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中国神华能源股份有限公司

CHINA SHENHUA ENERGY COMPANY LIMITED

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

(Stock Code: 01088)

VOLUNTARY ANNOUNCEMENT

CONNECTED TRANSACTION IN RELATION TO THE ESTABLISHMENT

OF INDONESIA ENERGY CORPORATION

This announcement is made by China Shenhua Energy Company Limited (the “**Company**”) on a voluntary basis.

On 27 September 2023, the board of directors of the Company (the “**Board**”) has considered and approved the Proposal on the Joint Establishment of PT.CHNENERGY INDONESIA ENERGY CORPORATION. The Company proposed to enter into the Agreement on the Joint Establishment of PT.CHNENERGY INDONESIA ENERGY CORPORATION (the “**Joint Venture Agreement**”) with GD Power Development Co., Ltd. (“**GD Power**”), pursuant to which the Company and GD Power shall contribute in cash in the amount of USD9 million and USD1 million, respectively, to establish PT.CHNENERGY INDONESIA ENERGY CORPORATION (provisional name and subject to the registration with Indonesian Investment Coordinating Board, “**Indonesia Energy Corporation**”) as a joint venture in the Republic of Indonesia (“**Indonesia**”) (the “**Transaction**”). The registered capital of Indonesia Energy Corporation shall be USD10 million and the total number of shares shall be 10 million shares with a par value of USD1 per share. Upon completion of the Transaction, the Company and GD Power will hold 9 million shares and 1 million shares, respectively, in Indonesia Energy Corporation, representing 90% and 10% of the total number of shares of Indonesia Energy Corporation, respectively.

The establishment of Indonesia Energy Corporation is beneficial for the Company to further strengthen the coordinated management of its multiple power generation projects in Indonesia, effectively improve the development, construction and operation of its power, coal resources and other projects in Indonesia and the Southeast Asian region, and establish and improve the mechanism for the efficient coordination of the Company’s various industries in Indonesia and the Southeast Asian region, so as to promote the development of the Company in the local area and the maximisation of the Company’s local interests as a whole. Furthermore, the establishment of Indonesia Energy Corporation as a platform for the coordinated management and development of the Company’s business in Indonesia will be conducive to the full utilisation of local policies, project resources and customer resources, thereby promoting the development of the Company’s business in Indonesia and enhancing its market competitiveness. The Transaction will not have any material impact on the Company’s future financial condition and operational results.

As at the date of this announcement, China Energy Investment Corporation Limited (“**China Energy**”), the controlling shareholder of the Company, directly and indirectly holds 50.78% equity interests in GD Power. As such, GD Power is a connected person of the Company as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”). Therefore, the Transaction contemplated under the Joint Venture Agreement constitutes a connected transaction of the Company. Pursuant to Rule 14A.81 of the Hong Kong Listing Rules, if a series of connected transactions are all entered into or completed within a same 12-month period or are otherwise related with each other, such transactions shall be calculated on an aggregate basis and treated as a single transaction. Having considered the transactions of the same nature between the Company and its subsidiaries and China Energy and its associates which were entered into within the past 12 months, as all the applicable percentage ratios calculated on an aggregated basis are less than 0.1%, the Transaction is fully exempt from the reporting, announcement and independent shareholders’ approval requirements under Chapter 14A of the Hong Kong Listing Rules.

The Company would like to draw attention of its shareholders and potential investors to the fact that the Transaction is still subject to the approval of the Indonesian Investment Coordinating Board, and there is uncertainty involved. Therefore, shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
China Shenhua Energy Company Limited
Song Jinggang
Chief Financial Officer and Secretary to the Board of Directors

Beijing, 27 September 2023

As at the date of this announcement, the Board comprises the following: Mr. Lv Zhiren and Mr. Xu Mingjun as executive directors, Mr. Jia Jinzhong and Mr. Yang Rongming as non-executive directors, Dr. Yuen Kwok Keung, Dr. Bai Chong-En and Dr. Chen Hanwen as independent non-executive directors, and Ms. Liu Xiaolei as employee director.