure Plan of Inner Mongolia Yitai Coal Co., Ltd.

Project	Capital Expenditure Plan for the Year 2023 (RMB'0,000)
1 Integrated coal project of small and medium-sized coal mines in Yining mining area of Yili Mining	141,428.31
2 Environmental protection renovation project of the collection and transportation centre in Jungar Zhao of Huzhun Railway	28,777.42
3 Purchasing of capacity quota for approved increase in coal mine production capacity	25,600.00
4 Environmental protection renovation project of the coal storage area in Hushi of Xiyingsi Collection and Transportation Centre	22,330.87
5 Grant income on mining rights of Baoshan Mine	18,560.43
6 Second track project of Huzhun Railway	4,788.30
7 VOCs treatment project of Yitai Chemical and Coal-to-Oil Company	4,471.58
8 a-Olefin separation pilot project of Yitai Chemical	3,684.00
9 Second horizontal extension project of Talahao Mine	3,632.80
10 Grant income on mining rights of Suancigou Mine	2,784.00
11 Company filing management center project	2,730.81
12 Smart mine project of Dadijing Refined Mine	1,794.12
13 Production and operation investment	47,467.17
Total	308,049.81

Introductions on the projects are as follows:

I. Integrated Coal Project of Small and Medium-sized Coal Mines in Yining Mining Area of Yili Mining

In March 2012, the Company invested and established Yitai Yili Mining Co., Ltd. (“**Yili Mining**”), and the Company holds 90.2% of its equity. It is mainly responsible for the exploration of coal resources and the integration of coal mines in the Yili area in Xinjiang.

LETTER FROM THE BOARD

The integrated coal project of small and medium-sized coal mines in Yining mining area of Yili Mining was approved by the National Energy Administration in 2020, and the mining license issued by the Natural Resources Department of Xinjiang Uygur Autonomous Region was obtained on 25 March 2022.

II. Environmental Protection Renovation Project of Collection and Transportation Centre in Jungar Zhao of Huzhun Railway

According to the overall deployment of the two levels of government of Ordos and Jungar Banner on accelerating clean production, promoting energy conservation and emission reduction, and reducing coal dust pollution, the Company plans to carry out a fully enclosed renovation of a coal storage area in the collection and transportation centre in Jungar Zhao of Inner Mongolia Yitai Huzhun Railway Co., Ltd. (“**Huzhun Railway**”). At present, the project has obtained the record approval from the Energy Bureau of Jungar Banner. The coal storage area of the collection and transportation centre covers about 100,000 square meters.

III. Purchasing of Capacity Quota for Approved Increase in Coal Mine Production Capacity

The production capacity of Inner Mongolia Yitai Jingyue Suancigou Mining Co., Ltd. (“**Suancigou Mining**”) was approved to increase from 18 million tonnes per year to 20 million tonnes per year; the production capacity of Inner Mongolia Yitai Coal Co., Ltd. Talahao Mine (“**Talahao Mine**”) was approved to increase from 10 million tonnes per year to 12 million tonnes per year; the production capacity of Inner Mongolia Yitai Coal Co., Ltd. Kaida Mine (“**Kaida Mine**”) was approved to increase from 1.5 million tonnes per year to 2.8 million tonnes per year. The three coal mines need to purchase a production capacity quota for the approved increase in production capacity.

IV. Environmental Protection Renovation Project of the Coal Storage Area in Hushi of Xiyingsi Collection and Transportation Centre

According to relevant national environmental policies and the Notice on Comprehensive Cleaning and Rectification of Powder Material Stacks including Coal Yard Transportation Stations issued by the Ordos Municipal Government, the Company planned to invest in the construction of the environmental protection renovation project of the coal storage area in Hushi of Xiyingsi collection and transportation centre. The project is enclosed by a coal storage shed with a total area of 265.28 thousand square meters.

V. Grant Income on Mining Rights of Baoshan Mine

Inner Mongolia Yitai Baoshan Coal Co., Ltd. (“**Baoshan Mine**”) was established on 10 April 2006 with a registered capital of RMB30 million. It is owned as to 100% by the Company.

The Natural Resources Bureau of Ordos City entrusted Inner Mongolia Xingding Asset Appraisal Co., Ltd. (內蒙古興鼎資產評估有限責任公司) to evaluate the additional recoverable reserves of 27.2147 million tonnes in Baoshan Mine, and Baoshan Mine shall pay mining rights assignment amount of RMB185.6043 million.

LETTER FROM THE BOARD

VI. Second Track Project of Huzhun Railway

The second track project of Huzhun Railway shall pay the farmland occupation tax of 40.39 hectares and purchase the farmland quota of 1.24 hectares for the completion of land use procedures.

VII. VOCs treatment project of Yitai Chemical and Coal-to-Oil Company

According to the relevant notice document of the Three-year Plan for Treatment of Volatile Organic Compounds in Ordos, Inner Mongolia Yitai Coal-to-Oil Co., Ltd. (“**Coal-to-Oil Company**”) shall complete the whole process VOCs treatment such as oil and gas recovery in the tank farm and the truck loading and unloading area.

Pursuant to the Letter on Accelerating the Promotion of Volatile Organic Compounds Treatment, the Three-year Plan for Treatment of Volatile Organic Compounds in Ordos City and the Notice of the Office of the Leading Group for Prevention and Control of Air Pollution in Ordos on Further Improving Overall Level of Volatile Organic Compounds (VOCs) Treatment, Inner Mongolia Yitai Chemical Co., Ltd. (“**Yitai Chemical**”) shall renovate the vehicle loading system and intermediate tank area.

VIII. a-Olefin Separation Pilot Project of Yitai Chemical

Based on the strategic development requirements of the Company’s coal chemical sector, the project is an important part of the deployment of innovation chain around the coal chemical industry chain and the layout of industry chain around the innovation chain to achieve quality improvement and efficiency enhancement of the Company’s coal chemical business as well as strategic transformation and upgrading. The main construction includes the removal of oxygenated compounds and separation of alkylenes from Fischer-Tropsch light fractionated oil using analogical moving bed patented technology, followed by the cutting and separation of monomeric olefins by high precision distillation.

IX. Second Horizontal Extension Project of Talahao Mine

The second horizontal extension of the Tarahao Mine involves the construction of the main inclined shaft, secondary inclined shaft, central water sump, substation, water pump house and pipeline ways, etc.

X. Grant Income on Mining Rights of Suancigou Mine

Suancigou Mining was jointly funded and established by the Company, Beijing Jingneng Power Co., Ltd. (北京京能電力股份有限公司) and Shanxi Yudean Energy Co., Ltd. (山西粵電能源有限公司) on 18 September 2007. It has a registered capital of RMB1.08 billion and is owned as to 52% by the Company. According to the Public Use Certificate of the Grant Income on Mining Rights Evaluation Report (Nei Zi Ran Cai Shou Yi Zi [2020] No. 005), the appraisal value of income from the transfer of mining rights on the additional resources of Suancigou Mining and the coal resources to be used beyond 30 years is RMB626.4307 million.

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According to the Inner Mongolia Autonomous Region Mining Rights Assignment Contract (transfer income paid in installments), Suancigou Mining shall pay mining rights assignment amount of RMB27.84 million in 2023.

XI. Company Filing Management Center Project

The Company is expected to pay construction and installation costs, land costs, upfront costs and the cost of compact shelving intelligent system, etc. for establishment of new filling management center.

XII. Smart Mine Project of Dadijing Refined Mine

In order to implement relevant requirements of the state and the Inner Mongolia Autonomous Region on accelerating the intelligent development of coal mines, and to promote the transformation, upgrading and high-quality development of the Company's coal industry, the Company plans to build the smart mine project of Dadijing Refined Mine. The construction of the project includes: smart computing platform, smart coal mine information infrastructure (including 5G), smart auxiliary transportation system, smart safety management and control system, smart comprehensive security system, smart operation management system and smart main transportation system.

XIII. Production and Operation Investment

In addition to the above investment projects, the Company will also carry out the following projects in 2023: the renovation project of the heating system of Suancigou Mining, the thermal power workshop boiler ultra-low emission renovation project of Yitai Chemical, the capacity expansion of filter presses and auxiliary equipment of Talahao Mine, the technical improvement project of stable light hydrocarbon aromatization of Coal-to-Oil Company, the purchase of hydrogen fuel cell heavy truck by Dadijing Mine, the construction of electric vehicle charging stations by the Company other projects.

In summary, the Company's capital expenditure plan for the year 2023 amounts to RMB3,080.4981 million in aggregate, and the corresponding capital demand will be mainly funded by our own funds and bank loans. The capital expenditure plan for the year 2023 may vary with the development of business plans (including potential acquisitions), progress of capital projects, market conditions, prospects for future business conditions, and obtaining necessary permits and regulatory approvals.

8. ESTIMATES OF THE PROVISION OF GUARANTEE FOR THE HOLDING SUBSIDIARIES FOR THE YEAR 2023

For the reason of business development, the holding subsidiaries of the Company have to borrow money from financial institutions or finance in other ways from time to time. In 2023, the Company intends to provide guarantee for the loan or financing borrowed by the holding subsidiaries from the financial institutions so as to support the business development of the holding subsidiaries (including but not limited to pledge and collateral guarantee) with a total amount not exceeding RMB7 billion,

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of which the new guarantee amount provided to the guarantee objects with the debt-to-assets ratio more than 70% shall not exceed RMB1.6 billion, and the new guarantee amount provided to the guarantee objects with the debt-to-assets ratio below 70% shall not exceed RMB5.4 billion.

I. Summary of the Provision of Guarantee

Unit: '00 million Currency: RMB

Guaranteed parties	Estimated guarantee amount
Yitai Yili Mining Co., Ltd. (伊泰伊犁礦業有限公司)	24
Inner Mongolia Yitai Coal-to-Oil Co., Ltd. (內蒙古伊泰煤製油有限責任公司)	10
Inner Mongolia Yitai Chemical Co., Ltd. (內蒙古伊泰化工有限責任公司)	10
Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd. (伊泰供應鏈金融服務(深圳)有限公司)	8
Inner Mongolia Yitai Huzhun Railway Co., Ltd. (內蒙古伊泰呼准鐵路有限公司)	6
Yitai Energy (Shanghai) Co., Ltd. (伊泰能源(上海)有限公司)	5
Yitai Bohai Energy Co., Ltd. (伊泰渤海能源有限責任公司)	4
Shanghai Lingang Yitai Supply Chain Co., Ltd. (上海臨港伊泰供應鏈有限公司)	3
Total	70

Notes:

1. Among them, Shanghai Lingang Yitai Supply Chain Co., Ltd., Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd. and Yitai Energy (Shanghai) Co., Ltd. are companies with the debt-to-assets ratio of more than 70%, and the debt-to-assets ratio of the remaining companies are all below 70%.
2. In the actual implementation process, the guarantee amounts among holding subsidiaries of the Company can be reallocated, and the holding subsidiaries with the debt-to-assets ratio of more than 70% can only obtain guarantee amounts from holding subsidiaries with the debt-to-assets ratio of more than 70% at the time of consideration at the general meeting.

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II. Basic Information of the Guaranteed Parties

(I) Basic information of the guaranteed parties is set out as follows:

Unit: 0'000 Currency: RMB

Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Yitai Yili Mining Co., Ltd. (伊泰伊犁礦業有限公司)	91654022589346812M	2012-03-13	Yinan Industrial Park, Qapqal County, Yili Prefecture, Xinjiang	Zhao Dangniu	Investment in coal mining industry.	Inner Mongolia Yitai Coal Co., Ltd. (90.2%) and Inner Mongolia Yitai Group Co., Ltd. (9.8%)	67,600
Inner Mongolia Yitai Coal-to-Oil Co., Ltd. (內蒙古伊泰煤製油有限責任公司)	91150622783041959N	2006-03-17	South of Weiyi Road, Coal Chemical Base, South Dalu Industrial District, Jungar Banner, Ordos, Inner Mongolia Autonomous District	Bi Dongdong	Production and sales of coal chemical products (diesel, gasoline, naphtha, lube base oil, stable light hydrocarbons, kerosene, liquid paraffin, coal-based Fischer-Tropsch wax, coal-based Fischer-Tropsch refined wax, coal-based Fischer-Tropsch soft wax, coal-based Fischer-Tropsch mixed olefins, Fischer-Tropsch synthetic diesel component oils, coal-based Fischer-Tropsch synthetic liquid waxes, liquefied gas, Fischer-Tropsch synthetic vehicle diesel, n-paraffins, and isoparaffins) and their affiliate products (including deep processing steps of consolidation, granulation and powdering of coal-based Fischer-Tropsch wax and coal-based Fischer-Tropsch refined wax).	Inner Mongolia Yitai Coal Co., Ltd. (90.5%), and Inner Mongolia Yitai Group Co., Ltd. (9.5%)	235,290
Inner Mongolia Yitai Chemical Co., Ltd. (內蒙古伊泰化工有限責任公司)	91150625695922289F	2009-10-29	Duguitala South Industrial Park, Hanggin Banner, Ordos, Inner Mongolia (north of Jintai Industrial Avenue, south of Jinliu Road, west of Taisi Road)	Liu Wanzhou	Production of hazardous chemicals; storage of hazardous chemicals; operation of hazardous chemicals; thermal production and supply; production of chemical products (excluding licensed chemical products); sales of chemical products (excluding licensed chemical products); engineering management services; leasing services (excluding licensed leasing services); property leasing; manufacturing of specialized chemical products (excluding hazardous chemicals); sales of specialized chemical products (excluding hazardous chemicals)	Inner Mongolia Yitai Coal Co., Ltd. (90.2%) and Inner Mongolia Yitai Group Co., Ltd. (9.8%)	590,000

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Inner Mongolia Yitai Huzhun Railway Co., Ltd. (內蒙古伊泰呼准鐵路有限公司)	91150600743894762K	2003-02-26	Zhoujiawan Village, Xinglong Street, Jungar Banner, Ordos, Inner Mongolia Autonomous District	Ji Yanlin	Investment in the construction of railways and their auxiliary facilities; railway passenger and freight transportation; railway dangerous goods transportation (gasoline, diesel); raw coal washing and sales; railway operation management and services and freight extension services; rolling stock and line maintenance; warehousing services (excluding hazardous goods); rental services for railway equipment, platforms, sites, houses and auxiliary facilities; sales of railway materials and waste materials; sales of building materials and chemical products (excluding dangerous goods and precursor drugs); technology development, technology transfer, technical services, technical consulting, technology training and consulting; catering services, accommodation services, own house rental.	Inner Mongolia Yitai Coal Co., Ltd. (72.66%), Yankuang Railway Logistics Co., Ltd. (18.94%), Inner Mongolia Mengtai Buliangou Coal Co., Ltd. (4.04%), Inner Mongolia State-owned Capital Management Co., Ltd. (2.83%), Datang Electric Power Fuel Co., Ltd. (1.22%), and China Railway Hohhot Railway Bureau Group Co., Ltd. (0.31%)	362,859.80
Yitai Bohai Energy Co., Ltd. (伊泰渤海能源有限公司)	91130304MA08BTLY5Q	2017-03-27	Room 1003, No. 225 Haining Road, Beidaihe District, Qinhuangdao City, Hebei Province	Shang Zhide	Coal sales, transportation, loading and unloading; accommodation, catering services; conference and exhibition services; bathing services; tourism project development; seedling and flower planting; sales of edible agricultural products; tobacco retail; mining machinery and equipment rental services; road civil construction; import and export of goods (except those prohibited by national laws and administrative regulations, and those restricted by national laws and administrative regulations may only operate after obtaining the license).	Inner Mongolia Yitai Coal Co., Ltd. (100%)	5,000
Shanghai Lingang Yitai Supply Chain Co., Ltd. (上海臨港伊泰供應鏈有限公司)	91310120MA1HTBXA49	2019-08-14	Room 3278, Block 2, Lane 1800 Xinyang Road, New Lingang Area of PRC (Shanghai) Pilot Free Trade Zone	Sui Jinghu	Supply chain management, carrying out technology development, technical consulting, technical services, technology transfer in the fields of energy technology and software technology; coal operation; domestic cargo transportation agency; business information consulting, e-commerce (not allowed to carry out financial business), third-party logistics services, wholesale and retail of daily necessities, electronic products, mechanical equipment and accessories, chemical raw materials and products (except hazardous chemicals, monitored chemicals, civil explosives, precursor chemicals), and carrying out import and export of goods and technologies.	Inner Mongolia Yitai Coal Co., Ltd. (100%)	5,000

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd. (伊泰供應鏈金融服務(深圳)有限公司)	91440300319435962F	2014-11-03	Room 1906, Building No. 8, Qianghai Zhuoyue Finance Center (Phase I), No. 5033 Menghai Avenue, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen	Sui Jinghu	Financial information consultancy, provision of financial agency services, financial business process outsourcing as entrusted by financial institutions (if required to be approved by laws, administrative regulations or decisions of the State Council of the PRC, operation may only commence after all the relevant approval documents have been obtained); factoring (non-banking facility); consulting services related to commercial factoring; supply chain management and related businesses; technology development, technology transfer, technical consulting and technical services in the field of energy science and technology; coal sales; investment in emerging industries (specific projects are declared separately); asset management (not allowed to engage in trust, financial asset management, securities asset management, etc.); equity investment; domestic cargo transportation agency; import and export business (if required to be approved by laws, administrative regulations or decisions of the State Council of the PRC, operation may only commence after all the relevant approval documents have been obtained).	Inner Mongolia Yitai Coal Co., Ltd. (100%)	10,000
Yitai Energy (Shanghai) Co., Ltd. (伊泰能源(上海)有限公司)	9131010659978842X7	2012-07-23	Room 102, 1/F, No. 741, 745, 747 Lingshi Road, Jin'an District, Shanghai	Sui Jinghu	Technology development, technology transfer, technical consulting and technical services in the field of energy science and technology, coal wholesale operation (operated with the Coal Operation License), domestic cargo transportation agency, import and export of goods and technology. (Excluding the commodities subject to the State-run trade management; with regard to the commodities subject to quota and license management, applications shall be made in accordance with relevant national regulations).	Inner Mongolia Yitai Coal Co., Ltd. (100%)	5,000

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(II) Major financial data of the guaranteed companies as at 31 December 2022

Unit: yuan Currency: RMB

Name of the guaranteed company	Total assets	Total liabilities	Net assets	Operating income (2022)	Net profit (2022)
Yitai Yili Mining Co., Ltd. (伊泰伊犁礦業有限公司)	1,949,641,316.99	1,358,801,022.33	590,840,294.66	-	-46,363,186.94
Inner Mongolia Yitai Coal-to-Oil Co., Ltd. (內蒙古伊泰煤製油有限責任公司)	2,976,907,452.21	1,404,781,758.99	1,572,125,693.22	1,348,264,429.61	-646,191,250.50
Inner Mongolia Yitai Chemical Co., Ltd. (內蒙古伊泰化工有限責任公司)	14,714,796,666.80	8,796,035,594.30	5,918,761,072.50	8,351,181,545.95	760,587,551.81
Inner Mongolia Yitai Huzhun Railway Co., Ltd. (內蒙古伊泰呼准鐵路有限公司)	10,727,895,809.22	2,639,875,563.33	8,088,020,245.89	1,775,942,589.28	145,046,830.61
Yitai Bohai Energy Co., Ltd. (伊泰渤海能源有限責任公司)	482,954,239.05	290,737,515.80	192,216,723.25	4,003,006,805.39	250,005,801.25
Shanghai Lingang Yitai Supply Chain Co., Ltd. (上海臨港伊泰供應鏈有限公司)	595,921,675.92	417,782,081.42	178,139,594.50	3,160,729,303.62	231,630,538.93
Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd. (伊泰供應鏈金融服務(深圳)有限公司)	705,988,355.46	495,719,358.34	210,268,997.12	5,173,685,533.28	355,138,306.39
Yitai Energy (Shanghai) Co., Ltd. (伊泰能源(上海)有限公司)	3,724,926,617.21	3,108,061,641.44	616,864,975.77	25,615,069,732.68	1,974,365,507.02

Note: The above data has been audited by Da Hua Certified Public Accountants (Special General Partnership).

III. Accumulated Amount of External Guarantees and Amount of Overdue Guarantees

By far, the aggregate amount of the external guarantees provided by the Company and its holding subsidiaries (including the commercial acceptance bill financing business) is RMB21.387 billion; and the aggregate amount of the guarantees provided by the Company to its holding subsidiaries (including the commercial acceptance bill financing business) is

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RMB21.387 billion, accounting for 43.14% and 43.14% of the latest audited net assets of the Company of RMB49.580 billion, respectively. There is no overdue guarantee in the above guarantees.

The specific provisions on the loan and guarantee agreement will be contained in the relevant contracts or agreements to be concluded between the Company and financial institutions. The Board of the Company is authorized to organize and implement such contracts or agreements, and the legal representative or authorized representative of the Company is authorized to sign relevant legal documents.

The above resolution will be valid from the date of consideration and approval at the AGM to the date of conclusion of the annual general meeting of 2023.

9. ESTIMATES OF THE PROVISION OF GUARANTEE FOR COMMERCIAL ACCEPTANCE BILL FINANCING BUSINESS OF CERTAIN WHOLLY-OWNED SUBSIDIARIES AND HOLDING SUBSIDIARIES FOR THE YEAR 2023

In the process of exchanging commercial acceptance bills, in order to reduce financial costs, and to give full play to the commercial credit of core enterprises, the Company intends to carry out cooperation with financial institutions regarding commercial acceptance bill financing business, so as to provide joint liability guarantees or pledge and collateral guarantees to certain wholly-owned subsidiaries and holding subsidiaries of the Company (as acceptors) when they handle the bill financing business as holders of commercial acceptance bills.

I. Overview of Guarantees

The Company intends to provide joint liability guarantees or pledge and collateral guarantees to certain wholly-owned subsidiaries and holding subsidiaries of the Company (as acceptors) when they handle the bill financing business as holders of commercial acceptance bills. The amount of guarantees shall not exceed RMB6.2 billion, of which the new guarantee amounts provided to wholly-owned subsidiaries is RMB1.8 billion, and the new guarantee amount provided to holding subsidiaries is RMB4.4 billion. Among them, the new guarantee amount provided to the guarantee objects with the debt-to-assets ratio of more than 70% shall not exceed RMB700 million, and the new guarantee amount provided to the guarantee objects with the debt-to-assets ratio below 70% shall not exceed RMB5.5 billion. The guarantee shall only be provided when carrying out the bill financing business and only for the maturity of financing bills, and no guarantee shall be provided for the financing of the bill holders. The specific guarantee amount is:

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Unit: '00 million Currency: RMB

Name of the guaranteed company	Relationship with the Company	Guarantee amount
Inner Mongolia Yitai Baoshan Coal Co., Ltd. (內蒙古伊泰寶山煤炭有限責任公司)	Wholly-owned subsidiary	6
Inner Mongolia Yitai Dadi Coal Co., Ltd. (內蒙古伊泰大地煤炭有限公司)	Wholly-owned subsidiary	6
Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd. (伊泰供應鏈金融服務(深圳)有限公司)	Wholly-owned subsidiary	2
Yitai Energy (Shanghai) Co., Ltd. (伊泰能源(上海)有限公司)	Wholly-owned subsidiary	2
Yitai Bohai Energy Co., Ltd. (伊泰渤海能源有限責任公司)	Wholly-owned subsidiary	1
Shanghai Lingang Yitai Supply Chain Co., Ltd. (上海臨港伊泰供應鏈有限公司)	Wholly-owned subsidiary	1
Subtotal		18

Name of the guaranteed company	Relationship with the Company	Guarantee amount
Inner Mongolia Yitai Jingyue Suancigou Mining Co., Ltd. (內蒙古伊泰京粵酸刺溝礦業有限責任公司)	Holding subsidiary	20
Inner Mongolia Yitai Huzhun Railway Co., Ltd. (內蒙古伊泰呼准鐵路有限公司)	Holding subsidiary	2
Inner Mongolia Yitai Coal-to-oil Co., Ltd. (內蒙古伊泰煤製油有限責任公司)	Holding subsidiary	2
Yitai Yili Energy Co., Ltd. (伊泰伊犁能源有限公司)	Holding subsidiary	1
Yitai Yili Mining Co., Ltd. (伊泰伊犁礦業有限公司)	Holding subsidiary	5
Inner Mongolia Yitai Chemical Co., Ltd. (內蒙古伊泰化工有限責任公司)	Holding subsidiary	12
Inner Mongolia Yitai Petrochemical Co., Ltd. (內蒙古伊泰石油化工有限公司)	Holding subsidiary	1
Inner Mongolia Yitai Ningneng Fine Chemicals Co., Ltd. (內蒙古伊泰寧能精細化工有限公司)	Holding subsidiary of a holding subsidiary	1
Subtotal		44
Total		62

Notes:

- Among them, Shanghai Lingang Yitai Supply Chain Co., Ltd., Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd., Yitai Energy (Shanghai) Co., Ltd., Inner Mongolia Yitai Ningneng Fine Chemicals Co., Ltd. and Yitai Yili Energy Co., Ltd. are companies with a debt-to-assets ratio of more than 70%, and the debt-to-assets ratio of the remaining companies are all below 70%.
- In the actual implementation process, the guarantee amounts among holding subsidiaries of the Company can be reallocated, and the holding subsidiaries with a debt-to-assets ratio of more than 70% can only obtain guarantee amounts from holding subsidiaries with a debt-to-assets ratio of more than 70% at the time of consideration at the general meeting.

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II. Basic Information of the Guaranteed Companies

(I) Basic information of the guaranteed companies is set out as follows:

Unit: '0,000 Currency: RMB

Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Inner Mongolia Yitai Baoshan Coal Co., Ltd. (内蒙古伊泰宝山煤炭有限责任公司)	91150627787064357L	2006-04-10	Nalin Taohai Town, Yijin Holo Banner, Ordos, Inner Mongolia Autonomous Region	Su Hongxin	Coal production and sales.	100% held by Inner Mongolia Yitai Coal Co., Ltd.	3,000
Inner Mongolia Yitai Dadi Coal Co., Ltd. (内蒙古伊泰大地煤炭有限公司)	91150627MA0Q9L9F7H	2019-06-12	Daliuta Village, Nalin Taohai Town, Yijin Holo Banner, Ordos, Inner Mongolia Autonomous Region	Su Hongxin	Production, transportation, washing and sale of coal; sale of mine materials; installation (repair and testing) of electrical facilities; installation of electrical and mechanical equipment; geological disaster management; loading and unloading, moving; rental of machinery and equipment; construction of mines.	100% held by Inner Mongolia Yitai Coal Co., Ltd.	26,272.347711

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd. (伊泰供應鏈金融服務(深圳)有限公司)	91440300319435962F	2014-11-03	Room 1906, Building No. 8, Qianhai Zhuoyue Finance Center (Phase I), No. 5033 Menghai Avenue, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen	Sui Jinghu	Financial information consultancy, provision of financial agency services, financial business process outsourcing as entrusted by financial institutions (if required to be approved by laws, administrative regulations or decisions of the State Council of the PRC, operation may only commence after all the relevant approval documents have been obtained); factoring (non-banking facility); consulting services related to commercial factoring; supply chain management and related businesses; technology development, technology transfer, technical consulting and technical services in the field of energy science and technology; coal sales; investment in emerging industries (specific projects are declared separately); asset management (not allowed to engage in trust, financial asset management, securities asset management, etc.); equity investment; domestic cargo transportation agency; import and export business (if required to be approved by laws, administrative regulations or decisions of the State Council of the PRC, operation may only commence after all the relevant approval documents have been obtained).	100% held by Inner Mongolia Yitai Coal Co., Ltd.	10,000
Yitai Energy (Shanghai) Co., Ltd. (伊泰能源(上海)有限公司)	9131010659978842X7	2012-07-23	Room 102, 1/F, No. 741, 745, 747 Lingshi Road, Jin'an District, Shanghai	Sui Jinghu	Technology development, technology transfer, technical consulting and technical services in the field of energy science and technology, coal wholesale operation (operated with the Coal Operation License), domestic cargo transportation agency, import and export of goods and technology. (Excluding the commodities subject to the State-run trade management; with regard to the commodities subject to quota and license management, applications shall be made in accordance with relevant state regulations).	100% held by Inner Mongolia Yitai Coal Co., Ltd.	5,000

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Yitai Bohai Energy Co., Ltd. (伊泰渤海能源有限責任公司)	91130304MA08BTLY5Q	2017-03-27	Room 1003, No. 225 Haining Road, Beidaihe District, Qinhuangdao City, Hebei Province	Shang Zhide	Coal sales, transportation, loading and unloading; accommodation, catering services; conference and exhibition services; bathing services; tourism project development; seedling and flower planting; sales of edible agricultural products; tobacco retail; mining machinery and equipment rental services; road civil construction; import and export of goods (except those prohibited by national laws and administrative regulations, and those restricted by national laws and administrative regulations may only operate after obtaining the license).	100% held by Inner Mongolia Yitai Coal Co., Ltd.	5,000
Shanghai Lingang Yitai Supply Chain Co., Ltd. (上海臨港伊泰供應鏈有限公司)	91310120MA1HTBXA49	2019-08-14	Room 3278, Block 2, Lane 1800 Xinyang Road, New Lingang Area of PRC (Shanghai) Pilot Free Trade Zone	Sui Jinghu	Supply chain management, carrying out technology development, technical consulting, technical services, technology transfer in the fields of energy technology and software technology; coal operation; domestic cargo transportation agency; business information consulting, e-commerce (not allowed to carry out financial business), third-party logistics services, wholesale and retail of daily necessities, electronic products, mechanical equipment and accessories, chemical raw materials and products (except hazardous chemicals, monitored chemicals, civil explosives, precursor chemicals), and carrying out import and export of goods and technologies.	100% held by Inner Mongolia Yitai Coal Co., Ltd.	5,000

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Inner Mongolia Yitai Ningneng Fine Chemicals Co., Ltd. (內蒙古伊泰寧能精細化工有限公司)	91150625MA0NQR52K	2017-12-28	West Taisi Road, South Project Area of Duguitala Industrial Park, Hanggin Banner, Ordos, Inner Mongolia Autonomous Region	Xu Yanpeng	Production and sale of light liquid paraffin, heavy liquid paraffin, n-decane, n-dodecane, n-tetradecane, isoparaffin, IP40 isoparaffin, saturated acyclic hydrocarbon, oil additives, pour point depressant, light white oil, W2-20 light white oil, W2-40 light white oil and industrial white oil; processing and sales of chemical raw materials and products (excluding hazardous chemicals); international trade; import and export of goods and technology; road cargo transportation; domestic freight forwarding agent and international freight forwarding agent.	100% held by Inner Mongolia Yitai Chemical Co., Ltd.	20,000
Inner Mongolia Yitai Jingyue Suancangou Mining Co., Ltd. (內蒙古伊泰京粵酸刺溝礦業有限責任公司)	911506226673042648	2007-09-18	Majjata Village, Hadai Gaole Township, Jungar Banner, Ordos, Inner Mongolia Autonomous Region	Zhang Mingliang	Coal production and sales, mineral product processing and sales (except franchise), machinery and equipment leasing, plant leasing, dredging water purification, and sales of recycled water.	52% held by Inner Mongolia Yitai Coal Co., Ltd., 24% held by Beijing Jingneng Power Co., Ltd., and 24% held by Shanxi Yudean Energy Co., Ltd.	108,000

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Inner Mongolia Yitai Huzhun Railway Co., Ltd. (內蒙古伊泰呼准鐵路有限公司)	91150600743894762K	2003-02-26	Zhoujiawan Village, Xinglong Street, Jungar Banner, Ordos, Inner Mongolia Autonomous Region	Ji Yanlin	Investment in the construction of railways and their auxiliary facilities; railway passenger and freight transportation; railway dangerous goods transportation (gasoline, diesel); raw coal washing and sales; railway operation management and services and freight extension services; rolling stock and line maintenance; warehousing services (excluding hazardous goods); rental services for railway equipment, platforms, sites, houses and auxiliary facilities; sales of railway materials and waste materials; sales of building materials and chemical products (excluding dangerous goods and precursor drugs); technology development, technology transfer, technical services, technical consulting, technology training and consulting; catering services, accommodation services, own house rental.	72.66% held by Inner Mongolia Yitai Coal Co., Ltd., 18.94% held by Yankuang Railway Logistics Co., Ltd., 4.04% held by Inner Mongolia Mengtai Buliangou Coal Co., Ltd., 2.83% held by Inner Mongolia State-owned Capital Management Co., Ltd., 1.22% held by Datang Electric Power Fuel Co., Ltd., and 0.31% held by China Railway Hohhot Railway Bureau Group Co., Ltd.	362,859.80
Inner Mongolia Yitai Coal-to-Oil Co., Ltd. (內蒙古伊泰煤製油有限責任公司)	91150622783041959N	2006-03-17	South of Weiyei Road, Coal Chemical Base, South Dalu Industrial District, Jungar Banner, Ordos, Inner Mongolia Autonomous Region	Bi Dongdong	Production and sales of coal chemical products (diesel, gasoline, naphtha, lube base oil, stable light hydrocarbons, kerosene, liquid paraffin, coal-based Fischer-Tropsch wax, coal-based Fischer-Tropsch refined wax, coal-based Fischer-Tropsch soft wax, coal-based Fischer-Tropsch mixed olefins, Fischer-Tropsch synthetic diesel component oils, coal-based Fischer-Tropsch synthetic liquid waxes, liquefied gas, Fischer-Tropsch synthetic vehicle diesel, n-paraffins and isoparaffins) and their auxiliary products (including deep processing steps of consolidation, granulation and powdering of coal-based Fischer-Tropsch wax and coal-based Fischer-Tropsch refined wax).	90.5% held by Inner Mongolia Yitai Coal Co., Ltd., and 9.5% held by Inner Mongolia Yitai Group Co., Ltd.	235,290

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Yitai Yili Energy Co., Ltd. (伊泰伊犁能源有限公司)	916540226934219071	2009-09-24	Yinan Industrial Park, Chabuchaer County, Yili, Xinjiang	Wang Yifei	Production and sales of coal chemical products and relevant auxiliary products, development and consulting services of coal technology, development and consulting services of coal-related chemical technology.	90.2% held by Inner Mongolia Yitai Coal Co., Ltd. and 9.8% held by Inner Mongolia Yitai Group Co., Ltd.	157,000
Yitai Yili Mining Co., Ltd. (伊泰伊犁礦業有限公司)	91654022589346812M	2012-03-13	Yinan Industrial Park, Chabuchaer County, Yili Prefecture, Xinjiang	Zhao Dangniu	Investment in coal mining industry.	90.2% held by Inner Mongolia Yitai Coal Co., Ltd. and 9.8% held by Inner Mongolia Yitai Group Co., Ltd.	67,600
Inner Mongolia Yitai Chemical Co., Ltd. (內蒙古伊泰化工有限責任公司)	91150625695922289F	2009-10-29	Duguitala South Industrial Park, Hanggin Banner, Ordos, Inner Mongolia Autonomous Region (north of Jintai Industrial Avenue, south of Jinliu Road, west of Taisi Road)	Liu Yuzhou	Production of hazardous chemicals; storage of hazardous chemicals; operation of hazardous chemicals; thermal production and supply; production of chemical products (excluding licensed chemical products); sales of chemical products (excluding licensed chemical products); engineering management services; leasing services (excluding licensed leasing services); property leasing; manufacturing of specialized chemical products (excluding hazardous chemicals); sales of specialized chemical products (excluding hazardous chemicals)	90.2% held by Inner Mongolia Yitai Coal Co., Ltd. and 9.8% held by Inner Mongolia Yitai Group Co., Ltd.	590,000

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Name of the guaranteed company	Unified social credit code	Date of establishment	Place of registration	Legal representative	Business scope	Shareholding structure	Registered capital
Inner Mongolia Yitai Petrochemical Co., Ltd. (内蒙古伊泰石油化工有限公司)	91150600699456959W	2010-01-08	Neighbourhood, No.14 Yimei Road, Dongsheng District, Ordos City, Inner Mongolia Autonomous Region	Yang Jialin	Operation of hazardous chemicals; wholesale of refined oil (limited to hazardous chemicals); manufacturing of petroleum products (excluding hazardous chemicals); sales of petroleum products (excluding hazardous chemicals); wholesale of refined oil (excluding hazardous chemicals); sales of chemical products (excluding licensed chemical products); sales of specialized chemical products (excluding hazardous chemicals); sales of fertilizers; sales of plastic products; sales of building materials; wholesale of hardware products; food business (only sales of prepackaged food); domestic cargo transportation agency; international cargo transportation agency; trade brokerage; sales agency.	90.2% held by Inner Mongolia Yitai Coal Co., Ltd. and 9.8% held by Inner Mongolia Yitai Group Co., Ltd.	30,000

Note: The guaranteed parties also include the wholly-owned subsidiaries to be newly established after the consideration and approval of this resolution.

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(II) Major financial data of the guaranteed companies as at 31 December 2022

Unit: yuan Currency: RMB

Name of the guaranteed company	Total assets	Total liabilities	Net assets	Operating income (2022)	Net profit (2022)
Inner Mongolia Yitai Baoshan Coal Co., Ltd. (內蒙古伊泰寶山煤炭有限責任公司)	714,307,755.48	474,649,025.73	239,658,729.75	1,189,887,027.14	376,386,836.76
Inner Mongolia Yitai Dadi Coal Co., Ltd. (內蒙古伊泰大地煤炭有限公司)	1,321,817,025.84	631,804,748.59	690,012,277.25	1,659,678,726.05	575,135,178.26
Yitai Supply Chain Finance Services (Shenzhen) Co., Ltd. (伊泰供應鏈金融服務(深圳)有限公司)	705,988,355.46	495,719,358.34	210,268,997.12	5,173,685,533.28	355,138,306.39
Yitai Energy (Shanghai) Co., Ltd. (伊泰能源(上海)有限公司)	3,724,926,617.21	3,108,061,641.44	616,864,975.77	25,615,069,732.68	1,974,365,507.02
Yitai Bohai Energy Co., Ltd. (伊泰渤海能源有限責任公司)	482,954,239.05	290,737,515.80	192,216,723.25	4,003,006,805.39	250,005,801.25
Shanghai Lingang Yitai Supply Chain Co., Ltd. (上海臨港伊泰供應鏈有限公司)	595,921,675.92	417,782,081.42	178,139,594.50	3,160,729,303.62	231,630,538.93
Inner Mongolia Yitai Ningneng Fine Chemicals Co., Ltd. (內蒙古伊泰寧能精細化工有限公司)	817,701,220.06	684,441,942.41	133,259,277.65	1,639,020,038.06	51,008,583.69
Inner Mongolia Yitai Jingyue Suancang Mining Co., Ltd. (內蒙古伊泰京粵駿刺溝礦業有限責任公司)	14,855,786,737.06	3,459,163,607.65	11,396,623,129.41	6,480,561,488.73	3,390,909,242.74
Inner Mongolia Yitai Huzhun Railway Co., Ltd. (內蒙古伊泰呼准鐵路有限公司)	10,727,895,809.22	2,639,875,563.33	8,088,020,245.89	1,775,942,589.28	145,046,830.61

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Name of the guaranteed company	Total assets	Total liabilities	Net assets	Operating income (2022)	Net profit (2022)
Inner Mongolia Yitai Coal-to-oil Co., Ltd. (內蒙古伊泰煤製油有限公司)	2,976,907,452.21	1,404,781,758.99	1,572,125,693.22	1,348,264,429.61	-646,191,250.50
Yitai Yili Energy Co., Ltd. (伊泰伊犁能源有限公司)	3,884,833,982.14	5,805,471,269.02	-1,920,637,286.88	701,170.88	-2,981,898,644.15
Yitai Yili Mining Co., Ltd. (伊泰伊犁礦業有限公司)	1,949,641,316.99	1,358,801,022.33	590,840,294.66	-	-46,363,186.94
Inner Mongolia Yitai Chemical Co., Ltd. (內蒙古伊泰化工有限公司)	14,714,796,666.80	8,796,035,594.30	5,918,761,072.50	8,351,181,545.95	760,587,551.81
Inner Mongolia Yitai Petrochemical Co., Ltd. (內蒙古伊泰石油化工有限公司)	336,966,525.99	27,668,197.00	309,298,328.99	347,242,395.51	9,638,954.50

Note: The above data has been audited by Da Hua Certified Public Accountants (Special General Partnership).

III. Main Terms of the Guarantee Contracts

The Company has not yet entered into any relevant guarantee agreement, and the specific guarantee amount, guarantee period and other terms will be within the scope of the guarantee limit, subject to the actual amount or term to be determined between relevant entities and financial institutions and factoring companies.

The Board of the Company is to be authorized to organize and implement the aforesaid guarantees, and the legal representative or authorized representative of the Company is to be authorized to sign relevant legal documents from the date of consideration and approval of this resolution at the general meeting. Guarantees in excess of the above amount will not be implemented until consideration and approval at the Board meeting or general meeting in accordance with relevant requirements of the Company.

IV. Accumulated Amount of External Guarantees and Amount of Overdue Guarantees

By far, the aggregate amount of the external guarantees provided by the Company and its holding subsidiaries (including the commercial acceptance bill financing business) is RMB21.387 billion; the aggregate amount of the guarantees provided by the Company to its holding subsidiaries (including the commercial acceptance bill financing business) is

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RMB21.387 billion, accounting for 43.14% and 43.14% of the latest audited net assets of the Company of RMB49.580 billion, respectively. There is no overdue guarantee in the above guarantees.

The above resolution will be valid from the date of consideration and approval at the AGM to the date of conclusion of the annual general meeting of 2023.

10. ENTRUSTED WEALTH MANAGEMENT WITH TEMPORARILY IDLE SELF-OWNED FUNDS

In order to increase the use efficiency of funds, on the premise of ensuring capital safety, lawful implementation and no impact on the normal production and operation, the Company plans to use no more than RMB10 billion (maximum phase amount calculated based on the Company's budget) of idle self-owned funds for entrusted wealth management, which can be used on a rolling basis within the limit. The entrusted entities of the entrusted wealth management are independent, which will not constitute related parties of the Company. By far, the balance of valid entrusted wealth management is RMB1.303 billion.

I. Basic Introduction

The Company's temporarily idle self-owned funds will be used for the entrusted wealth management, no performance guarantee will be required and there will be no impact on the daily operations of the Company.

II. Product Description

The Company plans to entrust commercial banks, trust companies, securities companies, fund companies, insurance companies, asset management companies and other financial institutions to conduct wealth management for it, and no investment in stocks and derivatives thereof, securities investment funds and other products with the purpose of securities investment will be made. Wealth management products do not include bank deposit-type products.

III. Amount and Term of Entrusted Wealth Management

Based on the use of temporarily idle self-owned funds, the Company plans to use no more than RMB10 billion of temporarily idle self-owned funds for entrusted wealth management, the term of which will be from the date of consideration and approval at the 2022 AGM to the conclusion of the annual general meeting of 2023.

IV. Risk Control

The Company will establish and perfect the approval and implementation procedures for the capital use so as to ensure its effective launch and standardized operation. During the period of entrusted wealth management, the Company will keep in close contact with the entrusted

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entities, timely track the operation of the entrusted funds and take corresponding measures to control the investment risk in case it detects any risk factors possibly affecting the safety of the Company's funds.

At the same time, the Company will disclose the information about the entrusted wealth management in the periodical report according to relevant requirements of the CSRC and Shanghai Stock Exchange during the reporting period.

V. Influence on the Daily Operation of Company

The Company will make adequate forecasts and estimates of the risks and benefits associated with the wealth management products, as well as of the future capital demands. The relevant funds usage will not affect the needs for the Company's daily business operation and development. Appropriate purchasing of wealth management products utilizing the temporary idle self-owned funds of the Company will generate certain return on investment and improve the use efficiency of the temporary idle self-owned funds of the Company and will not damage the interests of the Company's Shareholders.

11. RE-APPOINTMENT OF FINANCIAL AUDIT INSTITUTION FOR THE YEAR 2023

An ordinary resolution will be proposed at the AGM to approve the re-appointment of Da Hua Certified Public Accountants (Special General Partnership) as financial audit institution of the Company for the year 2023, and the term of office will be one year from the date of consideration and approval at the AGM. The financial audit fee for the year 2023 is RMB3.7 million (tax inclusive).

12. RE-APPOINTMENT OF INTERNAL CONTROL AUDIT INSTITUTION FOR THE YEAR 2023

An ordinary resolution will be proposed at the AGM to approve the re-appointment of Da Hua Certified Public Accountants (Special General Partnership) as internal control audit institution of the Company for the year 2023, and the term of office will be one year from the date of consideration and approval at the AGM. The internal control audit fee for the year 2023 is RMB0.85 million (tax inclusive).

13. RE-ELECTION AND APPOINTMENT OF DIRECTORS

As the term of the eighth session of the Board will be expired on 7 May 2023, the Board passed the resolution for the proposed re-election and appointment of the members of the ninth session of the Board on 29 March 2023. The current Directors of the Company will continue to perform their duties

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as the Company has not held the AGM. The next session of the Board shall comprise 9 Directors, and currently the Nomination Committee of the Company has recommended the Director candidates for this general election as follows:

Executive Directors	Zhang Jingquan (張晶泉), Liu Chunlin (劉春林), Li Juncheng (李俊誠), Zhao Like (趙立克), Yang Jialin (楊嘉林), Bian Zhibao (邊志寶)
Independent Non-Executive Directors	Du Yingfen (杜瑩芬), E Erdun Tao Ketao (額爾敦陶克濤), Tam, Kwok Ming Banny (譚國明)

The biographies of the above Director candidates of the ninth session of the Board required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules are set out in Appendix I to this circular.

According to the Articles of Association of the Company, each session of Directors has a term of three years. If the Director candidates above are appointed as Directors of the ninth session of the Board at the AGM, they will enter into service agreements with the Company, and their terms of office shall be effective from the date of approval at the AGM until the date of expiry of the term of office of the ninth session of the Board, and are eligible for re-election upon expiration. Remuneration of each Director will be determined in accordance with the remuneration standard of Directors of the Company. Allowance for domestic independent non-executive Director of the Company is RMB200,000 per year, and allowance for overseas independent non-executive Directors of the Company is RMB250,000 per year; remuneration of Directors as managerial personnel in the Company shall be received based on their actual managerial duties, including salary, bonus, subsidy, employee welfare and various insurance, housing provident fund and annuity (the final remuneration of management position is still in the process of confirmation and will be disclosed after confirmation), and they are also entitled to a Director's allowance of RMB24,000 per year; Directors who do not serve as managerial personnel in the Company are only entitled to a Director's allowance of RMB24,000 per year.

As for the proposed appointment of independent non-executive Director candidates, the Nomination Committee and the Board of the Company have complied with the Board diversity policy, director candidate nomination process and development strategies of the Company. The Nomination Committee of the Company nominated Ms. Du Yingfen, Mr. E Erdun Tao Ketao and Mr. Tam, Kwok Ming Banny as independent non-executive Directors based on professional experience, skills and knowledge, the possibility of the independent non-executive Director candidates to improve the efficiency of the Board's operation and the time that the independent non-executive Director candidates are able to contribute to the Company, etc.

Ms. Du Yingfen and Mr. Tam, Kwok Ming Banny have professional knowledge in finance, and Mr. E Erdun Tao Ketao has professional knowledge in corporate management. The Board believes that Ms. Du Yingfen, Mr. E Erdun Tao Ketao and Mr. Tam, Kwok Ming Banny will give objective, independent and sufficient opinions and analysis in terms of finance, market operation and corporate management, etc. through their extensive experience and knowledge, and also be able to promote the diversification of the Board structure in many aspects such as gender, culture, professional skills and qualifications.

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The above candidates for independent non-executive Directors have confirmed their independence according to the factors set out in Rule 3.13 of the Listing Rules. The Company considers that the above candidates for independent non-executive Directors are independent pursuant to the guidelines on independence under the Listing Rules. The Nomination Committee of the Company has assessed and reviewed the independence of each of the candidates for independent non-executive Directors and considers that each of the candidates for independent non-executive Directors has satisfied the independence requirement.

Save as disclosed in the biographies of the candidates above, each of them confirmed that: (1) he or she does not hold any position in the Company or any subsidiary of the Company, and he or she has not held any position as a director or a supervisor in any other listed companies in the last three years; (2) he or she does not have any relationship with any other Directors, senior management, or substantial or controlling shareholders of the Company; and (3) he or she does not have any interest in the Shares of the Company (within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) as of the Latest Practicable Date.

In addition, save as disclosed in the biographies of the candidates above, the candidates above have no other events required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor are there any other matters in relation to the proposed appointments of Directors that need to be brought to the attention of Shareholders.

The Company adopts the cumulative voting system on election of Directors, the instruction of which is set out in Appendix III to this circular.

14. RE-ELECTION AND APPOINTMENT OF SUPERVISORS

As the term of the eighth session of the Supervisory Committee (the “**Supervisory Committee**”) will be expired on 7 May 2023, the Supervisory Committee passed the resolution for the proposed re-election and appointment of the members of the ninth session of the Supervisory Committee on 29 March 2023, and the employee representative supervisors have been elected at the employee representative meeting of the Company. The current supervisors of the Company will continue to perform their duties as the Company has not held the AGM. The next session of the Supervisory Committee shall comprise 6 supervisors, and currently the Supervisory Committee of the Company has recommended the supervisor candidates for this general election as follows:

Shareholder Representative Supervisors	Liu Xianghua (劉向華), Chen Rong (陳蓉)
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Independent Supervisors	Wang Yongliang (王永亮), Wu Qu (鄒曲)
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At the same time, the labor union of the Company has recommended employee representative supervisors as follows:

Employee Representative Supervisors	Zhang Wei (張威), Jia Zheyu (賈哲聿)
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The biographies of the above supervisor candidates of the ninth session of the Supervisory Committee required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules are set out in Appendix II to this circular.

According to the Articles of Association of the Company, each session of supervisors has a term of three years. If the supervisor candidates above are appointed as supervisors of the ninth session of the Supervisory Committee at the AGM, they will enter into service agreements with the Company, and their terms of office shall be effective from the date of approval at the AGM until the date of expiry of the term of office of the ninth session of the Supervisory Committee, and are eligible for re-election upon expiration. Remuneration of each supervisor will be determined in accordance with the remuneration standard of supervisors of the Company. Allowance for independent supervisors is RMB100,000 per year; remuneration of supervisors holding positions in the Company shall be received based on their actual work posts, including salary, bonus, subsidy, employee welfare and various insurance, housing provident fund and annuity (the final remuneration of management position is still in the process of confirmation and will be disclosed after confirmation), and they are also entitled to a supervisor's allowance of RMB12,000 per year; supervisors who do not hold any post in the Company are only entitled to a supervisor's allowance of RMB12,000 per year.

Save as disclosed in the biographies of the candidates above, each of them confirmed that: (1) he or she does not hold any position in the Company or any subsidiary of the Company, and he or she has not held any position as a director or a supervisor in any other listed companies in the last three years; (2) he or she does not have any relationship with any other Directors, senior management, or substantial or controlling shareholders of the Company; and (3) he or she does not have any interest in the Shares of the Company (within the meaning of Part XV of the Hong Kong Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)) as of the Latest Practicable Date.

In addition, save as disclosed in the biographies of the candidates above, the candidates above have no other events required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules, nor are there any other matters in relation to proposed appointment of supervisors that need to be brought to the attention of Shareholders.

The Company adopts the cumulative voting system on election of supervisors, the instruction of which is set out in Appendix III to this circular.

15. REMUNERATION PLAN OF THE DIRECTORS OF THE NINTH SESSION OF THE BOARD

In order to fully arouse the enthusiasm and creativity of the Directors of the Company and improve the level of management, the following remuneration plan of the Directors of the ninth session of the Board was formulated based on the Articles of Association and the actual operation and development status of the Company and by reference to the compensation levels of the same industry and region and after consideration by the Remuneration and Appraisal Committee of the Board:

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I. Applicants: Directors of the Company, including independent Directors and non-independent Directors

II. Applicable Term: Term of Office of the ninth session of the Board

III. Compensation (allowance) package

1. The non-independent Directors of the Company who hold managerial positions in the Company will receive compensation based on the managerial positions assumed and also the Directors' allowance of RMB24,000 per year;
2. The non-independent Directors of the Company who do not hold managerial positions in the Company will receive the Directors' allowance of RMB24,000 per year;
3. The domestic independent Directors of the Company will receive an allowance of RMB200,000 per year and the foreign independent Directors of the Company will receive an allowance of RMB250,000 per year.

IV. Payment Method

1. The compensation of the Company's Directors will be paid on a monthly basis and the allowance for independent Directors shall be paid on a monthly basis;
2. In case of departure of the Directors due to expiration, re-election and resignation during the term of office, the compensation will be calculated and paid according to the actual length of the term of office;
3. All the amount of the above-mentioned compensation are pretax and the Company will withhold the relevant individual income tax.

V. Miscellaneous

1. The expenses related to the participation of the Directors in the general meetings, Board meetings and meetings of the special committees of the Board of the Company shall be borne by the Company;
2. The above remuneration plan can be appropriately adjusted in accordance with the industry conditions and the actual situation of the Company's production and operation.

16. REMUNERATION PLAN OF THE SUPERVISORS OF THE NINTH SESSION OF THE SUPERVISORY COMMITTEE

In order to fully arouse the enthusiasm of the supervisors of the Company, the following remuneration plan of the ninth session of the Supervisory Committee was formulated based on the Articles of Association and the actual operation and development status of the Company and by reference to the compensation levels of the same industry and region:

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I. Applicants: the supervisors receiving compensation from the Company

II. Applicable Term: Term of Office of the ninth session of the Supervisory Committee

III. Compensation Standard:

1. The non-independent supervisors will receive compensation based on the actual position assumed at the Company and also the supervisors' allowance of RMB12,000 per year;
2. The allowance of the independent supervisors of the Company is RMB100,000 per year.

IV. Miscellaneous

1. The compensation of the Company's supervisors will be paid on a monthly basis; the expenses actually incurred by the supervisors for attending the meetings held by the Company and other affairs will be reimbursed by the Company;
2. In case of departure of the supervisors due to expiration, re-election and resignation during the term of office, the compensation will be calculated and paid according to the actual length of the term of office;
3. All the amount of the above-mentioned compensation are pretax and the Company will withhold the relevant individual income tax.

17. POLL PROCEDURE

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll. Therefore, all the resolutions set out in the revised notice of the AGM shall be voted by poll while Shareholders may cast a vote either personally or by proxy.

As at the Latest Practicable Date, no Shareholder has to abstain from voting on any of the proposed resolutions. The results of the poll will be published on the websites of the Company and the Hong Kong Stock Exchange on the date of the AGM.

18. AGM

A revised notice convening the AGM to be held at 3:00 p.m. on Friday, 19 May 2023 is set out on pages 47 to 50 of this circular. A form of proxy for use at the AGM has been dispatched to Shareholders on 30 March 2023. Such form of proxy is also published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.yitaicoal.com).

Whether or not you propose to attend the AGM, you are requested to complete and return the form of proxy dispatched to Shareholders on 30 March 2023 in accordance with the instructions printed thereon and return it to the Hong Kong H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible but in any event not later than 24 hours before the time appointed for the

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holding of the AGM (i.e. 3:00 p.m. on Thursday, 18 May 2023) or 24 hours before the time appointed for the holding of any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof if they so wish.

In order to ascertain the entitlements of the Shareholders to attend the AGM to be held at 3:00 p.m. on Friday, 19 May 2023, the register of members of H Shares of the Company will be closed from Wednesday, 19 April 2023 to Friday, 19 May 2023 (both days inclusive), during which period no transfer of H Shares will be effected. To be eligible to attend and vote at the AGM, all transfer documents must be lodged with the H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for holders of H Shares no later than 4:30 p.m. on Tuesday, 18 April 2023.

19. RECOMMENDATION

The Board considers that the proposed resolutions above are in the best interests of the Company and the Shareholders as a whole. Therefore, the Board recommends all eligible Shareholders vote in favor of the abovementioned resolutions at the AGM.

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

APPENDIX I BIOGRAPHICAL DETAILS OF NOMINATED DIRECTORS OF THE NINTH SESSION OF THE BOARD

EXECUTIVE DIRECTOR CANDIDATES:

Zhang Jingquan: male, Han ethnicity. Mr. Zhang was born in 1970 and graduated with a master degree in business administration major of China Europe International Business School. Mr. Zhang worked in Yihua United Wool Manufacturing Factory (伊華聯合毛紡織工廠) from January 1994 to January 1998; served as the cashier in Tianjin Branch of the Company from March 1998 to August 2000; the manager of Guangzhou sales branch of the Operation Department under the Company from August 2000 to April 2001; the manager of the sales branch in South China of the Operation Department under the Company from April 2001 to August 2005; the deputy manager of the Operation Department under the Company and manager of the sales company in South China of the Company from February 2002 to March 2003. Mr. Zhang acted as the division chief of the Operation Division of Yitai Group from August 2005 to 5 March 2006; the manager of coal transportation and sales business department of Yitai Group from 5 March 2006 to 27 March 2006; the deputy general manager of Synfuels China Technology Co., Ltd. from March 2006 to November 2010 and the deputy general manager of Yitai Yili Energy Co., Ltd. from November 2010 to January 2012; the general manager of Yitai Xinjiang Energy Co., Ltd. from January 2012 to September 2017; the chairman and general manager of Yitai Xinjiang Energy Co., Ltd. from December 2012 to September 2017; the chairman of the Board and general manager of Inner Mongolia Yitai Chemical Co., Ltd. from September 2015 to March 2017; the general manager of the Company from September 2015 to March 2017; the director of Yitai Group since September 2015; the executive Director of the Company from December 2015 to May 2017; the vice president of Yitai Group since March 2017; the director of Inner Mongolia Yitai Investment Co., Ltd. since June 2017; the chairman of the Company since December 2019; and the director of Yitai Share (Hong Kong) Co., Ltd. (伊泰(股份)香港有限公司) since March 2023.

Liu Chunlin: male, Han ethnicity. Mr. Liu was born in 1967 and possesses a master's degree and a title of senior accountant. He worked in Ikochao League Coal Company from June 1989 to February 1993 and was appointed as the vice chief of the Finance Department of Yitai Group from February 1993 to August 1997 and as the director of the Finance Department of our Company from August 1997 to July 1999. Mr. Liu served as the financial director of our Company from July 1999 to October 2002, the deputy chief accountant of Yitai Group from October 2002 to May 2004, the vice president of our Company from May 2004 to October 2004 and has been the director and chief account of Yitai Group since June 2004. He has been the director and chief accountant of Inner Mongolia Yitai Investment Co., Ltd. since March 2006; the director of Yitai Group (Hong Kong) Co., Ltd. since October 2008; the deputy chief executive officer of Yitai Group since July 2018; and the executive Director of the Company since March 2001.

Li Juncheng: male, Han ethnicity. Mr. Li was born in 1978, is a Doctor of Tsinghua University and a professor level senior engineer. He served as a project engineer of China Shenhua Coal Liquefaction Company Limited (中國神華煤製油公司) from July 2006 to July 2008; a visiting scholar at Bechtel Oil & Gas Company (伯克德油氣公司) from July 2008 to August 2009; deputy chief engineer and technical director of command department of Shenhua Ningxia Coal Indirect Liquefaction Project of Shenhua Group (神華集團) from September 2009 to December 2013; the deputy general manager of the Coal Chemical Management Department of the Company from January 2014 to January 2016; the general manager of the Coal Chemical Management Department of the Company from February 2016 to July 2018; chairman of Inner Mongolia Yitai Petrochemical Co., Ltd. (內蒙古伊泰石油化工有限公司) from March 2017 to July 2018; president of Inner Mongolia Yitai Coal-based New Materials Research Institute Co., Ltd. (內蒙古伊泰

APPENDIX I BIOGRAPHICAL DETAILS OF NOMINATED DIRECTORS OF THE NINTH SESSION OF THE BOARD

煤基新材料研究院有限公司) from July 2017 to July 2018. He is also the vice president of Yitai Group from September 2017 to present; the director and chief engineer of Yitai Group from March 2022 to present; and the executive Director of the Company since March 2023.

Zhao Like: male, Han ethnicity. Mr. Zhao was born in 1982 and possessed a bachelor's degree. He worked in Shandong Longkou Lihai Mining Co., Ltd. (山東龍口柳海礦業有限公司) from July 2004 to December 2005 and the Suancigou Safety Supervision Station of the Safety Supervision Department of the Company from March 2006 to April 2007. He served as the director of comprehensive business of the Safety Supervision Department of the Company from April 2007 to July 2009; the head of Kaida Mine Safety Supervision Station of the Safety Supervision Department of the Company from August 2009 to August 2012; the deputy director of the Safety Supervision and Quality Control Department of the Company from August 2012 to March 2013; the deputy director of the Safety Supervision Station of Guanglian Coal Chemical, the Safety and Quality Control Department of Yitai Group from March 2013 to July 2013; the director of the Safety Supervision Station of Guanglian Coal Chemical, the Safety and Quality Control Department of Yitai Group from July 2013 to January 2014; the safety deputy head of Hongjingta Mine No.1 of the Company from January 2014 to September 2014; the general manager and head of Inner Mongolia Yitai Tongda Coal Co., Ltd. (內蒙古伊泰同達煤炭有限責任公司) from October 2014 to March 2015; the safety deputy general manager of the Department of Coal Production of the Company from March 2015 to January 2016; the deputy general manager of the Coal Production Management Department of the Company from January 2016 to November 2016; the head of Kaida Mine of the Company from November 2016 to December 2017; and the general manager and head of Inner Mongolia Yitai Jingyue Suancigou Mining Co., Ltd. (內蒙古伊泰京粵酸刺溝礦業有限責任公司) from January 2018 to November 2019. He has been the deputy manager of the Company from November 2019 to July 2021; the deputy chief executive officer and chief engineer of Yitai Group since July 2021; and the executive Director of the Company since December 2021.

Yang Jialin: male, Han ethnicity. Mr. Yang was born in 1975, holds a postgraduate degree and is a senior economist. He worked in the Baotou Planning Section of the Company from January 1995 to March 1998. He served as the deputy head of Beijing Dispatch Section of the Company from March 1998 to April 1999; deputy director of the Beijing Dispatch Center of the Company from April 1999 to November 1999; head of the Business Section of the Beijing Office of Yitai Group from November 1999 to August 2000; deputy manager of the North China Sales Branch of the Company's operating company from August 2000 to April 2001; manager of the North China Sales Branch of the Company's operating company from April 2001 to February 2002; manager of East China Sales Branch of the Company's Operation Department from February 2002 to April 2007; deputy general manager of the Coal Transportation and Sales Department of the Company from April 2007 to March 2017; general manager of Inner Mongolia Yitai Petrochemical Co., Ltd. (內蒙古伊泰石油化工有限公司) from March 2017 to July 2018; chairman and general manager of Inner Mongolia Yitai Petrochemical Co., Ltd. from July 2018 to January 2020; the chairman and general manager of Yitai Chemical (Shanghai) Co., Ltd. (伊泰化學(上海)有限公司) from February 2020 to May 2020; the chairman and general manager of Inner Mongolia Yitai Petrochemical Co., Ltd. from June 2020 to present; and the executive Director and general manager of the Company from March 2023 to present.

APPENDIX I BIOGRAPHICAL DETAILS OF NOMINATED DIRECTORS OF THE NINTH SESSION OF THE BOARD

Bian Zhibao: male, Han ethnicity. Mr. Bian was born in 1977 and holds a bachelor's degree. He served as the deputy director of the human resources department of Inner Mongolia Yitai Biology & High-Tech Co., Ltd. (內蒙古伊泰生物高科有限責任公司) from August 2002 to April 2003; the manager of administration and human resources department of Shanghai Yitai Biotechnology Co., Ltd. (上海伊泰生物技術有限公司) from April 2003 to March 2004; the vice general manager of Beijing Yitai Biotechnology Co., Ltd. (北京伊泰生物科技有限公司) from March 2004 to January 2007; the deputy director of Business Development Department of the Company from April 2007 to February 2012; the director of the Business Development Department of the Company from February 2012 to March 2015; the chief manager of the Business Development Department of the Company from March 2015 to January 2016; the vice general manager of the Investment Management Department of the Company from January 2016 to December 2018; the general manager of the Investment Management Department of the Company from December 2018 to present; the supervisor of Yitai Group from January 2020 to present; and the executive Director and vice general manager of the Company from March 2023 to present.

INDEPENDENT NON-EXECUTIVE DIRECTOR CANDIDATES:

Du Yingfen: female, Han ethnicity. Ms. Du was born in 1964 and holds a master's degree in economics. She is currently a researcher of the Institute of Industrial Economics of Chinese Academy of Social Sciences, deputy director of the Management Science and Innovation Development Research Center (管理科學與創新發展研究中心), a professor of accounting and a doctoral supervisor of the University of Chinese Academy of Social Sciences, a standing member of the Chinese Institute of Business Administration (中國企業管理研究會), and an independent director of Taikang Asset Management Co., Ltd. Ms. Du graduated with a Bachelor's degree from the Department of Accounting and Business Management of Xiamen University in 1985, and graduated with a master's degree from the Department of Industrial Economics of Renmin University of China in 1987. She served as a director of the Finance and Accounting Research Office of the Institute of Industrial Economics of Chinese Academy of Social Sciences, with main academic expertise in financial management, corporate mergers and acquisitions and reorganizations, management innovation, enterprise internal control and risk management. She has won the third prize for National Science and Technology Progress Award, Sun Yefang Economics Prize and the first prize of China Development Research, etc. She has been the independent non-executive Director of the Company since July 2019.

E Erdun Tao Ketao: male, Mongolian nationality, born in 1963. He holds a doctoral degree in management, and is the second-level professor, an expert with special government allowances from the State Council, a young and middle-aged expert with outstanding contributions in Inner Mongolia, a Party Committee policies and decision-making consulting expert of Inner Mongolia Autonomous Region, a visiting scholar of Innovation Research Centre of Hitotsubashi University in Japan, and a part-time doctoral supervisor at the Mongolian University of Finance and Economics and Ulaanbaatar-Erdem University in Mongolia. He is the director of China Soft Science Society, the vice chairman of China Industrial Economics Society, the director of the Chinese Institute of Business Administration, the director of the Preparatory Branch of China Ethnic Education Association, the deputy director of the Economic Professional Committee of Ethnic Minority Areas of China Regional Economic Society, the director of Inner Mongolia Overseas Friendship Association, and an independent director of Baotou Dongbao Bio-Tech Co., Ltd. He obtained a bachelor's degree in economics from Inner Mongolia University of Finance and Economics in 1985; a master's degree in economics from Renmin University of China in 2000; and a doctoral degree in

APPENDIX I BIOGRAPHICAL DETAILS OF NOMINATED DIRECTORS OF THE NINTH SESSION OF THE BOARD

management from Renmin University of China in 2005. From July 2005 to October 2009, he served as the deputy director of the Academic Affairs Office of Inner Mongolia University of Finance and Economics; from October 2009 to July 2011, he served as the deputy director of the Academic Affairs Office and the deputy dean of the MBA Education College of Inner Mongolia University of Finance and Economics; from July 2011 to January 2016, he served as the director of the Academic Affairs Office of Inner Mongolia University of Finance and Economics; from January 2016 to October 2019, he served as the director of the Graduate Education and Disciplinary Planning Office (dean of Graduate School) of Inner Mongolia University of Finance and Economics; from October 2019 to May 2021, he served as the director of the Development Planning Office of Inner Mongolia University of Finance and Economics. He has served as the independent non-executive Director of the Company since June 2021.

Tam, Kwok Ming Banny: male, Han ethnicity. Mr. Tam was born in 1963 and obtained a certification of accountancy from the Hong Kong Polytechnic University (香港理工大學) in 1993. Mr. Tam is a Chartered Certified Accountant, a certified public accountant in Hong Kong and a practising certified public accountant in Hong Kong. Mr. Tam served as an auditor and audit manager of Ho & Ho from September 1992 to January 2002; the partner of Ho & Ho from February 2002 to August 2005; a practicing director of ShineWing (HK) CPA Limited from September 2005 to July 2010. He has been a partner of YATA Certified Public Accountants since September 2010. Mr. Tam has also served as an independent non-executive director of Xinte Energy Co., Ltd. (a company listed on the Main Board of The Stock Exchange of Hong Kong Limited, stock code: 1799).

APPENDIX II BIOGRAPHICAL DETAILS OF NOMINATED SUPERVISORS OF THE NINTH SESSION OF THE SUPERVISORY COMMITTEE

SHAREHOLDER REPRESENTATIVE SUPERVISOR CANDIDATES:

Liu Xianghua: male, Han ethnicity. Mr. Liu was born in 1978 and possesses a bachelor's degree. Mr. Liu worked for Inner Mongolia Yitai Zhundong Railway Co., Ltd. from August 2000 to July 2001. He was the deputy director for administrative affairs of Inner Mongolia Yitai Zhundong Railway Co., Ltd. from July 2001 to October 2002 and was the office director in administrative department of Inner Mongolia Yitai Zhundong Railway Co., Ltd. from November 2002 to February 2004. Mr. Liu was the head secretary of the general manager office of Yitai Group from March 2004 to August 2005. He was the deputy director of the general manager office of Yitai Group from September 2005 to December 2005. He was the deputy director of the general manager office of the Company from January 2006 to November 2010. He was the office director of the board of directors of Yitai Group from December 2010 to February 2012. He has been the secretary of the board of directors of Yitai Group since March 2012. He was the office director of the board of directors of Yitai Group from January 2013 to October 2016. He also was the general manager of the administrative department of the Company from November 2016 to September 2017. He has also served as the office director of the board of directors of Yitai Group from September 2017 to July 2022. He has been the supervisor of the Company since May 2017.

Chen Rong: female, Han ethnicity. Ms. Chen was born in 1988 and is a member of the Communist Party of China. She holds the bachelor's degree and the national legal professional qualification certificate. She served as the legal clerk, clerk and contract clerk of the legal affairs office of the general manager office of the Company from August 2011 to May 2017; the equity business manager of the administration department and the equity business manager of the board office of Yitai Group from May 2017 to October 2020; the assistant to director (temporary post) of the board office of Yitai Group from March 2019 to November 2021; and the intermediate manager of the board affairs of the board office of Yitai Group from October 2020 to April 2022. She has been acting as the senior manager of the board affairs of the board office of Yitai Group since April 2022 as well as the supervisor of the Company since December 2021.

INDEPENDENT SUPERVISOR CANDIDATES:

Wang Yongliang: male, Han ethnicity. Mr. Wang was born in 1963 and possesses a master's degree and was granted the qualification of Level 1 Lawyer. He worked at Ikochao League correctional division from August 1985 to December 1986, Ikochao League Politics & Law School from December 1986 to March 1990, the judicial department of Ikochao League from March 1990 to April 1996, and served as the head of economic business department of Ikochao League Law Firm from April 1996 to March 2001. Mr. Wang has been acting as the director of Inner Mongolia Ikochao League Law Firm since March 2001. Mr. Wang is the vice chairman of the Inner Mongolia Autonomous Region Lawyers Association and the chairman of Erdos Lawyers Association. Mr. Wang has been acting as an independent supervisor of our Company since February 2011.

Wu Qu: male, Han ethnicity. Mr. Wu was born in 1965 and possesses a bachelor's degree. He acted as the head of Finance Department of Ikochao League Dongsheng Food Industry Company (伊克昭盟東勝食品工業公司) from July 1986 to October 1994, the head of Finance Department of Inner Mongolia Shengyi Plastic Products Co., Ltd. (內蒙古勝億塑膠製品有限公司) from October 1994 to December 1998, the finance manager of Ordos Rongze Food Co., Ltd. (鄂爾多斯市榮澤食品有限責任公司) from December

**APPENDIX II BIOGRAPHICAL DETAILS OF NOMINATED SUPERVISORS OF
THE NINTH SESSION OF THE SUPERVISORY COMMITTEE**

1998 to October 2000. Mr. Wu has been serving as the head of the Auditing Department of Inner Mongolia Dongshen Accounting Firm Co., Ltd. (內蒙古東審會計師事務所有限責任公司) since July 2001 and an independent supervisor of the Company since February 2011.

**APPENDIX III INSTRUCTION ON ELECTION OF DIRECTORS AND SUPERVISORS
BY ADOPTING CUMULATIVE VOTING SYSTEM**

- I. The proposals on the election of executive Directors, independent non-executive Directors and supervisors from respective candidates at the Shareholders’ general meeting will be grouped and numbered. Investors shall cast vote with respect to each of the candidates of each proposal group.
- II. The number of declared shares represents the number of electoral votes. With respect to each proposal group, the total number of votes will be equivalent to the number of Directors or supervisors to be elected for each share held by the Shareholders. For example, if a Shareholder holds 100 Shares of the listed company, 10 directors will be elected at the Shareholders’ general meeting and there are 12 candidates for the Directors, then the Shareholder will have 1,000 electoral votes on the proposal group of the Board of Directors.
- III. The Shareholders should cast vote within the quantitative limitation on the votes applicable to each proposal group. The Shareholders may cast vote according to his/her willingness. He/She may concentrate the votes on one candidate, or vote for different candidates dispersedly with any combination of the votes. After the voting is completed, the number of the votes for each proposal will be calculated accumulatively respectively.
- IV. Example:

A listed company is holding a shareholders’ general meeting to re-elect the members of the board of directors and the supervisory committee by adopting the cumulative voting system. There are 5 directors to be elected and 6 candidates for the directors; 2 independent non-executive directors to be elected and 3 candidates for the independent non-executive directors; 2 supervisors to be elected and 3 candidates for the supervisors. The matters to be decided by voting are as follows:

Cumulative Voting on Proposals

4.00	Proposal on Election of Directors	Number of Votes
4.01	For example: Chen××	
4.02	For example: Zhao××	
4.03	For example: Jiang××	
....	
4.06	For example: Song ××	
5.00	Proposal on Election of Independent Non-Executive Directors	Number of Votes
5.01	For example: Zhang××	
5.02	For example: Wang××	
5.03	For example: Yang××	
6.00	Proposal on Election of Supervisors	Number of Votes
6.01	For example: Li××	
6.02	For example: Chen××	
6.03	For example: Huang××	

**APPENDIX III INSTRUCTION ON ELECTION OF DIRECTORS AND SUPERVISORS
BY ADOPTING CUMULATIVE VOTING SYSTEM**

An investor owns 100 shares of the Company at the end of the equity registration date, based on the cumulative voting system, he/she will be able to cast 500 votes on 4.00 “Proposal on Election of Directors”, 200 votes on 5.00 “Proposal on Election of Independent Non-Executive Directors”, and 200 votes on 6.00 “Proposal on Election of Supervisors”.

The investor may vote on the proposal 4.00 according to his/her willingness within the limit of 500 votes. He/She may concentrate those 500 votes on one candidate, or vote for different candidates dispersedly with any combination of the votes.

As shown in the table below:

No.	Name of Proposal	Number of Votes			
		Method A	Method B	Method C	Method ...
4.00	Proposal on Election of Directors	–	–	–	–
4.01	For example: Chen××	500	100	100	
4.02	For example: Zhao××	0	100	50	
4.03	For example: Jiang××	0	100	200	
.....	
4.06	For example: Song××	0	100	50	

REVISED NOTICE OF ANNUAL GENERAL MEETING



内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)

REVISED NOTICE OF ANNUAL GENERAL MEETING FOR THE YEAR 2022

REVISED NOTICE IS HEREBY GIVEN that the annual general meeting for the year 2022 (the “**AGM**”) of Inner Mongolia Yitai Coal Co., Ltd. (the “**Company**”) will be held at Room 1, Conference Center, Building of Inner Mongolia Yitai Coal Co., Ltd., Ordos, Inner Mongolia, the People’s Republic of China (the “**PRC**”) on Friday, 19 May 2023, at 3:00 p.m. for the purpose of considering, and if thought fit, passing the following resolutions (with or without modifications):

ORDINARY RESOLUTIONS

1. To consider and approve the resolution regarding the annual report of the Company for the year 2022 and its summary, and annual results announcement for the year ended 31 December 2022.
2. To consider and approve the resolution regarding the report of the board of directors (the “**Board**” or the “**Board of Directors**”) of the Company for the year 2022.
3. To consider and approve the resolution regarding the performance report of the independent directors of the Company for the year 2022.
4. To consider and approve the resolution regarding the report of the supervisory committee of the Company for the year 2022.
5. To consider and approve the resolution regarding the profit distribution plan of the Company for the year 2022.
6. To consider and approve the resolution regarding the Company’s capital expenditure plan in 2023.
7. To consider and approve the resolution regarding the estimates of the provision of guarantee by the Company for its holding subsidiaries in 2023.
8. To consider and approve the resolution regarding the estimates of the provision of guarantee by the Company for commercial acceptance bill financing business of its certain wholly-owned subsidiaries and holding subsidiaries in 2023.
9. To consider and approve the resolution regarding the entrusted wealth management with temporarily idle self-owned funds of the Company.

* *For identification purposes only*

REVISED NOTICE OF ANNUAL GENERAL MEETING

10. To consider and approve the resolution regarding the re-appointment of financial audit institution of the Company for the year 2023.
11. To consider and approve the resolution regarding the re-appointment of internal control audit institution of the Company for the year 2023.
12. To consider and approve the resolution regarding the remuneration for the directors of the ninth session of the Board of the Company.
13. To consider and approve the resolution regarding the remuneration for the supervisors of the ninth session of the supervisory committee of the Company.
14. To consider and approve the resolutions regarding the election of executive directors for the ninth session of the Board of the Company:
 - 14.1 To consider and approve the appointment of Mr. Zhang Jingquan as an executive director of the Company.
 - 14.2 To consider and approve the appointment of Mr. Liu Chunlin as an executive director of the Company.
 - 14.3 To consider and approve the appointment of Mr. Li Juncheng as an executive director of the Company.
 - 14.4 To consider and approve the appointment of Mr. Zhao Like as an executive director of the Company.
 - 14.5 To consider and approve the appointment of Mr. Yang Jialin as an executive director of the Company.
 - 14.6 To consider and approve the appointment of Mr. Bian Zhibao as an executive director of the Company.
15. To consider and approve the resolutions regarding the election of independent non-executive directors of the ninth session of the Board of the Company:
 - 15.1 To consider and approve the appointment of Ms. Du Yingfen as an independent non-executive director of the Company.
 - 15.2 To consider and approve the appointment of Mr. E Erdun Tao Ketao as an independent non-executive director of the Company.
 - 15.3 To consider and approve the appointment of Mr. Tam, Kwok Ming Banny as an independent non-executive director of the Company.

REVISED NOTICE OF ANNUAL GENERAL MEETING

16. To consider and approve the resolutions regarding the election of the supervisors of the ninth session of the supervisory committee of the Company:
- 16.1 To consider and approve the appointment of Mr. Liu Xianghua as a shareholder representative supervisor of the Company.
- 16.2 To consider and approve the appointment of Ms. Chen Rong as a shareholder representative supervisor of the Company.
- 16.3 To consider and approve the appointment of Mr. Wang Yongliang as an independent supervisor of the Company.
- 16.4 To consider and approve the appointment of Mr. Wu Qu as an independent supervisor of the Company.

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

Inner Mongolia, the PRC, 19 April 2023

As at the date of this notice, 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.

REVISED NOTICE OF ANNUAL GENERAL MEETING

Notes:

- A. For further details on each of the proposed resolutions, please refer to the circular of the Company dated 19 April 2023.
- B. In order to ascertain the entitlements of the Shareholders to attend the AGM to be held at 3:00 p.m. on Friday, 19 May 2023, the register of members of H shares of the Company will be closed from Wednesday, 19 April 2023 to Friday, 19 May 2023 (both days inclusive), during which period no transfer of H shares of the Company will be effected. To be eligible to attend and vote at the AGM, all transfer documents must be lodged by holders of H shares with the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Tuesday, 18 April 2023.

As stated in the announcement of annual results for the year ended 31 December 2022 of the Company dated 29 March 2023, the Company proposed not to make any profit distribution, conversion of capital reserve into share capital and other forms of distribution for the year 2022 (subject to the approval by the Shareholders of the Company). Accordingly, please note that the register of members of H shares of the Company will not be closed in respect of the profit distribution.

- C. Each holder of H shares entitled to attend and vote at the AGM may, by completing the form of proxy of the Company, appoint one or more proxies to attend and vote at the AGM on his/her behalf. A proxy need not be a Shareholder of the Company. With respect to any Shareholder who has appointed more than one proxy, the proxy may only vote on a poll.
- D. A proxy shall be appointed by a Shareholder by a written instrument signed by the appointor or his attorney duly authorized in writing. In case of a corporation, the same must be either under its common seal or under hand of its legal representative or duly authorized attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorization of such attorney shall be notarized.
- E. To be valid, the form of proxy and the relevant notarized power of attorney (if any) and other relevant documents of authorization (if any) as mentioned in Note (C) above must be delivered to the Company's H share registrar, Computershare Hong Kong Investor Services Limited (address: 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong), no less than 24 hours before the time appointed for the AGM (i.e. 3:00 p.m. on Thursday, 18 May 2023) or 24 hours before the time appointed for the holding of any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the meeting if he so desires.
- F. A Shareholder or his proxy should produce proof of identity when attending the AGM. Where a Shareholder is a legal person, the legal representative of that Shareholder or the person authorized by its board of directors or other governing body shall produce a copy of the resolution of the board of directors or other governing body of such Shareholder appointing such person to attend the meeting.
- G. The AGM is expected to last for half a day. Shareholders who attend the AGM shall bear their own travelling and accommodation expenses.