2025 ANNUAL REPORT

兖矿能源集团股份有限公司

YANKUANG ENERGY GROUP COMPANY LIMITED

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

Stock Code：01171

Important Notice

The Board, the Directors and Senior Management of the Company warrant the authenticity, accuracy and completeness of the information contained in the annual report and there are no misrepresentations, misleading statements contained in or material omissions from the annual report for which they shall assume several and joint liabilities.

The 2025 Annual Report of Yankuang Energy Group Company Limited has been considered and approved by the 22nd meeting of the ninth session of the Board of the Company. The quorum of the meeting is 11, and 11 Directors attended the meeting. All Directors of the Company attended the Board meeting.

Baker Tilly Hong Kong Limited issued the standard unqualified audit report for the Company.

Mr. Li Wei, Chairman of the Board of the Company, Mr. Zhao Zhiguo, Chief Financial Officer, and Mr. Guo Hui, Head of Finance Management Department, hereby warrant the authenticity, accuracy and completeness of the financial reports contained in this annual report.

In 2025, the Company achieved a net profit attributable to the parent company of RMB8.381 billion under the CASs and a net profit attributable to the parent company of RMB8.525 billion under IFRSs. In accordance with the Articles of Association of the Company and the dividend distribution policy for FY2023-2025, the cash dividend for 2025 was RMB0.50/share (tax inclusive). After deducting the interim cash dividend for 2025 of RMB0.18/share (tax inclusive), the Board of the Company proposed a final cash dividend of RMB0.32/share (tax inclusive) for 2025 based on the total share capital as at the date of registration of the equity interests for the equity distribution.

As of the end of the reporting period, the parent company did not have any accumulated losses not yet covered.

The forward-looking statements contained in this annual report regarding the future plans do not constitute any substantive commitment of the Company to investors and investors are reminded of the investment risks.

There was no appropriation of funds of the Company by the Controlling Shareholder or its related parties for non-operational activities.

There was no guarantee granted to external parties by the Company without complying with the prescribed decision-making procedures.

There was no situation where the majority of the Directors cannot warrant the authenticity, accuracy and completeness of the annual report disclosed by the Company.

The Company has disclosed the main risks faced by the Group, the impacts and the countermeasures in this report. For details, please refer to the relevant content in "Chapter 4 Board of Directors' Report", to which the investors are advised to pay attention.

All data contained in this report are rounded off, and the increase and decrease percentage were calculated based on the original data before rounding off.

For the above reason, the total of the figures in every table in the report may not be an arithmetic aggregation of the figures preceding it.

Contents

Chapter 1	DEFINITIONS	3
Chapter 2	COMPANY INFORMATION AND MAJOR FINANCIAL INDICATORS	7
Chapter 3	CHAIRMAN'S STATEMENT	12
Chapter 4	BOARD OF DIRECTORS' REPORT	18
Chapter 5	CORPORATE GOVERNANCE, ENVIRONMENT AND SOCIAL RESPONSIBILITIES	53
Chapter 6	SIGNIFICANT EVENTS	126
Chapter 7	CHANGES IN SHARES AND SHAREHOLDERS	183
Chapter 8	BONDS	195
Chapter 9	INDEPENDENT AUDITOR'S REPORT	217
Chapter 10	CONSOLIDATED FINANCIAL STATEMENTS	222

I. DEFINITION

In this report, unless the context requires otherwise, the following terms have the following meanings:

"Yankuang Energy" or "Company"	Yankuang Energy Group Company Limited, a joint stock limited company established under the laws of the PRC in 1997 and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and the SSE, respectively;
"Group"	The Company and its subsidiaries;
"Shandong Energy" or "Controlling Shareholder"	Shandong Energy Group Co., Ltd., a company with limited liability reformed and established under the laws of the PRC in 1996, is the controlling shareholder of the Company, directly and indirectly holding 52.84% of the shares of the Company as at the end of the reporting period;
"Heze Neng Hua"	Yanmei Heze Neng Hua Company Limited, a company with limited liability established under the laws of the PRC in 2002 which is mainly engaged in the development and operation of coal resources and electric power business of Zhaolou coal mine and Wanfu coal mine in Heze City, Shandong Province, being a 98.33% owned subsidiary of the Company as at the end of the reporting period;
"Luxi Mining"	Shandong Energy Group Luxi Mining Company Limited, a company with limited liability established under the laws of the PRC in 2021 which is mainly engaged in coal mining, coal washing, coal products sales etc., being a 51% owned subsidiary of the Company as at the end of the reporting period;
"Tianchi Energy"	Shanxi Heshun Tianchi Energy Company Limited, a company with limited liability established under the laws of the PRC in 1999 which is mainly engaged in production and operation of Tianchi coal mine in Jinzhong, Shanxi Province, being a 81.31% owned subsidiary of the Company as at the end of the reporting period;
"Xibei Mining"	Shandong Energy Group Xibei Mining Co., Ltd.* (山東能源集團西北礦業有限公司), a limited liability company established under the laws of China in 2021 which is mainly engaged in coal mining, coal washing, processing and sales. It is now 51% owned subsidiary of the Company as at the end of this reporting period;
"Ordos Company"	Yankuang Energy (Ordos) Company Limited, a company with limited liability established under the laws of the PRC in 2009 which is mainly engaged in the development and operation of coal resources and chemical projects, being a wholly-owned subsidiary of the Company;

"Haosheng Company"	Inner Mongolia Haosheng Coal Mining Company Limited, a company with limited liability established under the laws of the PRC in 2010 which is mainly engaged in the production and operation of Shilawusu coal mine in Ordos, Inner Mongolia Autonomous Region, being a 42.64% owned subsidiary of the Company as at the end of the reporting period;
"Inner Mongolia Mining"	Inner Mongolia Mining (Group) Co., Ltd., a company with limited liability incorporated under the laws of the PRC in 2013 which is mainly engaged in the investment and management of mineral resources, coal mining and preparation, mineral products sales, etc., being a 51% owned subsidiary of the Company as at the end of the reporting period;
"Future Energy"	Shaanxi Future Energy Chemicals Co. Ltd., a company with limited liability established under the laws of the PRC in 2011 which is mainly engaged in coal mining and sales, the research and development, production and sales of chemical products, etc., being a 73.97% owned subsidiary of the Company as at the end of the reporting period;
"Xinjiang Neng Hua"	Yankuang Xinjiang Neng Hua Company Limited, a company with limited liability established under the laws of the PRC in 2007 which is mainly engaged in coal mining and preparation, coal chemicals production, sales of coal and coal products, etc., being a 51% owned subsidiary of the Company as at the end of the reporting period;
"Lunan Chemicals"	Yankuang Lunan Chemicals Co., Ltd., a company with limited liability established under the laws of the PRC in 2007 which is mainly engaged in the development, production and sales of chemical products, etc., being a wholly-owned subsidiary of the Company;
"Yulin Neng Hua"	Yanzhou Coal Yulin Neng Hua Company Limited, a company with limited liability established under the laws of the PRC in 2004 which is mainly engaged in the production and operation of chemical projects, being a wholly-owned subsidiary of the Company;
"Donghua Heavy Industry"	Yankuang Donghua Heavy Industry Company Limited, a company with limited liability established under the laws of the PRC in 2013 which is mainly engaged in the design, manufacture, installation, repair of mining equipment, electromechanical equipment and spare parts, being a wholly-owned subsidiary of the Company;
"Yankuang Leasing"	Yankuang Financial Leasing Company Limited, a company with limited liability established under the laws of the PRC in 2014 which is mainly engaged in the financial leasing, leasing, leasing trade consultation and guarantees, as well as commercial factoring related to its main business, etc., being a wholly-owned subsidiary of the Company;

"Shandong Energy Finance Company"	Shandong Energy Group Finance Co., Ltd., a company with limited liability established under the laws of the PRC in 2013, and a 53.92% owned subsidiary of the Company as at the end of the reporting period;
"Yancoal Australia"	Yancoal Australia Limited, a company with limited liability established under the laws of Australia in 2004, the shares of which are listed on the Australian Stock Exchange and the HKEX respectively, being a 62.26% owned subsidiary of the Company as at the end of the reporting period;
"Yancoal International"	Yancoal International (Holding) Company Limited, a company with limited liability established under the laws of Hong Kong in 2011 and a wholly-owned subsidiary of the Company;
"Yancoal International Resources"	Yancoal International Resources Development Company Limited, a company with limited liability established under the laws of Hong Kong in 2011 and a wholly-owned subsidiary of Yancoal International;
"H Share(s)"	Overseas listed foreign shares in the share capital of the Company, with nominal value of RMB1.00 each, which are listed on the HKEX;
"A Share(s)"	Domestic shares in the share capital of the Company, with nominal value of RMB1.00 each, which are listed on the SSE;
"PRC"	The People's Republic of China;
"Hong Kong"	The Hong Kong Special Administrative Region of the People's Republic of China;
"CASs"	Accounting Standards for Business Enterprises and the relevant regulations and explanations issued by the Ministry of Finance of the PRC;
"IFRS(s)"	International Financial Reporting Standards issued by the International Accounting Standards Board;
"CSRC"	China Securities Regulatory Commission;
"Hong Kong Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
"HKEX" or "Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"SSE"	The Shanghai Stock Exchange;

"Company Law"	The Company Law of the PRC;
"Securities Law"	The Securities Law of the PRC;
"Articles" or "Articles of Association"	The articles of association of the Company;
"JORC "	Joint Ore Reserves Committee comprising the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia;
"JORC Code"	Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 Edition;
"Shareholder(s)"	The shareholder(s) of the Company;
"Director(s)"	The director(s) of the Company;
"Board"	The board of directors of the Company;
"RMB"	Renminbi, the lawful currency of the PRC, unless the context otherwise requires;
"AUD"	Australian dollars, the lawful currency of Australia;
"USD"	United States dollars, the lawful currency of the United States;
"HKD"	Hong Kong dollars, the lawful currency of Hong Kong.

Chapter 02

Company Information and Major Financial Indicators

I. INFORMATION OF THE COMPANY

Statutory Chinese Name	兗礦能源集團股份有限公司
Abbreviation of Chinese Name	兗礦能源
Statutory English Name	Yankuang Energy Group Company Limited*
Abbreviation of English Name	YANKUANG ENERGY
Legal Representative	Li Wei
Authorized Representatives of the HKEX	Su Li, Huang Xiaolong

* *For identification purpose only*

II. CONTACT DETAILS

	Secretary to the Board	**Securities Representatives**
Name	Huang Xiaolong	Shang Xiaoyu
Address	Secretariat to the Board, Yankuang Energy Group Company Limited 949 Fushan South Road, Zoucheng City, Shandong Province, the PRC	Secretariat to the Board, Yankuang Energy Group Company Limited 949 Fushan South Road, Zoucheng City, Shandong Province, the PRC
Tel	(86 537) 538 2319	(86 537) 539 2377
Fax	(86 537) 538 3311	(86 537) 538 3311
E-mail	IR@ykenergy.com	xyshang@ykenergy.com

III. GENERAL INFORMATION

Registered Address	949 Fushan South Road, Zoucheng City, Shandong Province, the PRC
Office Address	949 Fushan South Road, Zoucheng City, Shandong Province, the PRC
Postal Code	273500
Official Website	www.ykenergy.com www.yanzhoucoal.com.cn
E-mail Address	IR@ykenergy.com

IV. INFORMATION DISCLOSURE AND PLACE FOR DOCUMENT INSPECTION

Press media and websites for publishing the annual report	China Securities Journal (www.cs.com.cn) Shanghai Securities News (www.cnstock.com) Securities Times (www.stcn.com) Securities Daily (www.zqrb.cn)
Websites of stock exchanges for publishing the annual report	Website for publishing A-Share annual report: www.sse.com.cn Website for publishing H-Share annual report: www.hkexnews.hk
The annual report is available at	Secretariat to the Board of Yankuang Energy Group Company Limited 949 Fushan South Road, Zoucheng City, Shandong Province, the PRC

V. CORPORATE STOCKS

Stock type	Place of Listing	Stock Abbreviation	Stock Code
A Share	SSE	YANKUANG ENERGY	600188
H Share	HKEX	YANKUANG ENERGY	01171

VI. OTHER INFORMATION

Certified Public Accountants (A Shares)

Name	Baker Tilly China Certified Public Accountants LLP
Office Address	Zone A-1 & A-5, 68/F, 19 Chegongzhuang West Road, Haidian District, Beijing
Name of Signing Accountant	Fu Zhicheng, Zhou Chunyang, Wang Mingkun

Certified Public Accountants (H Shares)

Name	Baker Tilly Hong Kong Limited
Office Address	8/F, 728 King's Road, Quarry Bay, Hong Kong
Name of Signing Accountant	Wan Wing Ping

Legal advisor (A shares)

Name	King & Wood Mallesons, PRC Lawyers, Beijing
Office Address	17/F-18/F, East Tower, World Financial Center 1 East 3rd Ring Middle Road, Chaoyang District, Beijing

Legal advisor (H shares)

Name	Baker & McKenzie
Office Address	14th Floor, One Taikoo Place, 979 King's Road, Quarry Bay, Hong Kong

Shanghai Share Registrar

Name	China Securities Depository and Clearing Corporation Limited Shanghai Branch
Office Address	188 Yanggao South Road, Pudong, Shanghai, the PRC

Hong Kong Share Registrar

Name	Computershare Hong Kong Investor Services Limited
Office Address	Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

Liaison Office in Hong Kong

Office Address	40/F, Dah Sing Financial Centre, 248 Queen's Road East, Wanchai, Hong Kong
Contact Person	LAM Kang Chi
Tel	(852) 3912 0800
Fax	(852) 3912 0801

VII. MAJOR FINANCIAL HIGHLIGHTS OF THE LAST FIVE YEARS

(I) Operating Results

Unit: RMB'000

	Year ended 31 December				
	2025	2024 (Restated)	2023 (Restated)	2022 (Restated)	2021 (Restated)
Sales income	**133,340,597**	**141,144,191**	148,325,586	196,363,315	144,768,286
Gross profit	**33,644,286**	**46,997,086**	59,309,322	103,962,921	61,922,294
Financing cost	**-4,095,650**	**-4,407,581**	-4,680,560	-7,598,656	-7,185,576
Profit before tax	**19,310,046**	**28,750,862**	39,205,071	67,619,716	33,835,684
Net profit attributable to Shareholders of the Company	**8,524,664**	**14,592,264**	19,564,879	37,891,452	21,243,519
Earnings per share④	**RMB0.85**	**RMB1.47**	**RMB**2.01	**RMB**3.89	**RMB**2.20
Dividend per share⑤	**RMB0.50**	**RMB0.77**	RMB1.49	RMB4.30	RMB2.00

Notes:

① In 2025, the Company consolidated the financial statements of Xibei Mining and Yankuang Energy (Holin Gol) Company Limited. In 2024, the Company consolidated the financial statements of Shandong Yankuang Guotuo Technology Engineering Co., Ltd., Debot Machinery (Shandong) Co., Ltd, SMT Scharf AG, Wubo Technology Co., Ltd (物泊科技有限公司) and Shandong Tianma Intelligent Control Technology Co., Ltd. In 2023, the Company consolidated the financial statements of Luxi Mining, Xinjiang Neng Hua, Shandong Energy Finance Company, Shandong Energy Tower Shanghai Company Limited and Yankuang Coal Chemicals Engineering Company Limited. In 2022, the Company consolidated the financial statements of Yankuang Railway Logistics Company Limited.

② Since 25 September 2025, the Company had no longer consolidated the financial statements of Shandong Zhongding Yunlian Technology Co., Ltd.; since 31 October 2025, the Company had no longer consolidated the financial statements of Shandong Yancoal Rizhao Port Coal Storage & Blending Co., Ltd.; since 31 October 2023, the Company had no longer consolidated the financial statements of Yankuang Group Finance Co., Ltd.

③ During the reporting period, the Company consolidated the financial statements of Xibei Mining and other companies, which constituted a business combination under the common control, and the Company made retrospective adjustments to the relevant financial data.

④ During the Reporting Period, the Company completed the repurchase and cancellation of part of the restricted stocks. As a result, the total share capital of the Company increased from 10,039,860,402 shares to 10,037,480,544 shares, and the earnings per share, net assets per share and net cash flow from operating activities per share and other indicators were calculated based on the weighted average number of outstanding ordinary shares.

⑤ The dividend per share for the year 2025 is the recommended dividends to be declared. For details, please refer to the section headed "Profit Distribution or Capital Reserves Transferred to Share Capital Plan" in "Chapter 5 Corporate Governance, Environment and Social Responsibilities" in this report.

(II) Assets and Liabilities

Unit: RMB'000

	As at 31 December				
	2025	2024 (Restated)	2023 (Restated)	2022 (Restated)	2021 (Restated)
Net current assets	**-22,872,516**	-31,994,977	-36,203,961	-12,023,499	-34,084,877
Net value of property, plant and equipment	**166,606,332**	158,109,221	153,353,468	148,183,106	140,052,593
Total assets	**451,972,364**	409,841,105	394,583,328	419,506,528	297,686,636
Total borrowings	**131,311,708**	122,360,196	106,298,090	88,980,310	97,537,901
Equity attributable to Shareholders of the Company	**71,288,661**	64,007,550	60,303,516	91,942,008	70,147,210
Net asset value per share	**RMB7.10**	RMB6.46	RMB6.19	RMB9.44	RMB7.26
Return on net assets (%)	**11.96**	22.80	32.44	41.21	30.28

(III) Summary of Cash Flow Statement

Unit: RMB'000

	Year ended 31 December				
	2025	2024 (Restated)	2023 (Restated)	2022 (Restated)	2021 (Restated)
Net cash from operating activities	**16,640,257**	29,114,071	23,956,235	70,798,865	48,048,226
Net increase (decrease) in cash and cash equivalents	**-5,127,983**	1,193,565	-30,489,300	-1,363,722	23,722,630
Net cash flow per share from operating activities	**RMB1.66**	RMB2.94	RMB2.46	RMB7.27	RMB4.97

Chapter 03

Chairman's Statement

Mr. Li Wei

Chairman

Respectable Shareholders,

On behalf of the Board, I would like to present the 2025 annual results of Yankuang Energy, our operating targets for 2026 and our development plan for the "15th Five-Year Plan" period to all Shareholders.

In 2025, navigating a complex economic landscape, the accelerated build-out of new energy systems, and cyclical fluctuations in the coal industry, the Group rose to the challenge with composure and resolve. By pursuing a strategy centered on production expansion and volume growth, the Group reinforced its operational foundation, advanced lean management to drive down costs and curtail expenses, accelerated project development to build momentum, and harnessed capital operations to amplify efficiency. These efforts enabled the Group to achieve remarkable, leapfrog growth in both production capacity and resource reserves, securing a firm hold on its core operations amid a turbulent environment. Overall, the Group's operating and management performance demonstrated a steady trajectory of improvement, underpinned by increasingly robust development momentum.

I. Steady improvement in operational quality and efficiency. Benefiting from the high production and efficiency of the bases in Shaanxi, Inner Mongolia and Australia, as well as the acquisition of Xibei Mining, the total production of salable coal for the year reached 182 million tons, setting a new record high. The production of chemical products amounted to 9.77 million tons, representing a year-on-year increase of 0.76 million tons. Sales revenue totaled RMB133.34 billion, net profit attributable to shareholders of the Company amounted to RMB8.52 billion, return on net assets stood at 11.96%, and total assets reached RMB451.97 billion. Through the in-depth implementation of cost control measures such as the "Ten Enhancements, Ten Efficiency Improvements, and Ten Cost Reduction Initiatives", the cost of sales per ton of coal decreased by 7% year-on-year. The debt-to-asset ratio was reduced to 62.2%, while the average financing interest rate fell to 2.46%. Upholding the philosophy of "shareholder primacy and value sharing", the Company declared an interim dividend of RMB0.18 per share and proposed a final dividend of RMB0.32 per share, with the total dividends for the year amounting to RMB5.02 billion.

II. Expansion of excellence and strengthening of core industries, with steady progress in development quality and efficiency. The mining sector underwent an optimized layout, achieving higher output while maintaining stable efficiency. In the Shandong and Xinjiang bases, the Wanfu Coal Mine reached its designed production capacity promptly after commissioning, while the Wucaiwan No. 4 Open-pit Mine officially commenced coal production on a trial basis. The Shaanxi-Inner Mongolia base achieved full production capacity and efficiency, with salable coal output reaching 46.66 million tons, an increase of 3.54 million tons year-on-year, and contributing 56% of total profit, solidifying its position as the core production growth area and profit growth driver. The acquisition of Xibei Mining contributed 33.81 million tons of salable coal. The Australian base recorded a historic high in salable coal output, reaching 44.02 million tons, an increase of 1.72 million tons year-on-year. Breakthroughs were achieved in key projects. In the Inner Mongolia region, civil construction of the Youfanghao Coal Mine was substantially completed; the Liusangedan Coal Mine and the Huolinhe No. 1 Coal Mine obtained mining licenses for annual capacities of 10 million tons and 7 million tons, respectively; the planned annual capacity of the Galutu Coal Mine was increased to 8 million tons; and Xinghe Molybdenum obtained the electronic certificate of mining license for the Caosiyao Molybdenum Mine with an annual capacity of 16.5 million tons. In the Gansu region, the Yangjiaping Coal Mine commenced construction smoothly, while each of the Mafuchuan Coal Mine and the Maojiachuan Coal Mine obtained a mining license for annual capacities of 5 million tons, along with preliminary design approvals. The innovative "New Pushback Fully-Mechanized Mining Method with Dense Backfilling (密實充填新型前進式綜合機械化開採方法)" was incorporated into the new edition of the Coal Mine Safety Regulations. The Pangu Mine Big Model (盤古礦山大模型) was deployed in over 200 scenarios. The Company successfully hosted the National Coal Mine Rock Burst Prevention Experience Exchange Conference and the 13th National Mine Rescue Skills Competition, establishing industry benchmarks in major disaster prevention and emergency rescue. The high-end chemicals and new materials industry achieved growth in both volume and efficiency, with extended and reinforced industrial chains. The chemical segment maintained safe, stable, long-term, full-load, and optimized operations, delivering synergistic profit growth through increased production and enhanced efficiency from key projects. Chemical projects in the Shaanxi-Inner Mongolia base fully achieved production capacity and efficiency targets, producing 4.12 million tons of methanol and 1.0 million tons of coal-to-liquids. Xinjiang Xintian Coal Chemical produced 2.15 billion cubic meters of natural gas, achieving its best performance since commissioning. The "Low-Carbon High-Efficiency Energy Conversion Integration Project" of Lunan Chemicals was officially launched, under which the 1 million tons/year methanol project commenced construction and the 400,000 tons/year octanol project obtained environmental impact assessment approval. The 800,000 tons/year olefin project of Rongxin Chemicals is expected to commence trial operations in December. The 800,000 tons/year coal-to-olefins project of Xinjiang Neng Hua commenced construction, while the 500,000 tons/year high-temperature Fischer-Tropsch project of Future Energy progressed in an orderly manner. The high-end equipment manufacturing industry achieved resource complementarity and a leap in value. The European equipment manufacturing R&D base was strengthened and optimized. CFH's first

domestically produced wind turbine product rolled off the production line, and SMT Scharf AG's self-developed lithium-ion battery monorail crane successfully passed EU certification and ATEX certification. A batch of complete sets of hydraulic supports was exported to Australia, marking the first breakthrough for high-end coal mining equipment in overseas markets. The Luxi Intelligent Manufacturing Park deployed advanced technologies such as intelligent welding robots and intelligent assembly lines, establishing the industry's first "dark light mixing plant". The smart logistics segment operated with greater intensity and efficiency, achieving capacity expansion and scale upgrades. The total operating mileage of self-operated and equity-invested railways exceeded 4,000 kilometers, with 12 comprehensive road-rail-water logistics parks constructed, bringing the annual freight volume to 310 million tons. Yankuang Tai'an Port regularly operated "10,000-ton heavy-haul trains", achieving a single-day collection and distribution volume exceeding 100,000 tons, while accelerating the construction of a "green zero-carbon park". The "physical logistics + digital intelligence platform" model of Wubo Technology achieved deep integration, with annual freight volume exceeding 246 million tons; the company successfully developed international ocean shipping routes and accelerated its expansion into overseas markets such as Southeast Asia. The new energy sector focused on tackling challenges and achieving multi-energy complementarity. The integrated development of "wind-solar-thermal-storage" was advanced in a coordinated manner, and the "project construction + indicator acquisition" model was further promoted. The 140,000-kW wind power project of Inner Mongolia Hongda Industrial (內蒙古宏大實業) received approval, while the 180,000-kW wind power project in Zoucheng commenced construction. Active efforts were made in response to the national strategic deployment of "dual integration", with key projects such as the 220kV grid-side independent energy storage station of the Jisan Power Plant and the 350,000-kW ultra-supercritical cogeneration project of the Zhaolou Power Plant progressing steadily.

III. Multiple breakthroughs in value creation have been achieved, driving the Company toward stable and sustained development. The Company deepened the implementation of the "135" market value management mechanism, closely followed the main theme of high-quality development, and implemented multi-dimensional strategic initiatives such as value creation, standardized governance, efficient communication, and value sharing. As of 26 March, the Company's total market capitalization amounted to RMB179.67 billion, representing an increase of 56.2% from the beginning of 2025, further demonstrating its investment value. The Company was ranked 45th among China's Top 100 Listed Companies, was recognized as one of the "Most Valuable Investment HK Stocks" among the Best Listed Companies by New Fortune (《新財富》), and was selected as a China Listed Company Value Demonstration Case. Balancing value enhancement with investor returns, the Company ranked 24th on the China Association for Public Companies' 2025 Cash Dividend List and 13th on the 2025 Dividend Yield List. The Company continued to adhere to the policy of high-cash dividend distribution, and formulated the "2026-2028 Shareholder Return Plan", while concurrently advancing the RMB200-500 million A+H share repurchase plan. Adhering to the ESG strategic principle of "green and low-carbon, compliant and transparent, and sustainable development", the Company has published its ESG report for 18 consecutive years. Its MSCI ESG rating was upgraded to BBB, making it the only company in the coal industry to achieve the highest rating. By practicing the concept that "lucid waters and lush mountains are invaluable assets", the Company vigorously promoted the construction of green mines, achieving a comprehensive utilization rate of 100% for mine water and coal gangue. The comprehensive energy consumption per unit of industrial output value stood at 2.03 tons of standard coal per RMB10,000, achieving an industry-leading energy efficiency level.

Looking ahead to 2026, the external environment remains complex and volatile. Domestic coal supply and demand are expected to shift from moderately loose to a relatively balanced state, with periodic tightness emerging, and average prices are set to rise compared with 2025. Geopolitical tensions have driven a notable surge in international oil and gas prices, fueling sustained substitution demand for coal. With improving supply-demand fundamentals, international coal prices are poised to strengthen. The widening price gap between oil and gas is set to fully underscore the cost competitiveness of coal-to-methanol, coal-to-liquids, coal-to-olefins, and other related industrial routes. Meanwhile, amplified supply gaps for chemical products in the Middle East are expected to further accelerate the upward momentum of coal chemical product prices both domestically and internationally.

After a comprehensive assessment of both internal and external environments, and in consideration of the Company's actual operational circumstances, the Group plans to produce 186 million to 190 million tons of salable coal and 9.5 million to 11.0 million tons of chemical products in 2026. It aims to achieve a 3% year-on-year reduction in the cost of sales per ton of coal, lower methanol sales costs by RMB30 per ton, and reduce acetic acid sales costs by RMB30 per ton. The capital expenditure budget for the year is set at RMB19.8 billion.

At present, as China embarks on a momentous journey with the launch of its "15th Five-Year Plan", the development of a new energy system is accelerating across all fronts, and the industry's green and low-carbon transition is advancing in depth. Standing at this new starting point, the Group will remain focused on the core theme of high-quality development. By strengthening its core industries, it will solidify the foundation for stability; by cultivating emerging industries, it will unlock the momentum for growth; and by deepening capital operations, it will enhance the effectiveness of excellence. Through these efforts, the Group is committed to accelerating its transformation into a world-class, sustainable leader in clean energy.

I. Deeply Cultivating Core Industries to Consolidate the Foundation for "Stability." Deeply integrated into the national strategic energy base layout, we will resolutely implement the regional development strategy of "stabilizing operations within the province, expanding to other provinces, and optimizing overseas operations," propelling the scale of capacity to a new level. By the end of the 15th Five-Year Plan period, we aim to add approximately 70 million tons of new salable coal production capacity, with raw coal output exceeding 300 million tons. First, we will pursue incremental capacity expansion and diversified development to forge a 100-million-ton industrial cluster, accelerating the construction of "three 100-million-ton capacity coal industry clusters" in the Shaanxi-Gansu-Inner Mongolia region, Xinjiang, and Australia. For the Shaanxi-Inner Mongolia-Gansu Base, planned mines including the Youfanghao Coal Mine, the Huolinhe No. 1 Coal Mine, the Liusangedan Coal Mine, the Yangjiaping Coal Mine, the Mafuchuan Coal Mine, the Maojiachuan Coal Mine, and the Galutu Coal Mineare expected to be successively completed between 2027 and 2031, while production increases and capacity expansion will be advanced in due course at the Shilawusu, Yingpanhao, and Liuyuanzi coal mines. For the Xinjiang Base, we will ensure the Phase I project of the Wucaiwan No. 4 Open-pit Mine smoothly reaches its 10-million-ton production capacity, with a key focus on securing the approval for expanding Phase II capacity to 23 million tons per year. For the Australia Base, we will continue to strengthen operational management and actively pursue high-quality resources and mature operational projects. In terms of mineral resource diversification, we will complete the Caosiyao Molybdenum Mine of Xinghe Molybdenum by 2028, establishing it as a key profit growth driver for the Group, and seize the right moment to advance the cooperative development of the Canadian potash mine, thereby facilitating the transition from single coal production to multi-mineral development. Second, we will build momentum on a comprehensive scale and create high-end industrial clusters, positioning ourselves as the "chain leader" in the coal chemical industry. We will promote the coordinated yet differentiated development of the four major chemical bases in Shandong, Shaanxi, Inner Mongolia, and Xinjiang, deepen the high-grade conversion and efficient clean utilization of coal, add 1.6 million tons of olefins and 500,000 tons of coal-to-liquids capacity, and explore

new pathways for coupling green hydrogen, green methanol, and green ammonia with traditional coal chemicals. By the end of the "15th Five-Year Plan" period, we strive to raise the share of high-end chemical products to over 70%. For the Shandong Base, we will further cultivate the alcohol-based and amino-based industrial chains, completing and commissioning the 60,000-ton polyoxymethylene project at Lunan Chemicals, thereby forming a robust portfolio of high-end fine chemicals such as acetic acid, polyoxymethylene, and caprolactam. For the Shaanxi Base, with Future Energy as the core, we will efficiently operate the million-ton coal-to-liquids demonstration facility, advance the 500,000-ton high-temperature Fischer-Tropsch project in an orderly manner, and promote the extension of coal conversion toward specialty oils and new materials. For the Inner Mongolia Base, we will leverage the demonstration effect of the core methanol production area, complete and commission the 800,000-ton olefin project at Rongxin Chemicals, and drive the extension of the product line toward high-value-added products such as olefins, polyolefins, and oxalic acid. For the Xinjiang Base, guided by the 800,000-ton coal-to-olefins project of Xinjiang Neng Hua, we will implement measures to extend, supplement, and strengthen the industrial chain, forging a fully integrated "methanol–olefins–high-end new materials" value chain.

II. Fostering and Strengthening Emerging Industries to Stimulate the Momentum for "Progress". We will optimize the industrial structure and accelerate industrial upgrading to create a modern industrial cluster that is diversified, intensive, and efficient, thereby opening a "second growth curve" for a new round of high-quality development. For the high-end equipment manufacturing industry, we will emphasize specialization, refinement, differentiation, and innovation to achieve a value leap. We will anchor our development direction toward clustering, high-end positioning, and internationalization and research, develop, and manufacture cutting-edge products with high added value and international competitiveness, striving to achieve an external market share of over 50% by the end of the "15th Five-Year Plan" period. We will take the Luxi Intelligent Manufacturing Park as a model to cultivate a number of "smart factories, lighthouse factories, and green factories". Leveraging the technological R&D and brand value advantages of our European platform, combined with strong domestic manufacturing capabilities, we will deepen the integration of the technology chain, industrial chain, and innovation chain, accelerating the industry's leap toward the mid-to-high end of the global value chain. For the smart logistics industry, we will emphasize integration, empowerment, capacity expansion, and level upgrading. We will promote the integrated development of railways, highways, ports and shipping, industrial parks, and platforms, deepen the development model of "physical logistics + digital intelligence platform", accelerate resource integration, and strive to establish ourselves as a first-class domestic comprehensive provider of smart logistics services for bulk commodities by the end of the "15th Five-Year Plan" period. We will accelerate the development of a modern logistics network spanning major resource-producing regions, core markets, and strategic corridors, advancing the coordinated growth of logistics, trade, sales, and storage. For the new energy industry, we will focus on resource acquisition and deep integration. We will pursue the coordinated development of traditional and new energy sources, while focusing on the six major development directions of "coal-power integration, direct green power connection, zero-carbon parks, non-electricity utilization, regional competitive allocation, and independent energy storage" and advancing the integrated "wind-solar-thermal-storage-hydrogen" model to achieve multi-energy complementarity. We will closely track opportunities arising from the "transmission of electricity from western regions to Shandong" and "transmission of electricity from Xinjiang to other regions", leveraging our existing industrial base and new investments to intensify efforts in securing new energy indicators and advancing projects. We will also promote the integrated development of new energy with real industries, including newly built mines, logistics parks, and equipment manufacturing parks.

III. Deepening Capital Operations to Enhance the Effectiveness of "Excellence". We will take a coordinated approach to optimizing existing assets, empowering through capital, and integrating industries, steadily enhancing the quality and efficiency of capital operations. In optimizing existing assets: Leveraging the property rights trading platform and adhering to the "Four Optimizations" principle, we will pursue market-based divestment of inefficient and non-core assets, channeling advantageous resources and capital toward projects such as 10-million-ton intelligent mines and highly profitable non-ferrous metals, thereby accelerating the conversion of underperforming assets into high-efficiency capital. In capital empowerment: Drawing on multi-tiered capital markets, we will go all out to broaden low-cost financing channels, intensify capital operations, and proactively acquire scarce resources such as high-quality overseas coking coal. We will accelerate the spin-off and listing of Wubo Technology to unlock the intrinsic value of our emerging business segments, while enhancing our international operational capabilities and capital market presence. In industrial integration: The controlling shareholder remains firmly committed to supporting the listed company in becoming stronger and higher-quality, strictly fulfilling its pledge to address horizontal competition. Building on the orderly injection of high-quality coal assets, we will take further steps to effectively resolve horizontal competition, ensuring a simultaneous improvement in both the quality and quantity of the listed company's assets.

In the surging tide of competition, we brave the wind and waves to reach the top. Standing at the new starting point of the "15th Five-Year Plan" period, the Group will balance development with safety, scale with efficiency, and heritage with innovation. Leveraging our deep industrial foundation, robust operational capabilities, and strong innovation momentum, we will calmly navigate market fluctuations and steer the Company steadily towards higher quality, greater sustainability, and enhanced competitiveness. Our goal is to ensure steady performance growth, creating greater value and delivering higher returns for our shareholders and stakeholders.

By order of the Board
Chairman: Li Wei
Zoucheng, the PRC, 27 March 2026

Chapter 04

Board of Directors' Report

Mr. Wang Jiuhong
General Manager

I. MAIN BUSINESS DURING THE REPORTING PERIOD

(I) Main Business and Mode of Operation

1. Coal business

The Group's coal business are mainly distributed in Shandong province, Shanxi province, Shaanxi province, Gansu province, and Inner Mongolia Autonomous Region, Xinjiang Uygur Autonomous Region and Australia. Its main products include thermal coal, PCI coal and coking coal applicable to electric power, metallurgy and chemical industry, etc., which are mainly sold to East China, South China, Central China, North China, Northwest China and other regions of China, as well as Japan, South Korea, Australia, Thailand and other countries.

2. Chemical business

The Group's coal chemical business is mainly distributed in Shandong Province, Shaanxi Province, Inner Mongolia Autonomous Region and Xinjiang Uygur Autonomous Region. The main products consist of methanol, acetic acid, ethyl acetate, urea, caprolactam, full range liquid paraffin, naphtha etc. are mostly sold to North China, East China and Northwest China.

(II) Market Position

The Group is one of the main coal producers, suppliers and traders in China and Australia, the leader in thermal coal enterprise in China, and Yancoal Australia Limited, a controlled subsidiary, is the largest pure coal producer in Australia. The Group owns several complete coal chemical production lines by use of coal gasification and coal liquefaction, and the China first 1Mt/a coal indirect liquefaction demonstration unit. Its acetic acid production capacity ranks leading in China.

Elaboration on Newly Added Significant Non-Principal Business During the Reporting Period

Not applicable.

II. INDUSTRY SITUATION DURING THE REPORTING PERIOD

In 2025, the coal industry deeply implemented the green development concept, continuously enhanced the ability to ensure safe supply, accelerated its intelligent transformation and upgrading, and steadily promoted the clean and efficient use of coal. During the year, coal production remained at a high level; however, due to the impact of overcapacity verification and a reduction in import volumes, the growth rate narrowed, with raw coal output recording a year-on-year decline in the second half of the year. As consumer demand remained weak, the relatively loose supply-demand balance in the coal market showed signs of improvement. The coal chemical industry accelerated its transformation towards a more high-end, diversified, and low-carbon pattern, and continuously promoted the quality improvement and upgrading of the industrial chain. During the year, production capacity in the chemical industry was steadily released, while chemical product prices fluctuated. Benefiting from a decline in raw material costs, the profitability of certain product segments improved.

III. BUSINESS OPERATION DISCUSSION AND ANALYSIS

	Unit	**2025**	2024	Increase/ Decrease	Increase/ Decrease (%)
1. Coal Business					
Salable coal production volume	kiloton	**182,398**	171,622	10,776	6.28
Salable coal sales volume	kiloton	**171,226**	165,050	6,176	3.74
2. Coal Chemicals Business					
Chemical products production volume	kiloton	**9,775**	9,012	762	8.46
Chemical products sales volume	kiloton	**8,574**	8,113	461	5.69
3. Power Generation Business					
Power generation	10,000KWh	**748,763**	812,048	-63,285	-7.79
Electricity sold	10,000KWh	**604,349**	679,843	-75,494	-11.10

Note: During the reporting period, the Company consolidated the financial statements of Xibei Mining, which constituted a business combination under common control, and retroactively adjusted its relevant operating data.

IV. CORE COMPETITIVENESS ANALYSIS DURING THE REPORTING PERIOD

The core competitiveness of the Group as an internationalised large-scale energy enterprise was mainly reflected in the following aspects:

First, rich in resources reserve. The Group possessed key coal production bases in Shandong, Inner Mongolia, Xinjiang, and Australia, encompassing significant energy hubs both domestically and internationally, thereby establishing advantages in large-scale development. The in-situ resource of coal under the China National Standard for domestic mines amounted to 52.894 billion tons, while the in-situ resource under the JORC standard for overseas mines amounted to 8.080 billion tons, with its reserves ranking among the industry's leaders. The variety of coal products includes thermal coal, PCI coal, and coking coal, which cater to diversified market demands. Proactively establishing the layout across various mineral sectors, the Group intended to develop the Caosiyao Molybdenum Mine in Inner Mongolia, with resources estimated at 1.04 billion tons. In addition, the Group possessed six potash mining rights in Canada, with proven reserves of high-quality potassium chloride amounting to 1.7 billion tons.

Second, advantageous in industry chain synergy. The Group's primary industries encompass mining, high-end chemicals and new materials, high-end equipment manufacturing, intelligent logistics, and new energy. By establishing a comprehensive industrial chain, we achieved efficient resource allocation and effective cost control, thereby cultivating its robustness to withstand market risks.

Third, strong in technological R&D. The Group has high-level R&D platforms such as a National Enterprise Technology Center, an Academician Workstation, a CNAS-accredited laboratory, a Postdoctoral Scientific Research Workstation, and a Postdoctoral Innovation Base, while possessing advanced core technologies in deep mine extraction and intelligent comprehensive mining. Our production efficiency and safety standards ranked among the industry's leaders. The project of "complete set of technology and engineering application of digital and intelligent high-efficiency mining of deep coal" has won the Second Prize of the National Technological Advancement. We have developed and utilized the world's first set of ultra-large comprehensive mining equipment designed for an 8.2-meter mining height; we also undertook the major challenging project of "4000-ton Gasification Demonstration Unit" from the Ministry of Science and Technology, with which we have achieved the international leadership, and have established the first domestic million-ton indirect liquefaction demonstration facility.

Fourth, remarkable in international development progress. The Group's overseas assets accounted for 17.3% of its total. Boasting six listed platforms both domestically and internationally, the Group stood as one of the most internationally integrated and capital market-efficient energy companies listed in China. With extensive experiences in multinational resource mergers and management, the Group has successfully operated overseas projects in Australia, Canada, and Germany. Its products penetrated mainstream energy markets across Asia-Pacific, Europe, and others, thus establishing diversified sales channels and enabling flexible deployment based on global supply and demand, as well as achieving a globalized allocation of resources, products, technology, and talents.

V. MAIN OPERATION DURING THE REPORTING PERIOD

(I) Business Operation by Segments

1. Coal business

(1) Coal production

In 2025, the Group produced 182.40 million tons of salable coal, representing an increase of 10.78 million tons or 6.3% as compared with that of the previous year and in turn completed 117.7% of the production plan of salable coal for the year.

The following table sets out the salable coal production of the Group for the year 2025:

Unit: Kiloton

		2025	2024	Increase/ Decrease	Increase/ Decrease (%)
1.	The Company	**20,434**	22,796	-2,362	-10.36
2.	Heze Neng Hua [Note]	**4,172**	1,913	2,259	118.05
3.	Luxi Mining	**12,922**	12,251	671	5.48
4.	Tianchi Energy	**1,281**	1,199	82	6.83
5.	Xibei Mining	**33,813**	29,129	4,684	16.08
6.	Future Energy	**18,002**	17,812	190	1.07
7.	Ordos Company	**11,309**	11,230	78	0.70
8.	Haosheng Company	**8,002**	6,227	1,775	28.51
9.	Inner Mongolia Mining	**8,067**	6,653	1,413	21.24
10.	Xinjiang Neng Hua	**20,379**	20,117	261	1.30
11.	Yancoal Australia	**38,565**	36,937	1,628	4.41
12.	Yancoal International	**5,452**	5,357	95	1.77
Total		**182,398**	171,622	10,776	6.28

Note:

The production volume of salable coal in Heze Neng Hua increased year-on-year, mainly due to the year-on-year increase in salable coal production resulting from the operation of Wanfu Coal Mine under Heze Neng Hua.

(2) Coal prices and sales

In 2025, the Group sold a total of 171.23 million tons of coal, representing an increase of 6.18 million tons or 3.7% as compared with that of the previous year.

In 2025, the Group realized sales income of coal business of RMB88.666 billion, representing a decrease of RMB18.457 billion or 17.2% as compared with that of the previous year.

The following table sets out the Group's coal production and sales by coal types for the year 2025:

	2025				2024			
	Production Volume (kiloton)	Sales Volume (kiloton)	Sales Price (RMB/ton)	Sales Income (RMB million)	Production Volume (kiloton)	Sales Volume (kiloton)	Sales Price (RMB/ton)	Sales Income (RMB million)
1. The Company	20,434	18,950	595.03	11,276	22,796	21,614	774.78	16,746
No.1 clean coal	16	20	1,037.15	20	356	357	1,193.83	426
No.2 clean coal	4,991	4,923	840.96	4,140	6,113	6,417	1,140.73	7,320
No.3 clean coal	3,993	4,061	717.62	2,914	3,779	3,812	959.54	3,658
Sub-total of clean coal	9,000	9,003	785.76	7,074	10,248	10,586	1,077.27	11,404
Screened raw coal	11,434	9,947	422.40	4,202	12,547	11,028	484.41	5,342
2. Heze Neng Hua	4,172	3,884	972.83	3,778	1,913	1,269	1,363.55	1,731
No.2 Clean Coal	3,367	3,356	1,026.05	3,443	1,524	1,217	1,403.59	1,708
No.3 Clean Coal	60	232	908.07	210	–	–	–	–
Screened raw coal	745	296	420.84	125	389	53	441.34	23
3. Luxi Mining	12,922	13,780	787.13	10,846	12,251	11,639	1,075.37	12,516
clean coal	9,071	9,852	942.66	9,287	9,033	8,077	1,379.16	11,139
clean blended coal	3,852	3,928	396.97	1,559	3,218	3,562	386.60	1,377
4. Tianchi Energy	1,281	1,274	380.16	484	1,199	1,228	532.82	654
Screened raw coal	1,281	1,274	380.16	484	1,199	1,228	532.82	654
5. Xibei Mining	33,813	32,970	420.41	13,861	29,129	28,741	539.27	15,499
clean coal	14,150	13,956	529.66	7,392	11,975	11,990	667.41	8,002
clean blended coal	19,663	19,014	340.22	6,469	17,154	16,751	447.55	7,497
6. Future Energy	18,002	10,893	473.95	5,163	17,812	12,902	555.45	7,166
No.3 Clean Coal	1,929	1,104	508.53	562	2,109	1,275	669.05	853
Lump coal	4,270	4,088	521.50	2,132	3,750	3,648	683.74	2,494
Screened raw coal	11,802	5,700	433.13	2,469	11,952	7,979	478.66	3,819
7. Ordos Company	11,309	7,691	382.05	2,938	11,230	8,749	419.70	3,672
Screened raw coal	11,309	7,691	382.05	2,938	11,230	8,749	419.70	3,672
8. Haosheng Company	8,002	6,683	424.09	2,834	6,227	4,913	539.57	2,651
Screened raw coal	8,002	6,683	424.09	2,834	6,227	4,913	539.57	2,651
9. Inner Mongolia Mining	8,067	6,846	373.65	2,558	6,653	5,534	516.25	2,857
Screened raw coal	8,067	6,846	373.65	2,558	6,653	5,534	516.25	2,857
10. Xinjiang Neng Hua	20,379	18,999	117.03	2,223	20,117	18,868	149.56	2,822
Screened raw coal	20,379	18,999	117.03	2,223	20,117	18,868	149.56	2,822
11. Yancoal Australia	38,565	38,107	674.67	25,710	36,937	37,696	814.30	30,696
Semi-hard coking coal	–	–	–	–	51	52	2,121.86	111
Semi-soft coking coal	3,451	3,410	855.95	2,919	3,014	3,076	1,267.87	3,900
PCI coal	2,694	2,662	1,006.65	2,679	1,988	2,029	1,334.55	2,708
Thermal coal	32,420	32,035	627.79	20,111	31,883	32,538	736.87	23,976
12. Yancoal International	5,452	5,294	582.39	3,083	5,357	5,349	679.27	3,634
Thermal coal	5,452	5,294	582.39	3,083	5,357	5,349	679.27	3,634
13. Subtotal for self-produced coal	182,398	165,370	512.52	84,755	171,622	158,502	634.97	100,644
14. Traded coal	–	5,856	667.84	3,911	–	6,547	989.70	6,480
Total for the Group	182,398	171,226	517.83	88,666	171,622	165,050	649.04	107,124

Factors affecting the changes in sales income of coal business are analyzed in the following table:

	Impact of Changes on Coal Sales Volume (RMB million)	Impact of Changes on the Sales Price of Coal (RMB million)
The Company	-2,064	-3,406
Heze Neng Hua	3,565	-1,518
Luxi Mining	2,302	-3,972
Tianchi Energy	25	-194
Xibei Mining	2,280	-3,919
Future Energy	-1,115	-888
Ordos Company	-444	-290
Haosheng Company	955	-772
Inner Mongolia Mining	677	-976
Xinjiang Neng Hua	19	-618
Yancoal Australia	335	-5,321
Yancoal International	-38	-513
Traded coal	-684	-1,885

The Group's coal products were mainly sold in markets such as China, Japan, South Korea, Australia, Thailand, etc.

The following table sets out the Group's coal sales by geographical regions for the year 2025:

	2025		2024	
	Sales Volume (kiloton)	**Sales Income (RMB million)**	Sales Volume (kiloton)	Sales Income (RMB million)
1. China	**143,304**	**69,165**	139,803	85,767
East China	**54,942**	**32,628**	55,968	42,278
South China	**14,075**	**7,435**	16,471	10,721
Central China	**9,318**	**5,474**	8,993	7,226
North China	**31,115**	**14,233**	25,511	14,175
Northwest China	**31,539**	**7,783**	30,403	9,255
Other regions	**2,316**	**1,611**	2,457	2,112
2. Japan	**11,949**	**9,491**	9,983	10,684
3. South Korea	**5,075**	**3,493**	5,291	4,859
4. Australia	**2,839**	**1,494**	3,773	1,666
5. Thailand	**3,871**	**1,994**	3,554	1,788
6. Others	**4,189**	**3,029**	2,645	2,360
7. Total for the Group	**171,226**	**88,666**	165,050	107,124

Most of the Group's coal products were sold to industries such as power, metallurgy, chemical, trade business, etc.

The following table sets out the Group's coal sales by consuming industries for the year 2025:

	2025		2024	
	Sales Volume (kiloton)	**Sales Income (RMB million)**	Sales Volume (kiloton)	Sales Income (RMB million)
1. Power	**64,033**	**34,668**	73,310	43,770
2. Metallurgy	**21,993**	**18,197**	19,706	23,234
3. Chemical	**22,393**	**9,666**	20,337	11,927
4. Trade business	**53,399**	**21,200**	42,520	21,996
5. Others	**9,408**	**4,936**	9,177	6,197
6. Total for the Group	**171,226**	**88,666**	165,050	107,124

(3) The cost of coal sales

In 2025, the Group's cost of coal sales amounted to RMB57.178 billion, representing a decrease of RMB4.295 billion or 7.0% as compared with that of the previous year; and the Group's cost per ton of self-produced coal sales was RMB324.40 per ton, representing a decrease of RMB25.96 per ton or 7.4% as compared with that of the previous year.

The following table sets out the cost of coal sales by business entities:

	Total cost of sales				Cost of sales per ton			
	2025 (RMB million)	2024 (RMB million)	Increase/ Decrease (RMB million)	Increase/ Decrease (%)	**2025 RMB/ton**	2024 RMB/ton	Increase/ Decrease RMB/ton	Increase/ Decrease (%)
The Company	**8,730**	9,714	-984	-10.13	**426.26**	416.59	9.67	2.32
Heze Neng Hua	**2,581**	1,409	1,172	83.22	**664.46**	887.49	-223.03	-25.13
Luxi Mining	**6,711**	7,136	-425	-5.96	**487.03**	617.74	-130.71	-21.16
Tianchi Energy	**543**	593	-50	-8.41	**425.97**	482.67	-56.70	-11.75
Xibei Mining	**10,448**	10,712	-265	-2.47	**316.88**	372.72	-55.83	-14.98
Future Energy	**2,813**	2,922	-110	-3.76	**197.99**	193.61	4.38	2.26
Ordos Company	**2,012**	2,613	-601	-23.02	**240.07**	274.21	-34.14	-12.45
Haosheng Company	**2,332**	2,601	-269	-10.35	**291.00**	418.81	-127.81	-30.52
Inner Mongolia Mining	**2,354**	2,235	120	5.36	**288.88**	337.22	-48.34	-14.34
Xinjiang Neng Hua	**1,381**	2,000	-619	-30.96	**72.67**	105.98	-33.31	-31.43
Yancoal Australia	**15,564**	15,710	-146	-0.93	**408.42**	416.75	-8.32	-2.00
Yancoal International	**1,909**	2,019	-110	-5.43	**360.61**	377.35	-16.74	-4.44
Traded coal	**3,532**	5,940	-2,409	-40.54	**603.14**	907.32	-304.18	-33.53

Note: The total cost of sales and cost of coal sales per ton in the table above are data before offsetting by each business segment.

Explanation of the change in the sales cost of coal per ton of Haosheng Company: the production of salable coal increased year-on-year, resulting in a year-on-year decrease in the cost of sales per ton.

Explanation of the change in the sales cost per ton of coal of Xinjiang Neng Hua: the Company intensified its efforts to reduce costs and control expenses, leading to a year-on-year decrease in the sales cost per ton of coal.

2. *Coal chemicals business*

The following table sets out the Group's coal chemical business for 2025:

	2025				2024			
	Production Volume (kiloton)	Sales Volume (kiloton)	Sales Income (RMB million)	Cost of Sales (RMB million)	Production Volume (kiloton)	Sales Volume (kiloton)	Sales Income (RMB million)	Cost of Sales (RMB million)
Methanol	4,540	4,327	7,702	5,362	4,416	4,250	7,741	6,309
Acetic acid	1,082	766	1,638	1,394	1,040	743	1,928	1,595
Ethyl acetate	238	239	1,084	1,057	285	284	1,457	1,371
Caprolactam	357	355	2,854	2,829	337	336	3,626	3,333
POM	71	71	514	573	65	65	626	555
Crude liquid wax	–	–	–	–	288	300	1,874	928
Naphtha	257	257	1,613	1,185	233	235	1,537	1,262
Full range liquid paraffin	447	446	2,557	1,019	116	111	660	323
Ethylene glycol	395	390	1,476	693	401	394	1,524	1,092
Urea	910	846	1,223	1,107	716	664	1,192	901
Others	1,478	877	3,633	3,182	1,116	731	3,637	3,172
Total	9,775	8,574	24,293	18,401	9,012	8,113	25,801	20,841

Note:

The changes in production and sales volume, sales income and cost of sales of crude liquid wax and full range liquid paraffin were mainly due to the fact that Future Energy proactively took flexible production and continuously optimized the product structure in response to changes in market environment, causing changes in production volume and sales of its chemical products.

3. Power generation business

The following table sets out the operation of the Group's power generation business for the year 2025:

	2025				2024			
	Power Generation (10,000KWh)	Power Sold (10,000KWh)	Sales Income (RMB million)	Sales Cost (RMB million)	Power Generation (10,000KWh)	Power Sold (10,000KWh)	Sales Income (RMB million)	Sales Cost (RMB million)
1. Jining No.3 Power	75,268	64,957	252	200	134,391	120,451	519	349
2. Heze Neng Hua	153,525	134,023	515	449	145,924	129,991	529	488
3. Lunan Chemicals	31,124	17,579	60	41	21,985	14,787	49	43
4. Yulin Neng Hua	9,116	7,868	19	19	14,924	11,782	29	29
5. Future Energy	106,181	32,120	97	112	94,799	29,944	87	86
6. Inner Mongolia Mining	373,549	347,803	1,367	1,084	400,026	372,889	1,322	1,239
Total for the Group	748,763	604,349	2,310	1,906	812,048	679,843	2,537	2,235

(II) Main Business Analysis

1. Analysis of changes in the income statement and related accounts in the cash flow statement

Unit: RMB million

Items	2025	2024	Increase/ Decrease (%)
Sales income	**133,341**	141,144	-5.53
Sales cost	**94,783**	89,296	6.14
Selling, general and administrative expenses	**18,221**	19,262	-5.40
Net cash flow from operating activities	**16,640**	29,114	-42.84
Net cash flow used in investment activities	**-18,490**	-23,265	–
Net cash flow used in financing activities	**-3,278**	-4,655	–
Income tax expense	**4,420**	6,741	-34.43

Explanation of changes in net cash generated from operating activities: the year-on-year decrease in the selling price of the coal business led to a year-on-year reduction in net cash generated from operating activities.

Explanation of changes in net cash used in financing activities: ① proceeds from issuance of shares decreased by RMB4.514 billion year-on-year; ② proceeds from issuance of perpetual capital securities increased by RMB3.0 billion year-on-year.

Elaboration for the changes of income tax expense: the Group's taxable income decreased year-on-year.

Elaboration for significant changes in business segments, profit composition and sources (prepared under CASs)

Not applicable.

2. *Analysis on income and cost*

(1) *Main business analysis by industries, products, regions or sales modes*

Unit: RMB million

Main business by industries

By industries	Sales Income	Sales Cost	Gross Profit (%)	Increase/ Decrease in sales income as compared with that of the previous year (%)	Increase/ Decrease in sales cost as compared with that of the previous year (%)	Increase/Decrease in gross profit as compared with that of the previous year (%)
1. Coal business	88,666	57,178	35.51	-17.23	-6.99	Decrease of 7.10 percentage points
Including: Self-produced coal business	84,755	53,647	36.70	-15.79	-3.40	Decrease of 8.12 percentage points
Traded coal business	3,911	3,532	9.69	-39.65	-40.54	Increase of 1.37 percentage points
2. Coal chemical business	24,293	18,401	24.25	-5.84	-11.71	Increase of 5.03 percentage points
3. Electricity power business	2,310	1,906	17.49	-8.95	-14.73	Increase of 5.59 percentage points
4. Logistics transportation	15,083	14,793	1.92	361.09	399.95	Decrease of 7.62 percentage points
5. Other business	2,989	2,504	16.23	23.90	40.04	Decrease of 9.66 percentage points

Main business by products

By products	Sales Income	Sales Cost	Gross Profit (%)	Increase/ Decrease in sales income as compared with that of the previous year (%)	Increase/ Decrease in sales cost as compared with that of the previous year (%)	Increase/Decrease in gross profit as compared with that of the previous year (%)
1. Coal business	88,666	57,178	35.51	-17.23	-6.99	Decrease of 7.10 percentage points
Including: Self-produced coal business	84,755	53,647	36.70	-15.79	-3.40	Decrease of 8.12 percentage points
Traded coal business	3,911	3,532	9.69	-39.65	-40.54	Increase of 1.37 percentage points
2. Coal chemical business	24,293	18,401	24.25	-5.84	-11.71	Increase of 5.03 percentage points
3. Electricity power business	2,310	1,906	17.49	-8.95	-14.73	Increase of 5.59 percentage points
4. Logistics transportation	15,986	14,642	2.92	361.09	421.02	Decrease of 11.17 percentage points
5. Other business	2,989	2,504	16.23	59.06	40.04	Increase of 11.38 percentage points

Main business by regions

By Regions	Sales Income	Sales Cost	Gross Profit (%)	Increase/ Decrease in sales income as compared with that of the previous year (%)	Increase/ Decrease in sales cost as compared with that of the previous year (%)	Increase/Decrease in gross profit as compared with that of the previous year (%)
Domestic	102,633	75,695	26.25	-2.19	7.44	Decrease of 6.62 percentage points
Overseas	30,708	18,936	38.33	-13.93	0.48	Decrease of 8.84 percentage points

Main business by sales modes

By Sales Modes	Sales Income	Sales Cost	Gross Profit (%)	Increase/ Decrease in sales income as compared with that of the previous year (%)	Increase/ Decrease in sales cost as compared with that of the previous year (%)	Increase/Decrease in gross profit as compared with that of the previous year (%)
Direct sales	133,341	94,631	29.03	-5.17	5.98	Decrease of 7.46 percentage points

Explanation on main business by industries, products, regions or sales modes

For details of the sales of the above business segments, please refer to the note headed "Other Significant Matters-Segment Information" to the financial statement prepared in accordance with the CASs.

(2) Production and sales volume analysis

Main products	Unit	Production Volume	Sales Volume	Inventory	Increase/ Decrease in production volume as compared with that of the previous year (%)	Increase/ Decrease in sales volume as compared with that of the previous year (%)	Increase/ Decrease in inventory as compared with that of the previous year (%)
Self-produced saleable coal	Kiloton	182,398	165,370	6,729	6.28	4.33	-14.50
Methanol	Kiloton	4,540	4,327	72	2.81	1.81	24.26
Ethylene glycol	Kiloton	395	390	31	-1.46	-0.94	20.94
Acetic acid	Kiloton	1,082	766	9	3.99	3.13	121.62
Ethyl acetate	Kiloton	238	239	4	-16.40	-15.96	-15.23
Polyoxymethylene	Kiloton	71	71	1	8.60	8.73	3.50
Caprolactam	Kiloton	357	355	7	6.08	5.80	30.35
Full range liquid paraffin	Kiloton	447	446	6	285.48	301.99	19.95
Naphtha	Kiloton	257	257	3	10.22	9.49	-0.56
Urea	Kiloton	910	846	99	27.17	27.34	346.64

Explanation on production and sales volume

For details of the production and sales volume changes of main products, please refer to the relevant contents in the section "Business Operation by Segments" in this chapter.

(3) Performance of major procurement contract and sales contract

Not applicable.

(4) Cost analysis

Unit: RMB million

Components of cost of coal	Current amount	Percentage of total cost in 2025 (%)	The amount of the previous year	Percentage of total cost of the previous year (%)	Percentage increased or decreased in current amount as compared with the amount of the previous year (%)
I. Cost of self-produced coal	53,647	100	55,533	100	-3.40
1. Materials	7,031	13.11	6,852	12.34	2.62
2. Employees' wages and welfare	13,165	24.54	13,830	24.90	-4.81
3. Electric power	2,792	5.20	2,878	5.18	-3.00
4. Depreciation	7,327	13.66	6,842	12.32	7.08
5. Land subsidence expenses	2,082	3.88	2,475	4.46	-15.87
6. Maintenance expenses	3,231	6.02	3,282	5.91	-1.55
7. Amortization of mining rights	2,450	4.57	2,479	4.46	-1.14
8. Transportation	4,782	8.91	4,691	8.45	1.94
9. Labor service costs	3,179	5.93	3,818	6.88	-16.73
10. Others	7,606	14.18	8,385	15.10	-9.29
II. Cost of traded coal	3,532	–	5,940	–	-40.54
III. Total	57,178	–	61,473	–	-6.99

Components of cost of chemical products	Current amount	Percentage of total cost in 2025 (%)	The amount of the previous year	Percentage of total cost of the previous year (%)	Percentage increased or decreased in current amount as compared with the amount of the previous year (%)
Cost of chemical products	18,401	100	20,841	100	-11.71
1. Materials and fuel	13,668	74.28	15,740	75.52	-13.16
2. Employees' wages and welfare	1,123	6.10	1,200	5.76	-6.42
3. Depreciation	2,223	12.08	2,459	11.80	-9.60
4. Others	1,387	7.54	1,442	6.92	-3.79

Other explanations on cost analysis

The cost of sales of coal and chemical product businesses set out in the above table accounted for 79.7% of the Group's main business cost (other business mainly belongs to trading business).

(5) Changes in scope of consolidation due to the changes in shareholding of main subsidiaries during the reporting period

For details of the changes in scope of consolidation, please refer to the note headed "Changes in Scope of Consolidation" to the financial statements prepared in accordance with the CASs.

(6) Information on significant changes or adjustments in business, products or services during the reporting period

Not applicable.

(7) Major customers and suppliers

(Prepared under CASs)

Customers or suppliers controlled by the same controller are aggregated and presented as a single customer or supplier, except those controlled by the same state-owned assets supervisory and administration authority.

Information on customers and suppliers is presented on a combined basis under the same controller as follows

The Group treats customers or suppliers under the control of the same controlling party as a single customer or supplier and presents them on a consolidated basis.

A. Major customers and suppliers of the Company

The sales to the largest customer were RMB12.741 billion, accounting for 9.6% of the total annual sales; the sales revenue of the top five customers were RMB20.899 billion, accounting for 15.7% of the total annual sales; and the sales attributable to connected parties among the top five customers were RMB12.741 billion, accounting for 9.6% of the total annual sales revenue.

The procurement from the largest supplier, namely Shangdong Energy, was RMB7.704 billion, accounting for 17.2% of the total annual procurement; the procurement of the top five suppliers was RMB15.208 billion, accounting for 34.0% of the total annual procurement; and the procurement attributable to connected parties among the top five suppliers was RMB7.704, accounting for 17.2% of the total annual procurement.

Save as disclosed above, none of the Directors, their respective close associates, or shareholders who, to the best of the Directors' knowledge, hold 5% or more of the Company's shares had any interest in any of the top five customers/suppliers of the Company during the year.

Note: Prior to its consolidation into the Group in July 2025, Xibei Mining sold and purchased goods through Shandong Energy, which resulted in an increase in the Group's related party purchases and sales.

B. The cases where the proportion of procurement attributable to a single supplier exceeded 50% of the total amount, there was a new supplier among the top five suppliers or the Group heavily relied on a few suppliers during the reporting period

Not applicable.

The cases where the proportion of procurement attributable to a single supplier exceeded 50% of the total amount, there was a new supplier among the top five suppliers or the Group heavily relied on a few suppliers during the reporting period

Not applicable.

C. Implementation of delisting risk warning or other risk warnings on the Company's shares during the reporting period

The top five customers

Not applicable.

The top five suppliers

Not applicable.

D. Revenue from trading business with the Company during the reporting period

Unit: RMB'000

Trading business	Sales revenue in 2025	Sales revenue in 2024	Increase/decrease in sales revenue at the end of the reporting period compared with the end of the previous year (%)
Bulk commodities such as coal, steel, and iron ore	**82.50**	**167.21**	**-50.66**

The top five customers whose trading business revenue accounted for more than 10% of our sales revenue

Not applicable.

The top five suppliers whose trading business revenue accounted for more than 10% of our sales revenue

Not applicable.

Other explanation:

① The largest customer, the top five customers, the largest supplier, and the top five suppliers are mainly the customers and suppliers relating to the self-produced products of main businesses of the Group.

② The above customers and suppliers are domestic and overseas companies with stable operation. The Group has specialized entities to conduct qualification examination, credit management and other dynamic monitoring and adjustment on customers and suppliers to protect itself from risks.

3. Expenses

For details of the analysis of changes in expenses, please refer to Analysis of changes in the income statement and related accounts in the cash flow.

4. *R&D investment*

(1). R&D investment

(Prepared under CASs)

Unit: RMB million

Expensed R&D investment during the reporting period	3,398
Capitalized R&D investment during the reporting period	0
Total R&D investment	3,398
Total R&D investment as a percentage of sales revenue (%)	2.34
Share of capitalized R&D investment(%)	0

(2). R&D personnel

Number of R&D personnel in the Company	4,747
The number of R&D personnel to the total number of employees in the Company (%)	5.22

Educational background of the R&D personnel

Category	Number
Personnel with PhD degree	2
Personnel with Master's degree	262
Personnel with Bachelor's degree	3,509
Personnel with education level below Bachelor's degree	974

Age structure of the R&D personnel

Category	Number
Below 30 years old (30 years old excluded)	705
30-40 years old (30 years old included, 40 years old excluded)	1,670
40-50 years old (40 years old included, 50 years old excluded)	1,861
50-60 years old (50 years old included, 60 years old excluded)	510
60 years old and above	1

(3). Explanation

Viewing as technology as the top driving force to enhance productivity, the Group has expedited the promotion of major scientific and technological research centered on "seizing strategic opportunities, driving industrial breakthroughs, and solving production problems", comprehensively improved independent innovation capabilities, mastered a number of key core technologies, and continuously enhanced industrial competitive advantages, so as to provide strong support for accelerating the construction of a leading demonstration enterprises in world-class and sustainable clean energy.

Yankuang Energy has established high-level R&D platforms such as a National Enterprise Technology Center, an Academician Workstation, a CNAS-accredited laboratory, a Postdoctoral Scientific Research Workstation, and a Postdoctoral Innovation Base. In 2025, the Group obtained 679 granted patents and other intellectual property rights, including 158 inventions, 493 utility models, four designs, and 24 software copyrights, and also obtained 87 awards on technology at or above the provincial and ministerial level.

(4). Reasons for the significant changes in the composition of R&D personnel and its impact on the future development of the Company

Not applicable.

5. Cash flow

For details of the analysis of changes in cash flows, please refer to "Analysis of changes in the income statement and related accounts in the cash flow statement" in this section.

Source and use of fund

In 2025, the Group's source of fund was mainly from operating cash flow, bond issuance and bank loans. The fund was mainly used for operating expenses, purchases of properties, machineries and equipment, dividends payment to shareholders, bank loans repayment, assets and equity acquisition payment, etc.

(III) Elaboration on Significant Changes of Profit Due to Non-core Business

(All data was prepared in accordance with the CASs)

Not applicable.

(IV) Analysis on Assets and Liabilities

1. Assets and liabilities

Unit: RMB million

Items	Closing amount as at 31 December 2025	Percentage to the total assets as at 31 December 2025 (%)	Closing amount as at 31 December 2024	Percentage to the total assets as at 31 December 2024 (%)	Percentage of increase/ decrease in closing amount as at 31 December 2025 (%)	Remarks
Prepayments for property, plant and equipment and intangible assets	12,615	2.79	20,643	5.04	-38.89	During the reporting period, the mining rights for mines including the Liusangedan Coal Mine were successfully obtained, and the related rights were transferred from prepayments for land, plant and equipment and intangible assets to the intangible assets category.
Long-term receivables-due within one year	2,796	0.62	4,718	1.15	-40.74	① During the reporting period, Shandong Energy Finance Company recovered RMB0.975 billion of external loans due within one year; ② Yankuang Leasing's external finance lease receivables decreased by RMB1.583 billion compared with the beginning of the year.
Prepayment and other receivables	47,065	10.41	35,502	8.66	32.57	① Loans and advances extended by Shandong Energy Finance Company increased by RMB3.379 billion compared with the beginning of the year; ② Expenditures for land subsidence, restoration, reorganization and environmental protection increased by RMB4.101 billion compared with the beginning of the year.
Long-term payables	15,796	3.49	9,306	2.27	69.74	The payable for mining rights increased as compared with that at the beginning of the year.
Amounts due to Parent Company and its subsidiaries	8,327	1.84	6,184	1.51	34.66	The payable to related parties for daily goods increased compared with such in the beginning of the year.
Capital reserves	16,360	3.62	7,739	1.89	111.39	① During the reporting period, the difference between the carrying value of net assets of Xibei Mining acquired by the Group and the fair value paid was recognized as a reduction in capital reserves of RMB9.009 billion; ② Based on the achievement of performance commitments of Luxi Mining and Xinjiang Neng Hua, the consideration to be returned was recognized at RMB18.361 billion.

Other explanation

(1) Debt to equity ratio

As at 31 December 2025, shareholders' interests attributable to the parent company were RMB71.289 billion and the total borrowings amounted to RMB131.312 billion, representing a debt-to-equity ratio (equals to total borrowings divided by shareholders' interests attributable to the shareholders) of 184.2%.

For details of the interest-bearing liabilities, please refer to the note headed "Risks Related to Financial Instruments – Objectives and Policies on Management of Various Risks" to the financial statements prepared under the CASs.

(2) Contingent liabilities

For details of the contingent liabilities, please refer to the note "Contingent Liabilities" to the financial statements prepared under the IFRSs.

(3) Pledge of assets

For details of pledge of assets, please refer to note "Notes to The Consolidated Financial Statements – Assets Subject to Restriction on Ownership or Right of Use" to the financial statements prepared under the CASs.

2. Overseas assets

(Prepared under CASs)

(1) Assets scale

As at 31 December 2025, the Group's overseas assets were RMB78.492 billion, representing 17.3% of the total asset.

(2) Elaboration on the high ratio of overseas assets to the total

Unit: RMB million

Overseas assets	Reasons of formation	Operation mode	Operating income during the reporting period	Net profits during the reporting period
Yancoal Australia	Establishment through capital contribution	Self-operation	27,139	2,035
Yancoal International	Establishment through capital contribution	Self-operation	3,623	355

3. Major asset subject to restrictions as at the end of the reporting period

(All data was prepared under the CASs)

As at the end of 2025, the Group's asset subject to restriction was RMB85.701 billion, which mainly included monetary fund, receivables financing and related pledged asset for borrowings. For details, please refer to the note "Notes on Major Items of Consolidated Financial Statements – Assets Subject to Restriction on Ownership or Right of Use" to the financial report prepared under CASs.

4. Other explanation

Not applicable.

(V) Analysis on Business Operation

For details of coal business operation of the Group in 2025, please refer to the relevant contents of "Business Operation by Segments" in this section.

Analysis on Business Operation

1. Resources reserves in major mining sites

			China national standard (CNS)①			JORC Standard②	
Major mining sites	Location	Main resources	Resources (million tons)	Proved reserve (million tons)	Reliable reserve (million tons)	In-situ resources (million tons)	Recoverable reserve (million tons)
Coal mines owned by the Company	Jining, Shandong	Thermal coal	3,061	275	143	747	243
Coal mines owned by Heze Neng Hua	Heze City, Shandong	1/3 Coking coal	640	160	105	321	97
Coal mines owned by Luxi Mining	Heze City, Shandong	1/3 Coking coal, thermal coal	3,759	476	384	1,771	184
Coal mines owned by Tianchi Energy	Heshun county, Shanxi	Thermal coal	106	35	15	43	18
Coal mines owned by Xibei Mining	Shuozhou City and Xinzhou City, Shanxi, Xi'an City and Yan'an City, Shaanxi, Ordos, Inner Mongolia, Qingyang City, Gansu	Coking blend coal, thermal coal	7,251	1,209	2,384	4,499	1,339
Coal mines owned by Future Energy	Yulin, Shaanxi	Thermal coal	1,569	671	226	904	441
Coal mines owned by Ordos Company	Ordos, Inner Mongolia	Thermal coal	525	205	44	282	186
Coal mines owned by Haosheng Company	Ordos, Inner Mongolia	Thermal coal	2,294	665	386	719	557
Coal mines owned by Yankuang Energy (Holin Gol) Company Limited	Tongliao City, Inner Mongolia	Thermal coal	1,041	–	–	1,028	–
Mining areas owned by Inner Mongolia Mining	Ordos, Inner Mongolia	Thermal coal	6,418	781	351	6,093	1,399
Mining Area owned by Xinjiang Neng Hua	Xinjiang Ili Prefecture, Changji Prefecture	Thermal coal	26,230	1,791	2,149	25,899	3,674
Subtotal of domestic reserves	–	–	52,894	6,269	6,187	42,309	8,136
Coal mines owned by Yancoal Australia	Queensland and New South Wales	PCI coal, thermal coal, semi-soft coking coal,	–	–	–	6,490	1,290
Coal mines owned by Yancoal International	Queensland and Western Australia	PCI coal, thermal coal	–	–	–	1,590	90
Subtotal of overseas reserves	–	–	–	–	–	8,080	1,380
Total	–	–	52,894	6,269	6,187	50,389	9,516

Notes:

① Based on the standard of Solid Mineral Resources/Reserves Classification (China National Standard GB/T 17766-2020), resource reserves refer to solid mineral resources that could be exploited economically as projected after the mineral resources being explored, verified and studied. Its quantity, grade or quality are estimated in reference to the geographic conditions and relevant technical requirements. Proved reserves refer to the reserves estimated on the basis of proved resources after a pre-feasibility study, feasibility study, or equivalent technical and economic evaluation. Reliable reserves refer to the reserves estimated based on the amount of controlled resources after a pre-feasibility study, feasibility study or equivalent technical and economic evaluation; or estimated reserves based on proved resources when there exists uncertain conversion factors.

② According to the requirements of the Hong Kong Stock Exchange, the Group has carried out a unified resource reserve assessment of its coal mines in China in accordance with the JORC standard.

The in-situ resources and recoverable reserves of coal are estimated in accordance with 100% equity and JORC standard as at 31 December 2025, of which, in-situ resources and recoverable reserves from China domestic coal mines are based upon the competent person's report prepared by John T. Boyd Company in March 2026 and overseas in-situ resources and recoverable reserves are based on the report prepared by competent persons appointed by overseas subsidiaries.

③ The Group did not make assessment on the resources/reserves of the coal mines affiliated to Yancoal Australia and Yancoal International in accordance with China National Standard of Resource Reserve.

2. Other explanations

(1) Coal exploration, development and mining during the reporting period

In 2025, the Group's expenditure for coal exploration of RMB7,651,200 was mainly due to: the expenditure for exploration projects of Yancoal Australia's Moolarben coal mine, and the expenditure of Yancoal International's exploration projects; the capital expenditure related to coal development and mining was approximately RMB13.487 billion, which was mainly invested in the expenditure of fixed asset of existing mines and the development and mining costs of the WuCaiWan No. 4 Open-pit Mine, the Youfanghao Coal Mine and the Yangjiaping Coal Mine, as well as the coal mines under Yancoal Australia and Yancoal International.

(2) Major mine construction project

As at the end of this reporting period, the progress of the Group's major mine construction project is as follows:

No.	Project	Designed capacity (10,000t/a)	Investment as at the end of the reporting period (RMB100 million)	Construction progress
1	Wanfu Coal Mine	180	72.58	The project has been completed and inspected and the safety production license has been obtained
2	First Phrase of Wucaiwan No.4 Coal Mine Project	1,000	39.42	Joint trail operation has been commenced
3	Liusangedan Coal Mine	1,000	25.40	Mining licence has been obtained
4	Huolinhe No. 1 Coal Mine	700	37.52	Mining licence has been obtained
5	Galutu Coal Mine	800	9.86	Approval for the geological report has been obtained
6	Youfanghao Coal Mine	500	26.19	Construction has been commenced
7	Yangjiaping Mine Coal Mine	500	25.87	Construction has been commenced
8	Maojiachuan Coal Mine	700	2.11	Mining licence has been obtained
9	Mafuchuan Coal Mine	800	11.18	Mining licence has been obtained
	Total	6,180	250.13	–

(VI) Investment Analysis

(Prepared under the CASs)

Overall analysis on external equity investment

Not applicable.

1. Major equity investment

Unit: RMB100 million

Invested Company	Major Businesses	Mainly engaged in investment business	Investment method	The amount invested	Shareholding	Whether consolidating the financial statements	Statement account (if applicable)	Source of capital	Collaborator (if applicable)	Investment period (if any)	Progress as of the balance sheet date	Estimated earnings (if any)	Impact on the profit and loss during the reporting period	Whether involved in litigation	Disclosure date (if any)	Disclosure index (if any)
Xibei Mining	Coal mining, coal washing, processing and sales, etc.	No	Acquisition	140.66	51%	Yes	Long-term equity investment	self-owned funds and bank borrowings	-	-	Equity transfer and the change of industrial and commercial registration procedures have been completed	-	8.15	No	8 April 2025	For details, please refer to the information related to major connected/ related transactions" under "Chapter 6 Significant Events" of this report.
Total	/	/	/	140.66	/	/	/	/	/	/	/	-	8.15	/	/	/

Note: The "Impact on the profit and loss during the reporting period" in the above table represents the net profit data from the consolidated financial statements of the investee based on 100% equity interest.

2. Major non-equity investment

Not applicable.

3. *Financial assets measured at fair value*

Unit: RMB'000

Assets categories	Amount at the beginning of the reporting period	Profit and loss due to changes in the fair value during the reporting period	Accumulated fair value changes included in equity	Impairment accrued during the reporting period	Purchase amount during the reporting period	Sales/ redemption amount during the reporting period	Other changes	Amount at the end of the reporting period
Stocks	826	188	134	0	0	0	0	1,148
Trust products	70,521	-2	0	0	0	0	0	70,519
Others	2,071,848	-173,705	0	0	165,423	0	37,234	2,100,800
Total	2,143,195	-173,519	134	0	165,423	0	37,234	2,172,467

Stock investment

Unit: RMB'000

Stock varieties	Stock code	Stock abbreviation	Initial investment amount	Source of capital	Book value as at the beginning of the reporting period	Profit and loss due to changes in the fair value during the reporting period	Accumulated fair value changes included in equity	Purchase amount during the reporting period	Sales amount during the reporting period	Investment profit and loss during the reporting period	Book value as at the end of the reporting period	Accounting accounts
Stocks	601008	Lianyungang	89	Cash	346	0	134	0	0	0	480	Investment in other equity instruments
Stocks	601777	Qianli Technology	425	Debt restructuring	480	188	0	0	0	0	668	Exchange traded financial assets
Trust products	-	CCB Trust – Cai Die No.6 Property Rights	43,731	Debt restructuring	70,521	-2	0	0	0	0	70,519	Other investments in equity instruments
Total	/	/	44,245	/	71,347	186	134	0	0	0	71,667	/

Explanation on stock investment

Not applicable.

Privately offered funds investment

Not applicable.

Derivatives investment

Not applicable.

4. *Specific progress of the merger and reorganization of material assets during the reporting period*

Not applicable.

(VII) Disposal of Material Assets and Equity

Not applicable.

(VIII) Analysis of Major Controlled Companies and Invested Companies

(All data was prepared under CASs)

Major subsidiaries and investees accounting for over 10% of the net profit of the Company

Unit: RMB'000

Name of company	Type of company	Principal activities	Registered capital	Total assets	Net assets	Operating income	Operating profit	Net profit
Luxi Mining	Subsidiary	Coal mining, coal washing, and sales of coal and coal products	5,000	42,586	13,462	11,791	3,926	2,611
Future Energy	Subsidiary	Coal mining and sales; R&D, production and sales of chemical products, coal mining and sales, etc.	5,400	36,388	31,693	12,698	5,322	4,441
Ordos Company	Subsidiary	Development and operation of coal resources and chemical projects	10,800	27,031	13,133	15,118	2,660	2,408
Yancoal Australia	Subsidiary	Coal mining and operation of coal mines	AUD 6,219 million	57,087	42,370	27,139	2,768	2,035

The followings are the major controlled subsidiaries whose operating performance for 2025 fluctuated significantly as compared with that of the same period of the previous year:

Yancoal Australia

In 2025, Yancoal Australia achieved a net profit of RMB2.035 billion, representing a year-on-year decrease of RMB3.656 billion or 64.2%, mainly due to the year-on-year decrease in the selling price of coal products.

For the relevant information about the main businesses and main financial indicators of the Group's major invested companies, please refer to the note "Interests in Other Entities-Interests in Joint Venture and Associated Companies" to the financial statement prepared under CASs.

Acquisition and disposal of subsidiaries during the reporting period

Name of company	Methods to acquire and dispose of subsidiaries during the reporting period	Impact on overall production and operation and results
Xibei Mining	Equity Acquisition	The coal resources, coal reserves and salable coal production of the Group increased, and the profitability of the Group was further enhanced
Yankuang Energy (Holin Gol) Company Limited	Equity Acquisition	No substantive production or business operations were carried out, and no material impact was imposed on the overall operations and results of the Group
Shandong Zhongding Yunlian Technology Co., Ltd.	Deregistration	No material impact on the overall operation and results of the Group due to its relatively small asset and business scale
Shandong Yancoal Rizhao Port Coal Storage & Blending Co., Ltd.	Bankruptcy liquidation	No material impact on the overall operation and results of the Group due to its relatively small asset and business scale

Other explanation

Not applicable.

(IX) Structures of Entities Controlled by the Company

Not applicable.

VI. DISCUSSION AND ANALYSIS ON FUTURE DEVELOPMENT OF THE COMPANY

(All financial data in this section was prepared under CASs)

(I) Industrial Pattern and Trend

For details of the industry competition pattern and development trend, please refer to the relevant contents in "Chapter 3 Chairman's Statement" in this annual report.

(II) Development Strategy of the Company

In the face of profound changes in the global energy landscape, the Company followed the development trend of energy, comprehensively inspected its future development paths and approved the "Outline for the Company's Development Strategy" at the eighteenth meeting of the eighth session of the Board on 1 December 2021 after consideration. In the outline, the Company has made strategic plannings for the low-carbon transformation under the "Carbon Peaking & Carbon Neutrality" goals as well as for its industrial layout for the coming 5 to 10 years. In addition, the Company clearly pinpoints its vision of building itself into a world-class clean energy supplier that leads the industry and features sustainable development, conducts planned development of mining, high-end chemicals and new materials, new energy, high-end equipment manufacturing and intelligent logistics as its "five major industries", and spares no effort in cultivating new technologies, new industries, new businesses, and new models in an attempt to accelerate to transform into a brand new energy enterprise that has achieved high-quality, high-efficiency, and low-carbon development. The Company's main industrial development positionings and objectives are:

1. Mining: Being intelligent, efficient, excellent and strong. The Company strives to achieve the raw coal production capacity of 300 Mt/a, and build over eight green intelligent mines with production capacity exceeding 10 million tons. On the basis of the existing non-coal mineral assets, the Company will further explore the development of molybdenum, gold, copper, iron, potash and others so as to achieve the transformation from single coal mining to multimineral development.

2. High-end chemicals and new materials: Extending and strengthening industrial chain and improving added value. Heading towards the goal of high-end, green and low-carbon development, the Company will extend the existing chemical industry chain and build a R&D and production base for new chemical materials. In addition, new chemical materials and high-end chemicals account for more than 70%.

3. New energy: Prioritizing its strategies and accelerating its development. The Company will promote the development and construction of new energy projects such as the generation and storage of wind power and photovoltaic power. The Company also strives to reach an installed capacity of more than 10 million kW of new energy power generation.

4. High-end equipment manufacturing: Securing breakthroughs in key areas and pursuing specialized and innovative development. On the basis of the existing equipment manufacturing industry, the Company will focus on the development of high-end coal machinery manufacturing and other traditional advantageous products, expand business scope by manufacturing new energy equipment such as electric fan motors, and cultivate medium and high-end product series.

5. Intelligent logistics: Seeking digital development and increasing synergistic efficiency. The Company will strive to integrate products, users and third-party service providers for the purpose of building an intelligent logistics system.

For details of the Group's development strategies, please refer to the announcement on the resolutions of the Board dated 15 December 2021. Such information is available on the website of the SSE, HKEX, the Company's website and/or the China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily. For details of the progress of the strategic planning of its development in 2025, please refer to the relevant contents in "Chapter 3 Chairman's Statement" in this annual report.

(III) Operation Plan

For details of operation plan of the Group, please refer to the relevant contents in "Chapter 3 Chairman's Statement" in this annual report.

Relevant operation plan shall not be deemed as the Company's performance commitments to investors. Investors shall be reminded to be risk-aware and understand the difference between operation plan and performance commitments.

(IV) Capital Expenditure Plan

In 2025, the Group's capital expenditure on property, plant and equipment amounted to RMB22.052 billion. Excluding the impact of Xibei Mining, the capital expenditure amounted to RMB18.684 billion, representing a saving of RMB0.86 billion compared with the plan at the beginning of the year.

The Group's capital expenditure for the year 2026 is projected to be RMB19.831 billion, which is mainly sourced from the Group's self-owned funds, bank loans, bond issuance, etc.

The capital expenditure for the year 2025 and the estimated capital expenditure for the year 2026 of the Group (grouped by business entities) are set out in the following table:

Unit: RMB100 million

	2026 (Budget)	2025 (Completed)	Main Items
The Company	24.24	36.56	Mine equipment upgrading, data center construction, maintenance, safety and other investments.
Yankuang Logistics Technology Co., Ltd.	3.13	3.34	Investments in dedicated railway lines
Heze Neng Hua	5.73	8.11	Investments in mine technological transformation, maintenance, safety, etc.
Luxi Mining	7.92	12.62	Investments in mine equipment upgrading, maintenance, safety, etc.
Lunan Chemicals	15.35	8.60	Investments in mine technological transformation, maintenance, safety, etc.
Xibei Mining	21.89	33.68	Investments in the construction of Youfanghao Mine, Yangjiaping Mine and the coal preparation plant, technological transformation, maintenance and safety of the existing mines, etc.
Future Energy	6.36	3.95	Investments in the renovation of the supporting facilities of coal mines, coal-to-oil projects, etc.
Ordos Company	29.48	25.35	Investments in methanol-to-olefins projects, mine upgrading and renovation, etc.
Haosheng Company	3.67	1.43	Investments in mine technological transformation, maintenance, safety, etc.
Inner Mongolia Mining	5.34	1.44	Investments in mine technological transformation, maintenance, safety, etc.
Xinjiang Neng Hua	31.03	44.40	Investments in methanol-to-olefins projects, the construction of Wucaiwan Open-Pit Coal Mine and supporting facilities, special railway Lines, etc.
Yancoal Australia	34.18	31.60	Investments in maintenance, safety, environment protection, exploration, etc.
Yancoal International	2.79	4.34	Investments in Tai'an Logistics Park Project, maintenance, safety, environment protection, etc.
Other subsidiaries	7.20	5.11	–
Total	198.31	220.52	–

The capital expenditure for the year 2025 and the estimated capital expenditure for the year 2026 of the Group (classfied by fund uses) are set out in the following table:

Unit: RMB100 million

	2026 (Budget)	2025 (Completed)
Infrastructure Construction Projects	**93.60**	**99.83**
Coal mine construction	**32.18**	**58.89**
Chemical projects	**53.15**	**33.88**
Logistics and warehouse projects	**5.78**	**4.07**
Other infrastructure projects	**2.49**	**2.99**
Maintenance of simple reproduction	**83.41**	**102.57**
Planned expenditure on safety production	**19.89**	**17.85**
Planned expenditure on scientific and technological development	**0.73**	**0**
Planned expenditure on technology revamp	**0.68**	**0.27**
Total	**198.31**	**220.52**

The Group

The Group currently possesses relatively sufficient cash and financing facilities, which are expected to meet its operation and development demands.

(V) Possible Risks

Risks arising from safety management

The two business segments of the Company, namely "coal mining and coal chemicals", are of highly hazardous nature and of complex uncertainties in terms of production safety, thus leading to the likelihood of risks of safety management.

Countermeasures: The Group carry out regular and institutionalised survey and management of hidden disaster-causing factors in mines, so as to achieve five criteria: analysis of disaster threats, measures for management proposals, focus on key nodes, disaster information sharing, and post-assessment management. The Group puts great efforts on enhancing the comprehensiveness of the investigation on risks and potential hazards, the accuracy of the identification of hazardous sources, the effectiveness of the management measures, and the timeliness of the implementation of the proposals, so as to realise the closed-loop risk management.

Risks arising from environmental protection

With the China's environmental policies getting much stricter and the whole society increasingly valuing environmental protection, the Group is facing more stringent environmental restrictions. China has made a solemn commitment to the world to achieve "carbon peaking and carbon neutrality", which brings significant impacts on the operation and development of the Company's coal business.

Countermeasures: The Group will strictly implement the requirements of environmental protection regulations, actively promote the upgrading and transformation of facilities and improve the operation and management of facilities to ensure that pollutants are discharged in accordance with the standards. The Group will also implement strategic transformation, actively promote the transformation of traditional industries and the rise of emerging industries, and follow the path of green and low-carbon development. In addition, the Group will promote the efficient and clean utilization of coal and continue to maintain the coal's fundamental role in the energy structure.

Risks arising from exchange rates

As a multinational company, the Group's businesses, such as overseas investment, overseas financing, international trade, etc., are subject to the fluctuation of foreign exchange rates, which in turn bring uncertainties to the operation results and strategic development of the Group.

Countermeasures: The Group strengthens the study and judgment on the trend of foreign exchange rate, and takes advantage of comprehensive financial instruments to lower the risks brought by the fluctuation of foreign exchange rates. According to the movement trend of exchange rates for transaction currencies, the Group will establish the appropriate value-preservation clause in the transaction contract. The Group will flexibly use the instruments of foreign exchange derivatives, sign forward contracts of foreign exchange transactions and lock in the exchange rates.

Risks arising from geopolitics

The Group's businesses across different regions and countries will be affected by factors such as local government policy, as well as changes in economic and international relations. If any major adverse changes occur, the business, financial condition and operating results of the Group may be adversely affected.

Countermeasures: First, the Group will pay close attention to the international trends, strengthen the analysis of political and economic developments in regions where the Group runs its business, timely identify and foresee the geopolitical risks for its overseas businesses, and formulate counter measures. Second, the Group will continue to adhere to the localization strategy, comply with the local laws and regulations and actively integrate into the local economic and social development.

(VI) Others

1. The impact from changes in exchange rate

The impacts of exchange rate fluctuations on the Group were mainly reflected in:

(1) The overseas coal sales are priced in USD and AUD respectively, generating an impact on the overseas coal sales income;

(2) The exchange gains and losses of the foreign currency deposits and borrowings;

(3) The cost of imported equipment and accessories of the Group.

Affected by the fluctuations in foreign exchange rates, the Group had a book exchange loss of RMB227 million during the reporting period.

To manage foreign currency risks arising from the expected sales income and distribution of share dividends in HKD, Yancoal Australia has entered into foreign exchange hedging contracts with banks.

To hedge the exchange gains or losses of USD debts arising from the fluctuation of foreign exchange rates, Yancoal Australia and Yancoal International have adopted foreign exchange hedging measures to such debts on the accounting basis, which effectively mitigated the impact of fluctuation of exchange rates on the current profit or loss. At the end of the reporting period, the loan in USD of Yancoal Australia has been fully settled, but according to the accounting natural hedge rule, the exchange gains or losses caused by the early repayment of the loan will still be recognized on the contractual maturity date of the loan, which will have a non-cash impact on the corresponding accounting year.

Save as disclosed above, the Group did not take hedging measures on other foreign exchange and did not further hedge the exchange rate between RMB and other foreign currencies in the reporting period.

2. Employees' pension scheme

For details of the employees' pension scheme, please refer to note "Retirement Benefits" to the financial statements prepared in accordance with the IFRSs.

3. Reserves

Please refer to note "Shareholders' Equity" to the financial statements prepared in accordance with the IFRSs for the changes of reserves during the year and the distributable reserves as of 31 December 2025.

4. Donations

The expenditure on the Group's donations for charitable or other purposes in 2025 amounted to RMB68,334 thousand.

5. Compliance with laws and regulations

The Company is aware of the importance of complying with the requirements of laws, regulations and rules and has established a well-developed system to ensure continuous compliance with the applicable laws, regulations and rules. During the reporting period, to the knowledge of the Company, the Company has complied with the applicable laws, regulations and rules in all material matters, which include, but are not limited to, the Work Safety Law of the People's Republic of China, the Law of the People's Republic of China on Prevention and Control of Occupational Diseases and other laws and regulations that are significant or have an impact on the Company's operations in its principal business. As a listed company on the SSE and the HKEX, the Company also complied with the listing rules in the places of listing during the reporting period.

6. Significant events after the reporting period

Please refer to the section "Explanation on Other Significant Matters That Have a Significant Impact on the Value Judgments and Investment Decision-making of Investors" under "Chapter 6 Significant Events" of this annual report.

VII. EXPLANATIONS AND REASONS FOR FAILED DISCLOSURE DUE TO NON-COMPLIANCE OR LEAKAGE OF NATIONAL OR BUSINESS SECRETS

Not applicable.

Chapter 05

Corporate Governance, Environment and Social Responsibilities

I. RELATED INFORMATION ON CORPORATE GOVERNANCE

The Company has closely monitored updates on the securities market standardization and rule of law, and actively improved its corporate governance structure based on its own circumstances. During the reporting period, the Company further enhanced its corporate governance. In accordance with the latest amended regulatory rules, including the "Code of Corporate Governance for Listed Companies" of the CSRC, the "Guidelines on the Articles of Association of Listed Companies", the "Rules for Shareholders' Meetings of Listed Companies", the "Listing Rules for Stocks" of the SSE, and the "Self-Regulatory Guidelines for Listed Companies No. 1- Standardized Operations", among others, the Company has formulated the "Market Value Management System" and the "Internal Audit Management Measures". In addition, the Company also revised and improved several fundamental governance systems, including the "Articles of Association", the "Rules of Procedure for Shareholders' Meetings", the "Rules of Procedure for the Board of Directors". The goal is to improve the corporate governance system with the "Articles of Association" as the core and to ensure the standardized and efficient operation of the Company.

On 15 November 2024, the CSRC issued the "Guidelines No. 10 for the Regulation of Listed Companies – Market Value Management", requiring constituent companies of major indices to formulate market value management policies and submit such to the Board for review, pursuant to which, Yankuang Energy formulated the "Market Value Management System" in accordance with the above requirements and in light of its actual circumstances.

For details, please refer to the announcement of resolutions of the thirteenth meeting of the ninth session of the Board of the Company dated 24 February 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

On 28 March 2025, the CSRC revised the Guidelines on Articles of Association of Listed Companies, the Rules of Shareholders' Meetings of Listed Companies, and other regulatory provisions, requiring companies to amend their Articles of Association and relevant procedural rules, and abolish the Supervisory Committee, with a view to further enhancing corporate governance structure, strengthening protection of Shareholders' rights, and reinforcing regulations concerning Controlling Shareholders and de facto controllers. In accordance with the above requirements and taking into account its actual circumstances, the Company amended the Articles of Association, the Rules of Procedures for the Meeting of Shareholders, and the Rules of Procedures for the Board, abolished the Supervisory Committee and repealed the Rules of Procedure for the Supervisory Committee, and accordingly revised 16 internal management policies.

For details, please refer to the announcement on resolutions of the sixteenth meeting of the ninth session of the Board of the Company dated 25 April 2025, the announcement regarding amendments to the Articles of Association and relevant procedural rules, and the announcement on the resolutions passed at the 2024 annual general meeting dated 30 May 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

On 7 April 2025, the CSRC issued the Regulations on Suspension and Exemption of Information Disclosure by Listed Companies, requiring companies to establish dedicated policies to define internal review procedures for deferred and exempted disclosure of information. In accordance with the above requirements and in light of its actual circumstances, the Company formulated the Administrative Measures for Suspension and Exemption of Information Disclosure (信息披露暫緩與豁免管理制度).

For details, please refer to the announcement of resolutions of the seventeenth meeting of the ninth session of the Board of the Company dated 30 May 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

On 15 May 2025, the Shanghai Stock Exchange revised the "Self-Regulatory Guidelines for Listed Companies No. 1-Standardized Operations" (《上市公司自律監理指引第1號－規範運作》), requiring companies to establish internal audit policies that clearly define the leadership structure, responsibilities and authorities, staffing, funding arrangements, utilisation of audit results, and accountability mechanisms for internal audit work. In accordance with the above requirements and in light of its actual circumstances, the Company formulated the Management Measures for Internal Audit.

For details, please refer to the announcement on resolutions of the eighteenth meeting of the ninth session of the Board of the Company dated 29 August 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Upon consideration and approval at the eighteenth meeting of the ninth session of the Board of the Company convened on 29 August 2025, the Company revised the Measures for Fund Management (資金管理辦法) and formulated the Measures for Equity Investment Management (股權投資管理辦法) and the Measures for Overseas Investment Management (境外投資管理辦法), in order to ensure compliance with regulatory requirements and to support actual production and operational needs.

For details, please refer to the announcement on resolutions of the eighteenth meeting of the ninth session of the Board of the Company dated 29 August 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Please clarify whether there are significant differences between corporate governance of the Company and the provisions of laws, administrative regulations and the requirements on the governance of listed companies detailed by the CSRC; If any, the reasons should be stated.

Not applicable.

Since its listing, the Company, in accordance with the Company Law, Securities Law and relevant regulatory requirements of the region where the listing took place, following the principles of transparency, accountability and protection of the rights and interests of all Shareholders, has established a regulated and robust corporate governance structure, which does not have significant differences with the requirements in relevant documents detailed by the CSRC.

II. CONCRETE MEASURES TAKEN BY THE COMPANY'S CONTROLLING SHAREHOLDER AND THE ACTUAL CONTROLLER IN ENSURING THE INDEPENDENCE OF THE COMPANY IN ASSETS, PERSONNEL, FINANCE, INSTITUTIONS, BUSINESSES AND OTHER ASPECTS. SOLUTIONS, WORK PROGRESS AND FOLLOW-UP PLANS IN OFFSETTING THE IMPACT ON THE INDEPENDENCE OF THE COMPANY

Shandong Energy undertakes to ensure the independence of Yankuang Energy and to fully respect Yankuang Energy's operational autonomy.

The impact on the Company due to the fact that the Controlling Shareholder, the actual controller and other institutions controlled by them are engaged in the same or similar business as the Company, the impact of horizontal competition on the Company or the impact of its significant changes on the Company as well as the measures taken to solve the problems, its progress and the follow-up plans.

Shandong Energy will continue to fulfill its commitment to resolve horizontal competition and take various effective measures to avoid intra-industry competition with the Group.

III. BASIC INFORMATION OF THE GENERAL MEETINGS

Meeting Session	Date of Convening	Search Index of the Designated Website for Resolution Publication	Disclosure Date of Resolution Publication	Resolution(s) of the Meeting
2024 Annual General Meeting	30 May 2025	Website of the Shanghai Stock Exchange (http://www.sse.com.cn) Website of the Hong Kong Stock Exchange (http://www.hkexnews.hk) Website of the Company (http://www.ykenergy.com http://www.yanzhoucoal.com.cn)	30 May 2025	All resolutions passed

Note: The "Disclosure Date of Resolution Publication" in the table above refers to the date set out in the announcement of the resolution.

IV. INFORMATION ON DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

(I) Changes in Shareholdings and Remuneration of Current and Resigned Directors and Senior Management during the Reporting Period

As at the end of this reporting period, except as disclosed below, none of the Directors and Senior Management of the Company had an interest in or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the "Hong Kong Securities and Futures Ordinance"), Such interest and short position (i) shall be recorded in a register which shall be kept in accordance with section 352 of the Hong Kong Securities and Futures Ordinance; Or (ii) to notify the Company and HKEX in accordance with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

Unit: share

Name	Title	Gender	Age	Start of term of office	End of term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Class of shares	Increase/ decrease of shareholding during the year	Reasons for increase/ decrease	The total remuneration before tax obtained from the Company (RMB'0,000)	Whether obtained remuneration from the connected parties of the Company
Li Wei	Director, Chairman	Male	59	20 August 2021	30 June 2026	19,500	19,500	A share	0	-	-	Yes
Wang Jiuhong	Director	Male	49	30 May 2025	30 June 2026	235,560	235,560	A share	0	-	128.61	No
	General Manager			13 November 2024	30 June 2026							
Liu Jian	Director	Male	57	24 May 2019	30 June 2026	167,310	167,310	A share	0	-	-	Yes
Liu Qiang	Director	Male	53	30 June 2023	30 June 2026	0	0	-	0	-	-	Yes
Zhang Haijun	Director	Male	52	30 June 2023	30 June 2026	0	0	-	0	-	-	Yes
Su Li	Employee Director	Male	53	19 April 2023	30 June 2026	100,000	100,000	H share	0	-	100.08	No
Huang Xiaolong	Director	Male	48	20 August 2021	30 June 2026	312,000	312,000	A share	0	-	97.49	No
	Secretary to the Board			30 July 2021	30 June 2026	100,000	100,000	H share	0	-		
Zhu Limin	Independent Director	Male	74	19 June 2020	30 June 2026	0	0	-	0	-	25	No
Gao Jingxiang	Independent Director	Male	65	30 May 2025	30 June 2026	0	0	-	0	-	14.58	No
Woo Kar Tung, Raymond	Independent Director	Male	56	30 June 2023	30 June 2026	0	0	-	0	-	25	No
Zhu Rui	Independent Director	Female	51	30 June 2023	30 June 2026	0	0	-	0	-	25	No
Kang Dan	Vice General Manager	Male	46	8 April 2025	30 June 2026	235,560	235,560	A share	0	-	102.66	No
	Chief Safety Officer			29 April 2022	8 April 2025	100,000	100,000	H share	0	-		
Zhang Zhaoyun	Chief Engineer	Male	45	21 June 2024	30 June 2026	196,560	196,560	A share	0	-	115.85	No
						100,000	100,000	H share	0	-		
Gao Chunlei	Chief Engineer (Chemicals)	Male	44	28 March 2024	30 June 2026	156,000	156,000	A share	0	-	94.27	No
						100,000	100,000	H share	0	-		
Yue Ning	Vice General Manager	Male	47	27 October 2023	30 June 2026	0	0	-	0	-	407.85	No
Zhao Zhiguo	Chief Financial Officer	Male	47	27 October 2023	30 June 2026	100,000	100,000	H share	0	-	87.48	No
Xu Changhou	Vice General Manager	Male	46	8 April 2025	30 June 2026	95,290	108,390	A share	13,100	Shareholding Increase	37.93	No

Name	Title	Gender	Age	Start of term of office	End of term of office	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Class of shares	Increase/ decrease of shareholding during the year	Reasons for increase/ decrease	The total remuneration before tax obtained from the Company (RMB'0,000)	Whether obtained remuneration from the connected parties of the Company
Qi Junming	Chief Safety Officer	Male	51	8 April 2025	30 June 2026	242,575	53,040	A share	-189,535	Shareholding Decrease	38.64	No
Li Jianzhong	Vice General Manager	Male	44	27 November 2025	30 June 2026	6,460	8,960	A share	2,500	Shareholding Increase	7.99	No
Zhang Lei	Chief Investment Officer	Male	53	27 March 2020	30 June 2026	0	0	-	0	-	399.77	No
Peng Suping	Independent Director (resigned)	Male	66	30 June 2023	30 May 2025	0	0	-	0	-	0	No
Li Shipeng	Supervisor (resigned)	Male	48	19 June 2020	30 May 2025	0	0	-	0	-	-	Yes
	Chairman of the Supervisory Committee (resigned)			30 June 2023	30 May 2025							Yes
Zhu Hao	Supervisor (resigned)	Male	54	20 August 2021	30 May 2025	0	0	-	0	-	-	Yes
Jin Jiahao	Employee Supervisor (resigned)	Male	54	19 April 2023	30 May 2025	100,000	100,000	H share	0	-	95.55	No
Total	/	/	/	/	/	2,366,815	2,192,880	/	-173,935	/	1,803.75	/

Notes:

① Mr. Yue Ning serves as Co-Vice Chairman of Yancoal Australia and Chairman of the Executive Committee. He is based in Australia and receives his remuneration from Yancoal Australia. In accordance with overseas investment management regulations, Mr. Yue's actual pre-tax remuneration amounted to RMB4,078,500. According to the assessment document issued by Gold Associates Limited (高登聯合有限公司), a third-party consulting firm, Mr. Yue's actual pre-tax remuneration accounted for 24.79% of the average target total remuneration for comparable positions in comparable companies in the Australian industry. Target total remuneration refers to the total remuneration received when the target value is achieved upon remuneration assessment and realization.

Mr. Zhang Lei serves as General Manager of Yancoal International, Supervisor of SMT Scharf AG, and Supervisor of CFH. He is based in Australia and Europe and receives his remuneration from Yancoal International. In accordance with overseas investment management regulations, Mr. Zhang's actual pre-tax remuneration amounted to RMB3,997,700. Mr. Zhang's remuneration is determined through comprehensive consideration of factors such as the economic conditions of his place of duty, the Company's performance, and comparable positions. Compared with the average income of comparable positions in comparable companies in the industry, it is at a relatively low level.

② In accordance with the regulatory requirements for part-time positions of academicians of the Chinese Academy of Engineering, Mr. Peng Suping did not receive any compensation from the Company during the year.

③ For the shareholding information of Directors and Senior Management, please refer to the relevant content of "Circumstances and Impacts of the Equity Incentive Scheme and Employee Stock Ownership Plan or Other Incentive Scheme to Employees" in this section.

④ As at the end of the reporting period, the current and the resigned Directors, Supervisors and Senior Management of the Company during the reporting period held a total of 2,192,880 shares (of which 1,492,880 shares are A shares and 700,000 shares are H shares), representing approximately 0.022% over the total share capital of the Company. All the interests disclosed above represent holdings of long-position shares of the Company in the capacity of beneficial owner.

⑤ The changes in the equity interests of Mr. Xu Changhou, Mr. Qi Junming and Mr. Li Jianzhong occurred prior to their appointment as senior executives of the Company.

⑥ Directors and senior management are subject to annual performance assessment and incentive mechanism. Their annual remuneration consists of a basic salary and a performance-based salary, with the performance-based salary determined based on actual operating results and settled after the audit and assessment in the following year. For details, please refer to the "Remuneration of Directors and Senior Management" in this chapter.

Name	Major Work Experiences
Li Wei	Mr. Li Wei, born in September 1966, is a research fellow in engineering technology applications and holds a doctoral degree in engineering. Currently, Mr. Li Wei serves as the Chairman of the Company, the Secretary of the CPC Shandong Energy Committee and Chairman of Shandong Energy Group Co., Ltd. Mr. Li Wei joined the predecessor company in 1988, took office as the Vice General Manager of Baodian coal mine of the former Yankuang Group in December 1996 and was appointed as the Director of Restructuring Division of Strategic Resource Development Department of Yankuang Group in May 2002. In September 2002, he was appointed as the Secretary of the CPC Xilin Neng Hua Committee, Chairman and General Manager of Xilin Neng Hua Co., Ltd. Mr. Li Wei started to preside overall works at Baodian Coal Mine of the Company in March 2004 and later became the Deputy Secretary of the CPC Baodian Coal Mine Committee and the General Manager of Baodian Coal Mine of the Company in September 2004. He became the Deputy Secretary of the CPC Nantun Coal Mine Committee and the General Manager of Nantun Coal Mine of the Company, Deputy Chief Engineer and Deputy Director of the Safety Supervision Bureau of Yankuang Group in August 2007 and August 2009 successively. Mr. Li Wei took positions as the Vice General Manager and Director of the Safety Supervision Bureau of Yankuang Group in April 2010, and was employed as Deputy Secretary of the CPC Yankuang Committee, Director and General Manager of Yankuang Group in May 2015. He was promoted as the Vice Chairman of the Board of the Company in June 2016, the Deputy Secretary of the CPC Hualu Holdings Committee, Director and General Manager of Hualu Holdings Co., Ltd. in August 2020 and the Secretary of the CPC Shandong Energy Group Co., Ltd Committee and the Chairman of Shandong Energy in June 2021. In August 2021, Mr. Li Wei took the position as the Chairman of the Company. Mr. Li Wei graduated from University of Science and Technology Beijing.

Name	Major Work Experiences
Wang Jiuhong	Mr. Wang Jiuhong, born in June 1976, a Chief Senior Engineer with a bachelor's degree in engineering, is the Secretary of the CPC Yankuang Energy Committee, the Director and the General Manager of the Company. Mr. Wang was appointed as the Chief Engineer of Nantun Coal Mine in September 2014, the Secretary of the Party Branch and the General Manager of Anyuan Coal Mine of Yanzhou Coal Ordos Neng Hua Co., Ltd. in December 2016, and the Deputy Director of the Production Technology Department and the Deputy Director of Ventilation and Disasters Prevention Department of the Company in October 2017. He was appointed as Party Branch Secretary, the Executive Director and the General Manager of Ordos Zhuanlongwan Coal Co., Ltd. in September 2018, the Vice General Manager of Yanzhou Coal Ordos Neng Hua Co., Ltd. and the Party Secretary, Director and the General Manager of Inner Mongolia Haosheng Coal Mining Company Limited in December 2020. In November 2021, Mr. Wang Jiuhong took positions as the Party Secretary and the General Manager of Yanzhou Coal Ordos Neng Hua Co., Ltd., and the Chairman of Inner Mongolia Haosheng Coal Mining Company Limited. In June 2022, he became the Director of Inner Mongolia Haosheng Coal Mining Company Limited. In October 2022, he became the Vice General Manager of the Company and took positions as the Party Secretary, Chairman and General Manager of Yankuang Energy (Ordos) Company Limited and served as the Party Secretary and Chairman of Inner Mongolia Mining (Group) Co., Ltd. In December 2022, Mr. Wang became a member of the CPC Committee of the Company. In May 2023, Mr. Wang started to serve as the Secretary of the CPC Committee and the Chairman of Yankuang Energy (Ordos) Company Limited. In November 2024, Mr. Wang became the Secretary of the CPC Committee and the General Manager of the Company. In May 2025, Mr. Wang became the Director of the Company. Mr. Wang graduated from Hebei University of Engineering.

Name	Major Work Experiences
Liu Jian	Mr. Liu Jian, born in February 1969, is not only a research fellow in applied engineering technology with a master degree in engineering, but also the Director of the Company, the Vice General Manager and a member of the Standing Committee of CPC Shandong Energy Committee. Mr. Liu joined the Company's predecessor in 1992 and was appointed as the Vice General Manager of Dongtan Coal Mine of the Company in 2009. He was appointed as the Deputy Secretary of the CPC Jining No.3 Coal Mine Committee and the General Manager of Jining No.3 Coal Mine in March 2014. In January 2016, Mr. Liu Jian took positions as the Deputy Secretary of the CPC Dongtan Coal Mine Committee and the General Manager of Dongtan Coal Mine. In December 2016, he was appointed as the Vice General Manager of the Company. In April 2020, he was appointed as the General Manager and the Secretary of the CPC committee of the Company. In February 2021, Mr. Liu Jian took positions as the Vice General Manager of Shandong Energy and a member of the Standing Committee of CPC Shandong Energy Committee. He became the Director of the Company in May 2019. Mr. Liu graduated from Shandong University of Science and Technology.
Liu Qiang	Mr. Liu Qiang, born in October 1972, a research fellow in applied engineering technology a master's degree in engineering, is the Director of the Company and a member of the standing committee of Shandong Energy Committee and Vice General Manager of Shandong Energy. In October 2008, Mr. Liu was appointed as the vice general manager of Yankuang Cathay Coal Chemical Co., Ltd. In May 2012, he served as the vice general manager of Lunan Chemicals. In March 2014, he was promoted as the party secretary, executive director, general manager of Yankuang Coal Chemical Engineering Co., Ltd. Mr. Liu was appointed as the deputy party secretary, and general manager of Lunan Chemicals in April 2016. And in May 2017, Mr. Liu got promoted as the party secretary, chairman and the general manager of Lunan Chemicals. Mr. Liu was the vice general manager of Yankuang Chemical Company Limited, the party secretary and chairman of Lunan Chemicals in September 2019. He was appointed as Vice General Manager of the Company in September 2021. In March 2022, Mr. Liu started to serve as a member of the standing committee of Shandong Energy Committee and Vice General Manager of Shandong Energy. He assumed as the Director of the Company in June 2023. Mr. Liu graduated from East China University of Science and Technology and Zhejiang University.

Name	Major Work Experiences
Zhang Haijun	Mr. Zhang Haijun, born in December 1973, is a senior accountant, a Director of the Company and the Deputy Chief Economist and director of the Strategic Planning Department of Shandong Energy Group. Mr. Zhang joined the Company's Predecessor in 1996. In December 2013, he was appointed as the deputy director of the Finance Department (presiding over the work) of the Electro-Aluminum Branch of Yankuang Group Co. Ltd. In November 2014, he started to serve as the Director of Finance Department of the Electro-Aluminum Branch of Yankuang Group Co. Ltd. In November 2015, he started to serve as CFO and General Legal Consultant of the same company. He started to serve as the Director of the Investment Development Department and Director of the Decision-making Consultation Center at the Former Yankuang Group in May 2018 and the Director of the Investment Development Department of Shandong Energy Group in August 2020. Mr. Zhang became the Director of the Development Planning Department of Shandong Energy in May 2022. Mr. Zhang was appointed as the Director of the Strategic Planning Department of Shandong Energy since August 2024 and the Deputy Chief Economist of Shandong Energy since January 2025. Mr. Zhang started to serve as a Director of the Company in June 2023. Mr. Zhang graduated from the CPC Shandong Provincial Party School.
Su Li	Mr. Su Li, born in July 1972, is a Professor-level Senior Administrative Officer and Senior Economist with a master degree, and currently serves as Deputy Party Secretary, Employee Director and Head of the Trade Union of the Company. Mr. Su joined the Company's predecessor in 1996 and served as the Deputy Director of the General Administrative Office of Yankuang Group Co., Ltd. in October 2008. He was appointed as the Director of Human Resource Division of Yankuang Donghua Group in June 2012. In March 2014, he was appointed as the Director of the Human Resource Department of the Company. In January 2016, Mr. Su was appointed as the General Manager Assistant and served as the Director of Human Resource Department of the Company. He was appointed as the General Manager Assistant and the Director of the Organization Department of the CPC Committee (Human Resource Department) of the Company in June 2016, and the Secretary of the Discipline Inspection Commission of the Company in March 2020. He was further promoted as Employee Supervisor of the Company in June 2020, and Deputy Party Secretary and Head of Trade Union of the Company in September 2022. In April 2023, he started to work as the Employee Director, and was appointed as the Chairman of the Trade Union of the Company in May 2023. Mr. Su Li graduated from China University of Mining and Technology.

Name	Major Work Experiences
Huang Xiaolong	Mr. Huang Xiaolong, born in November 1977, a Chief Senior Economist, Master of Law, is the Director and Secretary to the Board of the Company. Mr. Huang joined the predecessor company in 1999. Mr. Huang became the Securities Affairs Representative of the Company in 2006. In 2008 and 2012, he took office as the Deputy-Director-Level Secretary to the Board Secretariat of the Company and the Deputy Director of the Board Secretariat successively. He served as the Director of the former Shandong Energy Equity Reform and Restructuring Office in 2013, and a Standing-Director of the Board Secretariat of Shandong Energy in August 2020. In July 2021 and August 2021, he became the Secretary to the Board of the Company and a Director of the Company successively. Mr. Huang graduated from the University of International Business and Economics.
Zhu Limin	Mr. Zhu Limin, born in October 1951, holding a master's degree in Economics, is an Independent Director of the Company. Mr. Zhu has assumed the positions as the Deputy Director of the pilot department of former State Commission for Economic Restructuring ("SCER"), the Director of the planning department of the former SCER, the Vice General Manager of the Chinese Joint-Stock Enterprise Consulting Company under the former SCER, the Deputy Director of the Inspection Department of China Securities Regulatory Commission ("CSRC"), the Deputy Director-General of the Inspection Bureau of CSRC, the Director of the Dispatched Offices Work Coordination Department of CSRC and the Director of Investor Education Office of CSRC, the Compliance Director of China Securities, the Chairman of the Supervisory Committee of China Securities. Now, Mr. Zhu serves as a Director of Focus Technology Co., Ltd. In June 2020, he became an Independent Director of the Company. Mr. Zhu graduated from Nankai University and Renmin University of China.

Name	Major Work Experiences
Gao Jingxiang	Mr. Gao Jingxiang, born in April 1960, holds a doctoral degree in engineering and is a doctoral supervisor entitled to the special government allowance granted by the State Council. He is an independent Director of the Company. Mr. Gao focuses his studies on mine surveying and intelligent mapping. Mr. Gao was the deputy director of the Mining Department, the Party Secretary of the School of Environment and Spatial Informatics, the head of Academic Department, and the executive vice president of the Graduate School at China University of Mining and Technology. Mr. Gao is currently the deputy director of the Academic Committee, the director of Teaching Advisory Board and the Undergraduate Teaching Consultant of China University of Mining and Technology, a member of International Society for Mine Surveying (ISM)- Commission 1, a member of the Engineering Competency Assessment Committee of the Chinese Society of Engineers (undertaking the tasks of the international accreditation of engineers), a member of the Higher Education Surveying and Mapping Teaching Advisory Board, Ministry of Education, a member of the Surveying, Mapping and Geoinformation Accreditation Commission of China Engineering Education Accreditation Association, and the executive director of the National Higher Education Teaching Research Association. Since May 2025, he has served as an independent Director of the Company. Mr. Gao graduated from China University of Mining and Technology.
Woo Kar Tung, Raymond	Mr. Woo Kar Tung, Raymond, born in June 1969, holds a bachelor's degree in Commerce, and serves as a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of CPA Australia and an independent director of the Company. Mr. Woo used to work as a certified public accountant in Arthur Andersen & Co. in Hong Kong, and take positions in the investment banking departments of ING, CITIC Securities and Credit Suisse, and was an Independent Director of Huaneng New Energy Company Limited, Tie Jiang Spot Limited and Yuanda China Holdings Limited. Mr. Woo is currently an independent director of SMIT Holdings Limited, and in June 2023, he was appointed as an Independent Director of the Company. Mr. Woo graduated from the University of New South Wales, Australia.

Name	Major Work Experiences
Zhu Rui	Ms. Zhu Rui, born in February 1975, holds a doctoral degree in business administration and is an Independent Director of the Company. Ms. Zhu was previously an associate professor at the University of British Columbia in Canada and an assistant professor at Rice University in the United States. Ms. Zhu currently serves as a professor of marketing at Cheung Kong Graduate School of Business and the director of the ESG and Social Innovation Research Center, and is an Independent Director of Jiumaojiu International Holdings Co., Ltd. and ATRenew (ATRenew Inc, a company listed on the New York Stock Exchange), and in June 2023, she became an Independent Director of the Company. Ms. Zhu graduated from the University of International Business and Economics and the University of Minnesota.
Kang Dan	Mr. Kang Dan, born in March 1980, a Chief Senior Engineer with a master's degree in engineering, now serves as a member of the CPC Committee and the Vice General Manager of the Company. Mr. Kang served as the Vice General Manager of the Company's Nantun Coal Mine in March 2016, the Deputy Party Secretary and General Manager of the Nantun Coal Mine in April 2020, the Deputy Party Secretary and General Manager of Xinglongzhuang Coal Mine in May 2021. He became the Chief Safety Officer of the Company in April 2022. In April 2025, he was appointed as a Vice General Manager of the Company. Mr. Kang graduated from China University of Mining and Technology.
Zhang Zhaoyun	Mr. Zhang Zhaoyun, born in October 1980, is a Chief Senior Engineer with a master's degree in engineering, now serves as a member of the CPC Committee and the Chief Engineer of the Company. Mr. Zhang was appointed as the Chief Engineer of Xinglongzhuang Coal Mine of the Company since August 2017, the Chief Engineer of Baodian Coal Mine of the Company since January 2022. In April 2022, Mr. Zhang took position as the Deputy Secretary of the CPC Xinglongzhuang Coal Mine Committee and the General Manager of Xinglongzhuang Coal Mine of the Company. Mr. Zhang was appointed as the Deputy Secretary of the CPC Committee and the General Manager of Dongtan Coal Mine of the Company since May 2023. In June 2024, Mr. Zhang was appointed as the Chief Engineer of the Company. Mr. Zhang graduated from Shandong University of Science and Technology.

Name	Major Work Experiences
Gao Chunlei	Mr. Gao Chunlei, born in May 1981, is a senior engineer with a master's degree. Mr. Gao is a member of the CPC Committee and the Chief Engineer (chemicals) of the Company. Mr. Gao was appointed as the member of the party committee and the vice general manager of the Methanol Plant at Yanzhou Coal Mining Yulin Neng Hua Co., Ltd. in November 2011. He later served as the deputy party secretary and general manager of Yanzhou Coal Mining Yulin Neng Hua Co., Ltd. in November 2018. In October 2021, he became the Party secretary, chairman, and general manager of Yanzhou Coal Mining Yulin Neng Hua Co., Ltd. In June 2022, he was appointed as a member of the Party Committee and vice general manager of Shandong Energy Chemical Sub-Branch Company of Yankuang Energy Group. In October 2022, he was appointed as a member of the Party Committee, vice general manager and chief safety officer of Shandong Energy Chemical Sub-Branch Company of Yankuang Energy Group. In October 2023, Mr. Gao became the general manager of the Modern Coal Chemical Industry Department of Yankuang Energy. He started to work as the chief engineer (chemicals) of the Company from March 2024. He graduated from Heilongjiang University of Science and Technology.
Yue Ning	Mr. Yue Ning, born in August 1978, is a research fellow in applied engineering technology with a bachelor's degree. Mr. Yue Ning is currently the Vice General Manager of the Company. In June 2015, Mr. Yue started to serve as Chief Engineer at Jinjitan Coal Mine of Shaanxi Future Energy Chemicals Co., Ltd. In December 2018, he became the Vice General Manager at Jinjitan Coal Mine and was promoted as the General Manager of Jinjitan Coal Mine in April 2020. Starting from September 2023, Mr. Yue Ning has served as the Executive Director, Chairman of the Executive Committee, Co-Vice Chairman of the Board at Yancoal Australia Limited. Mr. Yue Ning became the Vice General Manager of the Company in October 2023. Mr. Yue Ning graduated from China University of Mining and Technology.
Zhao Zhiguo	Mr. Zhao Zhiguo, born in April 1978, is a Senior Accountant with a bachelor's degree and serves as the CFO of the Company. Starting from August 2016, Mr. Zhao served as a Member of the CPC Heze Coal-fired Power Committee, and the Chief Accountant of Linyi Mining Group Heze Coal-fired Power Co., Ltd. In September 2017, Mr. Zhao was appointed as the Deputy Director of the Finance Department (presided over work), and the Deputy Head of Capital Securitization Leadership Work Office at Linyi Mining Group Co., Ltd. In August 2018, Mr. Zhao served as the Director of the Finance Department, Head of the Big Data Analysis Office, the Deputy Head of Capital Securitization Leadership Work Office at Linyi Mining Group. In October 2021, he was further appointed as a Senior Member of the Finance Management Department of Shandong Energy Group. In February 2022, Mr. Zhao started to work as the Head of the Finance Management Department of Yankuang Energy Group Company Limited. In October 2023, Mr. Zhao took the position as the CFO of the Company. Mr. Zhao graduated from Shaanxi University of Science & Technology.

Name	Major Work Experiences
Xu Changhou	Mr. Xu Changhou, born in February 1980, holds the professional title of Senior Engineer with a bachelor's degree and a master's degree in engineering. He currently serves as the Deputy General Manager of the Company. In October 2018, Mr. Xu was appointed as the Director of the Safety Supervision Department and Safety Supervisor at the Baodian Coal Mine of the Company. In April 2020, he assumed the role of Deputy Director of the Baodian Coal Mine. In January 2022, he became the Deputy Party Secretary and Mine Director of the Nantun Coal Mine of the Company. In October 2022, he served as Party Committee Secretary and Director of the Marketing Center of the Company, as well as Chairman of Shandong Zhongyin International Trade Co., Ltd. In November 2023, he served as the Deputy Party Secretary and Mine Director of the Baodian Coal Mine. In April 2025, he was appointed as the Deputy General Manager of the Company. Mr. Xu graduated from China University of Mining and Technology.
Qi Junming	Mr. Qi Junming, born in November 1974, holds the professional title of Senior Engineer with a bachelor's degree and a master's degree in engineering. He currently serves as the Chief Safety Officer of the Company. In December 2014, Mr. Qi was appointed as the Director of the Safety Supervision Department at the Dongtan Coal Mine of the Company. In June 2016, he assumed the roles of Party Branch Secretary and General Manager of Ordos Zhuanlongwan Coal Co., Ltd. In December 2016, he served as the Party Branch Secretary, Director, and General Manager of Inner Mongolia Haosheng Coal Mining Company Limited. In September 2018, he took on the position of Assistant General Manager at Yanzhou Coal Ordos Neng Hua Co., Ltd. In December 2020, he was appointed as the Party Branch Secretary and Executive Director of Ordos Zhuanlongwan Coal Co., Ltd. In November 2022, he became the Director of the Company's Dispatching Command Center. In November 2023, he served as the Party Committee Secretary and Mine Director of the Jining II Coal Mine of the Company. In August 2024, he was appointed as the Deputy Party Committee Secretary, Chairman of the Board, and General Manager of Yanmei Heze Energy Chemical Co., Ltd. He also served as Deputy Party Committee Secretary and Mine Director of the Zhaolou Coal Mine. In April 2025, he served as Chief Safety Officer of the Company. Mr. Qi graduated from Shandong University of Science and Technology.

Name	Major Work Experiences
Li Jianzhong	Mr. Li Jianzhong, born in February 1982, holds the professional title of Senior Engineer with a bachelor's degree and a master's degree in engineering. He currently serves as the Deputy General Manager of the Company. In October 2015, Mr. Li was appointed as Deputy General Manager of Shaanxi Zhengtong Coal Industry Co., Ltd. ("Zhengtong Coal Industry") under Zibo Mining Group Co., Ltd. ("Zibo Mining Group"). In October 2016, he assumed the roles of Party Committee Member and Deputy General Manager of Zhengtong Coal Industry under Zibo Mining Group. In April 2022, he served as Deputy Party Committee Secretary and General Manager of Shaanxi Changwu Tingnan Coal Industry Co., Ltd. under Xibei Mining. In July 2023, he was appointed as Party Committee Secretary, Chairman of the Board, and General Manager of Shanxi Shuozhou Pinglu District Longkuang Daheng Coal Industry Co., Ltd. ("Daheng Coal Industry") under Xibei Mining, and held the positions of Party Committee Secretary, Executive Director, and General Manager of Shanxi Longkuang Energy Investment and Development Co., Ltd. ("Longkuang Investment"). In October 2023, he served as Party Committee Secretary, Chairman, and General Manager of Daheng Coal of Xibei Mining, Party Committee Secretary, Executive Director, and General Manager of Longkuang Investment, and Chairman of Shanxi Longkuang Jinbei Coal Machinery Co., Ltd. In January 2025, he served as Party Committee Secretary, Chairman, and General Manager of Daheng Coal of Xibei Mining, and Party Committee Secretary, Executive Director, and General Manager of Longkuang Investment. In November 2025, he served as Deputy General Manager of the Company. Mr. Li graduated from China University of Mining and Technology.
Zhang Lei	Mr. Zhang Lei, born in May 1972, an international certified Senior Accountant, Australian certified public accountant, MBA and PhD of Economics, serves as Chief Investment Officer of the Company. Mr. Zhang served as the Vice President of Siemens (China) Co., Ltd. and CFO of Siemens Northeast Asia Real Estate Group Co., Ltd. from September 2008 to September 2010. He served as an Executive Director and CFO of Chinalco Mining International Co., Ltd. and Vice President and CFO of Chinalco Overseas Holdings Co., Ltd. from September 2010 to June 2012. From July 2012 to March 2013, he served as the business finance and acquisition General Manager of Shell Far East. From March 2013 to March 2014, he served as the Senior Vice President, Director and General Manager of Korean SK Greater China. Mr. Zhang joined the Company in 2014 and has served as CFO of Yancoal Australia, CEO of Austar, and General Manager of Yancoal International successively. In March 2020, Mr. Zhang started to work as the Chief Investment Officer of the Company. Mr. Zhang graduated from Guanghua School of Management of Peking University and Graduate School of Chinese Academy of Social Sciences.

Other explanations

Not applicable.

(II) The Current and Resigned Directors and Senior Management during the Reporting Period

1. Positions at the shareholding company

Name	The shareholding company	Titles and positions	Start of Tenure
Li Wei	Shandong Energy	Secretary of the CPC Shandong Energy Committee and Chairman of Shandong Energy	29 June 2021
Liu Jian	Shandong Energy	Member of the Standing Committee of the CPC Shandong Energy Committee and Vice General Manager of Shandong Energy	2 February 2021
Liu Qiang	Shandong Energy	Member of the Standing Committee of the CPC Shandong Energy Committee and Vice General Manager of Shandong Energy	14 March 2022
Zhang Haijun	Shandong Energy	Director of the Strategic Planning Department	5 August 2024
		Deputy Chief Economist	13 January 2025
Explanation on their incumbency at the shareholding company	None		

2. Positions at other entities

Name	Name of other entities	Titles and positions	Start of Tenure
Wang Jiuhong	Yancoal Australia Limited	Director	20 February 2025
Huang Xiaolong	Yancoal International (Holding) Co., Ltd.	Director	4 November 2022
	Yancoal Australia Limited	Director	31 May 2023
	Yankuang Xinjiang Neng Hua Co., Ltd.	Director	13 October 2023
Zhu Limin	Focus Technology Co., Ltd.	Director	2 March 2020
	Nantong Guosheng Intelligence Technology Group Co., Ltd.	Independent Director	7 April 2020
	China Resources Chemical Materials Technology Inc.	Independent Director	1 July 2022
Woo Kar Tung, Raymond	SMIT Holdings Limited	Independent Director	6 March 2016
Zhu Rui	Jiumaojiu International Holdings Co., Ltd.	Independent Director	16 April 2021
	ATRenew	Independent Director	1 January 2022
Kang Dan	Shandong Energy Group Luxi Mining Co., Ltd.	Director	22 May 2025
Gao Chunlei	Shaanxi Future Energy Chemicals Co. Ltd.	Chairman	31 December 2024

Name	Name of other entities	Titles and positions	Start of Tenure
Yue Ning	Shaanxi Future Energy Chemicals Co. Ltd.	Director	27 December 2021
	Yancoal Australia Limited	Executive Director, Co-Vice Chairman, Chairman of the Executive Committee	27 September 2023
Zhao Zhiguo	Inner Mongolia Mining (Group) Co., Ltd.	Director	15 December 2021
	Duanxin Investment Holding (Beijing) Co., Ltd	Chairman	15 February 2022
	Shandong Dongyue Taiheng Development Co., Ltd.	Chairman	4 November 2022
	Yankuang Energy (Qingdao) Co., Ltd.	Executive Director	4 November 2022
	Yankuang Energy (Wuxi) Co., Ltd.	Chairman	4 November 2022
	Duanxin Investment Holding (Shenzhen) Co., Ltd.	Director	4 November 2022
	Shanghai Jujiang Asset Management Co., Ltd.	Chairman	4 November 2022
	Yankuang Donghua Heavy Industry Co., Ltd.	Director	4 November 2022
	Shandong Energy Financial Leasing (Shenzhen) Co., Ltd.	Director	20 March 2023
	Inner Mongolia Haosheng Coal Mining Co., Ltd.	Director	10 April 2023
	Shaanxi Future Energy Chemicals Co., Ltd.	Director	20 April 2023
	Qilu Bank Co., Ltd	Director	11 September 2023
	Shandong Energy Group Luxi Mining Co., Ltd.	Director	8 November 2023
	Shandong Energy Group Finance Co., Ltd.	Director	21 December 2023
	Yancoal International (Holding) Company Limited	Director	29 July 2024
	Linshang Bank Co., Limited	Director	5 December 2024
	Shanghai Zhongqi Futures Company Limited (上海中期期貨股份有限公司)	Director	31 December 2024
	Yancoal Australia Limited	Director	20 February 2025
	Yankuang Logistics Technology Co., Ltd.	Chairman	8 June 2025
	Shandong Energy Group Xibei Mining Co., Ltd.	Director	20 June 2025
Xu Changhou	Shandong Energy Group Xibei Mining Co., Ltd.	Director	22 May 2025
Qi Junming	Yanmei Heze Neng Hua Company Limited	Chairman	2 August 2024
Zhang Lei	Yancoal International (Holding) Co., Ltd.	General Manager	27 March 2020
Explanation on their incumbency at other entities	None		

(III) Remuneration of Directors and Senior Management

Approval procedures for the remuneration of Directors and Senior Management	The remuneration for the Directors and Senior Management is proposed to the Board by the remuneration committee under the Board. Upon review and approval by the Board, any remuneration proposal for the Directors will be proposed to the General Meeting of Shareholders for approval. The remuneration for senior management is reviewed and approved by the Board, and reports to the general meeting of shareholders.
Whether a Director should recuse himself or herself from the Board's discussion of his or her remuneration	Yes
Details of the recommendations of Remuneration and Evaluation Committee or the Special Meeting of Independent Directors on the remuneration of Directors, and Senior Management	On 18 March 2025, the fifth meeting of the Remuneration Committee of the Board reviewed the remuneration of the Directors and senior management of the Company as disclosed in the annual report. The Remuneration Committee considered that the remuneration of the Directors and senior management had been strictly implemented in accordance with the Company's relevant regulations on remuneration management, and that the payment procedures complied with the relevant laws, regulations, and the provisions of the Articles of Association of the Company, and put forward the following recommendations: 1. It is proposed that after the Company completes its business objectives in 2025, the remuneration of non-independent Directors that receive salaries from the company be determined in accordance with the Company's salary assessment policy. 2. It is proposed that the average annual remuneration of the Independent Directors of the Company in the full year of 2025 be RMB250,000 (tax included). 3. It is proposed that after the Company completes the business objectives in 2025, the remuneration of non-director senior management be determined in accordance with the Company's salary assessment policy.

Basis for determination of the remuneration of Directors and Senior Management

The Company determines the overall remuneration positioning for its Directors and senior management based on the principle of "external competitiveness, internal fairness, and growth potential". The remuneration consists of annual remuneration, annual safety and environmental protection compensation, and performance-linked incentives for the tenure. Annual remuneration comprises basic annual salary and performance-based annual salary. It is comprehensively determined based on factors such as the average employee salary, the Company's marketization level, operational difficulty, and regional variances. The performance-based annual salary is linked to the results of the annual performance assessment, accounting for 75% of the annual remuneration. The annual safety and environmental protection compensation includes quarterly assessments of safety and environmental responsibilities and annual awards. The specific standards and reward/penalty policies are implemented in accordance with the safety and environmental protection performance assessment measures of the Company. The tenure incentives are linked to the operating performance assessment results of the management team during their term of office. These are determined based on the average completion rate of key indicators and the compound growth rate achieved during the tenure, combined with the comprehensive assessment and evaluation results during the term and relevant assessment policies of the state-owned assets regulatory authority.

For senior management whose primary place of duty is not within the Chinese Mainland, their remuneration is determined by a comprehensive consideration of the economic conditions of their duty location, the Company's performance, comparable positions, and other relevant factors, and is adjusted in accordance with the overseas investment management regulations.

Actual payment of remuneration of Directors and Senior Management	During the reporting period, the performance-based remuneration of the Directors and senior management was settled after the conclusion of the assessment for the following year. All remuneration for the Company's Directors and senior management has been duly paid in accordance with the relevant provisions upon assessment. For details, please refer to "Changes in Shareholdings and Remuneration of Current and Resigned Directors and Senior Management during the Reporting Period" in this chapter.
Total remuneration actually received by all Directors and Senior Management at the end of the reporting period	RMB18.0375 million
Basis for assessment and fulfillment status of the actual compensation received by all Directors and Senior Management at the end of the reporting period	The remuneration received by Independent Directors is not subject to performance assessment. For Directors and senior management holding specific management positions in the Company, their remuneration assessment indicator system comprises four parts: primary indicators, categorical indicators, project construction indicators, and key work tasks. The assessment results serve as the basis for remuneration payment. The Company's performance assessment work is effectively implemented in accordance with the Company's relevant performance assessment regulations.
Deferred payment arrangements for the actual compensation received by all Directors and Senior Management at the end of the reporting period	The remuneration received by Independent Directors is paid on a monthly basis and is not subject to the relevant provisions. The Company has established a deferred payment mechanism. For Directors and senior management holding specific management positions in the Company, the tenure incentive income is subject to a deferred payment arrangement. Following the assessment of operating performance during the tenure, the tenure incentive income will be settled in a 5:5 ratio over the first two years of the subsequent tenure.

Withholding and recovery status regarding the actual compensation received by all Directors and Senior Management at the end of the reporting period	The remuneration received by Independent Directors is paid on a monthly basis and is not subject to the relevant provisions. The Company has established a recovery mechanism for remuneration. For Directors and senior management holding specific management positions in the Company, remuneration is settled in accordance with the principle of "settlement after audit". The completion of the Company's operating indicators and key project construction is subject to audit and assessment, with remuneration settled based on the annual operating performance audit report and assessment results. If an audit reveals operational risks, the settlement of remuneration will be suspended. If there are outstanding contributions to the social security fund for the year, the settlement of remuneration will also be suspended. Should an audit confirm that operational losses have been incurred, the remuneration will be reduced by a certain percentage, and accountability will be pursued in accordance with the relevant provisions. For those under investigation by disciplinary inspection or supervision authorities, or placed under criminal investigation by judicial authorities, the settlement of any outstanding remuneration from previous years will be suspended. After the conclusion of the case, the assessment department will issue an assessment opinion based on the nature of the case and the disciplinary outcome. If the remuneration for previous years has already been settled, the Company will, based on the nature of the case and the disciplinary outcome, recover the performance-based annual salary for the year in which the liability is determined. For those who provide false accounting information or fabricate performance to obtain remuneration, in addition to being dealt with in accordance with the relevant provisions, their performance assessment results will be retrospectively adjusted, any excess remuneration paid will be recovered, and the primary responsible persons and relevant personnel will be held accountable. During the reporting period, no instances of suspension or recovery of remuneration occurred in respect of the Directors and senior management.

(IV) Changes in Directors and Senior Management of the Company

Name	Positions assumed	Changes	Causes for change
Wang Jiuhong	Director	Election	Other work commitment
Gao Jingxiang	Independent Director	Election	Other work commitment
Kang Dan	Vice General Manager	Appointment	Other work commitment
Xu Changhou	Vice General Manager	Appointment	Other work commitment
Qi Junming	Chief Safety Officer	Appointment	Other work commitment
Li Jianzhong	Vice General Manager	Appointment	Other work commitment
Peng Suping	Independent Director	Resignation	Other work commitment
Li Shipeng	Supervisor and Chairman of the Supervisory Committee	Resignation	Abolition of the Supervisory Committee
Zhu Hao	Supervisor	Resignation	Abolition of the Supervisory Committee
Jin Jiahao	Employee Supervisor	Resignation	Abolition of the Supervisory Committee
Kang Dan	Chief Safety Officer	Resignation	Other work commitment

1. Changes of Directors

Upon consideration and approval at the thirteenth meeting of the ninth session of the Board of the Company convened on 24 February 2025, Mr. Wang Jiuhong was nominated as a non-employee representative Director of the ninth session of the Board of the Company and was elected at the 2024 annual general meeting held on 30 May 2025. His term of office is aligned with that of the other Directors elected for the ninth session of the Board.

For details, please refer to the announcement of resolutions of the thirteenth meeting of the ninth session of the Board dated 24 February 2025, the announcement regarding the nomination of a non-employee representative Director, the announcement of the proposed appointment of non-independent Directors, and the resolution announcement of the 2024 annual general meeting dated 30 May 2025. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Upon consideration and approval at the sixteenth meeting of the ninth session of the Board of the Company convened on 25 April 2025, Mr. Gao Jingxiang was nominated as an independent Director of the ninth session of the Board of the Company and was elected at the 2024 annual general meeting held on 30 May 2025. His term of office is aligned with that of the other Directors elected for the ninth session of the Board. Mr. Peng Suping ceased to serve as an independent Director of the Company due to the part-time standard work requirement of academicians of the Chinese Academy of Engineering.

For details, please refer to the announcement of resolutions of the sixteenth meeting of the ninth session of the Board dated 25 April 2025, the announcement regarding the nomination of a candidate for an independent director and the announcement regarding proposed appointment of an independent non-executive director, and the resolution announcement of the 2024 annual general meeting dated 30 May 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

2. Changes of Senior Management

Upon consideration and approval at the fifteenth meeting of the ninth session of the Board of the Company convened on 8 April 2025, Mr. Kang Dan and Mr. Xu Changhou were appointed as Vice General Managers of the Company, and Mr. Qi Junming was appointed as the Chief Safety Officer. Their terms of office are aligned with those of other senior management appointed at the ninth session of the Board. Mr. Kang Dan ceased to serve as the Chief Safety Officer of the Company.

For details, please refer to the announcement of resolutions of the fifteenth meeting of the ninth session of the Board dated 8 April 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Upon consideration and approval at the twentieth meeting of the ninth session of the Board of the Company convened on 27 November 2025, Mr. Li Jianzhong was appointed as Vice General Managers of the Company. His term of office is aligned with those of other senior management appointed at the ninth session of the Board.

For details, please refer to the announcement of resolutions of the twentieth meeting of the ninth session of the Board dated 27 November 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

3. Abolition of the Supervisory Committee

Upon discussion and consideration at the sixteenth meeting of the ninth session of the Board of the Company convened on 25 April 2025, the Resolution in Relation to the Amendments to the Articles of Association and Relevant Rules of Procedure, and the Abolition of the Supervisory Committee was passed. The resolution was subsequently approved at the 2024 annual general meeting held on 30 May 2025. The Supervisory Committee was abolished by the Company, and the positions of Supervisors were automatically terminated.

For details, please refer to the announcement regarding the amendments to the Articles of Association and relevant rules of procedure of the Company dated 25 April 2025, and the resolution announcement of the 2024 annual general meeting dated 30 May 2025. Such information is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

4. Changes in the Current Positions of the Company's Subsidiaries

Position at the Company	Name	Before Change	After Change	Time of Change
Party Secretary, Director and General Manager	Wang Jiuhong	–	Director of Yancoal Australia	20 February 2025
		Party Secretary and Chairman of Yankuang Energy (Ordos) Company Limited	–	7 April 2025
		Party Secretary and Chairman of Inner Mongolia Mining (Group) Co., Ltd.	–	7 April 2025
		Director of Inner Mongolia Haosheng Coal Mining Company Limited	–	21 September 2025
Director, Secretary to the Board	Huang Xiaolong	Chairman of the Supervisory Committee of Shandong Huaju Energy Co., Ltd.	–	3 June 2025
Independent Director	Zhu Limin	Independent Director of Nantong Guosheng Intelligence Technology Group Co., Ltd.	–	23 September 2025
		Independent Director of China Resources Chemical Materials Technology Inc.	–	16 March 2026

Position at the Company	Name	Before Change	After Change	Time of Change
Member of the CPC Committee, Vice General Manager	Kang Dan	–	Director of Shandong Energy Group Luxi Mining Company Limited	22 May 2025
Vice General Manager	Yue Ning	–	Chief Executive Officer (Acting) of Yancoal Australia	14 January 2025
		Chief Executive Officer (Acting) of Yancoal Australia	–	8 September 2025
Chief Financial Officer	Zhao Zhiguo	–	Director of Yancoal Australia	20 February 2025
		–	Director of Yankuang Logistics Technology Co., Ltd.	8 June 2025
		–	Director of Shandong Energy Group Xibei Mining Co., Ltd.	20 June 2025
		Chairman of the Supervisory Committee of Yankuang Zhongke Clean Energy Technology Co., Ltd.	–	24 December 2025
		Chairman of the Board of Yankuang Lucky International Company Limited	-	5 February 2026
Vice General Manager	Xu Changhou	–	Director of Shandong Energy Group Xibei Mining Co., Ltd.	22 May 2025
Vice General Manager	Li Jianzhong	Secretary of the Party Committee, Chairman of the Board, and General Manager of Shanxi Shuozhou Pinglu District Longkuang Daheng Coal Industry Co., Ltd.	–	5 January 2026
		Secretary of the Party Committee, Executive Director and General Manager of Shanxi Longkuang Energy Investment Development Co., Ltd.	–	5 February 2026

(V) Explanation on penalty by Security Regulatory Authorities in Recent Three Years

Not applicable.

(VI) Others

1. Service Contracts of Directors

No Director has entered into any service contract with the Company, which is not terminable by the Company within one year without payment of compensation (other than statutory compensation).

2. Interests of Directors and Senior Management in Contracts

None of the Directors and Senior Management or their related/connected entities had a direct or indirect material interest in any material transaction, arrangement or contract entered into or performed by the Company, any of its subsidiaries, its holding company or subsidiaries of its controlling shareholder during the year ended 31 December 2025.

3. Directors' and Senior Management's Interest in Competing Business of the Company

As at 31 December 2025, none of the Directors and Senior Management have interests in any business that competes or is likely to compete, either directly or indirectly, with the business of the Company. Except for their working relationship, there is no financial, business, family or any other material relationship among the Directors and Senior Management of the Company.

V. BOARD MEETINGS HELD DURING THE REPORTING PERIOD

Meeting Session	Date of Convening	Resolution(s) of the Meeting
The 13th meeting of the ninth session of the Board of Directors	24 February 2025	All resolutions passed
The 14th meeting of the ninth session of the Board of Directors	28 March 2025	All resolutions passed
The 15th meeting of the ninth session of the Board of Directors	8 April 2025	All resolutions passed
The 16th meeting of the ninth session of the Board of Directors	25 April 2025	All resolutions passed
The 17th meeting of the ninth session of the Board of Directors	30 May 2025	All resolutions passed
The 18th meeting of the ninth session of the Board of Directors	29 August 2025	All resolutions passed
The 19th meeting of the ninth session of the Board of Directors	30 October 2025	All resolutions passed
The 20th meeting of the ninth session of the Board of Directors	27 November 2025	All resolutions passed

VI. PERFORMANCE OF DIRECTORS

(I) Directors' Participation in the Board Meetings and General Meetings of Shareholders

		Participation in the Board meetings						
Name of Directors	Whether Independent Director or not	Number of board meetings that should be attended during the year	Number of presence in person	Number of presence via telecommunication	Number of presence via proxy	Number of absence	Whether Absent from Two Consecutive Meetings	Number of presence at the General Meeting of Shareholders
Li Wei	No	8	8	7	0	0	No	1
Wang Jiuhong	No	8	8	7	0	0	No	1
Liu Jian	No	8	8	8	0	0	No	0
Liu Qiang	No	8	8	7	0	0	No	1
Zhang Haijun	No	8	8	7	0	0	No	1
Su Li	No	8	8	7	0	0	No	1
Huang Xiaolong	No	8	8	7	0	0	No	1
Zhu Limin	Yes	8	8	7	0	0	No	1
Gao Jingxiang	Yes	4	4	3	0	0	No	1
Woo Kar Tung, Raymond	Yes	8	8	7	0	0	No	1
Zhu Rui	Yes	8	8	8	0	0	No	0
Peng Suping(resigned)	Yes	4	4	4	0	0	No	0

Explanations for not attending the Board meetings in person for two consecutive times

Not applicable.

The number of Board meetings held during the year	8
Including: the number of on-site meetings	1
The number of meetings held via telecommunication	7
The number of meetings held on-site combined with telecommunication	1

(II) Directors' Opposing Opinions against Relevant Matters of the Company

Not applicable.

(III) Others

Not applicable.

VII. PERFORMANCE OF COMMITTEES OF THE BOARD

As the Company has not established a corporate governance committee, the Board is responsible for matters in relation to corporate governance, mainly including (1) to formulate and review the Company's policies and practices on corporate governance; (2) to review and monitor the training and continuous professional development of Directors and Senior Management; (3) to review and monitor the Company's policies and practices in relation to their compliance with legal and regulatory requirements; (4) to formulate, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and (5) to review the Company's compliance with the Corporate Governance Code of its listing place, and disclosure in the Corporate Governance Report.

(I) Membership of Special Committees under the Board

Types of Special Committees	Members
Audit Committee	Woo Kar Tung, Raymond, Zhu Limin, Zhu Rui
Nomination Committee	Gao Jingxiang, Li Wei, Zhu Rui
Remuneration Committee	Zhu Limin, Gao Jingxiang, Woo Kar Tung, Raymond, Peng Suping (resigned)
Strategy and Development Committee	Li Wei, Wang Jiuhong, Liu Jian, Zhu Limin, Gao Jingxiang, Peng Suping (resigned)
Sustainable Development Committee	Zhu Rui, Wang Jiuhong, Zhu Limin

Note: Upon consideration at the seventeenth meeting of the ninth session of the Board of the Company convened on 30 May 2025, it was approved that Mr. Gao Jingxiang serves as the Chairman of the Nomination Committee; Ms. Zhu Rui replaces Mr. Woo Kar Tung, Raymond as a member of the Nomination Committee; Mr. Gao Jingxiang replaces Ms. Zhu Rui as a member of the Remuneration Committee; Mr. Wang Jiuhong and Mr. Gao Jingxiang serve as members of the Strategy and Development Committee; and Mr. Wang Jiuhong serves as a member of the Sustainable Development Committee. Mr. Peng Suping ceased to serve as an Independent Director of the Company in compliance with the part-time engagement regulations for academicians of the Chinese Academy of Engineering.

(II) Audit Committee under the Board held six meetings during the reporting period

The Audit Committee under the Board of the Company comprises three Independent Directors, namely Mr. Woo Kar Tung, Raymond, Mr. Zhu Limin and Ms. Zhu Rui. Mr. Woo Kar Tung, Raymond serves as the head of the Audit Committee.

The main responsibilities of the Audit Committee under the Board of Directors are: a. Review the work of the external auditor, and propose the appointment, re-appointment or dismissal of the external auditor; b. Supervise the Company's internal audit system and its implementation; c. Take charge of the communication between the internal auditor and the external auditor; d. Review the Company's financial information and its disclosure; e. Review the Company's internal control system and risk management system; f. Study and discuss the appointment and dismissal of financial personnel; g. Monitor the conduct of directors and senior management in the performance of their duties; h. Propose the convening of interim shareholders' meetings and interim board meetings, among other functions originally vested in the Board of Supervisors.

As of the disclosure date of this report, the Audit Committee under the Board conscientiously fulfilled the responsibilities specified in the Rules of Procedure of the Audit Committee under the Board and conducted various tasks in a strict and regulated manner. The Audit Committee already reviewed the interim results of the Company for the first half of 2025 and the final results of the Company for the year 2025, and also examined the effectiveness of the risk management and the internal control system of the Group for the year 2025. The examination covered financial control, operational control, compliance control and all other material aspects under control. The Audit Committee considered that the risk management and the internal control system of the Group is effective and adequate. During the reporting period, the Audit Committee held 6 meetings. Details are as follows:

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
21 February 2025	Hearing the report of the annual audit accountant on the pre-audit matters of the Company's 2024 annual report.	The Audit Committee urged the annual audit accountant to issue an audit report as scheduled, to ensure the timeliness, accuracy and completeness of the Company's 2024 annual report.	Woo Kar Tung, Raymond Zhu Limin Zhu Rui	✓ ✓ ✓	–
18 March 2025	1. Hearing the report of the annual audit accountant on the audit matters of the Company's 2024 annual report; 2. Considering the "2024 Annual Financial Report" of the Company.	The Audit Committee reviewed the financial and accounting statement for 2024 of the Company and considered that the financial statements can truly and completely reflect the Company's assets and operating results, and agreed to submit them to the Board for auditing.	Woo Kar Tung, Raymond Zhu Limin Zhu Rui	✓ ✓ ✓	–

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
18 March 2025	1. Considering the "Report on the Fulfillment of Responsibilities in respect of Audit Committee for 2024"; 2. Considering the "Report on the Internal Control for 2024"; 3. Considering the "Evaluation Report on the Internal Control for 2024"; 4. Considering the "Evaluation Report on the Fulfillment of Responsibilities in respect of Accounting Firms for 2024"; 5. Considering the "Report of the Audit Committee on the Fulfillment of its Supervision Responsibilities in respect of Accounting Firms for 2024"; 6. The Proposal on Further Appointment of an External Auditor and its Remuneration Arrangements for 2025. 7. The Proposal on Changes in Accounting Policies for IFRS(s) in respect of Business Combinations. 8. Considering the "Report on the Approval of Consolidated Credit and Provision of Services by Shandong Energy Finance Company and Shandong Energy for 2024". 9. Considering the "Report of Risk Assessment on Shandong Energy Finance Company for 2024".	The "Report on the Fulfillment of Responsibilities in respect of Audit Committee for 2024", the "Report on the Internal Control for 2024", the "Evaluation Report on the Internal Control for 2024", the "Evaluation Report on the Fulfillment of Responsibilities in respect of Accounting Firms for 2024", the "Report of the Audit Committee on the Fulfillment of its Supervision Responsibilities in respect of Accounting Firms for 2024", the "Proposal on re-Appointment of an External Audit Company and its Remuneration Arrangements for 2025", the "Changes in Accounting Policies for IAS in respect of Business Combinations", the "Report on the Approval of Consolidated Credit and Provision of Services by Shandong Energy Finance Company and Shandong Energy for 2024" and the "Report of Risk Assessment on Shandong Energy Finance Company for 2024" were considered and approved.	Woo Kar Tung, Raymond Zhu Limin Zhu Rui	✓ ✓ ✓	–

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
16 April 2025	Considering the Report for the First Quarter of 2025 of the Company.	The "Report for the First Quarter of 2025" of the Company was considered and approved, and was submitted to the Board for discussion and consideration.	Woo Kar Tung, Raymond Zhu Limin Zhu Rui	✓ ✓ ✓	–
20 August 2025	1. Considering the "Interim Financial Report for 2025" of the Company; 2. The Proposal on the Approval of and Provision of Services for the Consolidated Credit Facilities between Shandong Energy Group Finance Co., Ltd. and Shandong Energy Group Co., Ltd.; 3. The Proposal on Discussion and Consideration of the Risk Assessment Report for the First Half of 2025 of Shandong Energy Group Finance Co., Ltd.	"Interim Financial Report for 2025" of the Company, the "Proposal on the Approval of and Provision of Services for the Consolidated Credit Facilities between Shandong Energy Group Finance Co., Ltd. and Shandong Energy Group Co., Ltd." and the "Proposal on Discussion and Consideration of the Risk Assessment Report for the First Half of 2025 of Shandong Energy Group Finance Co., Ltd." were considered and approved.	Woo Kar Tung, Raymond Zhu Limin Zhu Rui	✓ ✓ ✓	–
21 October 2025	Considering the Report for the Third Quarter of 2025 of the Company.	The "Report for the Third Quarter of 2025" of the Company was considered and approved, and was submitted to the Board for discussion and consideration.	Woo Kar Tung, Raymond Zhu Limin Zhu Rui	✓ ✓ ✓	–

Note: As considered and approved at the first meeting of the ninth session of the Board held by the Company on 30 June 2023, the Audit Committee was comprised of Mr. Woo Kar Tung, Raymond, Mr. Zhu Limin and Ms. Zhu Rui. Mr. Woo Kar Tung, Raymond served as the head of the Audit Committee.

Upon the seventeenth meeting of the Audit Committee under the ninth session of the Board of the Company convened on 10 February 2026, and heard the report on the pre-audit matters for the Company's 2025 Annual Report.

Upon the eighteenth meeting of the Audit Committee under the ninth session of the Board of the Company convened on 17 March 2026, at which it approved the report on the performance of the Audit Committee for 2025, the report on the Company's internal control for 2025, the report on the evaluation of the Company's internal control for 2025, the evaluation report on the performance of the accounting firm for 2025, the report on the performance of supervision duties of the Audit Committee on the accounting firm for 2025, the adjustment to the remuneration arrangement for the external auditor for 2025, the re-appointment of the external auditor and its remuneration arrangement for 2026, the Assurance Report on the Explanation of Performance Commitment Achievement, the report on the approval of consolidated credit and provision of services by Shandong Energy Finance Company and Shandong Energy for 2025, the report of risk assessment on Shandong Energy Finance Company for 2025, and the financial statements for 2025, which were submitted to the Board for review after the resolutions had been passed.

(III) Nomination Committee under the Board held four meetings during the reporting period

The Nomination Committee under the Board of the Company is comprised of Chairman Mr. Li Wei, Independent Director Mr. Gao Jingxiang and Independent Director Ms. Zhu Rui. Mr. Gao Jingxiang serves as the head of the Nomination Committee.

1. The main responsibilities of the Nomination Committee under the Board of Directors include:

a. according to the operation, asset scale and share structure of the Company, conduct at least one inspection on the structure, number of members and composition of the Board of Directors (including skills, knowledge and experience) and propose recommendations to changes of the Board in line with the Company's strategy; b. study the selection criteria, procedures and methods of Directors and Senior Management members, and make recommendations to the Board; c. identify and nominate eligible candidates for the positions of Directors and Senior Management of the Company, and make relevant recommendations to the Board; d. review the qualifications of candidates for Directors and Senior Management, and provide appointment suggestions to the Board; e. recommend to the Board on the proposed appointments and re-appointments or the succession plan of Directors and Senior Management; f. evaluate the independence of Independent Directors.

2. Summary of the Company's diversity policy for Board members:

The Nomination Committee considers the diversity of the board members from various aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and years of service. After considering the above factors, the Nomination Committee makes a final recommendation to the Board of Directors on the merits of the candidates and their potential contribution to the Company and the Board.

3. The Company's Director nomination policy and implementation:

The Employee Directors are democratically elected by the employees of the Company through their congresses or other forms.

Candidates for non-employee representative Directors are normally submitted to the General Meeting of Shareholders by the Board of Directors in the form of proposals. The Shareholders of the Company may nominate candidates for non-employee representative Directors in accordance with the Articles.

The Board of Directors of the Company, the Audit Committee under the Board, or the Shareholders holding more than one percent of the Company's issued shares separately or collectively may nominate candidates for Independent Directors, which should be elected and decided by the General Meeting of Shareholders. During the reporting period, the Nomination Committee under the Board held four meetings. The details are as follows:

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
21 February 2025	The Proposal on the Nomination of the Company's Director.	The "Proposal on the Nomination of the Company's Director" was passed and Mr. Wang Jiuhong was nominated to the Board as the Company's Non-employee Representative Director.	Peng Suping Li Wei Woo Kar Tung, Raymond	✓ ✓ ✓	After reviewing personal resumes and other materials of Mr. Wang Jiuhong, his qualifications are in line with the relevant provisions of the "Company Law", the regulatory rules of the place of listing and the Articles.
7 April 2025	The Proposal on the Nomination of the Company's Senior Management.	The "Proposal on the Nomination of the Company's Senior Management" was passed and Mr. Kang Dan and Mr. Xu Changhou were nominated as Vice General Manager of the Company, and Mr. Qi Junming was nominated as Chief Safety Officer of the Company to the Board.	Peng Suping Li Wei Woo Kar Tung, Raymond	✓ ✓ ✓	After reviewing personal resumes and other materials of Mr. Kang Dan, Mr. Xu Changhou and Mr. Qi Junming, their qualifications are in line with the relevant provisions of the "Company Law", the regulatory rules of the place of listing and the Articles.

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
16 April 2025	The Proposal on the Nomination of the Company's Independent Director.	The "Proposal on the Nomination of the Company's Independent Director" was passed and Mr. Gao Jingxiang was nominated to the Board as the Company's Independent Director.	Peng Suping Li Wei Woo Kar Tung, Raymond	✓ ✓ ✓	After reviewing personal resumes and other materials of Mr. Gao Jingxiang, his qualifications are in line with the relevant provisions of the "Company Law", the regulatory rules of the place of listing and the Articles.
25 November 2025	The Proposal on the Nomination of the Company's Vice General Manager.	The "Proposal on the Nomination of the Company's Vice General Manager" was passed and Mr. Li Jianzhong was nominated to the Board as the Company's Vice General Manager.	Gao Jingxiang Li Wei Zhu Rui	✓ ✓ ✓	After reviewing personal resumes and other materials of Mr. Li Jianzhong, his qualifications are in line with the relevant provisions of the "Company Law", the regulatory rules of the place of listing and the Articles.

Note: As considered and approved at the first meeting of the ninth session of the Board held on 30 June 2023 by the Company, the Nomination Committee was comprised of Mr. Peng Suping, Mr. Woo Kar Tung, Raymond, and Mr. Li Wei. Mr. Peng Suping served as the head of the Nomination Committee. Upon consideration and discussion at the seventeenth meeting of the ninth session of the Board of the Company convened on 30 May 2025, Mr. Gao Jingxiang was approved to serve as the head of the Nomination Committee; Ms. Zhu Rui was approved to replace Mr. Woo Kar Tung, Raymond as a member of the Nomination Committee. Mr. Peng Suping ceased to serve as an Independent Director of the Company in compliance with the part-time engagement regulations for academicians of the Chinese Academy of Engineering.

During the reporting period, pursuant to the relevant requirements of the Articles and others, the Nomination Committee of the Board reviewed the structure, the number of Directors and the composition of the Board (including skills, knowledge and experience) according to the operation, asset scale and shareholding structure of the Company, and considered that the composition and scale of the current Board were consistent with the Company's development strategy; and the independence of all of the independent non-executive Directors of the Company was in compliance with the requirements.

(IV) Remuneration Committee under the Board held two meetings during the reporting period

The Remuneration Committee under the Board of the Company comprises Independent Directors, namely Mr. Zhu Limin, Mr. Woo Kar Tung, Raymond and Mr. Gao Jingxiang. Mr. Zhu Limin serves as the head of the Remuneration Committee.

The main responsibilities of the Remuneration Committee under the Board include: a. Considering the position scopes, responsibilities, time required, the employment conditions of other positions in the group and the salary levels of relevant positions in peer companies, formulate remuneration plans or programs for Directors and Senior Management, and make suggestions to the Board; The plans or programs mainly include but are not limited to performance evaluation standards, procedures and evaluation systems with reference to corporate goals approved by the Board, and systems for rewards and punishments; b. Supervise the implementation of the remuneration system of Directors and Senior Management; c. Review the duty performance of the Directors and Senior Management, with reference to the Company's policies and goals set by the Board, conduct annual performance appraisals, and propose to the Board on the remuneration of Directors and Senior Management; d. Study the Company's Equity Incentive Scheme and make suggestions. Directors and Senior Management lay out stock ownership plans in the subsidiaries to be split.

During the reporting period, the Remuneration Committee under the Board held two meetings. Details are as follows:

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
21 February 2025	1. The Proposal of Repurchasing and Cancelling Restricted Shares of Certain Incentive Participants; 2. The Proposal of the Review and Approval of the Lifting of Sales Restrictions on the Second Batch of Restricted Shares under the A-Share Restricted Shares Incentive Scheme.	The "Proposal of Repurchasing and Cancelling Restricted Shares of Certain Incentive Participants" and the "Proposal of the Review and Approval of the Lifting of Sales Restrictions on the Second Batch of Restricted Shares under the A-Share Restricted Shares Incentive Scheme" were passed and submitted to the Board of the Company for discussion and consideration.	Zhu Limin Woo Kar Tung, Raymond Zhu Rui	✓ ✓ ✓	–

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
18 March 2025	1. The Proposal of Discussing and Considering the Remuneration of Directors and Supervisors in 2025; 2. The Proposal of Discussing and Considering the Remuneration of Senior Management in 2025.	The "Proposal of Discussing and Considering the Remuneration of Directors and Supervisors of the Company in 2025" and the "Proposal of Discussing and Considering the Remuneration of Senior Management of the Company in 2025" was passed and submitted to the Board of the Company for discussion and consideration.	Zhu Limin Woo Kar Tung, Raymond Zhu Rui	✓ ✓ ✓	1. It is recommended that the average annual remuneration of independent Directors of the Company in 2025 is RMB250,000 (tax included). It is recommended that after the Company completes its business objectives in 2025, the remuneration of non- independent Directors and Supervisors should be determined in accordance with the Company's salary assessment policy. 2. It is recommended that after the Company completes its business objectives in 2025, the remuneration of Senior Management who are not Directors should be determined in accordance with the Company's salary assessment policy.

Note: As considered and approved at the first meeting of the ninth session of the Board held by the Company on 30 June 2023, the Remuneration Committee under the ninth session of the Board was formed by three members, namely Mr. Zhu Limin, Mr. Woo Kar Tung, Raymond and Ms. Zhu Rui. Mr. Zhu Limin served as the head of the Remuneration Committee. Upon consideration and discussion at the seventeenth meeting of the ninth session of the Board of the Company convened on 30 May 2025, Mr. Gao Jingxiang was approved to replace Ms. Zhu Rui as a member of the Remuneration Committee.

Upon consideration and discussion at the sixth meeting of the Remuneration Committee of the ninth session of the Board of the Company convened on 10 February 2026, passed the "Resolution on the Repurchase and Cancellation of Part of Restricted Stocks of Incentive Participants" and the "Resolution on Considering and Approving the Unlocking of the Third Batch of Restricted Shares under the A-Share Restricted Stock Incentive Scheme". Both resolutions were submitted to the Board for discussion and consideration.

Upon consideration and discussion at the seventh meeting of the Remuneration Committee of the ninth session of the Board the Company convened on 17 March 2026, passed the "Resolution on Considering the Remuneration of Non-independent Directors of the Company for 2026", the "Resolution on Considering the Allowances of Independent Directors of the Company for 2026", the "Resolution on Considering the Remuneration of Non-Directors and Non-Senior Management for 2026" and the "Resolution on Formulating the 'Remuneration Management System'". All of these resolutions were submitted to the Board for discussion and consideration.

(V) Strategy and Development Committee under the Board held two meetings during the reporting period

The members of the Strategy and Development Committee under the Board of the Company are Director Mr. Li Wei, Director Mr. Wang Jiuhong, Director Mr. Liu Jian, Independent Director Mr. Gao Jingxiang and Independent Director Mr. Zhu Limin. Mr. Li Wei serves as the head of the Strategy and Development Committee.

The main duties and responsibilities of the Strategy and Development Committee under the Board include: a. to conduct research and propose suggestions on the long-term development strategy and significant investment decisions of the Company; b. to conduct research and propose suggestions on the annual strategic development plan and operational plan of the Company; c. to conduct research and propose suggestions on other significant issues affecting the development of the Company; d. to supervise the implementation of above-mentioned matters. During the reporting period, the Strategy and Development Committee under the Board held two meetings. Details are as follows:

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
18 March 2025	Proposal Regarding the Discussion and Consideration on the Company's 2025 Production, Operation and Capital Expenditure Plan.	The "Proposal Regarding the Discussion and Consideration on the Company's 2025 Production, Operation and Capital Expenditure Plan" was passed and submitted to the Board of the Company for discussion and consideration.	Li Wei Liu Jian Peng Suping Zhu Limin	✓ ✓ ✓ ✓	–
8 April 2025	Proposal Regarding the Discussion and Consideration on the Acquisition of 51% Equity Interests in Xibei Mining through Negotiated Transfer and Capital Increase.	The Proposal Regarding the Discussion and Consideration on the Acquisition of 51% Equity Interests in Xibei Mining through Negotiated Transfer and Capital Increase were passed and submitted to the Board of the Company for discussion and consideration.	Li Wei Liu Jian Peng Suping Zhu Limin	✓ ✓ ✓ ✓	–

Note: As considered and approved at the first meeting of the ninth session of the Board held on 30 June 2023 by the Company, the Strategy and Development Committee under the ninth session of the Board was comprised of five members, namely Mr. Li Wei, Mr. Xiao Yaomeng, Mr. Liu Jian, Mr. Peng Suping and Mr. Zhu Limin. Mr. Li Wei served as the head of the Strategy and Development Committee. On 18 September 2024, Mr. Xiao Yaomeng ceased to serve as a Director of the Company due to work adjustments. Mr. Peng Suping ceased to serve as an Independent Non-executive Director of the Company in compliance with the part-time engagement regulations for academicians of the Chinese Academy of Engineering. Upon consideration and discussion at the seventeenth meeting of the ninth session of the Board of the Company convened on 30 May 2025, Mr. Wang Jiuhong and Mr. Gao Jingxiang were approved to join the Strategy and Development Committee as members.

Upon consideration and discussion at sixth meeting of the Strategy and Development Committee of the ninth session of the Board of the Company convened on 17 March 2026, passed the "Resolution on Considering the Company's 2026 Production, Operation and Capital Expenditure Plan", which was submitted to the Board of the Company for discussion and consideration.

(VI) Sustainable Development Committee under the Board held one meeting during the reporting period

The members of the Sustainable Development Committee under the Board of the Company are Director Mr. Wang Jiuhong and two independent Directors, Ms. Zhu Rui and Mr. Zhu Limin. Ms. Zhu Rui serves as the head of the Sustainable Development Committee.

The main duties and responsibilities of the Sustainable Development Committee under the Board include: a. to review policies and strategies on corporate governance, environmental and social responsibilities to ensure that they are in compliance with laws, rules and regulations; b. to assess and analyze risks and opportunities in relation to corporate governance, environmental and social responsibilities, and propose suggestions to the Board; c. to make investigations on management of corporate governance, environmental and social responsibilities and internal control system, and offer proposals on its appropriateness and effectiveness to the Board; d. to review and supervise the objectives and implementation of corporate governance, environmental and social responsibilities of the Company, evaluate the performance and make recommendations to the Board; e. to review the Company's ESG Report disclosed to the outside, and make recommendations to the Board; f. to guide the formulation of visions, goals and strategies of corporate governance, environmental and social responsibilities management of the Company, and to make recommendations to the Board. During the reporting period, the Sustainable Development Committee held 1 meeting. The details are as follows:

Date	Theme	Important opinions and suggestions	Member	Meeting attended	Other duties performed
18 March 2025	Proposal on Discussion and Consideration on the Company's 2024 ESG Report.	The Proposal on Discussion and Consideration on the Company's 2024 ESG Report was passed and submitted to the Board of the Company for discussion and consideration.	Zhu Rui Zhu Limin	✓ ✓	–

Note: As considered at the first meeting of the ninth session of the Board held on 30 June 2023 by the Company, the Sustainable Development Committee under the ninth session of the Board was comprised of three members, namely Ms. Zhu Rui, Mr. Xiao Yaomeng, and Mr. Zhu Limin. Ms. Zhu Rui served as the head of the Sustainable Development Committee. On 18 September 2024, Mr. Xiao Yaomeng ceased to serve as a Director of the Company due to work adjustments. Upon consideration at the seventeenth meeting of the ninth session of the Board of the Company convened on 30 May 2025, it was approved that Mr. Wang Jiuhong serves as a member of the Sustainable Development Committee.

As considered at the third meeting of the ninth session of the Sustainable Development Committee of the Board held by the Company on 17 March 2026, the company passed the "Resolution on Considering the 2025 ESG Report", which was submitted to the Board of the Company for discussion and consideration.

(VII) The Specific Cases of the Objections

Not applicable.

VIII. RISKS IDENTIFIED BY THE AUDIT COMMITTEE OF THE COMPANY

Not applicable.

The Audit Committee had no objections to the supervisory items during the reporting period

IX. EMPLOYEES OF THE COMPANY AND ITS MAIN SUBSIDIARIES

(I) Information of Employees

On-the-job Employees of the parent company	31,865
On-the-job Employees of its main subsidiaries	59,056
Total on-the-job Employees	90,921
Total resigned and retired staff whose welfare fees shall be paid by the parent company and its main subsidiaries	85,601

Composition by Specialty

Types	Quantity (person)
Production personnel	52,210
Sales personnel	958
Technical personnel	6,482
Financial personnel	998
Administrative staff	5,706
Other supporting staff	24,567
Total	90,921

Education Level

Types	Quantity (person)
Vocational School and above	46,269
Senior high	29,489
Junior high and below	15,163
Total	90,921

(II) Remuneration Policy

The total wages and allowances of the staff of the Group for the year 2025 amounted to RMB15.9 billion. For the details of remuneration policy for Directors and Senior Management, please refer to the sections headed "Changes in Shareholdings and Remuneration of Current and Resigned Directors and Senior Management during the Reporting Period" and "Remuneration of Directors and Senior Management".

The remuneration policy for other employees of the Group mainly implements a post-performance system based on job responsibilities and quantified assessment results, and links performance wages to the Company's overall economic benefits and individual performance.

(III) Training Plan

✓ Applicable ☐ Not applicable

The Group values employee training in respect of technical skills and professional competence. By making full use of various educational resources, training institutes and various ways of training, the Group focused on the training of professional skills and improved the training of management, ongoing education, skills, safety, job rotation, pre-employment and others. In 2025, it was planned that off-job training would involve 126,000 person-times and 130,000 person-times were actually achieved, representing 103% of the plan.

(IV) Labor Outsourcing

Not applicable.

X. PROFIT DISTRIBUTION OR CAPITAL RESERVES TRANSFERRED TO SHARE CAPITAL PLAN

(I) Formulation, Implementation or Adjustment of Cash Dividend Policy

(Prepared under the CASs)

The cash dividend policy specified in the Articles is as follows: The dividends shall be paid in the form of cash, shares or a combination of cash and shares. In the event that conditions for distribution of cash dividend are met, cash dividend shall be distributed prior to share dividends. The basis of profit distribution after tax of the Company for an accounting year is the lower of the profit after tax in the financial statements prepared in accordance with the CASs, IFRSs or overseas accounting standard. On the condition that the Company distributes profit after tax of that year, 10% of profit shall be withdrawn and recognized as statutory reserve. The Company may not withdraw statutory reserve when the accumulated statutory reserve reaches more than 50% of the registered capital of the Company. Final dividends shall be distributed and paid once a year with an ordinary resolution passed by the General Meeting of Shareholders authorizing the Board to distribute and pay such dividends. Unless otherwise resolved by the General Meeting of Shareholders, the General Meeting of Shareholders may authorize the Board to distribute an interim dividend. On the premise of securing the Company's sustainable development and provided that the Company has recorded a profit in a particular year and that its accumulated undistributed profit is positive, the Company's cash dividends shall account for approximately 35% of the Company's net profit after withdrawing the statutory reserve for that particular year, unless the Company has scheduled significant investments or significant cash requirements. In the scenario that the Company is in sound operation and that the Board considers the distribution of share dividends is beneficial to the overall interest of all Shareholders of the Company due to a mismatch between the Company's stock price and its scale of share capital and in other necessary circumstances, the Company may distribute dividends in the form of shares.

The 2023 First Extraordinary General Meeting of Shareholders held by the Company on 27 October 2023 approved that the Company's 2023-2025 cash dividend ratio is determined as: the total cash dividends distributed by the Company in each fiscal year shall account for approximately 60% of the Company's net profit for the year after deducting the statutory reserves, and the cash dividend per share shall not be less than RMB0.50.

As reviewed and approved at 2024 Annual General Meeting of Shareholders held by the Company on 30 May 2025, the Company's final equity distribution plan for 2024 is to distribute a cash dividend of RMB0.54 per share (tax included). As of the disclosure date of this report, the final equity distribution for 2024 has been completed.

As considered and approved by the eighteenth meeting of the ninth Board convened by the Company on 29 August 2025, the 2025 Half-year Equity Distribution Proposal was that a cash dividend of RMB0.18 per share (tax included) shall be distributed. As at the disclosure date of this report, the implementation of 2025 Half-year Equity Distribution has been completed.

In 2025, the Company achieved a net profit attributable to the parent company of RMB8.381 billion under the CASs and a net profit attributable to the parent company of RMB8.525 billion under IFRSs. In accordance with the Articles of Association of the Company and the dividend distribution policy for FY2023-2025, the cash dividend for 2025 was RMB0.50/share (tax included). After deducting the interim cash dividend for 2025 of RMB0.18/share (tax included), the Board of the Company proposed a final cash dividend of RMB0.32/share (tax included) for 2025 based on the total share capital as at the date of registration of the equity interests for the equity distribution.

Such distribution plan will be submitted to the 2025 Annual Meeting of Shareholders for consideration and implemented to shareholders within two months (if passed) after the approval of the annual meeting. According to the Articles, cash dividends will be calculated and declared in RMB.

If there is a change in the Company's total share capital before the record date of equity distribution, it is proposed to keep the distribution amount per share unchanged, and adjust the total distribution amount accordingly.

The profit distribution plan of the Company, pursuant with the Articles, is formulated after debriefing and fully considering the opinions and demands of the shareholders of the Company, especially minor and medium shareholders, and is executed upon approval by the Board meeting and the General Meeting of Shareholders.

(II) Special Explanation of the Cash Dividend Policy

✓ Applicable ☐ Not applicable

If it complies with the provisions of the Company's Articles or the requirements of the resolution of the General Meeting of Shareholders	✓Yes	☐No
If the dividend standard and ratio are explicit and clear	✓Yes	☐No
If the relevant decision-making procedures and mechanisms are complete	✓Yes	☐No
If the independent Directors performed their duties and played their due role	✓Yes	☐No
If minority shareholders have the opportunity to fully express their opinions and demands, and if their legitimate rights and interests are fully protected	✓Yes	☐No

(III) If the Company is Profitable during the Reporting Period and the Parent Company's Profit Available for Distribution to Shareholders is Positive with No Cash Profit Distribution Plan Proposed, the Company Shall Disclose the Reasons in Detail and the Plan to Use the Undistributed Profits

Not applicable.

(IV) Proposed Profit Distribution and Capital Reserve Capitalisation Plan for the Reporting Period

Unit: RMB'000

Number of bonus shares every 10 shares (shares)	–
Dividends every 10 shares (RMB) (tax inclusive)	5
Number of shares transferred every 10 shares (shares)	–
Cash dividends (tax inclusive)	5,018,740
Net profit attributable to shareholders of the parent company in the consolidated financial statement	8,380,948
Ratio of cash dividends attributable to ordinary shareholders of the listed company in the consolidated financial statements (%)	60
Repurchase of shares in cash included in the amount of cash dividends	–
Total dividends (tax inclusive)	5,018,740
The ratio of the total dividends to the net profit attributable to shareholders of the parent company in the consolidated statement (%)	60

(V) Cash Dividends for the Last Three Accounting Years

Unit: RMB'000

Cumulative cash dividend amount for the last three accounting years (including tax) (1)	24,255,372
Cumulative amount repurchased and cancelled in the last three accounting years (2)	–
Cash dividend plus cumulative amount repurchased and cancelled for the last three accounting years (3)=(1)+(2)	24,255,372
Amount of average annual net profit for the last three accounting years (4)	14,315,167
Proportion of cash dividend for the last three accounting years (%) (5)=(3)/(4)	169.44
Net profit attributable to shareholders of the parent company in the consolidated financial statements for the recent accounting year	8,380,948
Undistributed profit of the parent company in the financial statements at the end of the recent accounting year	6,794,044

(VI) Tax and Tax Exemption or Reduction

1. For relevant regulations on the withholding and payment of dividends and tax reduction and exemption for A-Share investors, please refer to the Company's Announcement on the Implementation of the 2024 Annual Final Equity Distribution dated 9 June 2025, and the Announcement on the Implementation of the 2025 Half-year Equity Distribution dated 5 September 2025 which were published on the websites of the Shanghai Stock Exchange, the Company, and/or Securities Journal, the Shanghai Securities News, the Securities Times, and the Securities Daily.

2. Withholding and payment of dividend income tax and tax deduction for investors of H Shares

(1) Withholding and payment of enterprise income tax for overseas non-resident enterprise shareholders

According to the Enterprise Income Tax Law of the People's Republic of China and its implementation regulations and other relevant rules and regulations, the Company is required to withhold and pay enterprise income tax at a rate of 10% before distributing the dividends to non-resident enterprise shareholders as shown on the H share register of members of the Company. Any shares registered in the name of non-individual registered shareholders, including HKSCC Nominees Limited, other nominees, trustees or other groups and organizations, will be treated as being held by non-resident enterprise shareholders and therefore will be subject to the withholding of the enterprise income tax.

(2) Withholding and payment of individual income tax for individual foreign shareholders

The Company will implement the following arrangements in relation to the withholding and payment of individual income tax for the individual H Shareholders:

① For individual H Shareholders who are Hong Kong or Macao residents or whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a dividends tax rate of 10%, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of final dividend.

② For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a dividends tax rate of less than 10%, the Company will temporarily withhold and pay individual income tax at the rate of 10% on behalf of the individual H Shareholders in the distribution of dividend. If the applicable tax rate of the country (region) of domicile of individual holders as appeared on the Company's register of members of H Shares are less than 10% under tax treaty, such individual holders must submit to the H Share Register a written authorization and relevant application documents in accordance with the arrangements specified in the resolutions of the general meeting or the Board. The Company will forward such application documents to the applicable tax authorities for approval. After receiving such approval, the Company will, for and on behalf of such individual holders, effect the preferential treatments in accordance with the relevant tax treaty and pursuant to the relevant regulations promulgated by the PRC tax authorities.

③ For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a dividends tax rate of more than 10% but less than 20%, the Company will withhold and pay individual income tax at the effective tax rate stipulated in the relevant tax treaty in the distribution of final dividend.

④ For individual H Shareholders whose country (region) of domicile is a country (region) which has entered into a tax treaty with the PRC stipulating a tax rate of 20%, or a country (region) which has not entered into any tax treaties with the PRC, or under any other circumstances, the Company will withhold and pay individual income tax at the rate of 20% on behalf of the individual H Shareholders in the distribution of final dividend.

(3) Withholding and payment of individual income tax for Hong Kong Stock Connect Investors

Pursuant to the relevant regulations under the "Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect" (Cai Shui [2014] No. 81) and the "Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect" (Cai Shui [2016] No. 127) jointly issued by the Ministry of Finance, State Administration of Taxation and China Securities Regulatory Commission, for dividends to be paid to the individual investors in the PRC from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the Company shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends to be paid to securities investment funds in the PRC from investing in shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The Company will not withhold and pay the income tax of dividends for enterprise investors in the PRC and those domestic enterprise investors shall report and pay the relevant tax themselves.

XI. CIRCUMSTANCES AND IMPACTS OF THE EQUITY INCENTIVE SCHEME AND EMPLOYEE STOCK OWNERSHIP PLAN OR OTHER INCENTIVE SCHEME TO EMPLOYEES

(I) Share Incentives Disclosed in Extraordinary Announcement with No Progress or Changes

Not applicable.

(II) Incentives Not Disclosed in Extraordinary Announcements or with Subsequent Progress

Circumstances of share incentives

2021 A-share Restricted Shares Incentive Scheme

Incentive method: restricted shares

Source of target shares: Issuance of shares to the incentive participants

The measurement method of the fair value of equity instruments, the selection criteria of parameters and the results

Calculation method	According to "Accounting Standards for Business Enterprises No. 11 – Share-based Payment", the Company takes the difference between the closing price of the stock on the grant date and the grant price as the share-based payment cost per restricted stock. It will finally confirm the share-based payment cost of this incentive plan.
Parameter	Closing price and grant price of the share on the grant date
Calculation results	The fair value of each restricted share is RMB12.80.

Other explanations:

As approved at the Company's 2022 First Extraordinary General Meeting of Shareholders, the First A-share/H-share Shareholder Meeting, and the 20th meeting of the eighth session of the Board of Directors held on 27 January 2022, the Company grants restricted shares to the incentive participants, according to the A-Share Restricted Shares Incentive Scheme ("Restricted Shares Incentive Scheme").

As reviewed and approved by the fifth meeting of the ninth session of the Board of the Company on 23 February 2024, it was confirmed that the conditions for lifting the first lock-up period of the Restricted Shares Incentive Scheme have been achieved, and the Company has lifted 29,163,420 shares of 1,201 incentive participants from sale restrictions. The weighted average closing price of the Company's shares immediately prior to the lifting date of the lock-up was RMB27.41 (the ex-rights and ex-dividend price). On 8 March 2024, restricted shares that had been lifted from sales restrictions were circulated.

As approved by the thirteenth meeting of the ninth session of the Board of the Company convened on 24 February 2025, it was confirmed that the conditions for lifting the second lock-up period of the Restricted Shares Incentive Scheme have been met, and the Company has unlocked 36,738,700 restricted shares granted to 1,171 incentive participants. The weighted average closing price of the shares of the Company immediately before the date of unlocking was RMB13.21. On 7 March 2025, restricted shares that had been unlocked were circulated.

As approved by the 21st meeting of the ninth session of the Board of the Company convened on 11 February 2026, it was confirmed that the conditions for lifting the third lock-up period of the Restricted Shares Incentive Scheme have been met, and the Company has unlocked 37,440,936 restricted shares granted to 1,161 incentive participants. The weighted average closing price of the shares of the Company immediately before the date of unlocking was RMB19.10.

On 17 March 2026, restricted shares that had been unlocked were circulated.

Abstract of the Restricted Shares Incentive Scheme

(I) Granting of the Restricted Shares Incentive Scheme

1. The purpose of the Restricted Shares Incentive Scheme

   The Scheme is to further improve the medium and long-term incentive mechanism, fully mobilize the enthusiasm of the Company's management team and key employees, closely integrate the interests of shareholders, the Company and the core team, and enhance the Company's market competitiveness and sustainable development capabilities.

2. The scope of incentive participants

   The Participants include the Directors, senior Management, mid-level managements and core employees of the Company, excluding external Directors (including Independent Directors), Supervisors, Shareholders and actual controllers that individually or jointly hold 5% or above shares of the Company and their spouses, parents and children.

3. The number of target shares to be granted under the Option Incentive Scheme

   As reviewed and approved by the Company's 2022 First Extraordinary General Meeting of Shareholders, the First A-share/H-share Shareholders' Meeting and the 20th meeting of the eighth session of the Board on 27 January 2022, 61.74 million restricted shares (representing approximately 0.61% of the Company's total issued share capital (excluding treasury shares) as at the disclosure date of this report) were granted to 1,245 incentive participants, and all restricted shares have been granted on 27 January 2022 (the "Grant Date"). The target stocks involved are RMB ordinary shares (A shares).

4. Each participant being able to receive the maximum benefits

   The number of company shares granted to any incentive participant through all the equity incentive schemes within the validity period shall not exceed 1% of the Company's total share capital on the date of announcement of the drafted of the Restricted Share Incentive Scheme.

5. Grant date

As considered and approved at the twentieth meeting of the eighth session of the Board of the Company convened on 27 January 2022, the Grant Date was 27 January 2022.

6. Lock-up period

Lock-up periods of the Restricted Share Incentive Scheme are 24 months, 36 months and 48 months from the date of completion of the registration of the grant of restricted shares.

7. Unlocking Arrangements

The unlocking period of the restricted shares granted by the Restricted Share Incentive Scheme and the unlocking time schedule of each period are shown in the following table:

Unlocking arrangements	Unlocking period	Proportion of unlocking
The first unlocking period	From the first trading day after 24 months from the registration date of the restricted stocks to the last trading day within 36 months from the registration date for the restricted shares	33%
The second unlocking period	From the first trading day after 36 months from the registration date of the restricted stocks to the last trading day within 48 months from the registration date for the restricted shares	33%
The third unlocking period	From the first trading day after 48 months from the registration date of the restricted stocks to the last trading day within 60 months from the registration date for the restricted shares	34%

8. Grant price

The grant price of the Restricted Share Incentive Scheme is RMB11.72 per share, that is, after meeting the granting conditions, the participants can purchase the Company's additional restricted shares issued by the Company to the participants at a price of RMB11.72 per share.

9. Basis of determination of the grant price

The grant price shall not be lower than the par value of the share and shall not be lower than 50% of the fair market price, and the fair market price shall be determined by the higher of the following prices:

Standard 1: The average trading price of the Company's underlying shares on the trading day before the announcement of the draft of the Restricted Share Incentive Scheme;

Standard 2: One of the average trading prices of the Company's underlying shares in the 20th trading days, 60th trading days or 120th trading days prior to the announcement of the draft of the Restricted Share Incentive Scheme.

See the table below for details:

Unit: RMB/share

	Standard 1 The average trading price of the Company's share in the previous trading day	The average trading price of the Company's share in the previous 20 trading days	Standard 2 The average trading price of the Company's share in the previous 60 trading days	The average trading price of the Company's share in the previous 120 trading days	Lowest granting price
A Shares	23.44	23.29	27.03	22.55	11.72

10. Repurchase principle

After completing the share registration of the restricted shares granted to the participants, if the Company has issues such as converting capital reserves into share capital, distributing stock dividends, splitting shares, allotment of shares, shrinking shares, etc., the repurchased quantities and prices of restricted shares that have not been released shall be adjusted accordingly. For specific adjustment methods, please refer to the "Yankuang Energy 2021 A Share Restricted Share Incentive Plan" announced on 27 January 2022.

When the participant terminates the labour relationship with the Company due to objective reasons such as transfer, dismissal, retirement, death, loss of civil capacity, etc., the restricted shares that have not been released shall be repurchased and canceled by the Company at the grant price (adjusted, the same as below) plus bank deposit interest for the same period.

If the participant resigns or is fired due to personal reasons, the restricted shares that have been granted but have not been released from sales restrictions shall be repurchased and canceled by the Company. The repurchase price is the lower value of the grant price or the Company's stock market price at the time of repurchase (the market price refers to the average trading price of the Company's shares on the trading day immediately preceding the date of the Board meeting at which the repurchase is considered, same below).

If the Company's performance assessment target of a certain restricted stock lifting period is not reached, all the restricted shares held by the incentive object cannot be lifted and shall be repurchased and cancelled by the Company. The restricted shares that cannot be lifted in the current period due to the results of the performance assessment at the individual level shall be repurchased and cancelled by the Company. The repurchase price shall not be higher than the lower between the grant price and the market price.

11. Validity period

The Restricted Share Incentive Scheme came into effect since approval by the 2022 first extraordinary general meeting, the 2022 first class meeting of Shareholders of A/H Shares convened on 27 January 2022. The validity period of the restricted shares granted under the Restricted Share Incentive Scheme shall not exceed 60 months commencing from the date of granting the restricted shares.

12. Completion of the grant

On 24 February 2022, the Company completed the registration of the grant of restricted shares at the Shanghai Branch of China Securities Depository and Clearing Corporation Ltd. For details, please refer to the Company's announcement dated 25 February 2022 on the results of the grant of the 2021 A-Share Restricted Share Incentive Scheme.

(II) Historical adjustment to the Restricted Share Incentive Scheme

As considered and approved at the second meeting of the ninth Board of the Company held on 25 August 2023, since the Company carried out two profit distributions during the restricted period, and distributed 0.5 bonus share for each share, the Board adjusted the repurchase price and quantity of restricted shares. After this adjustment, the repurchase price was adjusted from RMB11.72 per share to RMB3.6133 per share, and the number of restricted shares that had been granted but not released from sales restrictions was adjusted from 61.74 million to 92.61 million; Due to reasons such as position change and retirement of 26 participants, the Company canceled 2.67 million restricted shares that had been granted but not been released. For details, please refer to the Company's announcement dated 25 August 2023 on the adjustment of the repurchase price and quantity of restricted shares, and the announcement on the repurchase and cancellation of restricted shares that had been granted to some participants but not been released.

As considered and approved at the fifth meeting of the ninth session of the Board of the Company on 23 February 2024, given the fact that 16 participants no longer met the incentive conditions due to job transfers and other reasons, 2 participants had been assessed as "unqualified" in performance evaluation, and 4 participants had been assessed as "up-to-threshold" in performance evaluation, the Company decided to repurchase and cancel the 1.40118 million restricted stocks granted but not yet released for the above 22 incentive participants. Please refer to the announcement of the Company dated 23 February 2024 in relation to repurchase and cancellation of restricted shares that had been granted to some participants but not been released.

As considered and approved at the thirteenth meeting of the ninth session of the Board of the Company on 24 February 2025, since the Company carried out two profit distributions within 2024, and distributed 0.3 bonus share for each share, the Board of the Company adjusted the repurchase price and quantity of restricted shares. After this adjustment, the repurchase price was adjusted from RMB3.6133 per share to RMB1.4033 per share, and the number of restricted shares that had been granted but not released from sales restrictions was adjusted from 59.3754 million shares to 77.18802 million shares; 27 incentive participants no longer meet the incentive conditions due to job transfers and other reasons, 5 participants have been assessed as "unqualified" in performance evaluation, and 9 incentive participants had been assessed as "up-to-threshold" in performance evaluation, the Company decided to repurchase and cancel the 2.379860 million restricted stocks granted but not yet released for the above 41 incentive participants. Please refer to the announcement of the Company dated 24 February 2025 in relation to repurchase and cancellation of restricted shares that had been granted to some participants but not been released.

As considered and approved at the 21st meeting of the ninth session of the Board of the Company on 11 February 2026, since the Company carried out two profit distributions within the reporting period, the Board of the Company adjusted the repurchase price and quantity of restricted shares. After this adjustment, the repurchase price was adjusted from RMB1.4033 per share to RMB0.6833 per share, and the number of restricted shares that had been granted but not released from sales restrictions was 38.06946 million shares; 15 incentive participants no longer meet the incentive conditions due to job transfers and other reasons, and three incentive participants had been assessed as "up-to-threshold" in performance evaluation, the Company decided to repurchase and cancel the 628,524 restricted shares granted but not yet released for the above 18 incentive participants. Please refer to the announcement of the Company dated 11 February 2026 in relation to repurchase and cancellation of restricted shares that had been granted to some participants but not been released.

Employee shareholding scheme

Not applicable.

Other Incentive Schemes

Not applicable.

(III) Equity Incentives Granted to the Directors and Senior Management During the Reporting Period

Share Options Granted to the Directors and Senior Management During the Reporting Period

Not applicable.

Restricted stock incentive granted to the Directors and Senior Management during the Reporting Period

Unit: 10,000 shares

Name	Position	Number of restricted stocks held at the beginning of the year	Number of newly granted restricted Stocks during the reporting period	Grant price of restricted stocks (RMB)	Number of restricted stocks cancelled (cancelled) during the reporting period	Number of Shares unlocked	Number of Shares subject to lock-up	Number of restricted stocks held at the end of the period	Market price at the end of the reporting period (RMB)
Wang Jiuhong	Party Secretary, Director, General Manager	10.452	0	11.72	0	5.148	5.304	5.304	13.15
Kang Dan	Member of the Party Committee, Deputy General Manager	10.452	0	11.72	0	5.148	5.304	5.304	13.15
Zhang Zhaoyun	Member of the Party Committee, Chief Engineer	7.839	0	11.72	0	3.861	3.978	3.978	13.15
Gao Chunlei	Member of the Party Committee, Chief Engineer (chemical engineer)	10.452	0	11.72	0	5.148	5.304	5.304	13.15
Huang Xiaolong	Director, Secretary to the Board of Directors	20.904	0	11.72	0	10.296	10.608	10.608	13.15
Xu Changhou	Vice General Manager	7.839	0	11.72	0	3.861	3.978	3.978	13.15
Qi Junming	Chief Safety Officer	10.452	0	11.72	0	5.148	5.304	5.304	13.15
Sub-total of other personnel		7,640.412	0	/	237.9858	3,635.2602	3,767.166	3,767.166	/
Total		7,718.802	0	/	237.9858	3,673.8702	3,806.946	3,806.946	/

Notes:

① The above table is based on the ranking of the Company's Directors and senior management members as of the disclosure date.

② According to the Restricted Stocks Incentive Scheme of the Company, each incentive participant in the table was granted all unreleased restricted stocks on 27 January 2022. The closing price immediately before the date of granting these restricted stocks was RMB22.06 (price before ex-rights and ex-dividend).

③ Due to work adjustment of 41 incentive participants, the Company repurchased and canceled 2,379,860 restricted shares that have been granted but not yet released. For details, please refer to "(II) Historical Adjustments" in this section of "Abstract of Restricted Stocks Incentive Scheme".

④ For details about the unlocking period of restricted stocks granted, please refer to "7. The lifting of sales restrictions" in the "Abstract of Restricted Stocks Incentive Scheme" in this section.

⑤ The assessment targets for restricted stocks granted shall be based on the performance assessment conditions corresponding to each unlocking period stipulated in the Restricted Stocks Incentive Scheme. For specific details, please refer to the circular published by the Company on 12 January 2022.

As at the beginning and end of the year 2025, the number of restricted shares available to be granted under all of the Company's Equity Incentive Scheme was 0. During the reporting period, the number of shares issued based on restricted stocks granted under all of the Equity Incentive Scheme was 0, which, divided by the weighted average of the total number of A shares issued during that period, equals 0%.

(IV) The Performance Valuation Mechanism for Senior Management Personnel and the Establishment and Implementation of the Incentive Mechanism During the Reporting Period

The Company uses a special evaluation and incentive mechanism for the annual remuneration of senior management personnel, so that the management's performance evaluation is organically combined with the Company's economic benefits and operation status quo. Based on their performance, the Company directly judges, rewards or punishes senior management personnel, according to the relevant operating indicators and management standards. The Company honored its 2025 annual remuneration based on the completion of the business indicators and evaluation results of senior management personnel.

The Company has implemented the Restricted Stocks Incentive Scheme. It will strictly follow the relevant assessment management measures and lift the lock-up imposed on the management personnel, with the performance assessment indicators met.

XII. BUILDING AND IMPLEMENTATION OF INTERNAL CONTROL SYSTEM DURING THE REPORTING PERIOD

In accordance with the listing regulatory requirements, the Company formulated the Design and Applications of Internal Control System in 2006, establishing an effective operating internal control system.

In 2011, in accordance with the relevant requirements under the "General Rules on Internal Control for Enterprises" and the "Supporting Guidelines of Internal Control for Enterprises" jointly issued by Ministry of Finance of PRC and other four ministries, and the regulatory requirements of places where the Company are listed, the Company, based on 18 provisions in the Supporting Guidelines of Internal Control for Enterprises and its business practice, has further improved and strengthened the internal control system at three levels in the Group, i.e. the Company, its subordinated departments and subsidiaries, and their businesses.

The Board and its subordinate special committees are responsible for the establishment and effective implementation of internal control system. The Audit Committee under the Board is responsible for supervision of the internal control system established and implemented by the Board. The management is responsible for the organization and management of the daily operation of internal control.

The Board has assessed the effectiveness of the Company's internal control system once a year since 2007. At the 22nd meeting of the ninth session of the Board held by the Company on 27 March 2026, the Board made an assessment on the effectiveness of the internal control systems of the Company for the year 2025. The Board, after assessment, believed that the internal control system of the Company is sound and has been implemented effectively and no major defect was found in the design of the internal control or its implementation.

The report of self-evaluation on internal control of the Company was posted on the Shanghai Stock Exchange website, the HKEX website and the Company's website.

The Company formulated the "Measures on Overall Risk Management" and established a risk IT management and control platform (including environmental, social and governance risks) and a sound risk control mechanism. The Company, through the risk IT management and control platform, conducted overall risk management work including risk identification, assessment, response and the monitoring of key risk points within the scope of the Company and its subsidiaries each year, and issued the "Annual Risk Management Report"; developed realistic risk control strategies and solutions for the identified major risks, regularly summarized the risk control and prepared a major risk control report. With the help of IT measures, through the accurate identification, assessment and quantitative analysis, scientific response and regular tracking evaluation of major risks, the closed-loop control of the whole process of major risks has been realized.

The Board is responsible for the aforementioned risk control and internal control systems and reviews the effectiveness of such systems in a timely manner (reviews to be made at least annually). The Board has completed the review and is of the opinion that the Group's systems on risk management and internal control are effective and adequate. The Board further clarifies that the foregoing system is designed to manage, and not eliminate, the risk of failure to achieve business objectives, and to make reasonable, but not absolute assurances that there will be no material misstatement or loss.

In terms of processing and disclosing inside information, the Company has formulated its internal systems, such as the Management System of Securities Held and Transacted by Shareholders, Directors, Senior Management and Insiders, the Rules for Disclosure of Information, the Rules for Insiders Registration and Management, the Rules for Material Information Internal Report, and the Administrative Measures for Suspension and Exemption of Information Disclosure (信息披露暫緩與豁免管理制度), which define inside information and the scope, reporting process, registration and recording, prohibited behaviors for inside man, that strictly control the size of insiders and prevent the leakage of inside information.

Explanation of significant defects in internal control during the reporting period

Not applicable.

XIII. MANAGEMENT AND CONTROL OF SUBSIDIARIES DURING THE REPORTING PERIOD

The Company dispatched Directors and Senior Management to subsidiaries; regulated subsidiaries to hold shareholders' meetings, and board meetings; implemented the Rules for Material Information Internal Report, Administrative Measures for Property Rights Representatives and Administrative Measures for Related Transactions; supervised various entities to standardize the establishment of internal control system to exercise effective management control over subsidiaries; and guided its subsidiaries in completing the reform of the supervisory committee, whereby the functions originally performed by the supervisory committee are assumed by the audit committee under the board or internal audit bodies so as to optimize the corporate governance structure.

During the reporting period, the new subsidiaries of the Company included Xibei Mining, Yankuang Donghua Equipment Manufacturing (Taian) Co., Ltd.* (兗礦東華裝備製造(泰安)有限公司), etc. After they were included into the consolidated financial statements of Yankuang Energy, these subsidiaries were subject to the same internal control and management systems as other subsidiaries. They are managed and controlled in corporate governance, financial management, risk management, and significant event management, among other aspects, to complete business integration and ensure that their operation and development are in line with the overall strategic planning of the Company.

Risk Alert Regarding Abnormalities in the Management and Control of Subsidiaries

Not applicable.

XIV. THE ASSESSMENT OF THE COMPANY'S INTERNAL CONTROL SYSTEM BY THE AUDITORS

The Company has appointed domestic annual auditing accountants since 2013 to make a review and assessment on whether the internal control of the Company complied with the domestic regulatory requirements and the efficiency of internal control of the financial statements.

The Company appointed Baker Tilly China Certified Public Accountants LLP to make a review and assessment of the efficiency of internal control of the 2025 financial statements of the Company. Baker Tilly Certified Public Accountants believed that, in accordance with the requirements of General Rules on Internal Control for Enterprises and related regulations, the Company maintained efficient internal control of financial statement in all material aspects.

The full version of the audit report of the internal control of the 2025 financial statement report issued by Baker Tilly China Certified Public Accountants LLP was posted on the Shanghai Stock Exchange website, the HKEX website and the Company's website.

Whether disclose audit report of the internal control: Yes

Type of audit report of the internal control: standard unqualified opinion

XV. THE CORRECTION OF SELF-EXAMINATION PROBLEMS IN THE SPECIAL ACTION OF LISTED COMPANY GOVERNANCE

Not applicable.

XVI. ENVIRONMENTAL INFORMATION OF LISTED COMPANIES AND THEIR MAJOR SUBSIDIARIES INCLUDED IN THE LIST OF ENTERPRISES SUBJECT TO MANDATORY ENVIRONMENTAL INFORMATION DISCLOSURE

Number of Enterprises Included in the List of Enterprises Subject to Mandatory Environmental Information Disclosure	**34**

No.	Name of enterprise	Index for accessing the report on mandatory environmental information disclosure
1	Nantun Coal Mine of Yankuang Energy Group Company Limited	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000706096972T
2	Xinglongzhuang Coal Mine of Yankuang Energy Group Company Limited	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000706220283T
3	Baodian Coal Mine of Yankuang Energy Group Company Limited	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000706096999J
4	Dongtan Coal Mine of Yankuang Energy Group Company Limited	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000706096980M
5	Jining II Coal Mine of Yankuang Energy Group Company Limited	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000706092808K
6	Jining III Coal Mine of Yankuang Energy Group Company Limited	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=913700007267048323
7	Yangcun Coal Mine of Yankuang Energy Group Company Limited	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=913700001660825360
8	Zhaolou Coal Mine of Yanmei Heze Energy Chemical Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000692003957B

No.	Name of enterprise	Index for accessing the report on mandatory environmental information disclosure
9	Yanmei Wanfu Energy Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91371724MA3F1GKX2M
10	Shandong Yankuang Jining No.3 Power Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370800771045952K
11	Yanmei Heze Energy Chemical Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000754456581B
12	Yankuang Lunan Chemical Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=913704006644327461
13	Ordos Zhuanlongwan Coal Co., Ltd.	Enterprise Environmental Information Disclosure System (Inner Mongolia) http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplYearReport/index.js&keyword=%E9%84%82%E5%B0%94%E5%A4%9A%E6%96%AF%E5%B8%82%E8%BD%AC%E9%BE%99%E6%B9%BE%E7%85%A4%E7%82%AD%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8
14	Inner Mongolia Haosheng Coal Industry Co., Ltd.	Enterprise Environmental Information Disclosure System (Inner Mongolia) http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplYearReport/index.js&keyword=%E5%86%85%E8%92%99%E5%8F%A4%E6%98%8A%E7%9B%9B%E7%85%A4%E4%B8%9A%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8
15	Ordos Yingpanhao Coal Co., Ltd.	Enterprise Environmental Information Disclosure System (Inner Mongolia) http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplYearReport/index.js&keyword=%E9%84%82%E5%B0%94%E5%A4%9A%E6%96%AF%E5%B8%82%E8%90%A5%E7%9B%98%E5%A3%95%E7%85%A4%E7%82%AD%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8

No.	Name of enterprise	Index for accessing the report on mandatory environmental information disclosure
16	Inner Mongolia Rongxin Chemicals Co., Ltd.	Enterprise Environmental Information Disclosure System (Inner Mongolia) http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplYearReport/index.js&keyword=%E5%86%85%E8%92%99%E5%8F%A4%E8%8D%A3%E4%BF%A1%E5%8C%96%E5%B7%A5%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8
17	Ulanqab Hongda Industrial Co., Ltd.	Enterprise Environmental Information Disclosure System (Inner Mongolia) http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplYearReport/index.js&keyword=%E4%B9%8C%E5%85%B0%E5%AF%9F%E5%B8%83%E5%B8%82%E5%AE%8F%E5%A4%A7%E5%AE%9E%E4%B8%9A%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8
18	Shaanxi Future Energy Chemical Co., Ltd.	Enterprise Environmental Information Disclosure System (Shaanxi) http://113.140.66.227:11077/#/noLogin/qymd?key=%E9%99%95%E8%A5%BF%E6%9C%AA%E6%9D%A5%E8%83%BD%E6%BA%90%E5%8C%96%E5%B7%A5%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8
19	Yanzhou Coal Yulin Neng Hua Company Limited	Enterprise Environmental Information Disclosure System (Shaanxi) http://113.140.66.227:11077/#/noLogin/qymd?key=%E5%85%96%E5%B7%9E%E7%85%A4%E4%B8%9A%E6%A6%86%E6%9E%97%E8%83%BD%E5%8C%96%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8
20	Yankuang Yulin Fine Chemical Co., Ltd.	Enterprise Environmental Information Disclosure System (Shaanxi) http://113.140.66.227:11077/#/noLogin/qymd?key=%E5%85%96%E7%9F%BF%E6%A6%86%E6%9E%97%E7%B2%BE%E7%BB%86%E5%8C%96%E5%B7%A5%E6%9C%89%E9%99%90%E5%85%AC%E5%8F%B8
21	Shandong Xinjulong Energy Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=913700007563990580
22	Guotun Coal Mine of Linyi Mining Group Heze Coal-fired Power Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=913700006731531087
23	Shandong Lilou Coal Mining Co., Ltd	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000795346514H

No.	Name of enterprise	Index for accessing the report on mandatory environmental information disclosure
24	Pengzhuang Coal Mine of Linyi Mining Group Heze Coal-fired Power Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=913700006731531162
25	Feicheng Mining Group Shanxian Energy Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=9137000067452090X9
26	Shandong Tangkou Coal Industry Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=913700006667367359
27	Feicheng Mining Group Liangbaosi Energy Co., Ltd.	Enterprise Environmental Information Disclosure System (Shandong) http://221.214.62.226:8090/EnvironmentDisclosure/enterpriseRoster/openEnterpriseDetails?comDetailFrom=0&id=91370000779717557X
28	Yankuang Xinjiang Coal Chemicals Co., Ltd.	Enterprise Environmental Information Disclosure and Credit Evaluation System of Xinjiang Uygur Autonomous Region https://124.117.235.203:9015/index
29	Shaanxi Zhengtong Coal Industry Co., Ltd.	Enterprise Environmental Information Disclosure System (Shaanxi) http://113.140.66.227:11077/#/noLogin/qymd?key=%E9%99%95%E8%A5%BF%E6%AD%A3%E9%80%9A%E7%85%A4%E4%B8%9A%E6%9C%89%E9%99%90%E8%B4%A3%E4%BB%BB%E5%85%AC%E5%8F%B8
30	Gansu Lingtai Shaozhai Coal Industry Co., Ltd.	Enterprise Environmental Information Disclosure System (Gansu) https://zwfw.sthj.gansu.gov.cn/revealPubVue/#/home
31	Shaanxi Changwu Tingnan Coal Industry Co., Ltd.	Enterprise Environmental Information Disclosure System (Shaanxi) http://113.140.66.227:11077/#/noLogin/qymd?key=%E9%99%95%E8%A5%BF%E9%95%BF%E6%AD%A6%E4%BA%AD%E5%8D%97%E7%85%A4%E4%B8%9A%E6%9C%89%E9%99%90%E8%B4%A3%E4%BB%BB%E5%85%AC%E5%8F%B8
32	Shanxi Shuozhou Pinglu District Longkuang Daheng Coal Industry Co., Ltd.	Enterprise Environmental Information Disclosure System (Shuozhou) http://111.53.19.139:8081/#/DisclosureDetail/1902248354006614018/2025

No.	Name of enterprise	Index for accessing the report on mandatory environmental information disclosure
33	Inner Mongolia Huangtaolegai Coal Co., Ltd	Enterprise Environmental Information Disclosure System (Inner Mongolia) http://111.56.142.62:40010/support-yfpl-web/web/viewRunner.html?viewId=http://111.56.142.62:40010/support-yfpl-web/web/sps/views/yfpl/views/yfplYearReport/index.js&keyword=%E5%86%85%E8%92%99%E5%8F%A4%E9%BB%84%E9%99%B6%E5%8B%92%E7%9B%96%E7%85%A4%E7%82%AD%E6%9C%89%E9%99%90%E8%B4%A3%E4%BB%BB%E5%85%AC%E5%8F%B8%EF%BC%88%E5%B7%B4%E5%BD%A6%E9%AB%98%E5%8B%92%E7%85%A4%E7%9F%BF%EF%BC%89
34	Liuyuanzi Coal Mine Branch of Gansu Huaneng Tianjun Energy Co., Ltd.	Enterprise Environmental Information Disclosure System (Gansu) https://zwfw.sthj.gansu.gov.cn/revealPubVue/#/home

Other explanations

All enterprises listed in the table and subject to mandatory environmental information disclosure are domestic subsidiaries of the Group. The above disclosure requirements do not apply to overseas subsidiaries.

XVII. OVERVIEW OF SOCIAL RESPONSIBILITY WORK

(I) Whether to disclose social responsibility report, sustainable development report or ESG report Separately

The Company publishes a separate Environmental, Social and Governance ("ESG") report.

(II) Specific situation of social responsibility

External donation and public welfare projects	Amount/content
Total Input (RMB'0,000)	6,883
Of which: Funds (RMB'0,000)	5,836
Materials input (RMB'0,000)	997
Number of beneficiaries (persons)	-

Specific description

In 2025, the Company actively conducted external donations and public welfare support. For details, please refer to the "2025 Environmental, Social and Governance Report" dated 27 March 2026.

XVIII. SPECIFIC INFORMATION ON CONSOLIDATING THE RESULTS OF POVERTY ALLEVIATION AND IMPLEMENTING RURAL REVITALIZATION

Poverty relief and rural revitalization projects	Amount/content
Total Input (RMB'0,000)	619
Of which: Funds (RMB'0,000)	619
Materials input (RMB'0,000)	–
Number of beneficiaries (persons)	–
Ways of offering poverty relief (e.g. support industrial development, employment, education and others)	Poverty alleviation in the areas of industry, employment, and education

Specific description

In 2025, the Company made active efforts to boost poverty alleviation and rural revitalization. For details, please refer to the "2025 Environmental, Social and Governance Report" dated 27 March 2026.

XIX. OTHERS

Corporate Governance Report (prepared in accordance with the Hong Kong Listing Regulations)

(I) Compliance with the Corporate Governance Code (the "Code") and the Model Code

The Group has set up a relatively regulated and robust corporate governance system and has abided by the corporate governance principles of transparency, accountability and protection of the rights and interests of all shareholders.

The Board believes that good corporate governance is important to the operation and development of the Group. The Group has established a reporting mechanism to all Directors so as to ensure Directors are all informed of its business, and believes that the regular Board meetings held are efficient communication ways for non-executive Directors to make full and open discussion on the Group's business. The Board regularly reviews corporate governance practices to ensure the Company's operation is in compliance with the laws, regulations and Supervisory rules of the places where the Company is listed, and consistently endeavors to implement a high standard of corporate governance.

The corporate governance rules implemented by the Group include, but not limited to the followings: the Articles, the Rules of Procedures for the General Meeting of Shareholders, the Rules of Procedures for the Board, the Detailed Work Policy of the General Manager, the Rules of Procedure for the General Manager's Office Meeting, the Work Policy of the Independent Directors, The Rules for the Management of Board Authorization, Work System for the Board Secretary, the Rules for Disclosure of Information, the Rules for the Approval and the Disclosure of Connected Transactions of the Company, the Rules for the Management of Relationships with Investors, the Management System of Securities Held and Transacted by Directors, Senior Management and Insiders, the Rules for Monitoring and Assessment of the Implementation of the Resolutions of the Board, Administrative Measures for Property Rights Representatives, the Standard of Conduct and Professional Ethics for Senior Employees, the Measures on the Establishment of Internal Control System, the Measures on Overall Risk Management, the Administrative Measures for Market Values, the Administrative Measures for Suspension and Exemption of Information Disclosure (信息披露暫緩與豁免管理制度) and the Internal Audit Management Measures. For the year ended 31 December 2025 and up to the disclosure date of this report, the corporate governance rules and practices of the Group are compliant with the principles and the code provisions set out in the Corporate Governance Code (the "Code") contained in the Hong Kong Listing Rules. The Group's corporate governance performance also meets the requirements of the Code. During the reporting period, the Company has fully complied with the code provisions as set out in Part 2 of the Code.

The following are the major aspects of the corporate governance practice adopted by the Group that are more stringent than the Code in practice:

- To actively carry forward the development of the special committees to the Board. Besides the requirement to establish the Audit Committee, the Remuneration Committee, the Nomination Committee as set out in the Code, the Company also established the Strategy and Development Committee and Sustainable Development Committee. All these committees were entrusted with detailed responsibilities;

- To formulate more stringent provisions in the Management System of Securities Held and Transacted by Directors, Senior Management and Insiders, the Standard of Conduct and Professional Ethics of the Senior Employees than those of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code");

- To establish an internal control system in accordance with the Guidance on Internal Control for Listed Companies No. 1 – Standard Operation issued by the Shanghai Stock Exchange, General Rules on Internal Control jointly issued by five ministries including the Chinese Ministry of Finance and the provisions under the Code, the standards of the internal control system are more detailed than those of the Code;

- To announce the evaluation conclusions of the Board and auditors in relation to the effectiveness of internal control of the Company for the year 2025.

(II) Securities Transactions of Directors

After making specific enquiries to all Directors and Senior Management, the Company confirmed that, as of the date of disclosure of this report, the Directors and Senior Management of the Company have strictly complied with the standards of securities transactions as set out in the Model Code and the relevant management system of the Company. The Company has adopted a code of conduct no less exacting than the Model Code for the securities transactions of Directors and Senior Management.

On 21 April 2006, the Code for Securities Transactions of the Management was approved at the fifth meeting of the third session of the Board of the Company. On 23 April 2010, the Code for Securities Transactions of the Management was amended at the fourteenth meeting of the fourth session of the Board, which is drafted based on the Model Code, but is more stringent than the Model Code after taking the domestic and overseas laws, regulations and supervision requirement in relation to securities transactions into account.

On 13 February 2018, the Management Measures of Securities Held and Transacted by Directors, Supervisors, Senior Management and Insiders was approved, and the Code for Securities Transactions of the Management was abolished at the tenth meeting of the seventh session of the Board. On 5 December 2018, the Management System of Securities Held and Transacted by Directors, Supervisors, Senior Management and Insiders was amended at the twentieth meeting of the seventh session of the Board, which is drafted based on the Code for Securities Transactions of the Management, standardized the behavior of Securities Held and Transacted by Insiders, added the penalty rules for violating regulatory measures, but is more comprehensive and stringent than the Code for Securities Transactions of the Management.

At the 22nd meeting of the eighth session of the Board of the Company held on 29 April 2022, "Shareholders, Directors, Supervisors, Senior Management and Relevant Insiders Holding Shares of the Company and Change Management System" was approved, which adjusts the whole system structure of the "Company's Shares Held by Directors, Supervisors, Senior Management and Insiders and Changes Management System", supplements and updates relevant provisions, and further strengthens the management of the changes in the shares of the Company held by Shareholders, Directors, Supervisors, Senior Management and relevant insiders.

On 30 August 2024, in light of the actual situations such as the amendment and issuance of the "Interim Measures for the Administration of Shareholders of Listed Companies in Reducing Shareholdings", as well as the "Rules for the Administration of Shares in the Company Held by Directors, Supervisors and Senior Management of Listed Companies and Changes thereof" by the CSRC, the amendment and issuance the "Self-regulatory Guideline for Listed Companies No. 15 – Reduction of Shareholdings by Shareholders, Directors, Supervisors and Senior Management" by the SSE, at the tenth meeting of the ninth session of the Board of the Company, the amendment of the terms relating to the reduction of shareholdings by Shareholders, Directors, Supervisors and Senior Management in the "Management System for the Shares of the Company held by Shareholders, Directors, Supervisors, Senior Management and Relevant Informed Persons of Insider Information and Changes thereof" were considered and approved.

On 25 April 2025, in accordance with the Company's decision to abolish the Supervisory Committee in practice and the corresponding amendments to the names of related systems, the sixteenth meeting of the ninth session of the Board of Directors of the Company reviewed and approved the revision of the "Shareholders, Directors, Supervisors, Senior Management and Relevant Insiders Holding Shares of the Company and Change Management System", and deleted the references to Supervisors originally stipulated in the document.

(III) Board of Directors and Senior Management

As at the disclosure date of this report, the Board of the Company comprises 11 Directors including four Independent Non-executive Directors. The names, appointments and resignations of the Directors are set out in the section. During the reporting period, Mr. Wang Jiuhong and Mr. Gao Jingxiang obtained the legal opinions referred to in Rule 3.09D of the Hong Kong Listing Rules on 14 April 2025 and 25 April 2025, respectively, and all newly appointed Directors confirmed that they are aware of their responsibilities as a director of a listed issuer.

The duties and authorities of the Board and the senior management have been stipulated in detail in the Articles.

The Board "sets strategy, makes decisions, and prevents risks" and is mainly responsible for making strategic decisions for the Company and the supervision of operations of the Company and its management team. The Board primarily has the powers to decide on operation plans and approve investment projects, to formulate the policy for financial decision and distribution of profits, to implement and review the internal control system, to execute the duty of corporate governance and to confirm the management organization and the basic management system of the Company, etc.

The management team "plans operations, ensures implementation, and strengthens management". The management team is mainly responsible for the operation and management of the production of the Company and shall exercise the following functions and powers: to be in charge of the daily operation and management of the Company's production; to organize the implementation of the resolutions of the Board; to organize the implementation of the Company's annual business plan and investment program; to draft and propose the Company's management organization structure; to draft the Company's basic management rules; to work out a package of staff's salaries, benefits, awards and penalties, and to decide the appointment and dismissal of the staff of the Company, etc.

The Company has received from each of the Independent Non-executive Directors an annual confirmation concerning his independence pursuant to the Hong Kong Listing Rules. The Company confirms that all of the four Independent Non-executive Directors comply with the qualification requirements of Independent Non-executive Directors as required under the Hong Kong Listing Rules.

The Directors are responsible for preparing the Company's financial accounts as a true and fair reflection of the Company's financial situation, operating results and cash flows for the relevant accounting period.

Since 2008, the Company has purchased liability insurance for the Directors and Senior Management of the Company every year.

The Company has established internal policies (including but not limited to the Articles, Director Nomination Policy, Remuneration and Nomination Committee Terms of Reference) to ensure that the Board has access to independent views and opinions, election and appointment procedures and selection criteria, the mechanism for directors to abstain from voting on relevant proposals considered by the Board of Directors, the authority of the independent board committee to hire independent financial advisors or other professional advisors, etc. The Company has reviewed the implementation and effectiveness of the above-mentioned mechanism and believes that the above-mentioned mechanism can ensure that the Board can obtain independent views and opinions.

(IV) Board Meetings and Director's Training

According to the Articles and the Rules of Procedures for the Board, all Directors are entitled to propose matters to be included in the agenda for Board meetings. The Company delivered the meeting notice to the Directors fourteen days before a regular Board meeting or three days before an extraordinary Board meeting; circulated the agenda and information for discussion of the meeting to the Directors for their review five days before a regular Board meeting or three days before an extraordinary Board meeting; kept detailed minutes of the matters considered and the decisions formed by each Director in the meetings; sent the draft versions and the final versions of the minutes of Board meetings to all Directors for their comments and records respectively within a reasonable time after the Board meetings were held. Each Director is entitled to inspect the minutes of Board meetings kept by the Company at any reasonable time.

The Board and each Director have independent channels to communicate with the senior management of the Company. Any of the Directors is entitled to inspect the files and relevant documents of the Board.

The Company has set up a special institution under the Board, through which all Directors are able to access the services of the Secretary to the Board. The Board is entitled, at the Company's expense, to seek independent professional advice for its Directors in appropriate circumstances. When the Board reviews connected transactions, any connected Director would abstain from voting on such transactions.

For the year ended 31 December 2025, eight Board meetings were held. For the Directors' attendance at the Board meetings and the General Meetings of Shareholders, please refer to relevant contents in this chapter.

All the Directors took part in the continuous professional development program to strengthen their knowledge and skills and make greater contributions to the Board.

The training of Directors during the reporting period is shown in the table:

Name	Training
Li Wei, Wang Jiuhong, Liu Qiang, Zhang Haijun, Su Li, Huang Xiaolong, Zhu Limin, Gao Jingxiang, Woo Kar Tung, Raymond, Zhu Rui	Participated in the special training of "Standardized Operation of Listed Companies" organized by the Company on 30 May 2025.
Wang Jiuhong, Su Li, Huang Xiaolong	1. Participated in the special training of "Corporate Governance and Standardized Operation" organized by the Company on 20 June 2025. 2. Participated in the special training session on enhancing non-ferrous metals business operations organized by the Company on 5 December 2025.
Su Li, Huang Xiaolong	Participated in the 2025 second session training program for directors, supervisors, and senior management organized by Shandong Association of Listed Companies on 29 July 2025.
Liu Jian	Participated in the 2025 online special session: case studies of typical regulatory violations by listed companies organized by China Association of Listed Companies from 22 October to 30 November 2025.
Huang Xiaolong	1. Participated in the 2025 enhanced continuing professional development training for governance professionals organized by the Hong Kong Chartered Governance Institute from 17 to 19 September 2025; 2. Participated in the 6th follow-up training session in 2025 organized by SSE from 16 to 30 December 2025 for secretaries of the board of directors of listed companies.

During the reporting period, on top of invitation to its domestic and overseas legal consultants and annual audit accountants by the Company to conduct review and study on regulatory rules and accounting standards in domestic and overseas, all Directors have been circulated with papers on laws and regulations amendments, updates on regulatory requirements, training materials and Compliance Trends prepared by the Company in a timely manner, through which they have continuously improved their working capabilities.

(V) Chairman and Chief Executive Officer

In 2025, Mr. Li Wei served as the Chairman of the Company, and Mr. Wang Jiuhong served as the General Manager of the Company. The authorities and responsibilities of the Chairman and the General Manager are clearly specified. Details of such authorities and responsibilities of the Chairman and the General Manager are documented in the Articles.

In 2025, the Chairman and Independent Non-executive Directors held a meeting without the presence of other Directors.

(VI) Non-Executive Directors

Each of the non-executive Directors has entered into a service contract with the Company. Pursuant to the Articles, the term of office of the members of the Board of the Company (including the non-executive Directors) is three years. The members of the Board can be reappointed consecutively after the expiry of the term. However, the term of reappointment of independent non-executive Directors cannot exceed six years. The duties of the non-executive Directors of the Company include, but are not limited to, the followings:

- to participate in the Board meetings of the Company, provide independent advice on matters involving strategy, policy, performance of the Company, accountability, resources, main appointments and codes of conduct;
- to play a leading and guiding role in the event of potential conflicts of interest;
- to act as members of the Audit Committee, Remuneration Committee, Nomination Committee, Strategy and Development Committee and Sustainable Development Committee;
- to scrutinize whether the performance of the Company achieves its objectives and targets, supervise and report the performance of the Company.

Independent Non-executive Directors and other Non-executive Directors are required to contribute positively to the formulation of strategies and policies of the Company by providing independent, constructive and well-founded advice.

(VII) Performance of Committees to the Board

The Nomination Committee considers the diversity of members of the Board of Directors from various aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills and length of service. After considering the above-mentioned relevant factors, the nomination committee will make final appointment recommendations to the Board of Directors based on the professional expertise of the director candidates and their contributions to the Company and the Board of Directors.

The Board of Directors is committed to improving gender diversity. When selecting and recruiting, due consideration will be given to increasing the proportion of female members. Currently, the Board has one female Director who has also been appointed as a member of the Nomination Committee. The Company believes that the current composition of the Board is well balanced and diversified, with full consideration of the Company's actual situation, and therefore is beneficial for the Company's business, and is in line with the diversity policy of the Board during the reporting period.

The Company has also taken, and continues to take steps to promote diversity in its workforce at all levels. All qualified employees enjoy equal employment, training and career development opportunities without discrimination. During the year, women accounted for 16.71% of the total number of employees of the Company.

In summary, the Company has taken and will continue to take measures, including but not limited to scouting for Directors from various fields, to continuously promote the diversity of the Board. The Board hopes that the proportion of its female members will at least be maintained at the current level. In order to promote the diversity of its management and employees, the Company will pay attention to increasing the proportion of females when selecting employees, and will take account of females when promoting management members.

The Company reviews the board diversity policy annually to ensure its continued effectiveness and compliance with regulatory requirements and good corporate governance practices. The Board considers that the Company's current board diversity policy and its implementation are effective.

For other details, please refer to the relevant content of "Special Committees under the Board" in this section.

(VIII) Auditors' Remuneration

For details, please refer to the relevant content of "Appointment, Dismissal of Accounting Firms" under "Chapter 6 Significant Events".

(IX) Company Secretary

As reviewed and approved at the first meeting of the ninth session of the Board held by the Company on 30 June 2023, Mr. Huang Xiaolong was appointed as the Company's secretary.

Mr. Huang Xiaolong has long been engaged in the management of listed companies and investor relations, with a master degree in law and the professional title of senior economist. In terms of academic knowledge, professional qualifications and work experience, he is eligible to perform the duties of the Company's secretary. Mr. Huang is also a senior management personnel and knows much about the daily operation of the Company, so that he can ensure effective communication with Directors and other senior Management and help the Board to strengthen the corporate governance mechanism.

As of the disclosure date of this report, Mr. Huang Xiaolong is the sole company secretary of the Company. Mr. Wong Wai Chiu resigned as the joint company secretary on 11 February 2026. For further details, please refer to the announcement of the Company dated 11 February 2026.

The duties and responsibilities of the Company's secretary are set out in detail in the Articles.

During the reporting period, Mr. Huang Xiaolong and Mr. Wong Wai Chiu participated in relevant training organized by domestic and overseas regulatory agencies for more than 15 hours.

(X) Process Agent

Mr. Wong Wai Chiu has tendered his resignation as an authorized representative to accept on the Company's behalf service of process and notices in Hong Kong under Rule 19A.13(2) of the Listing Rules and the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Process Agent"), with effect from 11 February 2026, due to a change in work arrangement. Following the resignation of Mr. Wong, Mr. Lam Kang Chi has been appointed as the Process Agent of the Company, with effect from 11 February 2026. For further details, please refer to the announcement of the Company dated 11 February 2026. For avoidance of doubt, Mr. Lam Kang Chi is not an authorized representative appointed by the Company under Rule 3.05 of the Listing Rules.

(XI) Shareholder's Right

The procedures for Shareholders' proposal to convene a meeting of Shareholders, for submitting inquiries to the Board and for submitting proposals at meetings have been set out in details in the Articles.

After providing enough contact details, the qualified Shareholders can propose to convene an extraordinary meeting by the following ways: (1) Shareholders are entitled to propose to the Board to convene an extraordinary meeting in writing and state the motions of the meeting. Within the prescribed period, the Board shall provide its written decision to the Shareholders; (2) If the Board decides against convening the proposed extraordinary meeting, the shareholders are entitled to propose to convene the extraordinary meeting to the Audit Committee in writing; (3) If the Audit Committee fails to issue a notice of meeting within the prescribed period, the Audit Committee shall be deemed not to convene and hold the meeting. Shareholders may convene and hold the extraordinary meeting on their own. All reasonable expenses incurred for such extraordinary meeting convened by Shareholders as a result of the failure of the Board and the Audit Committee to convene an extraordinary meeting as required by the above request(s) shall be borne by the Company. The Board and the secretary of the Company should cooperate in organizing and convening the extraordinary meeting and the relevant matters.

After submitting relevant proof of identities and enough contact details, the Shareholders are entitled to inquire the Board for the inspection of the register of Shareholders, personal information of Directors and senior management, minutes of Shareholders' meetings, resolutions of the meetings of the Board, financial and accounting reports and the copies of the Company's debentures.

The qualified Shareholder(s) may propose special resolutions in writing to the convener 10 days before the Shareholders' meeting is convened. The convener shall issue a supplementary notice of the meeting within two days after receiving the proposal to announce the content of the proposal. All Directors and senior management should attend the meeting. Except where business secrets of the Company are involved, the Board and senior management should make an explanation or statement regarding the Shareholders' queries and suggestions.

(XII) Investor Relations

1. Continuously optimizing the Rules for the Management of Relationships with Investors

Pursuant to the laws and supervisory regulations of both the domestic and overseas markets where the Company's shares are traded, and based on day-to-day business practices, the Company has developed and enhanced the Rules for the Management of Relationship with Investors and the Rules for Disclosure of Information etc. to regulate the management of investor relations.

The Company amends and perfects the Articles and other documents from time to time. For details of the amendments, please refer to the relevant contents of the "Relevant Information on Corporate Governance" in this section.

2. Actively communicating with the investors

The Company always communicates with investors sincerely, adhering to the principles of transparency, equity and justice.

During the reporting period, the Company reported to investors on its business operations and collected opinions and recommendations on the Company from investors and capital market through face-to-face road shows and anti-road shows. In order to facilitate its bidirectional communications with the capital market, the Company has actively held periodic results briefings and investor briefings on major matters. In addition to the "SSE e-interactive platform" and investor briefings, the Company addressed investors' complaints and opinions and solicited feedback for improvements through telephone, e-mail and WeChat. The Company has had over 2,000 contacts with analysts, fund managers and investors. The Company has reviewed the implementation and effectiveness of the above mechanism and believes that the above mechanism can ensure effective communication between the Company and investors and Shareholders.

The Company emphasizes greatly on communications with Shareholders through Shareholders' meetings, and encourages the minority Shareholders to participate in Shareholders' meetings by various means such as Internet voting. The relevant directors and senior management of the Company shall attend the shareholders' meeting. At the Shareholders' meeting, each proposal is submitted separately and all the proposals are voted by poll.

(XIII) Information Disclosure

The Company emphasizes on the truthfulness, accuracy, completeness, timeliness and fairness of information disclosure and has ensured the disclosed information simple, clear, easy to understand, and complies with the Hong Kong Listing Rules. The Company has set up standardized and effective information collection, compilation, examination, disclosure and feedback control procedures to ensure that the disclosure of information is in compliance with the regulatory requirements of places where the Company's shares are listed, and also to give investors reasonable access to the Company's information.

The Chief Financial Officer of the Company shall ensure the financial report and related information disclosed are a true, accurate and complete reflection of the Company's business operations and financial status, applying the applicable accounting standards and relevant rules and regulations. The Company, through its website, realizing simultaneous disclosure of the Company's extraordinary announcements, periodic reports on the websites of the stock exchanges and the statutory media, provides investors with up-to-date information of the Company, the improved status of the corporate governance system and the industrial information.

Due to the Company's multiple stock listings domestically and internationally, the Company consistently adheres to the principle of simultaneous and fair disclosure to enable domestic and foreign investors get timely and fair information on business conditions of the Company.

(XIV) Risk Management and Internal Supervision and Control

For details, please refer to the relevant content of this section "X. BUILDING AND IMPLEMENTATION OF INTERNAL CONTROL SYSTEM DURING THE REPORTING PERIOD".

(XV) Directors' Acknowledgment of Their Responsibilities in the Preparation of the Company's Accounts

All Directors acknowledge their responsibilities for preparing the accounts for the year ended 31 December 2025 as a true and fair reflection of the Company's financial situation, operating results and cash flows.

(XVI) Corporate Culture

The Company's corporate culture comprises four parts: corporate mission, vision, core values, and corporate objective. The Company's mission is: "To create green energy and lead energy transformation". The vision is: "To build a comprehensive clean energy supplier and a world-class enterprise". The core values are: "Safety, Innovation, Green, Responsibility, Excellence". The corporate objective is: "To build an internationally-leading demonstration enterprise for clean energy and sustainable development".

The Company believes that a healthy corporate culture is essential in achieving good corporate governance. Therefore, all directors shall be committed to promoting corporate culture by setting examples. The Company emphasizes on the communication and promotion of corporate culture, and complies with accountability and review, so that all management and staff understand the core values of corporate culture and behave properly. The Company has incorporated corporate culture into various employee training materials, work reporting processes, thematic discussions, etc., formulated and strengthened the code of conduct for employees and the talent management system, strengthened and perfected the communication mechanism between the management and the employees. Through various channels, the Company seeks to know about how corporate culture is accepted by the employees and identify obstacles that hinder employees' acceptance of corporate culture.

The Company has formulated a system to oppose corruption and accept whistleblowing reports, encouraging employees to report on corruption, bribery, favoritism and other violations of disciplines and laws, and organizing timely verification of clues reflected in the reports to regulate the behavior of employees. The Company will also strengthen anti-corruption propaganda in daily staff training, build a firm line of defense, strengthen democratic supervision, and create a clean and positive development environment.

Chapter 06

Significant Events

I. PERFORMANCE OF UNDERTAKINGS

(The data are prepared in accordance with the CAS)

(I) Undertakings of the actual controller of the Company, the shareholders, the related parties, the buyer, the Company and other related parties during the reporting period or extending to the reporting period

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
Undertakings Related to IPO	Resolve horizontal competition	Shandong Energy	Avoidance of horizontal competition. Shandong Energy and the Company entered into the Restructuring Agreement when the Company was carrying out the restructure in 1997, pursuant to which, Shandong Energy Group undertook that it would take various effective measures to avoid horizontal competition with the Company.	1997	No	Long-term effective	Yes	Under normal performance	None
Other undertakings	Other	Shandong Energy	Shandong Energy made undertakings in relation to finance business with Shandong Energy Finance Company as followings. 1. In view of the independence of Yankuang Energy in assets, business, personnel, finance and other aspects from Shandong Energy, Shandong Energy will continue to maintain the independence of Yankuang Energy and fully respect its operational autonomy in management; Yankuang Energy and its subsidiary Shandong Energy Finance Company will decide on the financial business between Shandong Energy Finance Company and Shandong Energy on its own based on the requirements of business development in compliance with relevant supervisory regulations and the rules of procedures for decision-making as stipulated in the Articles and the Articles of Shandong Energy Group Finance Co., Ltd.	26 August 2022	No	Long-term effective	Yes	Under normal performance	None

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
			2. To ensure the safety of the Company's fund managed by Shandong Energy Finance Company, Shandong Energy and its controlled companies undertook to carry out financial business with Shandong Energy Finance Company in accordance with laws and regulations, and will not appropriate the Company's fund through Shandong Energy Finance Company in any other forms.						
			3. In case Shandong Energy and its controlled companies misappropriated any capital fund of Yankuang Energy through Shandong Energy Finance Company or in any other form and caused any loss, Shandong Energy and its controlled companies will make full amount compensation in cash.						
			4. Shandong Energy undertook to strictly abide by the relevant rules and regulations of CSRC, Shanghai Stock Exchange and the Articles, exercise the shareholder's rights and perform the shareholder's obligations as equally as other shareholders, and neither seek unfair interest by use of the position as the controlling shareholder, nor impair the legal interests of Yankuang Energy and other public shareholders.						

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
	Others	Xinwen Mining Group Co., Ltd., Longkou Mining Group Co., Ltd., Zibo Mining Group Co., Ltd., Feicheng Feikuang Coal Industry Co., Ltd., Linyi Mining Group Co., Ltd. (hereinafter collectively referred to as the "Transferor")	The Transferor has made the following commitments to Yankuang Energy in connection with Yankuang Energy's (the "Transferee") acquisition of 51% equity of Luxi Mining: 1. If the relevant government authorities take disposal measures such as limiting production, stopping production, closing down and retreating from coal mines of subsidiaries of Luxi Mining Group in accordance with Ludongneng [2021] No. 3, Luzhengzi[2021] No.143 or relevant implementing regulations after the settlement day of this transaction, the transferor undertakes: (1) The transferor shall give corresponding compensation to the transferee; (2) If the transferor and the transferee fail to reach a consensus on the aforesaid specific compensation amount, the transferee may notify the transferor in writing to terminate the Equity Transfer Agreement, and the transferor shall return the equity transfer price paid.	28 April 2023	No	Long-term effective	Yes	Under normal performance	None

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
			2. In addition to the mining rights whose proceeds of the transfer have been deducted, for the four mining rights namely Guotun Coal mine, Pengzhuang Coal mine, Liangbaosi Coal mine and Chenmanzhuang Coal mine that have been disposed by cash, national capital and other means of compensation, if the mining rights transfer proceeds are levied by the relevant competent authorities on the resource reserves within the scope of the relevant mining rights evaluation in this transaction and the above-mentioned transfer proceeds are not reflected in the audit report of this transaction after the settlement day of this transaction, then: (1) The transferor shall compensate the transferee in cash according to the amount of transfer proceeds levied on these subsidiaries (the amount of compensation shall be the amount of transfer proceeds levied ×51%× the proportion of equity held by Luxi Mining in these subsidiaries); (2) The transferor shall make cash compensation to the transferee for the remaining part of the corresponding resource reserves in this transaction that has not been calculated and collected according to the rate of return on the transfer of mining rights at the time of the sale of mineral products (if applicable); (3) The amount of compensation to the transferee shall be limited to the amount contained in the mining rights evaluation report quoted in the evaluation report based on the Equity Transfer Agreement ×51%× the proportion of equity held by Luxi Mining in such subsidiaries.						

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
	Others	Xinwen Mining Group Co., Ltd., Shandong Energy (hereinafter collectively referred to as the "Transferor")	The Transferor has made the following commitments to Yankuang Energy in connection with Yankuang Energy's acquisition of 51% equity of Xinjiang Neng Hua: 1. As of 28 April 2023, the valid period of exploration rights held by Xinjiang Neng Hua in Huangcaohu 1-11 exploration area, Qitai County, Zhundong Coal Field, Xinjiang, has expired. The transferor undertakes to actively urge and assist Xinjiang Neng Hua to complete the registration procedures for the change of exploration rights as soon as possible. If Xinjiang Neng Hua is subject to losses due to its inability to complete the registration procedures for the change of exploration rights on time after the settlement day of this transaction, the transferor shall compensate the transferee at that time.	28 April 2023	No	Long-term effective	Yes	With regard to the commitment of the exploration right renewal of Huangcaohu, Xinjiang Neng Hua has completed the renewal in May 2023 and made the commitment that other parts will be fulfilled normally.	None

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
			2. In addition to the mining rights whose proceeds of the transfer has been deducted, for the two mining rights namely Baosheng Coal mine and Hongshanwa Coal mine that are disposed in a compensated way, after the delivery date of this transaction, if the mining rights transfer proceeds are levied by the relevant competent authorities on the resource reserves within the scope of the relevant mining rights evaluation in this transaction and the above-mentioned transfer proceeds are not reflected in the audit report of this transaction after the settlement day of this transaction, then: (1) The transferor shall make cash compensation to the transferee within 30 days after the payment obligations are specified according to the amount of transfer proceeds levied on these subsidiaries (the amount of compensation shall be the amount of transfer proceeds levied ×51%× the proportion of equity held by Xinjiang Neng Hua in its subsidiaries); (2) The transferor shall make cash compensation to the transferee for the remaining part of the corresponding resource reserves in this transaction that has not been calculated and collected according to the rate of return on the transfer of mining rights at the time of the sale of mineral products (if applicable); (3) The amount of compensation to the transferee shall be limited to the amount contained in the mining rights evaluation report quoted in the evaluation report based on the Equity Transfer Agreement ×51%× the proportion of equity held by Xinjiang Neng Hua in its subsidiaries.					

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
	Others	Xinwen Mining Group Co., Ltd., Longkou Mining Group Co., Ltd., Zibo Mining Group Co., Ltd., Feicheng Feikuang Coal Industry Co., Ltd., Linyi Mining Group Co., Ltd. (hereinafter collectively referred to as the "Transferor")	The Transferor makes the following commitments regarding the operating performance of Luxi Mining (the "Target Company") for 2023-2025: 1. For the years 2023, 2024 and 2025 (the "Commitment Period"), the Target Company's audited net profit attributable to the shareholders of the parent company after deducting non-recurring gains and losses (the "Net profit") during the commitment period shall not be less than RMB11.4248014 billion (the "cumulative committed net profit during the Commitment Period") according to Chinese accounting standards. 2. If the Target Company fails to achieve the cumulative net profit during the commitment period, the transferor will compensate Yankuang Energy in cash. The specific compensation amount shall be calculated as follows: the performance compensation amount for the commitment period = (cumulative committed net profit for the commitment period – cumulative realized net profit for the commitment period) ÷ cumulative committed net profit for the commitment period × the price of the underlying equity transaction – other compensated amount.	28 April 2023	Yes	2023-2025	Yes	Under normal performance	None

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
	Others	Xinwen Mining Group Co., Ltd., Shandong Energy (hereinafter collectively referred to as the "Transferor")	The Transferor makes the following commitments regarding the operating performance of Xinjiang Neng Hua (the "Target Company") for 2023-2025 1. For the years 2023, 2024 and 2025 (the "Commitment Period"), the Target Company's audited net profit attributable to the shareholders of the parent company after deducting non-recurring gains and losses (the "Net profit") during the commitment period shall be no less than RMB4.0134561 billion (the "cumulative committed net profit during the Commitment Period") according to Chinese accounting standards. 2. If the Target Company fails to achieve the cumulative net profit during the commitment period, the transferor will compensate Yankuang Energy in cash, and the specific compensation amount shall be calculated as follows: Performance compensation amount for the commitment period = (cumulative committed net profit for the commitment period – cumulative realized net profit for the commitment period) ÷ cumulative committed net profit for the commitment period × the price of the underlying equity transaction – other compensated amount.	28 April 2023	Yes	2023-2025	Yes	Under normal performance	None

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
	Others	Fujian Dongju Technology Co., Ltd., Fujian Dongpu Investment Center (Limited Partnership), Fujian Dongzhen Investment Center (Limited Partnership), Fujian Dongxi Investment Center (Limited Partnership), Fujian Dongbo Investment Center (Limited Partnership), Fujian Dongwo Investment Center (Limited Partnership), Fujian Dongchuang Investment Center (Limited Partnership), Fujian Dongtan Investment Center (Limited Partnership), Fujian Dongsha Investment Center (Limited Partnership), Fujian Dongda Investment Center (Limited Partnership), Fujian Dongtou Investment Center (Limited Partnership), Jingdian (Fujian) International Trade Co., Ltd., Dongming Industry Group Co., Ltd. (hereinafter collectively referred to as the "Undertakers")	The Undertakers make the following undertakings regarding the operating results of Wubo Technology (the "Target Company") for 2024-2028: 1. The audited net profit attributable to the Shareholders of the parent company, excluding non-recurring gains and losses (the "Net Profit"), of the Target Company for 2024-2028 shall not be less than RMB98.7537 million, RMB109.3141 million, RMB115.8510 million, RMB126.8099 million, and RMB139.0910 million, respectively according to CASs. 2. If the Target Company fails to achieve the above committed results by the end of any assessment year, the Transferor will compensate Yankuang Energy in cash, and the specific compensation amount shall be calculated as follows: Performance compensation amount for the Commitment Period = (cumulative committed net profit by the end of the period – cumulative actual net profit by the end of the period) ÷ total committed net profit for each year within the profit Commitment Period × the cash capital increase amount of this transaction – cumulative compensated amount.	31 May 2024	Yes	2024-2028	Yes	Under normal performance	None

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
	Others	Zibo Mining Group Co., Ltd., Longkou Mining Group Co., Ltd., Xinwen Mining Group Co., Ltd., and Feicheng Feikuang Coal Industry Co., Ltd. (collectively referred to as the "Transferors")	The Transferors have made the following undertakings in respect of the mining rights of Xibei Mining: 1. Upon the effectiveness of the Equity Acquisition and Capital Injection Agreement (股權收購及增資協議), the Transferors undertake that: (1) If the exploration rights of Mafuchuan or Maojiachuan mining blocks cannot be converted into mining rights or retained, the Transferors shall compensate the Transferee. The specific compensation amount shall be calculated as: the reduction in value of the exploration rights as assessed using the parameters in the transaction Valuation Report × 55% × 51%; (2) If the exploration permits for Mafuchuan or Maojiachuan mining blocks are not renewed or are revoked by the competent authorities, the Transferors shall compensate the Transferee. The compensation amount shall be calculated as: the assessed value of the relevant exploration rights × 55% × 51% (If the competent authorities provide compensation for the revocation of the exploration right, such compensation shall be deducted from the above compensation amount).	8 April 2025	Yes	Long-term effective	Yes	Regarding the commitment to converting exploration rights to mining rights for the Mafuchuan mining blocks and Maojiachuan mining blocks, Xibei Mining has obtained the mining licenses for both the Mafuchuan and Maojiachuan mining blocks in August 2025. The remaining portions of the commitment are being fulfilled as planned.	None

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
			2. After the transaction closing date, if the competent authorities determine that any subsidiary of Xibei Mining had outstanding mining rights transfer proceeds payable prior to the valuation benchmark date of this transaction, and such amounts were not reflected in the Valuation Report or the relevant audit report of this transaction, then: (1) The undertaking party shall compensate the Transferee in cash for the actual amount of such proceeds to be paid by the relevant subsidiary (compensation amount = actual amount of the transfer proceeds to be paid × 51% × proportion of the equity interest held by Xibei Mining in the subsidiary); (2) For any remaining resources within the resources corresponding to this transaction which have not yet been assessed for mineral rights transfer proceeds based on the transfer proceeds rate at the time of mineral product sales, the Transferors shall also provide cash compensation to the Transferee;						

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
			(3) The aggregate compensation amount payable by the Transferors to the Transferee for matters relating to any subsidiary of Xibei Mining shall not exceed (assessed value of the relevant mining right in this transaction × 51% × proportion of Xibei Mining's equity interest in the subsidiary holding such mining right). The Transferors shall bear compensation liability up to the amount of the transfer consideration and capital injection consideration, respectively.						
			3. With respect to the mining rights of Yangjiacun Coal Mine, Youfanghao Coal Mine, and Bayan Gaole Coal Mine, if, after the transaction completion date, the competent governmental authorities, due to the failure or partial failure to implement the relevant conversion projects, impose collection of transfer proceeds on the resource reserves allocated to such projects (in addition to the transfer proceeds collected from Xibei Mining or its subsidiaries):						

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
			(1) If any allocated resource reserves are revoked, the Transferors shall compensate the Transferee. The specific compensation amount shall be calculated as: revoked resource reserves ÷ resource reserves corresponding to the mining rights in this transaction × assessed value of the relevant mining rights corresponded to this transaction × 51% × proportion of equity interest held by Xibei Mining in the relevant subsidiary;						
			(2) If Xibei Mining or the company holding such mining right suffers losses due to other liabilities imposed, the Transferors shall provide corresponding compensation to the Transferee.						

Background	Type	Undertaker	Undertakings	Date and Term of Undertakings	With Performance Deadline or Not	The Period of Commitment	Perform Timely and Strictly or Not	Reasons for Failure of Performance Timely	Measures in Case of Failure of Performance Timely
	Others	Zibo Mining Group Co., Ltd., Longkou Mining Group Co., Ltd., Xinwen Mining Group Co., Ltd., and Feicheng Feikuang Coal Industry Co., Ltd. (collectively referred to as the "Transferors")	The Transferors make the following undertakings regarding the operating results of Xibei Mining (the "Target Company") for 2025 to 2027: 1. For 2025 to 2027 (the "Commitment Period"), calculated in accordance with the CASs, the audited net profit attributable to Shareholders of the parent company of the Target Company, after deducting non-recurring gains and losses (the "Net Profit"), shall not be less than RMB7,121.9341 million in aggregate for the Commitment Period (the "Cumulative Committed Net Profit During The Commitment Period"). 2. If the Target Company fails to achieve the Cumulative Committed Net Profit During The Commitment Period, the Transferors shall compensate Yankuang Energy in cash. The compensation amount shall be the higher of the following two calculations: (1) Compensation amount during the Commitment Period = (Cumulative Committed Net Profit During The Commitment Period - cumulative actual net profit) × 51%; (2) Compensation amount for the Commitment Period = (valuation of this transaction - valuation at the end of the Commitment Period) × 51% (if the result is less than zero, it shall be deemed as zero).	8 April 2025	Yes	2025-2027	Yes	Under normal performance	None

Notes:

① Regarding the commitments made by the Transferors in connection with the Company's acquisition of 51% equity of Luxi Mining and 51% equity of Xinjiang Neng Hua, please refer to the Company's related/connected transaction announcement dated 28 April 2023 for details.

② Regarding the commitments made by the Undertakers in connection with the transaction for the acquisition of equity interest in Wubo Technology, please refer to the Company's announcement on the acquisition of Wubo Technology Co., Ltd (物泊科技有限公司) dated 31 May 2024 for details.

③ Regarding the commitments made by the Transferors in connection with the capital increase and acquisition of 51% equity interest in Xibei Mining, please refer to the Company's related/connected transaction announcement dated 8 April 2025 for details.

(II) Explanation on whether the company achieves the original profit forecast for assets and projects and its reasons if there is profit forecast for assets and projects and the report period is still in the period of profit forecast.

Not applicable.

(III) Overview of performance commitment

Unit: RMB'0,000

Background	Undertaker	Commitment Period	Committed Target	Committed Amount	Actual Completed Amount	Completion Rate (%)
Undertakings related to the Performance of Luxi Mining	Xinwen Mining Group Co., Ltd., Longkou Mining Group Co., Ltd., Zibo Mining Group Co., Ltd., Feicheng Feikuang Coal Industry Co., Ltd., Linyi Mining Group Co., Ltd.	2023-2025	The audited net profit attributable to the shareholders of the parent company after non-recurring profit or loss	1,139,992.17①	416,996.18	36.58
Undertakings related to the Performance of Xinjiang Neng Hua	Xinwen Mining Group Co., Ltd., Shandong Energy Group Co., Ltd.	2023-2025	The audited net profit attributable to the shareholders of the parent company after non-recurring profit or loss	401,345.61	87,128.43	21.71

Background	Undertaker	Commitment Period	Committed Target	Committed Amount	Actual Completed Amount	Completion Rate (%)
Undertakings related to the Performance of Wubo Technology	Fujian Dongju Technology Co., Ltd., Fujian Dongpu Investment Center (Limited Partnership), Fujian Dongzhen Investment Center (Limited Partnership), Fujian Dongxi Investment Center (Limited Partnership), Fujian Dongbo Investment Center (Limited Partnership), Fujian Dongwo Investment Center (Limited Partnership), Fujian Dongchuang Investment Center (Limited Partnership), Fujian Dongtan Investment Center (Limited Partnership), Fujian Dongsha Investment Center (Limited Partnership), Fujian Dongda Investment Center (Limited Partnership), Fujian Dongtou Investment Center (Limited Partnership), Jingdian (Fujian) International Trade Co., Ltd., Dongming Industry Group Co., Ltd. (hereinafter collectively referred to as the "Undertakers")	2024-2028	The audited net profit attributable to the shareholders of the parent company after non-recurring profit or loss	9,875.37 10,931.41 11,585.10 12,680.99 13,909.10	15,397.11 14,234.74 - - -	155.91 130.22 - - -
Undertakings related to the Performance of Xibei Mining	Zibo Mining Group Co., Ltd., Longkou Mining Group Co., Ltd., Xinwen Mining Group Co., Ltd., Feicheng Feikuang Coal Industry Co., Ltd.	2025-2027	The audited net profit attributable to the shareholders of the parent company after non-recurring profit or loss	712,193.41	-	-

Notes:

① The cumulative committed net profit for the commitment period as stipulated in the Commitment Letter was RMB11,424,801,400, while the cumulative committed net profit used in the calculation of the performance compensation amounted to RMB11,399,921,700, representing an adjustment of RMB24,879,700, which resulted from changes in the scope of consolidation. Pursuant to Article 5 of the Performance Compensation Commitment Letter, if changes in the scope of consolidation occur during the commitment period due to equity transfer, capital increase or other reasons, the committed net profit and actual net profit from that year (inclusive) onwards may be adjusted upon agreement between the transferor and Yankuang Energy. On 18 November 2024, with the approval of Yankuang Energy's General Manager's Office Meeting, Luxi Mining transferred its 100% equity interest in Shandong Zikuang Railway Transportation Co., Ltd. (renamed as Shandong Luxi Railway Logistics Co., Ltd. (山東魯西鐵路物流有限公司), "Luxi Logistics") to Yankuang Logistics Technology Co., Ltd. (兗礦物流科技有限公司), with the industrial and commercial change procedures completed on 21 November 2024. Upon agreement between the transferor and Yankuang Energy, the committed net profit of Luxi Logistics for December 2024 and the full year of 2025, amounting to RMB24,879,700, was deducted from the cumulative committed net profit for the commitment period.

② The cumulative net profit achieved under the performance commitment of Xibei Mining will be confirmed based on the special audit report after the Commitment Period expires. At present, the actual amount achieved and the completion rate cannot be determined.

Changes in performance commitments

Not applicable.

Other Explanations

As considered and approved at the 22nd meeting of the ninth session of the Board of Directors held on 27 March 2026, the audited cumulative net profits attributable to shareholders of the parent company after deducting non-recurring gains and losses achieved by Luxi Mining and Xinjiang Neng Hua for the period 2023-2025 were both lower than the corresponding cumulative committed net profit figures, resulting in unfulfilled performance commitments. Consequently, the transferors of the equity interests of Luxi Mining are required to pay the Company the performance compensation amounting to approximately RMB12.01 billion in total; and the transferors of the equity interests of Xinjiang Neng Hua are required to pay the Company the performance compensation amounting to approximately RMB6.351 billion in total. The aforementioned performance compensation represents a partial refund of the transaction consideration paid by the transferors to the Company, based on the consideration for this transaction.

For details, please refer to the announcements of the Company dated 27 March 2026 regarding the resolutions of the 22nd meeting of the ninth session of the Board of Directors, and the performance commitment fulfillment status of Luxi Mining and Xinjiang Neng Hua for 2023-2025. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or the China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

II. NON-OPERATING CAPITAL MISAPPROPRIATED BY CONTROLLING SHAREHOLDERS AND OTHER RELATED PARTIES DURING THE REPORTING PERIOD

Not applicable.

III. VIOLATION OF GUARANTEES

Not applicable.

IV. EXPLANATION OF THE BOARD ON THE "NON-STANDARD AUDIT OPINION REPORT" OF THE ACCOUNTING FIRM

Not applicable.

V. THE COMPANY'S ANALYSIS AND EXPLANATION ON THE REASONS AND EFFECTS OF CHANGES OF ACCOUNTING POLICES AND ACCOUNTING ESTIMATES OR SIGNIFICANT ACCOUNTING ERROR CORRECTION

(I) The Company's Analysis and Explanation on the Reasons for and the Effects of Changes of Accounting Polices and Accounting Estimates

Not applicable.

(II) The Company's Analysis and Explanation on the Reasons for and the Effects of Significant Accounting Error Correction

Not applicable.

(III) Communication with the Former Accounting Firm

Not applicable.

(IV) Approval Process and Other Explanations

Not applicable.

VI. DETAILS ON EMPLOYMENT AND DISMISSAL OF ACCOUNTING FIRMS

Unit: RMB'0,000

	Appointed firms at present
Name of the A-Share accounting firm	Baker Tilly China Certified Public Accountants LLP
Remuneration for the A-Share accounting firm	980 (including remuneration for internal control)
Auditing experience of the A-Share accounting firm	From June 2024 to present
Name of certified public accountants of the A-Share accounting firm	Fu Zhicheng, Zhou Chunyang, Wang Mingkun
Number of accumulative years of audit service by certified public accountants of the A-Share accounting firms	Two years, two years, one year
Name of the H-Share accounting firm	Baker Tilly Hong Kong Limited
Remuneration for the H-Share accounting firm	–
Auditing experience of the H-Share accounting firm	From June 2024 to present

	Name	Remuneration
Internal control audit accounting firm	Baker Tilly China Certified Public Accountants LLP	240

Explanation on engagement and dismissal of accounting firms

As considered and approved at the 2024 Annual General Meeting of Shareholders held on 30 May 2025, Baker Tilly China Certified Public Accountants LLP and Baker Tilly Hong Kong Limited were re-appointed as accountants for A Shares and H Shares for 2025, who are responsible for auditing, reviewing and internal control audit evaluation of the Company's financial statements. The term of responsibility begins on the date of the conclusion of the 2024 Annual General Meeting of Shareholders and ends on the date of the conclusion of the next Annual Meeting of Shareholders.

The audit service fees payable by the Company for domestic and overseas operations for 2025 amount to RMB9.8 million (representing an increase of RMB1.4 million in audit service fees due to changes in the scope of the Company's audit for 2025) The Company bears board and lodging costs induced by the accountants during their on-site auditing in the Company, and does not bear travel and other expenses. The Board was authorized to decide to pay for additional services such as follow-up audit and internal control audit evaluation due to the addition of new subsidiaries or changes in supervisory and regulatory rules.

The Board of the Company believes that, except for the audit service fees for recurring engagements, other service fees paid by the Company to accountants will not affect the independent audit opinions of accountants.

As considered and approved at the 2023 Annual General Meeting of Shareholders held on 21 June 2024, Baker Tilly China Certified Public Accountants LLP and Baker Tilly Hong Kong Limited were appointed as accountants for A Shares and H Shares for 2024. In June 2024, Baker Tilly China Certified Public Accountants LLP and Baker Tilly Hong Kong Limited no longer served as accountants of the Company for A Shares and H Shares.

Save as disclosed above, the Company has not changed its accounting firm in the past three years.

Under the Financial Reporting Council Ordinance (Chapter 588 of the Laws of Hong Kong) (as amended, supplemented or otherwise modified from time to time), the accountant Baker Tilly Hong Kong Limited for the year 2025 appointed by the Company is a registered public interest entity auditor.

Explanation on changing the engagement of an accounting firm during the audit period

Not applicable.

Explanation on the reduction of audit fees by more than 20% (including 20%) compared with that of the corresponding period of last year

Not applicable.

VII. EXPLANATION ON DELISTING RISKS

(I) Reasons for Delisting Risk Warning

Not applicable.

(II) Countermeasures to be Taken by the Company

Not applicable.

(III) Overview and Reasons for Termination of Listing

Not applicable.

VIII. MATTERS RELATED TO BANKRUPTCY REORGANIZATION

Not applicable.

IX. SIGNIFICANT LITIGATION AND ARBITRATION EVENTS

(I) Litigation and Arbitration Events Disclosed in the Extraordinary Announcements and with no Subsequent Progress

Not applicable.

(II) Litigation and Arbitration Not Disclosed in Extraordinary Announcements or with Subsequent Progress

Unit: RMB'0,000

During the reporting period:

Plaintiff (applicant)	Defendant (respondent)	Joint and several liable party	Type	Background	Amount involved	Estimated liabilities and amount	Progress	Judgment and impact	Judgment execution
Duanxin Supply Chain (Shenzhen) Co., Ltd. ("Duanxin Supply Chain ")	Shagang (Beijing) International Investment Co., Ltd. ("Shagang Beijing")	Jiangsu Shagang Group Co., Ltd. ("Shagang Group")	Litigation	In April 2021, Duanxin Supply Chain, a wholly-owned subsidiary of Yankuang Energy, sued Shagang Beijing to the Shenzhen Intermediate People's Court on the grounds of a coal sale contract dispute, requesting it to return the principal of RMB121.6057 million and corresponding penalty for overdue payment. Li Lei and Shagang Group shall be jointly liable for the aforesaid payments. During the trial of first instance, Duanxin Supply Chain changed its litigation petition and requested Shagang Group to severally bear the joint liabilities. In March 2023, Duanxin Supply Chain received the first instance judgment and won the case. Shagang Beijing appealed to the Guangdong Provincial Higher People's Court. In March 2025, Duanxin Supply Chain received the judgement of the second instance, in which Shagang Beijing shall assume the responsibility for debt settlement and other litigation petitions of Duanxin Supply Chain were dismissed.	12,160.57	No	Closed	As of the end of the reporting period, the Company has made impairment provision for the full amount involved in this case, and this lawsuit will not adversely affect the Company's profit after the period.	In June 2025, Duanxin Supply Chain received an enforcement ruling from the Shenzhen Intermediate People's Court, and the enforcement procedure was terminated, as Shagang Beijing had no enforceable property

Plaintiff (applicant)	Defendant (respondent)	Joint and several liable party	Type	Background	Amount involved	Estimated liabilities and amount	Progress	Judgment and impact	Judgment execution
Duanxin Supply Chain	Shenzhen McKelley Technology Co., Ltd. ("McKelley Company")	Li Guanwei, Dai Lixiang, etc	Litigation	In February 2023, Duanxin Supply Chain sued McKelley Company and related guarantors to the Shenzhen Intermediate Court on the grounds of debt disputes, requiring them to pay off debts due, interest and liquidated damages totaling RMB396.1885 million. In June 2024, the Shenzhen Intermediate People's Court ruled that McKelley Company was bankrupt and liquidated. In August 2024, Duanxin Supply Chain declared claims of RMB509.8821 million to the insolvency administrator of McKelley Company. In December 2024, Duanxin Supply Chain received the first-instance judgment, with the Shenzhen Intermediate People's Court ruling in favor of Duanxin Supply Chain's litigation request. The defendant, McKelley Company, has submitted an appeal to the Guangdong Provincial Higher People's Court. In September 2025, Duanxin Supply Chain received a ruling issued by the Guangdong Provincial Higher People's Court, which determined that McKelley Company had failed to pay the court fees, resulting in the appeal being treated as automatically withdrawn. The first-instance judgment became effective upon service of the ruling.	39,618.85	No	Closed	As of the end of the reporting period, the Company has made impairment provision for the full amount involved in this case, and this lawsuit will not adversely affect the Company's profit after the period.	On 30 October 2025, the Company filed an application for compulsory enforcement with the Shenzhen Intermediate People's Court. As of the disclosure date of this report, the Shenzhen Intermediate People's Court has not yet issued an enforcement ruling.

Plaintiff (applicant)	Defendant (respondent)	Joint and several liable party	Type	Background	Amount involved	Estimated liabilities and amount	Progress	Judgment and impact	Judgment execution
Duanxin Supply Chain	Suning Shopping Group Co., Ltd. ("Suning Shopping")	None	Litigation	In February 2023, Duanxin Supply Chain sued Suning Shopping to Nanjing Intermediate People's Court on the grounds of disputes over sales contracts, requiring it to make payments for goods, interest and liquidated damages totaling RMB670.90 million. In January 2025, Duanxin Supply Chain received a ruling from the Nanjing Intermediate People's Court, which dismissed the lawsuit on the grounds of suspected economic crimes and transferred the case to the public security authorities.	67,090.00	No	The case was transferred to criminal investigation, and the litigation process was concluded.	As of the end of the reporting period, the Company has made impairment provision for the full amount involved in this case, and this lawsuit will not adversely affect the Company's profit after the period.	-
Inner Mongolia Jinkong Financial Leasing Co., Ltd. ("Inner Mongolia Jinkong")	Zhongrong Sheng International Financial Leasing (Tianjin) Co., Ltd. ("Zhongrong Sheng"), Han Yanjie, Tianjin Kaitai Shengshi Asset Management Co., Ltd	Datang International Development Group Limited ("Datang International")	Litigation	In November 2023, Inner Mongolia Jinkong filed a lawsuit with the Hohhot Intermediate People's Court on the ground that Zhongrong Sheng and other defendants violated the factoring and financial lease contract, requiring Zhongrong Sheng and other defendants to pay the principal of the factoring and financial lease payment of RMB246.0928 million, the corresponding interest and liquidated damages, and requiring Datang International to bear joint and several liabilities. In June 2025, Inner Mongolia Jinkong received a judgment from the Hohhot Intermediate People's Court, rejecting Inner Mongolia Jinkong's claim. Inner Mongolia Jinkong appealed to the Higher People's Court of the Inner Mongolia Autonomous Region.	24,609.28	No	In the second instance	This case has received a court judgment to reject Inner Mongolia Jinkong' litigation claim, and Inner Mongolia Jinkong has filed an appeal. Notice of court is currently pending.	-

Plaintiff (applicant)	Defendant (respondent)	Joint and several liable party	Type	Background	Amount involved	Estimated liabilities and amount	Progress	Judgment and impact	Judgment execution
Yankuang Energy	Inner Mongolia Jiutai New Material Technology Co., Ltd. ("Jiutai Company")	Shandong Jiutai Chemical Industrial Technology Company Limited, Ordos Manlai Company Limited	Arbitration	In August 2024, the Company filed an arbitration application with China International Economic and Trade Arbitration Commission (the "CIETAC"), requiring Jiutai Company to refund the equity transfer fee, liquidated damages, advance payment, etc., totaling approximately RMB1.438 billion, and bear the arbitration fee, security fee, insurance fee, attorney's fee and other creditor's rights expenses for the realization of the case, requiring the three respondents to bear jointly liability. In July 2025, the Company received an arbitration award from the CIETAC, ruling that Jiutai Company and the other two respondents should refund the coal mine equity transfer payment and the portion of mining rights transfer proceeds advanced by the Company, totaling RMB686.3908 million, and bear part of the preservation fees, legal fees, and other expenses.	143,816.02	No	Closed	The CIETAC ruled that Jiutai Company and the other two respondents refunded the Company's coal mine equity transfer money and part of the mining rights transfer proceeds in advance, totaling RMB686.3908 million, and to bear part of the arbitration fees, preservation fees, and lawyer fees.	-
Haosheng Company	Xibu New Era Investment Jointstock Company ("Xibu New Era")	None	Arbitration	In December 2024, Haosheng Company submitted an arbitration application to the Jinan Arbitration Commission, requesting that Xibu New Era fulfill its capital increase obligations according to the "Capital Increase Agreement" and bear the corresponding breach of contract liabilities, totaling approximately RMB1.209 billion. In May 2025, the Company received an award from the Jinan Arbitration Commission, ruling that Xibu New Era should pay the capital increase of a total of RMB564.7389 million to Haosheng Company and bear the corresponding liquidated damages, preservation fees, arbitration fees, etc.	120,866.6	No	Closed	The Jinan Arbitration Commission ruled that Xibu New Era paid a total of RMB564.7389 million to Haosheng Company and bore the corresponding liquidated damages, preservation fees and arbitration fees.	-

Plaintiff (applicant)	Defendant (respondent)	Joint and several liable party	Type	Background	Amount involved	Estimated liabilities and amount	Progress	Judgment and impact	Judgment execution
Haosheng Company	China Jingu International Trust Co., Ltd. ("Jingu Trust")	None	Litigation	In January 2025, Haosheng Company filed a lawsuit with the Ordos Intermediate People's Court, requesting that Jingu Trust assume the capital increase obligations and pay the breach of contract penalties corresponding to the equity in Haosheng Company acquired from Xibu New Era, totaling approximately RMB1.209 billion. In January 2026, Haosheng Company received a favorable first-instance judgment. Jingu Trust subsequently filed an appeal with the Higher People's Court of Inner Mongolia Autonomous Region. As of the date of disclosure of this report, the Higher People's Court of Inner Mongolia Autonomous Region has not issued a ruling.	120,866.6	No	In the second instance	This case is currently under trial of the second instance, and the Company is unable to accurately estimate the impact of the arbitration on the profit after the period.	-
Inner Mongolia Mining	Ordos Cultural Industry Investment Co., Ltd., Bainianshuren (Group) Co., Ltd.	None	Arbitration	In October 2024, Inner Mongolia Mining applied for arbitration with the Hohhot Arbitration Commission based on the signed "Capital Increase Agreement of Ordos Cultural Industry Park Cultural Education Co., Ltd." The Company requested that Ordos Cultural Industry Investment Co., Ltd. and Bainianshuren (Group) Co., Ltd. shall perform their repurchase obligations and pay the equity transfer amount, capital occupation fee, and liquidated damages, totaling RMB342.9219 million. As of the disclosure date of this report, the Hohhot Arbitration Commission has not issued a ruling.	34,292.19	No	Arbitration proceedings	This case is currently under arbitration proceedings, and the Company is unable to accurately estimate the impact of the arbitration on the profit after the period.	-

(III) Other Explanation

Not applicable.

X. PUNISHMENT ON THE LISTED COMPANY, ITS DIRECTORS, SENIOR MANAGEMENT, CONTROLLING SHAREHOLDERS, AND ACTUAL CONTROLLERS FOR VIOLATION OF LAWS AND REGULATIONS AND THEIR RECTIFICATION.

Not applicable.

XI. THE EXPLANATION ON THE CREDIT CONDITIONS OF THE COMPANY, THE CONTROLLING SHAREHOLDERS, AND ACTUAL CONTROLLERS DURING THE REPORTING PERIOD.

Not applicable.

During the reporting period, the Company, its Controlling Shareholder and the actual controllers do not have any dishonest behaviors, such as failure to perform the effective judgement of the court and the large amount of debt due but unliquidated.

XII. MAJOR RELATED/CONNECTED TRANSACTIONS

(I) Related/Connected Transactions in Relation to Daily Operation

The Group's related/connected transactions were mainly related/connected transactions entered into by the Group with the Controlling Shareholder of the Company, i.e., Shandong Energy and its subsidiaries (other than the Group) ("Shandong Energy Group").

Under the regulatory rules of the Hong Kong Stock Exchange, in addition to the related/connected transactions above, they also included related/connected transactions by the Group with Glencore Coal Pty Ltd ("Glencore") and its subsidiaries ("Glencore Group"), RGL Group Co., Ltd. ("RGL") (each of Glencore and RGL being substantial Shareholders of significant subsidiaries of the Company, and therefore a related/connected person at the subsidiary level of the Company) as well as related/connected subsidiaries, i.e. Shandong Energy Finance Company, Luxi Mining, Xinjiang Neng Hua, Xibei Mining and their respective subsidiaries (as the case may be).

The purpose of the Company to carry out the above related/connected transactions is to better achieve resource sharing and synergies between the Company and related/connected parties, reduce transaction costs and risks, and improve the Company's profitability and core competitiveness.

1. Matters disclosed in extraordinary announcements with no subsequent progress or change

Not applicable.

2. Matters disclosed in extraordinary announcements with subsequent progress or change

(1) Approval and execution of continuing related/connected transactions with Shandong Energy Group during the reporting period

① Continuing related/connected transaction of goods and services provision and insurance fund

As considered and approved at the 2022 annual general meeting held on 30 June 2023, the Company was approved to sign the Provision of Materials Supply Agreement, the Mutual Provision of Labour and Services Agreement, the Provision of Insurance Fund Administrative Services Agreement and the Provision of Products, Materials and Asset Leasing Agreement with Shandong Energy, together with the transaction cap for 2023-2025. The above continuing related/connected transaction agreements shall take effect retroactively from 1 January 2023. For details, please refer to the Company's announcements dated 28 April 2023 and 30 June 2023 and the circular dated 9 June 2023.

Upon consideration at the 2023 first extraordinary shareholders' meeting of the Company held on 27 October 2023, the Company was approved to sign the Bulk Commodities Sales and Purchase Agreement with Shandong Energy, together with the transaction cap for 2024-2025. For details, please refer to the Company's announcements dated 25 August 2023 and 27 October 2023 and the circular dated 28 September 2023.

As considered and approved at the 2024 first extraordinary general meeting held by the Company on 25 October 2024, the Company was approved to sign the adjusted Mutual Provision of Labour and Services Agreement and Provision of Insurance Fund Administrative Services Agreement with Shandong Energy, and to re-determine the transaction cap for 2024-2025 under the Mutual Provision of Labour and Services Agreement, the Provision of Insurance Fund Administrative Services Agreement and the Bulk Commodities Sales and Purchase Agreement. The adjusted Mutual Provision of Labour and Services Agreement and Provision of Insurance Fund Administrative Services Agreement shall take effect retroactively from 1 January 2024. For details, please refer to the Company's announcements dated 30 August 2024 and 25 October 2024 and the circular dated 30 September 2024.

As considered and approved at the 2024 annual general meeting held on 30 May 2025, the Company was approved to sign the new Provision of Materials Supply Agreement, Mutual Provision of Labour and Services Agreement, Provision of Insurance Fund Administrative Services Agreement, Bulk Commodities Sales and Purchase Agreement and Provision of Products, Materials and Asset Leasing Agreement with Shandong Energy, together with the transaction cap for 2025-2027. The above continuing related/connected transaction agreements shall take effect retroactively from 1 January 2025. For details, please refer to the Company's announcements dated 8 April 2025 and 30 May 2025 and the circular dated 15 May 2025.

The re-signing of the continuing related/connected transaction agreements is based on the normal daily operation needs of the Company and its subsidiaries, which reflect the principle of fairness and rationality, and conform to the interests of the Company and all Shareholders. It will neither adversely affect the Company's present and future financial condition, operating results, the independence of the Company, nor make the Company's business rely on the Controlling Shareholders.

Except for the Provision of Insurance Fund Administrative Services Agreement, the pricing of the transactions was mainly determined on basis of state price, market price, as well as the actual cost. The charge for transaction can be settled in one lump sum or by installments. The payment payable to the other party or receivable from the other party due in a calendar month shall be written down on the last business day of the calendar month. The continuing related/connected transactions made in a calendar month shall be settled in the following month, except for incomplete transactions or where the transaction amounts are in dispute.

In 2025, the sales of goods and provision of services by the Group to Shandong Energy Group amounted to RMB16.638 billion; and the goods and services provided by Shandong Energy Group to the Group amounted to RMB14.535 billion.

The following table sets out the continuing related/connected transactions of the supply of materials and services between the Group and Shandong Energy Group in 2025:

	2025		2024		
	Amount (RMB'000)	Percentage of operating revenue (%)	Amount (RMB'000)	Percentage of operating revenue (%)	Increase/decrease of related/connected Transactions (%)
Sales of goods and provision of services by the Group to Shandong Energy Group	16,637,924	11.48	13,645,710	9.81	21.93
Sales of goods and provision of services by Shandong Energy Group to the Group	14,535,276	10.03	10,171,660	7.31	42.90

Note: The amount of related/connected transactions and its portion in operating revenue shown in the above table are prepared in reference to the data filled on the actual date of consolidating the financial statements of Xibei Mining, which has not been retroactively adjusted with the same standard.

The table below shows the effect on the Group's profits from sales of coal by the Group to Shandong Energy Group in 2025:

	Operating revenue (RMB'000)	Operating cost (RMB'000)	Gross profit (RMB'000)
Coal sold to Shandong Energy Group	10,173,490	6,511,033.60	3,662,456.40

Pursuant to the Provision of Insurance Fund Administrative Services Agreement, Shandong Energy Group and Yankuang Energy shall provide each other with free management and transferring services in relation to social insurance, housing provident fund and enterprise annuity (the "Insurance Fund").

② Continuing related/connected transaction of financial services

At the second extraordinary general meeting of the Company for 2022 held on 28 October 2022, the Company considered and approved the Financial Services Agreement entered into between Shandong Energy Finance Company and Shandong Energy, pursuant to which Shandong Energy Finance Company shall provide deposit, comprehensive credit facilities and other financial services to Shandong Energy Group, with annual caps on the relevant transactions for each of the years from 2023 to 2025. The applicable deposit interest rates, loan interest rates and service fees shall be determined in accordance with the relevant regulations of the People's Bank of China or other financial regulatory authorities, and with reference to normal commercial terms. For details, please refer to the Company's announcements dated 26 August 2022 and 28 October 2022, and the circular dated 12 October 2022.

At the 2024 annual general meeting of the Company held on 30 May 2025, the Company considered and approved the entering into of a new Financial Services Agreement between Shandong Energy Finance Company and Shandong Energy (the "Shandong Energy Group Financial Services Agreement"), pursuant to which Shandong Energy Finance Company shall provide deposit, comprehensive credit facilities and other financial services to Shandong Energy, and Shandong Energy Finance Company shall subscribe for/purchase monetary funds sold by Zhongtai Securities Co., Ltd. ("Zhongtai Securities") and receive related services, with annual caps for the transactions contemplated under the aforesaid services for each of the years from 2025 to 2027. The relevant deposit interest rates, loan interest rates and service fees shall be determined in accordance with the relevant regulations of the People's Bank of China or financial regulatory authorities, with reference to normal commercial terms. The above continuing related/connected transaction agreement shall be retrospectively effective from 1 January 2025. For details, please refer to the Company's announcements dated 8 April 2025 and 30 May 2025 and the circular dated 15 May 2025.

In 2025, the maximum daily balance of deposits (including accrued interest) placed by Shandong Energy Group with Shandong Energy Finance Company was RMB30.327 billion, the maximum daily balance of comprehensive credit facilities (including accrued interest) was RMB23.368 billion, and the financial service fees incurred amounted to RMB2.5434 million.

In 2025, the maximum daily balance of monetary funds subscribed/purchased by Shandong Energy Finance Company through Zhongtai Securities (including the quota for subscribing/purchasing monetary funds and the remaining account balance) was RMB1.0 billion, and the service fees imposed by Zhongtai Securities on Shandong Energy Finance Company amounted to RMB0.

As considered and approved by the Company's second extraordinary general meeting of Shareholders for 2022 held on 28 October 2022, Shandong Energy Finance Company was approved to sign the Financial Services Agreement with Yankuang Energy, stipulating that Shandong Energy Finance Company shall provide the Group with deposits, comprehensive credit facilities, other financial services as well as the annual transaction caps for 2023 to 2025. Relevant deposit interest rates, loan interest rates and service fees are determined in accordance with the relevant regulations of the People's Bank of China or the financial regulators with reference to normal commercial terms. For details, please refer to the Company's announcements dated 26 August 2022 and 28 October 2022 and the circular dated 12 October 2022.

At the 2024 annual general meeting of the Company held on 30 May 2025, the Company considered and approved the entering into of a new Financial Services Agreement (the "Yankuang Energy Financial Services Agreement") between Shandong Energy Finance Company and Yankuang Energy, pursuant to which Shandong Energy Finance Company shall provide deposit, comprehensive credit facilities and other financial services to the Group, with annual caps for the transactions contemplated under the agreement for each of the years from 2025 to 2027. The relevant deposit interest rates, loan interest rates and service fees shall be determined in accordance with the relevant regulations of the People's Bank of China or financial regulatory authorities, with reference to normal commercial terms. The above continuing related/connected transaction agreement shall be retrospectively effective from 1 January 2025. For details, please refer to the Company's announcements dated 8 April 2025 and 30 May 2025 and the circular dated 15 May 2025.

In 2025, the maximum daily balance of deposits (including accrued interest) placed by the Group with Shandong Energy Finance Company was RMB13.252 billion, the maximum daily balance of comprehensive credit facilities (including accrued interest) was RMB17.202 billion, and the financial service fees incurred amounted to RMB3.1455 million.

③ Continuing related/connected transactions of finance leases

At the 2023 first extraordinary general meeting of the Company held on 27 October 2023, the Company considered and approved the entering into of the Finance Lease Agreement with Shandong Energy Group and the annual transaction caps for 2024-2025 as stipulated therein. The lease interest rate shall be not less than 5% above the Loan Prime Rate (LPR) for the same period published by the National Interbank Funding Center, and the maximum interest rate shall be not more than 7.5%. For details, please refer to the Company's announcements dated 25 August 2023 and 27 October 2023 and the circular dated 28 September 2023.

At the 2024 annual general meeting of the Company held on 30 May 2025, the Company considered and approved the entering into of a new Finance Lease Agreement with Shandong Energy Group and the annual transaction caps for 2025-2027 as stipulated therein. The minimum interest rate for factoring and other services provided by the Company to Shandong Energy shall be the yield of government bonds with the same maturity, and the maximum interest rate shall be 1.5% above the Loan Prime Rate (LPR) for the same period published by the National Interbank Funding Center. The above continuing related/connected transaction agreement shall be retrospectively effective from 1 January 2025. For details, please refer to the Company's announcements dated 8 April 2025 and 30 May 2025 and the circular dated 15 May 2025.

Pursuant to the Finance Lease Agreement, the Company shall provide financial leasing services to Shandong Energy Group, charge Shandong Energy Group for a handling fee or consultancy fee in a lump sum upon or prior to the Company's payment of consideration for the transfer of leased assets, and charge Shandong Energy Group for rent on a quarterly basis.

In 2025, a total of RMB564.09 million was charged for the principal balance of the financial lease, lease interest, handling fee and consultancy fee.

④ Continuing related/connected transactions of entrusted management

At the 2023 first extraordinary general meeting of the Company held on 27 October 2023, the Company considered and approved the entering into of the Entrusted Management Service Framework Agreement with Shandong Energy and the transaction cap for 2025 as stipulated therein.

At the 2024 annual general meeting of the Company held on 30 May 2025, the Company considered and approved the entering into of a new Entrusted Management Service Framework Agreement with Shandong Energy Group and the annual transaction caps for 2025-2027 as stipulated therein. The entrusted management fees shall be determined by both parties based on the condition of the specific underlying assets, the cost incurred by Yankuang Energy in performing the entrusted management, and the profitability of the underlying assets. The above continuing related/connected transaction agreement shall be retrospectively effective from 1 January 2025. For details, please refer to the Company's announcements dated 8 April 2025 and 30 May 2025 and the circular dated 15 May 2025.

In 2025, Shandong Energy Group paid an entrusted management fee of RMB23.27 million to the Company.

The following table sets out the details of the annual transaction caps for 2025 and actual transaction amounts for 2025 of the above continuing related/connected transactions:

No.	Type of related/connected transaction		Agreement	Annual transaction cap for 2025 (RMB'000)	Actual Transaction amount for 2025 (RMB'000)
1	Procurement of materials and equipment from Shandong Energy Group		Provision of Materials Supply Agreement	5,840,000	3,985,238
2	Labour and services provided by Shandong Energy Group		Mutual Provision of Labour and Services Agreement	7,571,000	5,424,562
	Labour and services provided to Shandong Energy Group			1,810,000	1,585,900
3	Insurance fund management and payment services provided by Shandong Energy Group (free of charge) for the Group		Provision of Insurance Fund Administrative Services Agreement	1,059,000	563,080
	Insurance fund management and payment services provided by the Group (free of charge) for Shandong Energy Group			315,000	205,560
4	Sale of products and materials and asset leasing to Shandong Energy Group		Provision of Products, Materials and Asset Leasing Agreement	15,261,000	12,261,155
5	Procurement of bulk commodities from Shandong Energy Group		Bulk Commodities Sales and Purchase Agreement	11,683,000	4,562,397
	Sale of bulk commodities to Shandong Energy Group			8,223,000	2,562,041
6	Financial services provided to Shandong Energy Group	Deposit	Shandong Energy Group Financial Services Agreement	62,500,000	30,327,000
		Comprehensive credit		32,000,000	23,368,000
		Financial service fee		6,000	2,543
	Shandong Energy Finance Company subscribed for/purchased monetary funds distributed by Zhongtai Securities	Balance of monetary funds		4,000,000	1,000,000
		Service fee		3,000	0
7	Financial services provided to Yankuang Energy	Deposit	Yankuang Energy Financial Services Agreement	27,000,000	13,252,000
		Comprehensive credit		30,000,000	17,202,000
		Financial service fee		10,000	3,146
8	Financial leasing services provided to Shandong Energy Group	Total financing amount	Finance Lease Agreement	2,000,000	550,000
		Interest and expenses		170,000	14,090
9	Entrusted management services provided to Shandong Energy Group		Entrusted Management Services Framework Agreement	60,000	23,267

(2) Approval and execution of continuing related/connected transactions with Glencore Group during the reporting period

① Continuing related/connected transactions of coal sales

At the fourth meeting of the ninth session of the Board of the Company held on 15 January 2024, the renewal of the Coal Sales Framework Agreement between Yancoal Australia and Glencore and the annual transaction caps for 2024-2026 as stipulated therein were approved. The way to determine transaction price is based on the market price, together with adjustment according to related industry benchmarks and indexes. The payment time for transaction shall be determined by both parties in accordance with international practices and applicable laws and regulations in this agreement and be specified in details in the specific coal sales agreement. For details, please refer to the Company's announcement dated 15 January 2024.

The 2025 annual cap for coal sales of the Group to Glencore Group was USD350 million. In 2025, this related/connected transaction amounted to approximately USD176 million.

② Continuing related/connected transactions of coal purchase

At the fourth meeting of the ninth session of the Board of the Company held on 15 January 2024, the renewal of the HVO Sales Agreement between Yancoal Australia and Glencore and the annual transaction caps for 2024-2026 as stipulated therein were approved. It is stipulated in HVO Sales Agreement: HVO Coal Sales Pty Ltd, a subsidiary of Yancoal Australia, shall pay the corresponding transaction amount to Yancoal Australia and Glencore respectively according to the total amount and corresponding product quota collected in each sales agreement with the client and HVO Coal Sales Pty Ltd shall pay the transaction amount to Yancoal Australia and Glencore no later than three business days after receiving payment from its customers. For details, please refer to the Company's announcement dated 15 January 2024.

The 2025 annual cap for equity coal credits purchase of the Group from Glencore Group under the HVO Sales Agreement was USD1,300 million. In 2025, this related/connected transaction amounted to approximately USD694 million.

At the fourth meeting of the ninth session of the Board of the Company held on 15 January 2024, the renewal of the Coal Purchase Framework Agreement between Yancoal Australia and Glencore and the annual transaction caps for 2024-2026 as stipulated therein were approved. The final transaction price adopted under the Coal Purchase Framework Agreement for the purchase of coal shall be finally determined on the basis of fair negotiation, in accordance with normal commercial terms and with reference to the market price of relevant type of coal at the time. The payment time for the transaction shall be determined by both parties in accordance with international practices and applicable laws and regulations in this agreement and be specified in details in the specific coal purchase agreement. For details, please refer to the Company's announcement dated 15 January 2024.

The 2025 annual cap for coal purchase of the Group from Glencore Group under the Coal Purchase Framework Agreement was USD250 million. In 2025, this related/connected transaction amounted to approximately USD74 million.

③ Continuing related/connected transactions in relation to diesel fuel supply

Upon discussion and deliberation at the general manager's office meeting held on 6 November 2023, the Diesel Fuel Supply Agreement entered into between HV Operations and Glencore Australia Oil Pty Ltd (the "GAO"), a subsidiary of Glencore, on 8 December 2023 and the caps for such transaction for the years of 2024 to 2026 were approved. The Diesel Fuel Supply Agreement stipulates that: (i) HV Operations shall generate a purchase order before the delivery month; (ii) GAO shall deliver the amount of fuel before the date specified in the purchase order, and HV Operations shall pay after the fuel is delivered; and (iii) the payment is calculated based on the volume delivered and the price assessment with reference to the Singapore FOB price of 10ppm low sulphur diesel published in the S&P Global Platts Oil Price Report, as well as the price determined according to the Diesel Fuel Supply Agreement. For details, please refer to the Company's announcement dated 8 December 2023.

The 2025 annual cap for the purchase of diesel fuel of the Group from GAO was USD220 million. In 2025, this related/connected transaction amounted to approximately USD141 million.

(3) Approval and execution of continuing related/connected transactions with RGL during the reporting period

① Continuing related/connected transactions in respect of transportation and cargo agency

In order to efficiently utilise the existing experiences in professional services of the Company, expand the business scale of the logistics segment of the Company, increase the Company's market share and enhance the profitability of the subsidiaries, at the fourteenth meeting of the ninth session of the Board held on 28 March 2025 by the Company, the signing of the Transportation and Cargo Agency Service Agreement between the Company and RGL and its subsidiaries (the "RGL Group") was considered and approved, and it was agreed that the Group shall provide RGL and/or its associates with related services such as transportation and cargo agency (including pre-declaration, port unloading, customs clearance and inspection, etc.), and the caps of transaction amounts for each of the years from 2025-2027 for the limited transactions thereof. Among them, the amount of fees for transportation services and cargo agency services will be capped at RMB2.01 billion, RMB2.22 billion and RMB2.43 billion for the three financial years of 2025, 2026 and 2027, respectively. The prices for the cargo transportation services and port agency services are based on market prices. For the purpose of determining market prices, the Company's sales department and its designated personnel are primarily responsible for verifying the prices normally offered by other independent third parties by obtaining quotations from tenders through email, fax or telephone enquiries to at least two independent third parties or through the publication of tender notices in various media resources such as local newspapers and magazines. The Company's sales department will update such information from time to time based on purchase requests and will continuously monitor market prices to ensure that transportation services and cargo agency services are conducted in accordance with the pricing policies set out above. Tax charges, and administrative levies (port construction costs, etc.) in port charges are borne by RGL Group and/or its associates, and the specific amounts are based on the amounts actually incurred. The continuing related/connected transaction agreement is effective retroactively from 1 January 2025 onwards. Please refer to the Company's announcement dated 28 March 2025 for further details.

In 2025, the transaction amount of this related/connected transaction was approximately RMB1.158 billion.

② Continuing related/connected transactions in respect of the sales and purchase of bulk commodities

In order to make full use of the resources of cargo sources and customers, facilitate the development of the logistics business, and expand the customised supply chain logistics support services, at the fourteenth meeting of the ninth session of the Board held on 28 March 2025 by the Company, the signing of the Bulk Commodities Sales and Purchase Agreement between the Company and RGL Group was considered and approved, and it was agreed that the Group and RGL and/or its associates shall purchase and/or sell coal, iron ore and other bulk commodities to each other according to their business needs, while the cap of transaction amounts from 28 March 2025 to 31 December 2025 and the two financial years of 2026 and 2027 so limited was also agreed. Among them, the caps of transaction amounts payable by the Group under the Bulk Commodities Sales and Purchase Agreement for the period from 28 March 2025 to 31 December 2025 and for the two financial years of 2026 and 2027 for the purchase of iron ore and other bulk commodities from RGL Group and/or its associates are RMB1.5 billion, RMB1.5 billion and RMB1.5 billion, respectively; the caps of transaction amounts receivable by the Group under the Bulk Commodities Sales and Purchase Agreement for the period from 28 March 2025 to 31 December 2025 and for the two financial years of 2026 and 2027 for the sales of coal, and other bulk commodities to RGL Group and/or its associates are RMB1.01 billion, RMB1.11 billion and RMB1.22 billion, respectively.

The pricing under the Bulk Commodities Sales and Purchase Agreement is determined on the normal commercial terms, and on the basis of (i) the prices charged at the time of the same or similar sales and purchase as agreed in the ordinary course of business of independent third parties in the place of supply of the same or similar products or its vicinity, on the normal commercial terms; or (ii) in the event that (i) above does not apply, the prices charged at the time of the same or similar sales and purchase as agreed in the PRC, in the ordinary course of its business on the normal commercial terms. For the purpose of determining market prices, the Company's sales department and/or procurement department and its designated personnel are primarily responsible for verifying the prices normally offered by other independent third parties by obtaining quotations from tenders through email, fax or telephone enquiries to at least two independent third parties or through the publication of tender notices in various media resources such as local newspapers and magazines. The Company's sales department and/or procurement department will update such information from time to time based on purchase requests and will continuously monitor market prices to ensure that the transactions in respect of the Agreed Sales and Purchase are conducted in accordance with the pricing policies set out above. If at any time the nationwide pricing is in force and applicable to an agreed sales and purchase, the Group and RGL Group and/or its associates agree that the price of such agreed sales and purchase shall be determined in accordance with the nationwide pricing. Such nationwide pricing means the price stipulated for such agreed sales and purchase in accordance with the laws, regulations, decisions, orders or pricing policies formulated by the relevant governmental authorities in the PRC (as the case may be).

The Bulk Commodities Sales and Purchase Agreement shall be effective from 28 March 2025 to 31 December 2027. Please refer to the Company's announcement dated 28 March 2025 for further details.

From 28 March 2025 to 31 December 2025, the Group purchased bulk commodities from RGL Group in the amount of RMB0 billion, and RGL Group purchased bulk commodities from the Group in the amount of RMB0.205 billion.

(4) Opinion of Independent Non-Executive Directors

The relevant business departments of the Company reviewed the above-mentioned non-exempt continuing related/connected transactions and related internal control procedures and submitted the results to the independent non-executive directors of the Company. The Company has also provided key information to the independent non-executive directors for audit purposes.

The independent non-executive directors of the Company confirmed the continuing related/connected transactions of the Group in 2025: ① Each transaction (i) is the ordinary business of the Group; (ii) is carried out on normal commercial terms, if the comparable transactions are not sufficient to determine whether the terms of such transactions are on normal commercial terms, the terms of such transactions are no less favourable to the Group than those available or provided by independent third parties; (iii) is conducted in accordance with the terms of the agreement in relation to the transaction, and the terms of the transaction are fair and reasonable, and in the interests of the Company's shareholders as a whole. ② The amount of related/connected transactions mentioned in the above "Execution of Related/Connected Transactions Related to Daily Operations" shall not exceed the annual cap of transaction amount approved by the independent shareholders and the Board.

(5) Opinion of auditors

Pursuant to the Hong Kong Listing Rules, the Company employs an external auditor H-shares auditor to report to the Board on whether the Company's continuing related/connected transactions have fulfilled its obligations under the Hong Kong Listing Rules.

The auditors report to the Board on the above continuing related/connected transactions: ① have been approved by the Board of the Company; ② are carried out in accordance with the Company's pricing policy; ③ are carried out in accordance with the relevant terms of the transaction agreements; and ④ have not exceeded the relevant annual cap of transaction amount.

3. Undisclosed events in extraordinary announcements

Not applicable.

(II) Related/Connected Transactions in Relation to Assets or Equity Acquisition and Sale

1. Matters disclosed in extraordinary announcements with no subsequent progress or change

Not applicable.

2. Matters disclosed in extraordinary announcements with subsequent progress or change

Capital Increase by WindSun Science & Technology in Dongfang Electrical

Upon consideration and approval by the Company's general manager's office meeting, in order to introduce the advanced power electronic control technology of WindSun Science & Technology Co., Ltd. ("WindSun Science & Technology"), a subsidiary of Shandong Energy, to Yanzhou Dongfang Electrical Co., Ltd ("Dongfang Electrical"), a subsidiary of Donghua Heavy Industry, on 14 February 2025, Donghua Heavy Industry entered into a capital increase agreement with WindSun Science & Technology and Dongfang Electrical. WindSun Science & Technology contributed RMB55.9257 million in cash to subscribe for additional registered capital of Dongfang Electrical. Upon completion of the capital increase, WindSun Science & Technology held a 50% equity interest in Dongfang Electrical and Donghua Heavy Industry held a 47.168% equity interest in Dongfang Electrical. Dongfang Electrical will no longer be a subsidiary of the Company.

As of the disclosure date of this report, the above transaction has been completed and the change of industrial and commercial registration procedures have been finished.

For details, please refer to the related/connected transaction announcement dated 14 February 2025, which is published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or the China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

Acquisition of 51% Equity Interest in Xibei Mining through Equity Acquisition and Capital Increase

As considered and approved at the 2024 annual general meeting of the Company held on 30 May 2025, the Company acquired 26% equity interest in Xibei Mining for RMB4.748 billion in cash, and injected capital of RMB9.318 billion into Xibei Mining in cash. Upon completion of the capital increase, the Company holds a total of 51% equity interest in Xibei Mining.

As of the disclosure date of this report, the above transaction has been completed and the change of industrial and commercial registration procedures have been finished.

For details, please refer to the announcement of related/connected transaction dated 8 April 2025, the announcement of the resolutions passed at the 2024 annual general meeting dated 30 May 2025, the announcement on the completion of related/connected transaction dated 11 July 2025. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or the China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

Capital Increase by Huaju Energy in Power Sales Company

Upon consideration and approval by the Company's general manager's office meeting, Shandong Huaju Energy Co., Ltd. ("Huaju Energy") signed a capital increase agreement with Shandong Energy and its subsidiary, Yankuang Power Sales Co., Ltd. ("Power Sales Company") on 29 August 2025. Huaju Energy contributed RMB253.62375 million in cash to subscribe for additional registered capital of Power Sales Company. Upon completion of the capital increase, Huaju Energy held 70% equity interest in Power Sales Company and Shandong Energy held 30% equity interest in Power Sales Company. Power Sales Company will be a subsidiary of the Company.

As of the disclosure date of this report, the procedures of equity transfer and industrial and commercial registration change of the above transaction have completed.

For details, please refer to the announcement on a related/connected transaction regarding the acquisition of a 70% equity interest in Power Sales Company by way of capital increase of the Company dated 29 August 2025. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or the China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

3. Matters not disclosed in extraordinary announcements

Not applicable.

4. Disclosure of the performance of the results relating to results agreement during the reporting period

Not applicable.

(III) Significant Related/Connected Transactions of Cooperative External Investment

1. Matters disclosed in extraordinary announcements with no subsequent progress or change

Overview of Matters	Query Index
As considered and approved at the 22nd meeting of the ninth session of the Board held by the Company on 27 March 2026, the Company and Xinwen Mining Group Co., Ltd., ("Xinwen Mining Group") jointly increased the registered capital of Xinjiang Neng Hua by RMB6.0 billion in proportion to their respective shareholdings. Specifically, Yankuang Energy contributed RMB3.06 billion, while Xinwen Mining Group contributed RMB2.94 billion. The initial capital contribution amounted to RMB1.0 billion (with Yankuang Energy subscribing RMB510 million at a 51% shareholding percentage, and Xinwen Mining Group subscribing RMB490 million at a 49% shareholding percentage), and the remaining capital contributions will be injected in installments based on the actual funding requirements of the project construction.	For details, please refer to the announcement of the resolution of the 22nd meeting of the ninth session of the Board of the Company and the announcement on related/connected transaction(s) dated 27 March 2026. Such information was published on the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange, the Company and/or the China Securities Journal, the Shanghai Securities News, the Securities Times, and the Securities Daily.

2. Matters disclosed in extraordinary announcements with subsequent progress or change during implementation

Not applicable.

3. Matters not disclosed in extraordinary announcements

Unit: RMB100 million

Co-investor	Connected relationship	Name of the investee	Principal business of the investee	Registered capital of the investee	Total assets of the investee	Net assets of the investee	Net profit of the investee	Progress of material projects under construction of the investee
Shandong Energy Group New Energy Group Co., Ltd ("New Energy Group")	Affiliated company within Shandong Energy	Shandong Energy New Energy Group (Zoucheng) Wind Power Co., Ltd ("Wind Power Company")	Wind power technology services; solar power technology services; energy storage technology services.	2.1	2.1	2.1	/	/

Note: The wind power company is a newly established company. It has not yet commenced production and operating activities and has no net profit and material projects in progress.

Elaboration on significant related transactions of cooperative external investment

Upon consideration and approval by the Company's general manager's office meeting, the Company and its wholly-owned subsidiary, Yancoal International proposed to sign a joint venture agreement with New Energy Group. New Energy Group shall contribute RMB107.1 million in cash and holds a 51% equity interest, the Company shall contribute RMB60.9 million in cash and hold a 29% equity interest, and Yancoal International shall contribute an equivalent of RMB42 million in US dollars in cash and hold a 20% equity interest, for the joint establishment of Wind Power Company.

In accordance with the listing regulatory rules of the SSE, the related/connected transaction did not meet the requirements for disclosure by extraordinary announcement.

In accordance with the Listing Rules of the HKEX, as the related/connected transaction is conducted on normal commercial terms or better and the maximum applicable percentage ratio (as defined in Rule 14.07 of the Hong Kong Listing Rules) is less than 0.1%, the related/connected transaction is fully exempt under Rule 14A.76 (1)(a) of the Hong Kong Listing Rules.

As of the disclosure date of this report, the industrial and commercial establishment registration procedures for Wind Power Company have been completed.

(IV) Credit and Debt Obligation among Related Parties

1. Matters disclosed in extraordinary announcements with no subsequent progress or change

Not applicable.

2. Matters disclosed in extraordinary announcements with subsequent progress or change during implementation

Not applicable.

3. Matters not disclosed in extraordinary announcements

Unit: RMB100 million

		Fund provided to related parties			Fund provided to the listed company by related parties		
Related party	Connected relationship	Beginning balance	Amount occurred	Closing balance	Beginning balance	Amount occurred	Closing balance
Shandong Energy Group	Controlling Shareholder	185.07	161.15	346.21	409.32	-221.57	187.76
Total		185.07	161.15	346.21	409.32	-221.57	187.76

Reasons for credit and debt obligation among related parties	Both parties sell goods and provide services, etc. to each other.
Impact on the Company by credit and debt obligation	No material impact

(V) Financial business between the Company and the connected financial company, the Company's holding financial company and the related party

1. Deposit Business

Unit: RMB100 million

Related party	Connected relationship	Maximum daily deposit limit	Deposit interest rate range	Opening balance	Current Period: Total deposit amount for the current period	Current Period: Total withdrawal amount for the current period	Closing balance
Shandong Energy Group	Controlling Shareholder	625	0.335%-1.35%	225.25	11,631.68	11,614.92	242.01
Total	/	/	/	225.25	11,631.68	11,614.92	242.01

2. Loan Business

Unit: RMB100 million

Related party	Connected relationship	Loan amount	Loan interest rate range	Opening balance	Current Period: Total Loan amount for the current period	Current Period: Total repayment amount for the current period	Closing balance
Shandong Energy Group	Controlling Shareholder	220	2.11%-3.3%	140.85	241.82	193.41	189.26
Total	/	/	/	140.85	241.82	193.41	189.26

3. *Credit Business or Other Financial Business*

Unit: RMB100 million

Related party	Connected relationship	Business type	Total amount	Actual amount
Shandong Energy Group	Controlling Shareholder	Acceptance, letter of guarantee	100	38.94

4. *Other Explanations*

As of the end of the reporting period, the balance of margin received by Shandong Energy Finance Company for financial services provided to related parties was RMB74.0 million, and the margin portion was not counted in the credit amount.

Pursuant to the Guidance on Self-supervision for Listed Companies No.5 – Transactions & Connected Transactions (《上市公司自律監管指引第5號－交易與關聯交易》), the Company issued Risk Assessment Report on Shandong Energy Finance Company.

(VI) Others

Arrangement of non-planning expenses for subsidiaries of Luxi Mining

As considered and approved at the fourteenth meeting of the ninth session of the Board held by the Company on 28 March 2025, in order to further optimise the arrangement of the existing non-planning expenses for retirees and off-duty workers as well as survivors of deceased employees due to work-related illnesses and deaths, Luxi Mining and its affiliated units – Feicheng Mining Group Liangbaosi Energy Co., Ltd. ("Liangbaosi Energy"), Shandong Xinjulong Energy Co., Ltd. ("Xinjulong Energy"), Guotun Coal Mine of Linyi Mining Group Heze Coal-fired Power Co., Ltd. ("Heze Coal-fired Power Guotun Coal Mine") (collectively referred to as the "Luxi Mining Affiliated Units") entered into the Agreement on the Arrangement for the Disbursement of Non-planning Expenses for Retirees, Off-duty Workers, Survivors and Others with Linyi Mining Group Co., Ltd. ("Linyi Mining Group"), the Company's related/connected party, respectively. Pursuant to the agreement, the non-planning expenses currently borne 100% by Luxi Mining Affiliated Units will be adjusted to be borne jointly by Luxi Mining and Linyi Mining Group on a pro rata basis from the effective date of the agreement. Pursuant to the Liangbaosi Energy Arrangement Agreement, Luxi Mining and Linyi Mining Group agreed to bear the non-planning expenses originally borne by Liangbaosi Energy in the proportion of 85% (i.e. RMB863 million in aggregate) and 15% (i.e. RMB152 million in aggregate) respectively; pursuant to the Xinjulong Energy Arrangement Agreement, Luxi Mining and Linyi Mining Group agreed to bear the non-planning expenses originally borne by Xinjulong Energy in the proportion of 60% (i.e. RMB1,073 million in aggregate) and 40% (i.e. RMB716 million in aggregate); pursuant to the Heze Coal-fired Power Arrangement Agreement, Luxi Mining and Linyi Mining Group agreed to bear the non-planning expenses originally borne by Heze Coal-fired Power Guotun Coal Mine in the proportion of 83.5931% (i.e. RMB864 million in aggregate) and 16.4069% (i.e. RMB169 million in aggregate). The transaction does not involve any adjustment to the amount of the non-planning expenses, but only involves arrangements related to the sharing and payment of the non-planning expenses, which will not have any negative impact on the Company's financial position and operating results, nor prejudice the legitimate rights and interests of the Company and the minority Shareholders.

For details, please refer to the announcement in relation to the related/connected transactions dated 28 March 2025. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company, and/or China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

Provision of an internal loan to Heze Coal Electricity by Luxi Mining

As approved at the seventeenth meeting of the ninth session of the Board held by the Company on 30 May 2025, in order to meet capital needs of Linyi Mining Group Heze Coal Electricity Co., Ltd. ("Heze Coal Electricity") for its production and operation, Luxi Mining provided an internal loan of RMB1 billion to Heze Coal Electricity.

The internal loan does not constitute a related transaction under the Listing Rules of the SSE; it constitutes financial assistance requiring approval by the Board.

Pursuant to the Listing Rules of the Hong Kong Stock Exchange, the internal loan constitutes a related/connected transaction between connected subsidiaries. According to the calculation of the transaction amount, the Board of the Company has the authority to approve it, and related/connected Directors shall abstain from voting.

For details, please refer to the announcement on the resolutions passed at the seventeenth meeting of the ninth session of the Board dated 30 May 2025, the announcement of the Company dated 30 May 2025 in relation to the provision of financial assistance to subsidiaries and the related/connected transaction announcement. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company, and/or China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

Pursuant to the Hong Kong Listing Rules, certain related party transactions set out in the note "Balances and Transactions of Related Parties" to the financial statements prepared in accordance with the IFRSs also constitute continuing connected transactions as defined in Chapter 14A of the Hong Kong Listing Rules, and the Company confirms that such transactions have complied with the disclosure requirements under Chapter 14A of the Hong Kong Listing Rules.

Save for the material matters on connected transactions disclosed in this chapter, there were no other material connected transactions of the Group during the reporting period which are required to be disclosed in this report under the Hong Kong Listing Rules.

XIII. MATERIAL CONTRACTS AND PERFORMANCE

(I) Trust, Contract or Lease

1. Trust

Not applicable.

2. Contract

Not applicable.

3. Lease

Not applicable.

(II) Guarantees

Unit: RMB'000

External guarantees of the Company (excluding guarantee to subsidiaries)

Guarantor	Relationship between guarantor and the listed company	Guarantee	Amount	Date of guarantee (signed date)	Starting date of the guarantee	Maturity date of the guarantee	Type of guarantee	Collateral (if any)	Whether the guarantee has fulfilled	Overdue or not	Overdue amount	Counter guarantee	Related-party guarantee or not	Associated relationship
Yankuang Energy Group Company Limited	Headquarters of the Company	Yantai Jinzheng Eco-Technology Co., Ltd	1.37	10 March 2023	10 March 2023	9 May 2026	Joint guarantee	/	No	No	0	Joint guarantees provided by other shareholders	No	/

Total guarantee of the Company during the reporting period (excluding guarantees to the subsidiaries)	0
Total guarantee balance by the end of the reporting period (A) (excluding guarantees to the subsidiaries)	0.77
Guarantees to subsidiaries by the Company and its subsidiaries	
Total amount of guarantee to subsidiaries during the reporting period	20.5
Total balance of guarantee to subsidiaries by the end of the reporting period (B)	91.69
Total amount of guarantee of the Company (including guarantees to the subsidiaries)	
Total amount of guarantees (A+B)	92.47
Percentage of total amount of guarantee in the net assets of the Company (%)	9.20
Of which:	
Amount of guarantees to Shareholders, actual controllers and related parties (C)	0
Amount of guarantees directly or indirectly to guaranteed parties with a debts-to-assets ratio exceeding 70% (D)	33.79
Total amount of guarantee exceeding 50% of net assets (E)	0
Total amount of the above 3 categories guarantees (C+D+E)	33.79
Explanation on unexpired guarantee that may be subject to joint and several liability	None

Guarantee explanations	1. The external guarantee occurred during the previous period and extended to the reporting period As considered and approved at the 2021 first extraordinary general meeting of the Company, Future Energy provided guarantees of RMB400 million to Shaanxi Jingshen Railway Co., Ltd. As at 31 December 2025, the balance of the above guarantees was RMB274 million. As considered and approved at the 2021 annual general meeting of the Company, the Company provided guarantees of RMB137 million to Yantai Jinzheng Eco-Technology Co., Ltd. As considered and approved at the 2023 annual general meeting of the Company, Luxi Mining provided guarantees of RMB200 million to Shandong Lilou Coal Mining Co., Ltd, a wholly-owned subsidiary of the Company. As of 31 December 2025, the balance of above guarantees was RMB128 million. As considered and approved at the 2024 first extraordinary general meeting of the Company, the Company renewed the external guarantee of RMB137 million for Jinzheng Eco-Technology, which was passively formed as a result of the transfer of its equity interest. As at 31 December 2025, the balance of the above guarantees was RMB77.0 million. As at 31 December 2025, Yancoal Australia and its subsidiaries had a total of AUD1.1503 billion of performance deposits and guarantees required for operation. 2. Guarantees arising during the reporting period As considered and approved at the 2023 annual general meeting of the Company, the Company provided guarantees of RMB50 million to Yankuang Lucky International Company Limited. On 8 April 2025 and 21 April 2025, Xinjiang Neng Hua provided guarantees of RMB600 million and RMB1.4 billion, respectively, for its wholly-owned subsidiary, Xinwen Mining Group (Yili) Energy Development Co., Ltd. As of 31 December 2025, the balances of the aforementioned guarantees amounted to RMB0.57 billion and RMB1.32 billion, respectively. As considered and approved at the 2024 annual general meeting of the Company, Yancoal Australia and its subsidiaries provided a guarantee in an amount not exceeding AUD1.5 billion per year to Yankuang Energy's subsidiaries in Australia for their daily operation. During the reporting period, Yancoal Australia and its subsidiaries incurred performance deposits and performance guarantees totaling AUD622.6 million for operational purposes.

Note: The above table has been prepared in accordance with CASs and calculated at the exchange rates of AUD1 = RMB4.6892. Save as disclosed above, the Company did not have any guarantee contracts performed and outstanding during the reporting period.

(III) Entrusted Cash and Assets Management

1. Entrusted wealth management

(1) General information on entrusted wealth management

Not applicable.

Other information

Not applicable.

(2) Specific entrusted wealth management

Not applicable.

Other information

Not applicable.

(3) Provisions for impairment of entrusted wealth management

Not applicable.

2. Entrusted Loan

(1) General information on entrusted loan

Not applicable.

Other information

Not applicable.

(2) Specific entrusted loan

Not applicable.

Other information

Not applicable.

(3) Provision for impairment of the entrusted loan

Not applicable.

3. Other information

Not applicable.

(IV) Other Major Contract

Not applicable.

(V) Other Major Events

Capital Increase by Haosheng Company

Upon consideration and approval by the Company's general manager's office meeting, Haosheng Company intends to solicit entities that allocate coal resources in the Shilawusu Coal Field to increase its capital by way of public tender in Shandong Property Right Exchange Center. The proposed tender price of this capital increase is RMB2,147.3200 million, of which RMB465.3382 million is included in the registered capital of Haosheng Company, and the remaining RMB1,681.9818 million is included in the capital reserve. Upon full investment in Haosheng Company through this capital increase by the entities allocating the coal resources of the Shilawusu Coal Field, the Company would hold 42.64% equity interest in Haosheng Company, becoming the largest Shareholder and consolidating the financial statements.

As of the disclosure date of this report, the industrial and commercial registration change procedures for the aforementioned capital increase have been completed.

Acquisition of equity interest in Moolarben coal mine

Upon consideration and approval by the general manager's office meeting of the Company, Yancoal Australia, the subsidiary of the Company, acquired 3.75% equity interest in the Moolarben coal mine held by Korea Electric Power Corp. at a price not exceeding AUD110.5 million. Upon completion of the transaction, Yancoal Australia holds 98.75% equity interest in the Moolarben coal mine.

As at the date of this report, the relevant procedures for equity transfer and industrial and commercial registration change have completed.

Partial Release of Pledged Shares by the Controlling Shareholder

On 11 April 2022, Shandong Energy pledged part of its A Shares in the Company to secure the exchange and repayment of principal and interest of its exchangeable corporate bonds. On 9 May 2025, Shandong Energy fully released the pledge over 209,803,279 A Shares of the Company held through its special pledged account.

For details, please refer to the announcement dated 12 May 2025 regarding the partial release of pledged shares by the Controlling Shareholder. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company, and/or China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

Termination of merger and acquisition of HFR

Upon consideration and approval by the general manager's office meeting of the Company, on 23 September 2024, the Company entered into the Implementation Agreement and the Equity Subscription Agreement (collectively as the "Original Agreements") with Highfield Resources Limited ("HFR"), under which the Company intended to subscribe for shares in HFR in a private placement through asset injection and capital contribution in cash, thereby becoming the largest shareholder and acquiring the control of HFR.

In September 2025, as the conditions precedent stipulated in the Original Agreements were not satisfied or waived in full on or before the Final Closing Date, the Company issued a written notice to HFR to terminate the original agreements. The original agreements shall be terminated immediately upon the written notice.

Moving forward, Yankuang Energy will advance the subsequent work of the Canadian potash mine development project in accordance with market-based principles, with the aim of safeguarding the overall interests of the Company.

For details, please refer to the announcement dated 19 July 2024 regarding the planning of strategic cooperation with HFR, the announcement dated 23 September 2024 concerning merger and acquisition of HFR, the announcement dated 12 May 2025 concerning progress on merger and acquisition of HFR, the announcement dated 18 August 2025 regarding updates on merger and acquisition of HFR and the announcement dated 15 September 2025 regarding the termination of merger and acquisition of HFR. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Approved quotation of Kasong Science and Technology on NEEQ

Upon consideration and approval by the general manager's office meeting of the Company, on 22 September 2025, Kasong Science and Technology Co., Ltd.* ("Kasong Science and Technology", the controlled subsidiary of the Company), submitted an application for quotation to the National Equities Exchange and Quotations (the "NEEQ"). Upon the quotation of Kasong Science and Technology on the NEEQ, the Company's shareholding in Kasong Science and Technology shall remain unchanged, and Kasong Science and Technology shall remain the controlled subsidiary of the Company.

As of the disclosure date of this report, Kasong Science and Technology has been approved for quotation on the NEEQ.

For details, please refer to the Company's announcement dated 22 September 2025 regarding the proposed spin-off of Kasong Science and Technology and quotation of its shares on the NEEQ and the announcement dated 13 February 2026 on the progress of the proposed spin-off of Kasong Science and Technology and quotation of its shares on the NEEQ. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Spin-off and Listing of Wubo Technology

As considered and approved at the 22nd meeting of the ninth session of the Board of Directors held on 27 March 2026, the Company agreed on the spin-off and listing of Wubo Technology on the Main Board of The Stock Exchange of Hong Kong Limited. The shares to be issued in connection with the spin-off are overseas-listed foreign shares (H Shares) to be listed on the Main Board of the Hong Kong Stock Exchange, all of which will be ordinary shares. The H Shares will be denominated in Renminbi with a par value of RMB1.00 per share and subscribed for in foreign currency. The number of H Shares to be issued in this issuance (before exercising any over-allotment option) shall not exceed 25% of the total share capital of Wubo Technology immediately upon completion of the issuance.

The aforesaid spin-off is still subject to the consideration and approval of the shareholders' meeting of the Company.

For details, please refer to the announcement of the Company dated 27 March 2026 regarding the resolutions of the 22nd meeting of the ninth session of the Board of Directors, the announcement regarding the spin-off and listing of Wubo Technology on the Main Board of The Stock Exchange of Hong Kong Limited, the announcement regarding the general risk warning notice in relation to the spin-off and listing of the subsidiary and the inside information announcement. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

The Shareholder Return Plan for 2026-2028

As considered and approved at the 22nd meeting of the ninth session of the Board of Directors held on 27 March 2026, the Company proposed to set the profit distribution policy for 2026-2028 that the total amount of cash dividends to be distributed by the Company in each fiscal year shall be determined based on the lower of the after-tax profits under the financial statements prepared in accordance with CASs and IFRSs, and shall account for approximately 50% of the net profit of the Company for that year after deducting statutory reserves.

This matter is still subject to the consideration and approval of the shareholders' meeting of the Company.

For details, please refer to the announcement of the Company regarding the resolutions of the 22nd meeting of the ninth session of the Board of Directors, and the announcement regarding the shareholder return plan for 2026-2028, both dated 27 March 2026. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Transfer of 100% Equity Interests in Xintai Company Through Public Tender

Upon consideration and approval by the general manager's office meeting, Ordos Company, a wholly-owned subsidiary of the Company, transferred 100% equity interests in Inner Mongolia Xintai Coal Company Limited (內蒙古鑫泰煤炭有限公司) ("Xintai Company") through public tender (the "Equity Transfer") on Shandong Property Right Exchange Center. According to the "Notice of Result" for the Equity Transfer issued by Shandong Property Right Exchange Center, the transferee is Ordos Wulan Coal (Group) Co., Ltd. (鄂爾多斯市烏蘭煤炭(集團)有限責任公司), and the transaction price is RMB3,050.01 million. On 6 March 2026, both parties formally signed the "Property Rights Transaction Contract".

As of the disclosure date of this report, the Company has received the transaction consideration. The equity transfer is currently in the process of undergoing procedures such as industrial and commercial changes, and is expected to generate a gain of approximately RMB2.7 billion.

For details, please refer to the announcement of the Company dated 1 February 2026 regarding the transfer of 100% equity interest in a wholly-owned subsidiary through public tender, and the announcement dated 6 March 2026 regarding the transaction result of the transfer of 100% equity interest in a wholly-owned subsidiary through public tender. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

Caosiyao Molybdenum Mine Received Notice of Mining License Issuance from the Ministry of Natural Resources

On 11 February 2026, Inner Mongolia Mining received the Notice of Mining License Issuance (No. 202600453) from the Ministry of Natural Resources, stating that the registration and permit application for the Caosiyao Molybdenum Mine in Xinghe County, Inner Mongolia (the "Caosiyao Molybdenum Mine") complied with the relevant provisions of the Mineral Resources Law and was approved for registration and permitting.

The Caosiyao Molybdenum Mine is located in Xinghe County, Ulanqab City, Inner Mongolia Autonomous Region. According to the Feasibility Study Report on the Mining and Beneficiation Project of the Caosiyao Molybdenum Mine prepared in December 2025, it possesses molybdenum ore resources of 1.04 billion tons, with a metal content of 1.089 million tons and an average grade of 0.105% molybdenum, along with associated metals such as tungsten and zinc. The designed capacity is 16.5 million tons of raw ore per annum, with an annual molybdenum concentrate output of 30,800 tons at full production.

XIV. EXPLANATION ON PROGRESS OF USE OF RAISED FUND

Not applicable.

XV. EXPLANATION ON OTHER SIGNIFICANT MATTERS THAT HAVE A SIGNIFICANT IMPACT ON THE VALUE JUDGMENTS AND INVESTMENT DECISION-MAKING OF INVESTORS

(Prepared under the Hong Kong Listing Regulations)

(I) Repurchase, sale or redemption of the Company's listed securities

Grant of additional issuance and H Share repurchase mandates at the 2024 annual general meeting

Upon review and approval at the 2024 annual general meeting of the Company held on 30 May 2025, a general mandate was granted to the Board to, subject to the approval of relevant regulatory authorities and in compliance with applicable laws, administrative regulations and the Articles of Association, determine, as appropriate and having regard to the Company's operational needs and prevailing market conditions during the mandate period, whether to issue additional shares not exceeding 20% of the total number of issued shares (excluding any treasury shares) as at the date of passing the relevant resolution.

Upon review and approval at the 2024 annual general meeting of the Company held on 30 May 2025, a general mandate was granted to the Board to, subject to the approval of relevant regulatory authorities and in compliance with applicable laws, administrative regulations and the Articles of Association, determine, as appropriate and having regard to the Company's operational needs and prevailing market conditions during the mandate period, whether to repurchase H Shares not exceeding 10% of the total number of issued H Shares (excluding any treasury shares) as at the date of passing the relevant resolution.

Exercise of the H Share repurchase mandate granted at the 2024 annual general meeting and approval of the repurchase of A Shares

Upon review and approval at the eighteenth meeting of the ninth session of the Board held on 29 August 2025, the Board resolved to authorize designated persons to, within the scope of the Board resolution, handle specific matters relating to the repurchase of H Shares pursuant to the general mandate granted at the 2024 annual general meeting. The total amount of funds for the repurchase shall not be less than RMB150 million and shall not exceed RMB400 million, and the repurchase price shall not exceed 105% of the average closing price of the Company's H Shares on the Hong Kong Stock Exchange for the five trading days prior to the repurchase.

After consideration and approval at the eighteenth meeting of the ninth session of the Board held by the Company on 29 August 2025, through the "Resolution in relation to the Repurchase of A Shares of the Company", and the repurchased A Shares were intended to be used as treasury shares for the Company's equity incentives for a period of 3 years. If the shares above are not used for equity incentives within 3 years, they will be cancelled. The total repurchase funds shall not be less than RMB50 million and shall not exceed RMB100 million. The repurchase price shall not exceed RMB17.08 per share. Due to the Company's implementation of the 2025 interim profit distribution, the maximum repurchase price for A Shares was adjusted from not exceeding RMB17.08 per share to not exceeding RMB16.90 per share. The maximum repurchase price after adjustment took effect on 16 September 2025.

After consideration and approval at the 21st meeting of the ninth session of the Board held by the Company on 11 February 2026, the "Proposal on Changing the Source of Funds for Repurchasing the Company's A-Shares" was passed, with the funding source adjusted from "internal funds" to "a combination of internal funds and self-raised funds".

There may be a risk that the share price will continue to exceed the approved limit of the repurchase price, resulting in the repurchase proposals being unable to be implemented or only partially implemented; The Company will choose opportunities to repurchase according to market conditions during the repurchase period, and fulfill its information disclosure obligations in a timely manner according to the progress.

As of the date of this report, the Company has not repurchased any A Shares or H Shares.

For details, please refer to the announcement on the resolutions of the eighteenth meeting of the ninth session of the Board, the repurchase report concerning the share repurchase by way of centralised price bidding, and the announcement on the plans for the repurchase of shares by way of centralised price bidding, all dated 29 August 2025, of the Company, as well as the announcement of the Company dated 16 September 2025 regarding the adjustment of the maximum repurchase prices of A Shares following the implementation of the 2025 interim equity distribution and the announcement of the resolution at the 21st meeting of the ninth session of the Board of Directors and the announcement on expansion of funding sources for share repurchase and receipt of the commitment letter for a special-purpose repurchase loan, both dated 11 February 2026. Such information was published on the websites of the SSE, the Hong Kong Stock Exchange and the Company, and/or China Securities Journal, Shanghai Securities News, Securities Times, and Securities Daily.

(II) Remuneration Policy

For details, please refer to "Changes in Shareholdings and Remuneration of Current and Resigned Directors and Senior Management during the Reporting Period", and "Remuneration policies" under "Chapter 5 Corporate Governance, Environment and Social Responsibilities".

(III) Auditors

For details, please refer to "Appointment, Dismissal of Accounting Firms" under "Chapter 6 Significant Events".

Chapter 07

Changes in Shares and Shareholders

(Prepared in accordance with CASs)

I. CHANGES IN SHARE CAPITAL

(I) Table of Changes in Shares

1. Table of changes in shares

Unit: share

		Before change		Increase/Decrease (+,-)		After change	
		Number of shares	Percentage (%)	Others	Sub-total	Number of shares	Percentage (%)
I.	Shares with trading moratorium	77,188,020	0.77	-39,118,560	-39,118,560	38,069,460	0.38
	1. State-shareholding	0	0	0	0	0	0
	2. State-owned legal person shareholding	0	0	0	0	0	0
	3. Other domestic shareholding	77,188,020	0.77	-39,118,560	-39,118,560	38,069,460	0.38
	Including: domestic shareholding by non-state owned legal person	0	0	0	0	0	0
	domestic natural person shareholding	77,188,020	0.77	-39,118,560	-39,118,560	38,069,460	0.38
	4. Foreign shareholding	0	0	0	0	0	0
	Including: foreign legal person shareholding	0	0	0	0	0	0
	foreign natural person shareholding	0	0	0	0	0	0
II.	Shares without trading moratorium	9,962,672,382	99.23	36,738,702	36,738,702	9,999,411,084	99.62
	1. A Shares	5,887,172,382	58.64	36,738,702	36,738,702	5,923,911,084	59.02
	2. Foreign shares domestically-listed	0	0	0	0	0	0
	3. Foreign shares listed overseas	4,075,500,000	40.59	0	0	4,075,500,000	40.60
	4. Others	0	0	0	0	0	0
III.	Total number of shares	10,039,860,402	100	-2,379,858	-2,379,858	10,037,480,544	100

2. *Explanation on changes in shares*

As considered and approved at the thirteenth meeting of the ninth session of the Board of the Company held on 24 February 2025, partial restricted shares that did not meet the incentive conditions were repurchased and cancelled, and it was confirmed that the conditions for lifting the second lockup period of the 2021 A-share Restricted Stocks Incentive Scheme of the Company have been fulfilled. As of the end of the reporting period, the Company has repurchased and cancelled 2,379,858 restricted shares, and 36,738,702 restricted shares have been released and circulated.

For details, please refer to the Company's announcement on the repurchase and cancellation of partial restricted shares and the announcement on the fulfillment of conditions for the lifting of the lock-up period both dated 24 February 2025, the announcement on the lifting and listing of restricted shares dated 3 March 2025, and the announcement on the implementation of cancellation of partial restricted shares dated 24 April 2025, which were posted on the websites of Shanghai Stock Exchange, the HKEX, the Company and/or China Securities Journal, Shanghai Securities News, Securities Times and Securities Daily.

3. *The impact of changes in shares on earnings per share, net asset per share and other financial indicators in the most recent year and the most recent reporting period (if any)*

During the reporting period, the total share capital of the Company decreased from 10,039,860,402 shares to 10,037,480,544 shares, and did not have any significant impact on the financial indicators in the most recent year and the most recent reporting period.

4. *Other disclosures that the Company considers necessary or required by securities regulatory institutions*

As of the disclosure date of this report, according to the information publicly available to the Company and to the knowledge of the Directors, the Directors believe that during the reporting period, the public float of the Company is more than 25% of the Company's total share capital, which is in compliance with the requirement of the Hong Kong Listing Rules.

(II) Changes in Shares with Restricted Moratorium

Unit: share

Name of shareholders	Number of shares with restricted moratorium at the beginning of the year	Number of shares released from restricted moratorium during the year	Number of shares with restricted moratorium increased during the year	Number of shares with restricted moratorium decreased during the year	Number of shares with restricted moratorium at the end of the year	Reasons of restricted moratorium	Date on which the shares are released from restricted moratorium
Participants of restricted stock incentive (the second one lifted the restriction period)	38,017,980	36,738,702	0	1,279,278	0	Restricted stock incentive	For details of changes in shares and lifting of sales restrictions, please refer to the relevant contents of "Share Incentive" in "Chapter 5 Corporate Governance, Environment and Social Responsibilities" of this report
Participants of restricted stock incentive (the third one lifted the restriction period)	39,170,040	0	0	1,100,580	38,069,460	Restricted stock incentive	
Total	77,188,020	36,738,702	0	2,379,858	38,069,460	/	/

II. SECURITIES ISSUANCE AND LISTING

(I) Securities Issuance as at the Reporting Period

Unit: RMB, share

Type of stock and its derivative securities	Date of issuance	Issuing price (or Interest rate)	Amount of issuance	Date of listing	Approved amount for listing and trading	Date of trade termination
Bonds including enterprise bonds, corporate bonds and debt financing of non-financial enterprises						
Corporate bond	4 June 2025	2.02%	RMB3 billion	6 June 2025	RMB3 billion	6 June 2030
Corporate bond	20 June 2025	1.86%	RMB3 billion	23 June 2025	RMB3 billion	23 June 2027
Corporate bond	8 September 2025	1.94%	RMB2 billion	9 September 2025	RMB2 billion	9 September 2030
Corporate bond	17 October 2025	2.15%	RMB3 billion	20 October 2025	RMB3 billion	20 October 2028
Corporate bond	24 November 2025	2.00%	RMB3 billion	24 November 2025	RMB3 billion	24 November 2030
Medium-term note	28 April 2025	2.09%	RMB3 billion	29 April 2025	RMB3 billion	29 April 2027
Medium-term note	27 October 2025	1.96%	RMB3 billion	29 October 2025	RMB3 billion	29 October 2027
Medium-term note	12 November 2025	2.06%	RMB3 billion	14 November 2025	RMB3 billion	14 November 2028
Short-term financing note	23 July 2025	1.56%	RMB2 billion	24 July 2025	RMB2 billion	11 December 2025
Short-term financing note	8 December 2025	1.65%	RMB3 billion	9 December 2025	RMB3 billion	5 September 2026

Explanation on securities issuance as at the reporting period (for bonds with different interest rates during the duration, please explain separately):

For details of corporate bonds issued this year, please refer to the relevant content of "Chapter 8 Bonds" of this annual report.

(II) Changes in Total Number of Shares, Shareholders' Structure, and Assets and Liabilities of the Company

During the reporting period, the Company completed the repurchase and cancellation of partial restricted shares. The total share capital of the Company decreased from 10,039,860,402 shares to 10,037,480,544 shares, and did not have any significant impact on the assets and liabilities of the Company.

(III) Changes in Total Number of Shares Held by the Employees of the Company

Not applicable.

III. SHAREHOLDERS AND ACTUAL CONTROLLER

(I) Total Number of the Shareholders

Total number of ordinary shareholders as at the end of the reporting period	125,708
Total number of ordinary shareholders at the end of last month prior to the disclosure date of this annual report	91,559
Total number of preferred shareholders with resumed voting right as at the end of the reporting period	0
Total number of preferred shareholders with resumed voting right at the end of last month prior to the disclosure date of this annual report	0

(II) Top Ten Shareholders and Top Ten Shareholders Holding Tradable Shares of the Company

Which are not Subject to Trading Moratorium

Unit: share

Shareholdings of the top ten Shareholders (excluding lending shares by means of financing transfer)

Name of shareholders (full name)	Increase/ decrease during the reporting period	Number of shares held at the end of the reporting period	Percentage holding (%)	Number of shares held subject to trading moratorium	Number of pledged, marked or locked shares		Nature of shareholders
					Status of shares	Number of shares	
Shandong Energy Group Co., Ltd.①	0	5,303,899,421	52.84	0	Pledged	302,232,142	State-owned legal person
HKSCC Nominees Limited	-608,860	3,161,549,058	31.50	0	Unknown	–	Overseas legal person
Hong Kong Securities Clearing Company Limited	-13,332,860	75,170,788	0.75	0	No	0	Overseas legal person
Industrial and Commercial Bank of China Limited – Cathay CSI Coal Exchange Traded Open-End Index Securities Investment Fund	39,723,716	53,541,973	0.53	0	No	0	Others
Industrial and Commercial Bank of China Limited – Invesco Great Wall Jing Sheng Dual Interest Income Bond Fund	39,557,766	39,557,766	0.39	0	No	0	Others
China Merchants Bank Co., Ltd. – Shanghai Stock Exchange Dividend Exchange Traded Open-End Index Securities Investment Fund	2,105,604	33,710,529	0.34	0	No	0	Others
Industrial and Commercial Bank of China Limited – Huatai PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	-1,225,670	29,691,504	0.30	0	No	0	Others
China Construction Bank Corporation – E-Fund CSI 300 Exchange Traded Open-End Index Initiated Securities Investment Fund	-241,485	21,070,535	0.21	0	No	0	Others
Foresea Life Insurance Co., Ltd. – Participating Insurance Products	-2,495,930	18,363,844	0.18	0	No	0	Others
China Life Insurance Company Limited – Traditional – General Insurance Product – 005L – CT001 Shanghai	11,339,527	18,294,855	0.18	0	No	0	Others

Top ten Shareholders holding tradable shares not subject to trading moratorium (excluding lending shares by means of financing transfer)

Name of shareholders	Number of tradable shares held not subject to trading moratorium	Class and number of shares held	
		Class of shares	Number of shares
Shandong Energy Group Co., Ltd.	4,395,142,871	A Shares	4,395,142,871
	908,756,550	H Shares	908,756,550
HKSCC Nominees Limited	3,161,549,058	H Shares	3,161,549,058
Hong Kong Securities Clearing Company Limited	75,170,788	A Shares	75,170,788
Industrial and Commercial Bank of China Limited – Cathay CSI Coal Exchange Traded Open-End Index Securities Investment Fund	53,541,973	A Shares	53,541,973
Industrial and Commercial Bank of China Limited – Invesco Great Wall Jing Sheng Dual Interest Income Bond Fund	39,557,766	A Shares	39,557,766
China Merchants Bank Co., Ltd. – Shanghai Stock Exchange Dividend Exchange Traded Open-End Index Securities Investment Fund	33,710,529	A Shares	33,710,529
Industrial and Commercial Bank of China Limited – Huatai PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund	29,691,504	A Shares	29,691,504
China Construction Bank Corporation – E-Fund CSI 300 Exchange Traded Open-End Index Initiated Securities Investment Fund	21,070,535	A Shares	21,070,535
Foresea Life Insurance Co., Ltd. – Participating Insurance Products	18,363,844	A Shares	18,363,844
China Life Insurance Company Limited – Traditional – General Insurance Product – 005L – CT001 Shanghai	18,294,855	A Shares	18,294,855
Explanation on repurchase of special shares by the top ten shareholders	Not applicable.		
Explanation on voting proxy, entrusted voting or abstention by the above shareholders	Not applicable.		
Connected relationship or concerted-party relationship among the above shareholders	Huatai PineBridge Fund Management Co., Ltd. is the fund manager of China Merchants Bank Co., Ltd. – Shanghai Stock Exchange Dividend Exchange Traded Open-End Index Securities Investment Fund and Industrial and Commercial Bank of China Limited – Huatai PineBridge CSI 300 Exchange Traded Open-End Index Securities Investment Fund. Apart from the disclosure above, it is unknown whether other shareholders are connected with one another or whether any of these shareholders fall within the meaning of parties acting in concert.		
Explanation on preferred shareholders with resumed voting rights and the number of shares held by them	Not applicable.		

Notes:

① As at 31 December 2025, Shandong Energy directly and indirectly held a total of 5,303,899,421 shares of the Company, accounting for 52.84% of the total share capital of the Company, of which: (i) 4,395,142,871 A Shares of the Company were held through its own account; (ii) 606,524,408 H Shares of the Company were held through the own account of Yankuang Group (Hong Kong) Company Limited ("Yankuang Hong Kong"); and (iii) 302,232,142 H Shares of the Company were held through Yankuang Hong Kong's special corporate pledged account.

② During the reporting period, due to the adjustment of the exchange price of convertible bonds, the number of H Shares held by Shandong Energy through Yankuang Hong Kong's special corporate pledged accounts increased to 302,232,142 shares.

③ All the information above, including "Total number of ordinary shareholders as at the end of the reporting period" and "Top ten Shareholders and top ten Shareholders holding tradable shares of the Company which are not subject to trading moratorium", is prepared in accordance with the registers of the Shareholders provided by the Shanghai Branch of China Securities Depository and Clearing Corporation Ltd. and Computershare Hong Kong Investor Services Limited.

Shareholders with over 5% shares of the Company, the top ten shareholders and top ten shareholders holding tradable shares not subject to trading moratorium participating in refinancing business and lending shares

Not applicable.

Changes of top ten shareholders and top ten shareholders holding tradable shares not subject to trading moratorium from the previous period due to lending/returning of shares through refinancing

Not applicable.

The number of shares held by top ten shareholders holding shares subject to trading moratorium and the restrictions

Not applicable.

(III) Strategic Investor or Legal Person Who Became Top Ten Shareholders for Rights Issue

Not applicable.

(IV) Substantial Shareholders' Interests and/or Short Positions in the Shares and/or Underlying Shares of the Company

As far as the Directors are aware, save as disclosed below, as at 31 December 2025, other than the Directors, or chief executives of the Company, there were no other persons who were substantial shareholders of the Company or had interests or short positions in the shares or underlying shares of the Company, which should (1) be disclosed pursuant to Divisions 2 and 3 under Part XV of the Securities and Futures Ordinance ("**SFO**"); (2) be recorded in the register to be kept pursuant to Section 336 of the SFO; or (3) be notified to the Company and the Hong Kong Stock Exchange in other ways.

Name of Substantial Shareholders	Class of Shares	Capacity	Number of Shares Held (shares)	Nature of Interest	Percentage in the H Share Capital of the Company	Percentage in Total Issued Share Capital of the Company
Shandong Energy	A Shares (State-owned legal person shares)	Beneficial owner	4,395,142,871	Long position	–	43.79%
Shandong Energy①	H Shares	Interest of controlled corporations	908,756,550	Long position	22.30%	9.05%
			302,232,142	Short position	7.42%	3.01%

Notes:

① Yankuang Hong Kong holds such H Shares in the capacity of beneficial owner.

② The percentage figures above have been rounded off to the nearest second decimal place.

③ Information disclosed herein is based on the information available on the website of the Hong Kong Stock Exchange at www.hkexnews.hk and information provided by the Shanghai Branch of China Securities Depository and Clearing Corporation Ltd.

IV. CONTROLLING SHAREHOLDERS AND ACTUAL CONTROLLER

(I) Controlling Shareholders

Legal person

Name	**Shandong Energy Group Co., Ltd.**
Person in charge or legal representative	Li Wei
Date of establishment	12 March 1996
Main businesses	Mining, electric power, high-end chemicals, high-end equipment manufacturing, new energy and new materials, modern logistics and trade, etc.
Controlling shares or participating shares held by Shandong Energy Group in other companies listed domestically and overseas during the reporting period	Please see the table below.
Other explanations	–

As of 31 December 2025, the equity interests of Shandong Energy in other domestic and overseas listed companies, whether as a controlling shareholder or as a non-controlling shareholder, are as follows:

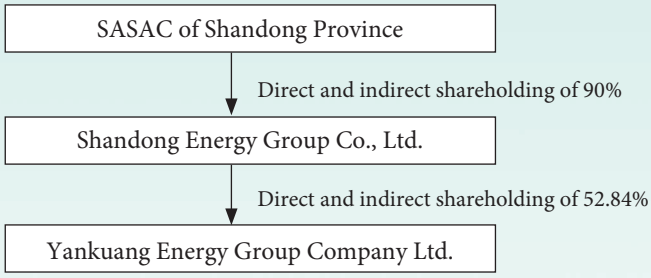
No.	Abbreviation of the Listed Company	Stock Exchange	Stock Code	Number of Shares Held ('0,000 shares)	Percentage of Shares Held (%)
1	Yunding Technology	Shenzhen Stock Exchange	000409.SZ	23,864	35.20
2	Shandong Fiberglass	Shanghai Stock Exchange	605006.SH	31,644	52.74
3	Qixiang Tengda	Shenzhen Stock Exchange	002408.SZ	151,196	53.18
4	Wind Sun Science & Technology	Shanghai Stock Exchange	688663.SH	5,353	37.86
5	Zhongtai Securities	Shanghai Stock Exchange	600918.SH	287,478	36.31
6	Rizhao Port	Shanghai Stock Exchange	600017.SH	13,850	4.50
7	Rizhao Port JR	The Stock Exchange of Hong Kong Limited	06117.HK	5,000	3.01
8	Qilu Expressway	The Stock Exchange of Hong Kong Limited	01576.HK	4,051	2.03

(II) Actual Controller

1. Legal person

State-owned Assets Supervision and Administration Commission of Shandong Province (SASAC of Shandong Province)

2. Diagram of equity and relationship of control between the Company and the actual controller (as at 31 December 2025)



3. The actual controller controlling the Company through trust or other asset management

Not applicable.

(III) Other Explanations on Controlling Shareholder and the Actual Controller

Not applicable.

V. THE ACCUMULATED SHARES PLEDGED BY THE CONTROLLING SHAREHOLDER OR THE LARGEST SHAREHOLDER AND THE PERSONS ACTING IN CONCERT BEING ABOVE 80% OF THE COMPANY'S SHARES HELD BY THEM

Not applicable.

VI. LEGAL PERSONS AS SHAREHOLDERS WITH SHAREHOLDING OF 10% OR MORE

Not applicable.

As at 31 December 2025, HKSCC Nominees Limited held 4,070,305,608 H Shares of the Company (including 909 million H Shares of the Company held by Yankuang Hong Kong) on behalf of its several clients, representing 40.60% of the total share capital of the Company. HKSCC Nominees Limited is a member of Hong Kong central clearing and settlement system, providing customers with security registration and custody business.

VII. EXPLANATION ON RESTRICTION OF SELLDOWN SHAREHOLDING

Not applicable.

VIII. IMPLEMENTATION OF SHARES REPURCHASE DURING THE REPORTING PERIOD

Unit: RMB'0,000

Name of shares repurchase scheme	Restricted shares repurchase
Disclosure date of shares repurchase scheme	24 February 2025
Number of shares proposed to be repurchased and percentage of total share capital (%)	2,379,858 shares proposed to be repurchased at RMB1.4033 per share; accounting for approximately 0.02% of the total share capital upon the implementation of the repurchase
Amount of proposed shares repurchase	427.406
Period of proposed shares repurchase	–
Purpose of shares repurchase	2,379,858 restricted shares which had been granted but not yet released from restricted moratorium were repurchased and cancelled according to the 2021 A-Share Restricted Stock Incentive Scheme of the Company due to the job transfers and performance appraisals of some of the participants.
Number of shares repurchased (share)	2,379,858 shares repurchased on 25 April 2025
Number of shares repurchased as a proportion of the underlying shares covered by the equity incentive scheme (%) (if any)	3.85
Progress of the Company's reduction and repurchase of shares by means of centralized bidding	–

Name of shares repurchase scheme	the repurchase report concerning the share repurchase by way of centralised price bidding
Disclosure date of shares repurchase scheme	29 August 2025
Number of shares proposed to be repurchased and percentage of total share capital (%)	–
Amount of proposed shares repurchase	RMB50 million to RMB100 million for A shares; RMB150 million to RMB400 million for H shares
Period of proposed shares repurchase	29 August 2025-28 August 2026
Purpose of shares repurchase	The repurchased A shares will be held as treasury shares for the share incentive schemes of the Company for a term of three years. The shares shall be cancelled if they have never been used as share incentives within three years. The repurchased H shares will be used to reduce the registered capital of the Company.
Number of shares repurchased (share)	0
Number of shares repurchased as a proportion of the underlying shares covered by the equity incentive scheme (%) (if any)	–
Progress of the Company's reduction and repurchase of shares by means of centralized bidding	–

IX. MATTERS RELATED TO PREFERENCE SHARES

Not applicable.

X. PREEMPTIVE RIGHT

The Articles and the laws of the PRC do not contain any provision for any pre-emptive rights requiring the Company to offer new shares on a pro-rata basis to its existing Shareholders.

(All financial data listed was prepared in accordance with CASs)

I. CORPORATE BONDS (INCLUDING ENTERPRISE BONDS) AND FINANCING DEBTS OF NON-FINANCIAL ENTERPRISES

(I) CORPORATE BONDS (INCLUDING ENTERPRISE BONDS)

1. Basic information of corporate bonds

Unit: RMB100 million

Name	Abbreviation	Code	Issue date	Interest starting date	The recent sell-back date after 30 April 2026	Mature date	Balance	Interest rate (%)	Way to repay principal and interest	Trade location	Lead underwriter	Trustee	Appropriate arrangement of the investors (if any)	Trade mechanism	Whether there is risk of listing termination
2020 corporate bond (first tranche) (class 3)	20 Yanzhou Coal 03	163236	10 March 2020	12 March 2020	/	12 March 2030	20	4.29	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	Guotai Haitong	Guotai Haitong	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2021 corporate bond (first tranche) (class 2)	21 Yanzhou Coal 02	188164	28 May 2021	31 May 2021	/	31 May 2026	10	4.13	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	Guotai Haitong	Guotai Haitong	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2023 corporate bond (first tranche) (class 1)	23 Yankuang 01	115406	25 May 2023	26 May 2023	/	26 May 2028	10	3.34	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	CICC	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2023 corporate bond (first tranche) (class 2)	23 Yankuang 02	115407	25 May 2023	26 May 2023	/	26 May 2033	20	3.80	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	CICC	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2023 corporate bond (second tranche) (class 2)	23 Yankuang 04	115544	15 June 2023	16 June 2023	/	16 June 2033	20	3.75	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	CICC	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2024 Science and Technology Innovation Corporate Bonds (First Tranche)	24 Yankuang K1	240582	13 March 2024	14 March 2024	/	14 March 2034	30	3.03	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	CITIC Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No

Name	Abbreviation	Code	Issue date	Interest starting date	The recent sell-back date after 30 April 2026	Mature date	Balance	Interest rate (%)	Way to repay principal and interest	Trade location	Lead underwriter	Trustee	Appropriate arrangement of the investors (if any)	Trade mechanism	Whether there is risk of listing termination
2024 Science and Technology Innovation Renewable Corporate Bonds (First Tranche)①	Yankuang KY01	241141	17 June 2024	18 June 2024	/	18 June 2027	30	2.28	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2024 Science and Technology Innovation Renewable Corporate Bonds (Second Tranche)②	Yankuang KY02	241324	24 July 2024	25 July 2024	/	25 July 2027	20	2.17	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2024 Science and Technology Innovation Corporate Bonds (Second Tranche)	24 Yankuang K3	241379	2 August 2024	5 August 2024	/	5 August 2027	30	2.05	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2024 Science and Technology Innovation Corporate Bonds (Third Tranche)	24 Yankuang K4	241636	12 September 2024	18 September 2024	/	18 September 2027	20	2.15	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2025 Science and Technology Innovation Corporate Bonds (First Tranche) (class 2)	25 Yankuang K2	242524	5 June 2025	6 June 2025	/	6 June 2030	30	2.02	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2025 Science and Technology Innovation Renewable Corporate Bonds (First Tranche)③	Yankuang KY04	243216	23 June 2025	23 June 2025	/	23 June 2027	30	1.86	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2025 Science and Technology Innovation Corporate Bonds (Second Tranche) (class 1)	25 Yankuang K3	243671	8 September 2025	9 September 2025	/	9 September 2030	20	1.94	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No

Name	Abbreviation	Code	Issue date	Interest starting date	The recent sell-back date after 30 April 2026	Mature date	Balance	Interest rate (%)	Way to repay principal and interest	Trade location	Lead underwriter	Trustee	Appropriate arrangement of the investors (if any)	Trade mechanism	Whether there is risk of listing termination
2025 Science and Technology Innovation Renewable Corporate Bonds (Second Tranche) (class 2)④	Yankuang KY06	243905	20 October 2025	20 October 2025	/	20 October 2028	30	2.15	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	CSC	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No
2025 Science and Technology Innovation Corporate Bonds (Third Tranche) (class 2)	25 Yankuang K6	244297	24 November 2025	24 November 2025	/	24 November 2030	30	2.00	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	SSE	GF Securities	Ping An Securities	Qualified investors	Bidding, quotation, inquiry and transaction agreement	No

Notes:

① For 2024 Science and Technology Innovation Renewable Corporate Bond (first tranche), every three interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current bond by one term (that is, by three years) or choose to repay the principal and interest of the current bond due at maturity in full at the end of the term.

② For 2024 Science and Technology Innovation Renewable Corporate Bond (second tranche), every three interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current bond placing by one term (that is, by three years) or choose to repay the principal and interest of the current bond due at maturity in full at the end of the term.

③ For 2025 Science and Technology Innovation Renewable Corporate Bond (First Tranche), every two interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current bond placing by one term (that is, by two years) or choose to repay the principal and interest of the current bond due at maturity in full at the end of the term.

④ For 2025 Science and Technology Innovation Renewable Corporate Bond (Second Tranche) (class 2), every three interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current bond placing by one term (that is, by three years) or choose to repay the principal and interest of the current bond due at maturity in full at the end of the term.

Counter-measures to the risks of listing termination of the Company

Not applicable.

Principal and interest payment of bonds during the Reporting Period

Name of bond	Explanations on principal and interest payment
2020 corporate bond (first tranche) (class 3)	All interests have been repaid in due course and no default occurs.
2021 corporate bond (first tranche) (class 2)	All interests have been repaid in due course and no default occurs.
2023 corporate bond (first tranche) (class 1)	All interests have been repaid in due course and no default occurs.
2023 corporate bond (first tranche) (class 2)	All interests have been repaid in due course and no default occurs.
2023 corporate bond (second tranche) (class 2)	All interests have been repaid in due course and no default occurs.
2024 Science and Technology Innovation Corporate Bonds (First Tranche)	All interests have been repaid in due course and no default occurs.
2024 Science and Technology Innovation Renewable Corporate Bonds (First Tranche)	All interests have been repaid in due course and no default occurs.
2024 Science and Technology Innovation Renewable Corporate Bonds (Second Tranche)	All interests have been repaid in due course and no default occurs.
2024 Science and Technology Innovation Corporate Bonds (Second Tranche)	All interests have been repaid in due course and no default occurs.
2024 Science and Technology Innovation Corporate Bonds (Third Tranche)	All interests have been repaid in due course and no default occurs.
2020 corporate bond (first tranche) (class 2)	All principals and interests have been repaid in due course and no default occurs.
2020 corporate bond (second tranche) (class 2)	All principals and interests have been repaid in due course and no default occurs.

2. *Trigger and enforcement of clauses on the Company or investor option as well as investor protection*

Not applicable.

3. *Agents for bonds issuance and continuing business services*

Name of agent	Office address	Name of signing Accountant (if applicable)	Contact person	Tel
Guotai Haitong Securities Co., Ltd.	33/F, Bohua Plaza, No. 669 Xinzha Road, Jing'an District, Shanghai	Zhang Nan, Yu Jingjing	Chen Yangyang	010-88027267
China International Capital Corporation Limited	28/F, 2nd Guomao Mansion 1st Jianguomenwai Street, Chaoyang District, Beijing	Zhu Baoqin, Sun Lingling	Huang Jiening	010-65051166
CSC Financial Co., Ltd.	9/F, Taikang Group Building, Building No. 1, 16 Jinghui Street, Chaoyang District, Beijing	Guan Yiming, Wang Guobei	Hu Zhaobin, Yu Lichao	010-56052099
GF Securities Co., Ltd.	39th Floor, Taikang Insurance Building, No. 429 Nanquan North Road, Pudong New District, Shanghai	Chang Hua, He Mingzhi	Meng Yu, Yin Jing	021-38003800-3702
Ping An Securities Co., Ltd.	22 Floor – 25 Floor, Tower B, Ping An Finance Centre, 5023 Yitian Road, Futian Street, Futian District, Shenzhen	Chang Hua, Luo Yang	Sun Bo, Li Xirui	010-56800276
Golden Credit Rating International Co., Ltd.	47/F, Building A, Pingan Xingfu Center, 24th Yard, Lize Road, Fengtai District, Beijing	Chi Wenzhou, Peng Ze	Cao Peng	0571-87858258
China Lianhe Credit Rating Co., Ltd.	17/F, PICC Mansion, 2 Jianguomenwai Street, Chaoyang District, Beijing	Mao Guangqin	Shen Yan	010-85679696

Changes of the above agents

Not applicable.

4. Adjustments on credit rating results

Not applicable.

Other explanations:

Not applicable.

5. Modification, changes, implementation and impact of guarantees, debt repayment plan and other solvency supporting measures during the Reporting Period

Not applicable.

(II) Proceeds from Corporate Bonds

✔ Corporate bonds involving the use of proceeds or rectification during the Reporting Period ☐ All corporate bonds of the Company did not involve the use of proceeds or rectification during the Reporting Period

1. Basic Information

Unit: RMB100 million

Code of Bonds	Abbreviation of Bonds	Whether it is a specialised bond	Specific Types of Specialised Bonds	Gross proceeds raised	The balance of proceeds as of the end of the Reporting Period	The balance of the special account for the proceeds as of the end of the Reporting Period
242524	25 Yankuang K2	Yes	S&T Innovation Bonds	30	0	0
243216	Yankuang KY04	Yes	S&T Innovation Renewable Bonds	30	0	0
243671	25Yankuang K3	Yes	S&T Innovation Bonds	20	0	0
244297	25Yankuang K6	Yes	S&T Innovation Bonds	30	0	0
243905	Yankuang KY06	Yes	S&T Innovation Renewable Bonds	30	0	0

2. Adjustment of Change in Use of Proceeds

Not applicable.

3. Use of Proceeds

(1). Actual utilization of proceeds (excluding temporary replenishment)

Unit: RMB100 million

Code of bonds	Abbreviation of bonds	Actual utilization of proceeds during the Reporting Period	Repayment of interest-bearing debt (excluding corporate bonds) and the amount involved	Repayment of corporate bonds and the amount involved	Replenishment of working capital and the amount involved	Investment of fixed asset projects and the amount involved	Investment of equity, debt investment or acquisition of assets and the amount involved	Other use and the amount involved
242524	25 Yankuang K2	30	0	27	3	0	0	0
243216	Yankuang KY04	30	20	0	10	0	0	0
243671	25 Yankuang K3	20	20	0	0	0	0	0
244297	25 Yankuang K6	30	30	0	0	0	0	0
243905	Yankuang KY06	30	15	15	0	0	0	0

(2). Proceeds used for repayment of corporate bonds and other interest-bearing debts

Code of bonds	Abbreviation of bonds	Repayment of corporate bonds	Repayment of other interest-bearing (excluding corporate bonds)
242524	25 Yankuang K2	Repayment of 20 Yanzhou Coal 02 with an amount of RMB2.7 billion	–
243216	Yankuang KY04	–	Repayment of bank borrowings with an amount of RMB2 billion
243671	25 Yankuang K3	–	Repayment of super short-term commercial notes with an amount of RMB2 billion
244297	25 Yankuang K6	–	Repayment of bank borrowings with an amount of RMB3 billion
243905	Yankuang KY06	Repayment of 20 Yanzhou Coal 05 with an amount of RMB1.5 billion	Repayment of 23 Yankuang Energy MTN001 with an amount of RMB1.5 billion

(3). Proceeds used for replenishment of working capital (excluding temporary replenishment)

Code of bonds	Abbreviation of bonds	Replenishment of working capital
242524	25 Yankuang K2	Replenishment of liquidity with amount of RMB0.3 billion
243216	Yankuang KY04	Replenishment of liquidity with amount of RMB1.0 billion

(4). Proceeds used for specific projects

Not applicable.

(5). Proceeds used for other purposes

Not applicable.

(6). Temporary replenishment

Not applicable.

4. Fundraising Compliance

Code of Bonds	Abbreviation of Bonds	Use of proceeds as agreed in the prospectus	Actual use of proceeds as at the end of the reporting period (including actual use and temporary replenishment)	Whether the actual use is consistent with the intended use (including the intended use in the prospectus and the use after compliance change)	Whether the utilization and management of the fundraising account were compliant during the Reporting Period	Compliance of the use of proceeds with local government debt management requirements
242524	25 Yankuang K2	to repay bonds due and replenish working capital	to repay bonds due and replenish working capital	Yes	Yes	Not applicable
243216	Yankuang KY04	to repay bonds due and replenish working capital	to repay bonds due and replenish working capital	Yes	Yes	Not applicable
243671	25 Yankuang K3	to repay bonds due	to repay bonds due	Yes	Yes	Not applicable
244297	25 Yankuang K6	to repay bonds due	to repay bonds due	Yes	Yes	Not applicable
243905	YankuangKY06	to repay bonds due	to repay bonds due	Yes	Yes	Not applicable

Non-compliance of the utilization and management of the fundraising account

Not applicable.

(III) Other Matters that Should be Disclosed for Special Grades of Bonds

1. The Company is the issuer of convertible bonds

Not applicable.

2. The Company is the issuer of green corporate bonds

Not applicable.

3. The Company is the issuer of renewable corporate bonds

Unit: RMB100 million

Bond code	243216
Bond abbreviation	Yankuang KY04
Bond balance	30
Renewal status	Not yet renewed
Interests rate jump	–
Interests deferral	–
Compulsory interest payment	–
Whether the bonds are still recognised in equity and related accounting treatment	Yes
Other matters	–

Bond code	243905
Bond abbreviation	Yankuang KY06
Bond balance	30
Renewal status	Not yet renewed
Interests rate jump	–
Interests deferral	–
Compulsory interest payment	–
Whether the bonds are still recognised in equity and related accounting treatment	Yes
Other matters	–

4. The Company is the issuer of corporate bonds for poverty alleviation

Not applicable.

5. The Company is the issuer of corporate bonds for rural revitalization

Not applicable.

6. The Company is the issuer of belt and road corporate bonds

Not applicable.

7. The Company is the issuer of science and technology innovation corporate bonds or innovation and entrepreneurship corporate bonds

Not applicable

Unit: RMB100 million

The issuer category applicable to the bond	✔ Technology innovation enterprise ☐ Technology innovation and upgrading enterprise ☐ Technology innovation investment enterprise ☐ Technology innovation incumbent enterprise ☐ Financial institution
Bond code	242524
Bond abbreviation	Yankuang K2
Bond balance	30
Progress of investments made by technology innovation projects or funds raised by financial institutions into the field of technological innovation	–
Effectiveness in promoting the development of technology and innovation	–
Operation of bond products (if any)	–
Other matters	–

The issuer category applicable to the bond	✔ Technology innovation enterprise ☐ Technology innovation and upgrading enterprise ☐ Technology innovation investment enterprise ☐ Technology innovation incumbent enterprise ☐ Financial institution
Bond code	243216
Bond abbreviation	Yankuang KY04
Bond balance	30
Progress of investments made by technology innovation projects or funds raised by financial institutions into the field of technological innovation	–
Effectiveness in promoting the development of technology and innovation	–
Operation of bond products (if any)	–
Other matters	–

The issuer category applicable to the bond	✔ Technology innovation enterprise ☐ Technology innovation and upgrading enterprise ☐ Technology innovation investment enterprise ☐ Technology innovation incumbent enterprise ☐ Financial institution
Bond code	243671
Bond abbreviation	25 Yankuang K3
Bond balance	20
Progress of investments made by technology innovation projects or funds raised by financial institutions into the field of technological innovation	–
Effectiveness in promoting the development of technology and innovation	–
Operation of bond products (if any)	–
Other matters	–

The issuer category applicable to the bond	✔ Technology innovation enterprise ☐ Technology innovation and upgrading enterprise ☐ Technology innovation investment enterprise ☐ Technology innovation incumbent enterprise ☐ Financial institution
Bond code	244297
Bond abbreviation	25 Yankuang K6
Bond balance	30
Progress of investments made by technology innovation projects or funds raised by financial institutions into the field of technological innovation	–
Effectiveness in promoting the development of technology and innovation	–
Operation of bond products (if any)	–
Other matters	–

The issuer category applicable to the bond	✔ Technology innovation enterprise ☐ Technology innovation and upgrading enterprise ☐ Technology innovation investment enterprise ☐ Technology innovation incumbent enterprise ☐ Financial institution
Bond code	243905
Bond abbreviation	Yankuang KY06
Bond balance	30
Progress of investments made by technology innovation projects or funds raised by financial institutions into the field of technological innovation	–
Effectiveness in promoting the development of technology and innovation	–
Operation of bond products (if any)	–
Other matters	–

8. The Company is the issuer of low-carbon transition (linked) corporate bonds

Not applicable.

9. The Company is the issuer of corporate bonds for bailout

Not applicable.

10. The Company is the issuer of micro, small and medium-sized enterprise (MSME) backed bonds

Not applicable.

11. Matters on other special grades of bonds

Not applicable.

(IV) Material matter in relation to corporate bonds during the Reporting Period

Liabilities

(1). Interests-bearing liabilities and changes therein

1.1 Debt structure of the Company

At the beginning of the reporting period and at the end of the reporting period, interest-bearing debt balance of the Company (non-consolidated) was RMB84.268 billion and RMB108.598 billion, respectively, and the year-on-year change in the balance of interest-bearing debt during the Reporting Period was 28.9%.

Unit: RMB100 million

	Time to maturity				
Type of interest-bearing debt	Overdue	Within one year (inclusive)	More than one year (exclusive)	Total amount	Amount as a percentage of interest-bearing debt(%)
Corporate credit bonds	–	64.23	229.64	293.87	27.06
Bank loans	–	362.59	339.15	701.74	64.62
Loans from non-bank financial institutions	–	–	83.67	83.67	7.70
Other interest-bearing debts	–	–	6.70	6.70	0.62
Total	–	426.82	659.16	1,085.98	–

At the end of the reporting period, of the Company's corporate credit bonds in existence, the balance of corporate bonds was RMB24.347 billion, the balance of enterprise bonds was RMB0 billion, and the balance of debt financing instruments of non-financial enterprises was RMB5.04 billion.

1.2 Consolidated Interest-bearing Debt Structure of the Company

At the beginning and end of the reporting period, the balance of interest-bearing debt of the Company within the scope of the Company's consolidated financial statements was RMB133.237 billion and RMB147.776 billion, respectively, and the year-on-year change in the balance of interest-bearing debt during the Reporting Period was 10.9%.

Unit: RMB100 million

	Time to maturity				
Type of interest-bearing debt	Overdue	Within one year (inclusive)	More than one year (exclusive)	Total amount	Amount as a percentage of interest-bearing debt(%)
Corporate credit bonds	–	64.23	229.64	293.87	19.89
Bank loans	–	443.34	571.00	1,014.34	68.64
Loans from non-bank financial institutions	–	2.42	4.26	6.68	0.45
Other interest-bearing debts	–	–	162.87	162.87	11.02
Total	–	509.99	967.77	1,477.76	–

At the end of the reporting period, among the corporate credit bonds exist in the Company's consolidated accounts, the balance of corporate bonds was RMB24.347 billion, the balance of enterprise bonds was RMB0 billion, and the balance of debt financing instruments of non-financial enterprises was RMB5.04 billion.

1.3 Foreign bonds

Not applicable.

(2). At the end of the reporting period, the Company and its subsidiaries had interest-bearing debt with an overdue amount of more than RMB10 million or corporate credit bonds were overdue

Not applicable.

(3). Seniority of liabilities against third parties

As of the end of reporting period, the seniority of liabilities against third parties within the scope of the Company's consolidated statements:

Not applicable.

1. Changes in management system for information disclosure during the Reporting Period

No changes occurred.

(V) Non-Financial Enterprise Debt Financing Instruments at Inter-Bank Bond Market

1. Basic information of non-financial enterprise debt financing instruments

Unit: RMB100 million

Name	Abbreviation	Code	Issue date	Interest starting date	Maturity date	Balance	Interest rate (%)	Way to repay principal and interest	Trade place	Appropriate arrangement of the investors (if any)	Trade mechanism	Whether there is risk of listing termination
2021 medium-term note (first tranche)	21 Yanzhou Coal MTN001	102101379	22 July 2021	26 July 2021	26 July 2026	20	3.80	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2022 medium-term note (first tranche) (class 2)[®]	22 Yankuang Energy MTN001B	102281099	18 May 2022	20 May 2022	20 May 2027	5	3.71	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2024 medium-term note (first tranche) (S&T innovation note)[®]	24 Yankuang Energy MTN001 (S&T innovation note)	102480413	31 January 2024	2 February 2024	2 February 2027	30	2.85	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2024 medium-term note (second tranche) (S&T innovation note)[®]	24 Yankuang Energy MTN002 (S&T innovation note)	102484700	28 October 2024	30 October 2024	30 October 2026	15	2.43	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2024 medium-term note (third tranche) (S&T innovation note)[®]	24 Yankuang Energy MTN003 (S&T innovation note)	102485067	20 November 2024	22 November 2024	22 November 2026	15	2.26	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2024 medium-term note (fourth tranche)[®]	24 Yankuang Energy MTN004	102485351	9 December 2024	11 December 2024	11 December 2026	20	2.06	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2025 medium-term note (first tranche)[®]	25 Yankuang Energy MTN001	102581977	28 April 2025	29 April 2025	29 April 2027	30	2.09	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No

Name	Abbreviation	Code	Issue date	Interest starting date	Maturity date	Balance	Interest rate (%)	Way to repay principal and interest	Trade place	Appropriate arrangement of the investors (if any)	Trade mechanism	Whether there is risk of listing termination
2025 S&T innovation bond (second tranche)[⑤]	25 Yankuang Energy MTN002 (S&T bond)	102584519	27 October 2025	29 October 2025	29 October 2027	30	1.96	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2025 technology innovation bond (third tranche)[⑥]	25 Yankuang Energy MTN003 (S&T bond)	102584729	12 November 2025	14 November 2025	14 November 2028	30	2.06	Interest paid once a year, the entire principal repaid at one time at maturity, the final interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No
2025 technology innovation bond (fourth tranche)	25 Yankuang Energy SCP004 (S&T bond)	012582997	8 December 2025	9 December 2025	5 September 2026	30	1.65	The entire principal repaid at one time at maturity, and the interest paid together with the principal	inter-bank bond market	The institutional investors from the inter-bank bond market	circulation and transfer at the national inter-bank bond market	No

Notes:

① For 2022 medium-term note (first tranche) (class 2), every five interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by five years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

② For 2024 medium-term note (first tranche) (S&T note), every three interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by three years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

③ For 2024 medium-term note (second tranche) (S&T note), every two interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by two years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

④ For 2024 medium-term note (third tranche) (S&T innovation note), every two interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by two years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

⑤ For 2024 medium-term note (fourth tranche), every two interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by two years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

⑥ For 2025 medium-term note (first tranche), every two interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by two years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

⑦ For 2025 S&T innovation bond (second tranche), every two interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by two years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

⑧ For 2025 technology innovation bond (third tranche), every three interest-bearing years are regarded as one term. At the end of each term, the Company has the right to choose to extend the term of the current medium-term note by one term (that is, by three years) or choose to repay the principal and interest of the current medium-term note due at maturity in full at the end of the term.

Counter-measures to the risks of listing termination of the Company

Not applicable.

Overdue debt

Not applicable.

Principal and interest payment of bonds during the Reporting Period

Name of bond	Explanations on principals and interest payment
2021 medium-term note (first tranche)	All interests have been repaid in due course and no default occurs.
2022 medium-term note (first tranche) (class 2)	All interests have been repaid in due course and no default occurs.
2024 medium-term note (first tranche) (S&T innovation note)	All interests have been repaid in due course and no default occurs.
2024 medium-term note (second tranche) (S&T innovation note)	All interests have been repaid in due course and no default occurs.
2024 medium-term note (third tranche) (S&T innovation note)	All interests have been repaid in due course and no default occurs.
2024 medium-term note (fourth tranche)	All interests have been repaid in due course and no default occurs.
2022 medium-term note (first tranche) (class 1)	All principals and interests have been repaid in due course and no default occurs.
2022 medium-term note (second tranche)	All principals and interests have been repaid in due course and no default occurs.
2023 medium-term note (first tranche)	All principals and interests have been repaid in due course and no default occurs.
2023 medium-term note (second tranche) (S&T innovation note)	All principals and interests have been repaid in due course and no default occurs.
2024 super-short financing note (second tranche) (S&T innovation note)	All principals and interests have been repaid in due course and no default occurs.
2024 super-short financing note (third tranche)	All principals and interests have been repaid in due course and no default occurs.
2025 super-short financing note (first tranche)	All principals and interests have been repaid in due course and no default occurs.

2. Trigger and enforcement of clauses on the Company or investor option as well as investor protection

Not applicable.

3. *Agents for bonds issuance and continuing business services*

Names of agent	Office address	Names of signing accountant (if applicable)	Contact person	Tel
China Merchants Bank Co. Ltd.	7088 Shennan Roadway, Futian District, Shenzhen, Guandong Province	Feng Suoteng, Fan Xun	Guo Fei	0531-55663546
Industrial Bank Co., Ltd.	398 Jiangbin Central Avenue, Taijiang District, Fuzhou, Fujian Province	Wu Zhongming, Pan Sheng	Fan Lei	0531-81755630
China Lianhe Credit Rating Co., Ltd.	17/F, PICC Mansion, 2 Jianguomenwai Street, Chaoyang District, Beijing	Mao Guangqin	Shen Yan	010-85679696
China Chengxin International Credit Rating Co., Ltd.	60101, Building 1, No. 2 Nanzhugan Hutong, Dongcheng District, Beijing	Yuan Zhenxiang, Ni Xiaolu	Li Luyi	01066428877

Changes of the above agents

Not applicable.

4. *Use of proceeds by the end of the reporting period*

Unit: RMB100 million

Name of bonds	Aggregate amount of proceeds	Used amount	Unused amount	Special accounts operation of proceeds (if any)	Rectification of illegal use of proceeds (if any)	Whether it is consistent with the purpose, usage plan and other provisions set in the prospectus
2025 medium-term note (first tranche)	30	30	0	N/A	N/A	Yes
2025 super-short financing note (first tranche)	20	20	0	N/A	N/A	Yes
2025 S&T innovation bond (second tranche)	30	30	0	N/A	N/A	Yes
2025 technology innovation bond (third tranche)	30	30	0	N/A	N/A	Yes
2025 technology innovation bond (fourth tranche)	30	30	0	N/A	N/A	Yes

Progress of construction projects and operational benefits of proceeds

Not applicable.

Explanation on changes of the use of proceeds by the above-mentioned bonds during the Reporting Period

Not applicable.

Other explanation:

Not applicable.

5. *Adjustments on credit rating results*

Not applicable.

Other explanation:

Not applicable.

6. Execution, changes and impact of guarantees, debt repayment plan and other debt repayment supporting measures during the Reporting Period

Not applicable.

7. Explanations on other conditions of non-financial enterprise debt financing instruments

Not applicable.

(VI) The Loss in the Consolidated Statements of the Company during the Reporting Period Exceeding 10% of the Net Assets at the end of the Previous Year

Not applicable.

(VII) Interest-Bearing Debt Overdue Excluding Bonds by the end of the Reporting Period

Not applicable.

(VIII) The Impact on the Rights and Interests of Bond Investors due to Violation of Laws and Regulations, the Articles, Information Disclosure System as well as Provisions or Commitments in the Prospectus of Bond Offerings During the Reporting Period

Not applicable.

(IX) Accounting Data and Financial Indicators for the Past Two Years as at the end of the Reporting Period

Unit: RMB'0,000

Main indicators	2025	2024	Increase/decrease at the end of the Reporting Period compared with the end of the previous year (%)
Net profit attributable to listed company deducting extraordinary gains or losses	739,899	1,389,062	-46.73
Current ratio	0.84	0.76	10.99
Quick ratio	0.74	0.67	11.64
Debt-to-asset ratio (%)	62.23	63.68	Decreased by 1.45 percentage points
Total debt to EBITDA ratio	3.38	2.48	36.42
Interest coverage ratio	5.50	7.54	-27.06
Cash interest coverage ratio	5.76	6.87	-16.16
EBITDA interest coverage ratio	9.72	11.44	-15.03
Debt repayment ratio (%)	100	100	0
Interest repayment ratio (%)	100	100	0

II. CONVERTIBLE CORPORATE BOND

Not applicable.

Independent Auditor's Report

bakertilly
天職國際

TO THE SHAREHOLDERS OF YANKUANG ENERGY GROUP COMPANY LIMITED
兗礦能源集團股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)

OPINION

We have audited the consolidated financial statements of Yankuang Energy Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 222 to 400, which comprise the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. The matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on the matter.

KEY AUDIT MATTER (Continued)

Key audit matter	How the matter was addressed in our audit
Impairment assessment of intangible assets and property, plant and equipment As at 31 December 2025, the intangible assets and property, plant and equipment of the Group amounted to RMB 96,752,617,000 and RMB 166,606,332,000 respectively, together representing approximately 58% of the total assets of the Group. The management assessed as at the end of the reporting period whether there was any indication that the intangible assets and property, plant and equipment may be impaired. If there was such an indication, management performed impairment testing by determining the recoverable amounts of the cash-generating units ("CGUs") to which the intangible assets and property, plant and equipment were allocated. The recoverable amount of each of the CGUs is the higher of fair value less costs of disposal and its value in use. The calculation of the recoverable amounts of the CGUs required management's significant estimates on the sales growth rates, coal prices and discount rates, etc. We have identified the impairment assessment of the intangible assets and property, plant and equipment as a key audit matter because of their significance to the consolidated financial statements as a whole and the involvement of a significant degree of judgements and estimates made by the management when performing the impairment assessment. Please refer to Notes 4, 5, 17 and 18 to the consolidated financial statements for the accounting policies, significant accounting judgements and estimates and the relevant disclosures in the consolidated financial statements.	Our procedures to assess management's impairment assessment of intangible assets and property, plant and equipment included: • evaluating the management's assessment of indicators of impairment, the identification of CGUs and the allocation of the intangible assets and property, plant and equipment to each CGU, with reference to our understanding of the Group's business and the requirements of the prevailing accounting standards; • evaluating the competence, capabilities and objectivity of management's specialist; • assessing the appropriateness of the valuation methodology used with reference to the requirements of the prevailing accounting standards; • evaluating whether the significant judgements and estimates, such as sales growth rates, coal price, operating margins and discount rates used in management's calculation of value-in-use are reasonable based on our knowledge of the business and industry; • recalculating the recoverable amounts calculated by management to check the accuracy of the calculation; • assessing the reliability of the management's cashflow forecast by Company the prior year forecast with actual results; and • assessing the relevant disclosures in the consolidated financial statements in respect of management's impairment assessment with reference to the requirements of the prevailing accounting standards.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion, solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement director on the audit resulting in this independent auditor's report is Wan Wing Ping.

Baker Tilly Hong Kong Limited
Certified Public Accountants
Hong Kong, 27 March 2026
Wan Wing Ping
Practising certificate number P07471

Chapter 10

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

for the year ended 31 December 2025

(Expressed in Renminbi)

	Notes	2025 RMB'000	2024 RMB'000 (Restated)
Gross sales of coal	7	**88,666,141**	107,123,573
Smart logistic services income		**15,083,018**	3,271,132
Gross sales of electricity and heat supply		**3,219,877**	3,341,203
Gross sales of equipment manufacturing		**2,078,431**	1,607,672
Gross sales of chemical products		**24,293,130**	25,800,611
Total revenue		**133,340,597**	141,144,191
Transportation costs		**(4,913,770)**	(4,851,423)
Cost of sales of coal	8	**(57,178,478)**	(61,229,075)
Cost of smart logistic services provided		**(14,793,406)**	(2,810,249)
Cost of sales of electricity and heat supply		**(2,856,312)**	(3,172,540)
Cost of sales of equipment manufacturing		**(1,553,049)**	(1,252,586)
Cost of sales of chemical products		**(18,401,296)**	(20,831,232)
Total cost of sales		**(99,696,311)**	(94,147,105)
Gross profit		**33,644,286**	46,997,086
Selling, general and administrative expenses	9	**(18,221,019)**	(19,262,110)
Share of results of associates		**2,526,212**	2,221,695
Share of results of joint ventures		**(99,754)**	74,096
Other income and gains/losses	10	**5,555,971**	3,127,676
Finance costs	11	**(4,095,650)**	(4,407,581)
Profit before tax	13	**19,310,046**	28,750,862
Income tax expense	12	**(4,419,777)**	(6,740,949)
Profit for the year		**14,890,269**	22,009,913
Attributable to:			
Equity shareholders of the Company		**8,524,664**	14,592,264
Owners of perpetual capital securities	44	**628,718**	631,865
Non-controlling interests		**5,736,887**	6,785,784
		14,890,269	22,009,913
Earnings per share, basic	16	**RMB0.85**	RMB1.47
Earnings per share, diluted	16	**RMB0.85**	RMB1.47

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended 31 December 2025

(Expressed in Renminbi)

	2025 RMB'000	2024 RMB'000 (Restated)
Profit for the year	**14,890,269**	22,009,913
Items that will not be reclassified subsequently to profit or loss:		
Remeasurement of defined benefit plans	**(82,735)**	180,543
Fair value gain (loss) on investments in equity instruments designated as at fair value through other comprehensive income ("FVTOCI")	**135**	(149,839)
Income tax relating to item that will not be reclassified subsequently to profit or loss	**3,165**	(7,402)
	(79,435)	23,302
Share of other comprehensive expense of associates	**(2,359)**	–
Revaluation on reclassification of investment properties	**14,300**	–
	(67,494)	23,302
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedges:		
Cash flow hedge amounts recognised in other comprehensive income	**–**	(228,862)
Reclassification adjustments for amounts transferred to income statement	**236,100**	586,825
Deferred taxes	**(70,830)**	52,814
	165,270	410,777
Share of other comprehensive (expense)/income of associates	**(137,027)**	259,180
Exchange differences arising on translation of foreign operations	**1,905,497**	(3,281,996)
	1,933,740	(2,612,039)
Other comprehensive income/(expense) for the year, net of income tax	**1,866,246**	(2,588,737)
Total comprehensive income for the year	**16,756,515**	19,421,176
Attributable to:		
Equity shareholders of the Company	**9,690,565**	13,001,276
Owners of perpetual capital securities	**628,718**	631,865
Non-controlling interests	**6,437,232**	5,788,035
	16,756,515	19,421,176

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2025

(Expressed in Renminbi)

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000 (Restated)	1 January 2024 RMB'000 (Restated)
Non-current assets				
Intangible assets	17	**96,752,617**	80,594,274	76,178,945
Property, plant and equipment	18	**166,606,332**	158,109,221	153,353,468
Right-of-use assets	19	**7,279,368**	6,612,175	6,474,883
Investment properties	20	**1,747,691**	1,234,824	1,109,569
Prepayments for intangible assets and property, plant and equipment		**12,614,749**	20,643,239	19,744,656
Goodwill	21	**894,716**	829,867	335,750
Investments in securities	22	**1,262,089**	1,091,176	1,049,848
Interests in associates	23	**25,660,514**	24,384,257	22,602,462
Interests in joint ventures	24	**1,222,894**	1,275,916	1,355,995
Long-term receivables	26	**7,460,112**	8,094,595	6,261,665
Royalty receivables	27	**822,392**	890,628	949,705
Deposits made on investments		**117,926**	117,926	580,341
Deferred tax assets	39	**3,085,317**	2,846,384	3,129,153
		325,526,717	306,724,482	293,126,440
Current assets				
Inventories	28	**7,564,617**	7,868,535	7,910,537
Financial assets at fair value through profit or loss ("FVTPL")	29	**668**	481	225
Other financial assets at amortised cost	29	**787,776**	–	–
Contingent consideration receivable	30	**6,805**	77,304	–
Long-term receivables – due within one year	26	**2,795,520**	4,717,754	2,279,264
Royalty receivables	27	**80,514**	83,605	107,247
Bills and accounts receivables	31	**12,355,257**	13,788,462	13,262,575
Prepayments and other receivables	32	**47,065,904**	35,501,891	38,020,190
Performance compensation receivable from the Parent Company	34	**18,360,561**	–	–
Restricted cash	33	**10,748,130**	9,578,582	8,853,544
Pledged term deposits	33	**3,340**	14,720	66,600
Bank balances and cash	33	**26,676,555**	31,485,289	30,948,415
		126,445,647	103,116,623	101,448,597
Assets classified as held for sale		**–**	–	8,291
		126,445,647	103,116,623	101,456,888
Total assets		**451,972,364**	409,841,105	394,583,328

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

as at 31 December 2025

(Expressed in Renminbi)

	Notes	31 December 2025 RMB'000	31 December 2024 RMB'000 (Restated)	1 January 2024 RMB'000 (Restated)
Non-current liabilities				
Provisions for land subsidence, restoration, rehabilitation and environmental costs	35	**13,429,276**	12,669,251	13,469,622
Provisions	36	**11,737,495**	12,792,336	12,533,555
Borrowings	37	**80,559,775**	81,171,301	80,989,599
Lease liabilities	19	**425,643**	344,824	327,353
Long term payables	38	**15,796,268**	9,305,993	9,502,910
Deferred tax liabilities	39	**9,807,018**	9,543,960	9,606,164
		131,755,475	125,827,665	126,429,203
Current liabilities				
Bills and accounts payables	40	**34,949,715**	33,225,467	29,968,389
Other payables and accrued expenses	41	**45,929,839**	46,186,200	65,681,030
Contract liabilities	42	**6,330,233**	5,189,166	5,769,544
Provisions for land subsidence, restoration, rehabilitation and environmental costs	35	**812,479**	614,947	263,261
Provisions	36	**20,638**	34,645	47,217
Amounts due to Parent Company and its subsidiaries	52	**8,327,062**	6,183,973	7,073,415
Borrowings	37	**50,751,933**	41,188,895	25,308,491
Financial liabilities at FVTPL	29	**360,192**	538,427	550,761
Lease liabilities	19	**241,982**	227,826	159,032
Tax payables		**1,324,626**	1,367,673	2,839,324
Long term payables – due within one year	38	**269,464**	354,381	385
		149,318,163	135,111,600	137,660,849
Total liabilities		**281,073,638**	260,939,265	264,090,052
Capital and reserves	43			
Share capital		**10,037,481**	10,039,860	7,439,371
Reserves		**61,251,180**	53,967,690	52,864,145
Equity attributable to equity shareholders of the Company		**71,288,661**	64,007,550	60,303,516
Owners of perpetual capital securities	44	**29,767,838**	23,267,221	16,541,777
Non-controlling interests	51	**69,842,227**	61,627,069	53,647,983
Total equity		**170,898,726**	148,901,840	130,493,276
Total liabilities and equity		**451,972,364**	409,841,105	394,583,328

The consolidated financial statements on pages 222 to 400 were approved and authorised for issue by the Board of Directors on 27 March 2026 and are signed on its behalf by:

Li Wei
Director

Huang Xiaolong
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2025

(Expressed in Renminbi)

	Attributable to equity shareholders of the Company												
	Share capital RMB'000 (Note 43)	Share premium RMB'000	Capital reserve and future development fund RMB'000 (Note 43)	Share-based compensation reserve RMB'000	Statutory common reserve fund RMB'000 (Note 43)	Translation reserve RMB'000	Investment revaluation reserve RMB'000	Cash flow hedge reserve RMB'000	Retained earnings RMB'000 (Note 43)	Total RMB'000	Perpetual capital securities RMB'000 (Note 44)	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2024 (as previously reported)	7,439,371	3,724,083	578,969	554,218	1,663,814	(6,101,437)	(1,333,418)	(528,489)	49,461,898	55,459,009	16,541,777	45,369,830	117,370,616
Adjustment for business combination under common control (Note 58)	-	-	3,747,885	-	-	-	10,738	-	1,085,884	4,844,507	-	8,278,153	13,122,660
At 1 January 2024 (restated)	7,439,371	3,724,083	4,326,854	554,218	1,663,814	(6,101,437)	(1,322,680)	(528,489)	50,547,782	60,303,516	16,541,777	53,647,983	130,493,276
Profit for the year (restated)	-	-	-	-	-	-	-	-	14,592,264	14,592,264	631,865	6,785,784	22,009,913
Other comprehensive income/(expense) for the year:													
Fair value change of financial assets at FVTOCI	-	-	-	-	-	-	(61,729)	-	-	(61,729)	-	(51,988)	(113,717)
Remeasurement of defined benefit plans	-	-	69,880	-	-	-	-	-	-	69,880	-	67,139	137,019
Cash flow hedge reserve recognised	-	-	-	-	-	-	-	255,750	-	255,750	-	155,027	410,777
Share of other comprehensive income of associates	-	-	-	-	-	-	259,180	-	-	259,180	-	-	259,180
Exchange differences arising on translation of foreign operations	-	-	-	-	-	(2,114,069)	-	-	-	(2,114,069)	-	(1,167,927)	(3,281,996)
Total comprehensive income/(expense) for the year (restated)	-	-	69,880	-	-	(2,114,069)	197,451	255,750	14,592,264	13,001,276	631,865	5,788,035	19,421,176
Issuance of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	13,000,000	-	13,000,000
Redemption of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	(6,287,670)	-	(6,287,670)
Distribution paid to holders of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	(618,751)	-	(618,751)
Appropriations to statutory reserves	-	-	-	-	1,177,577	-	-	-	(1,177,577)	-	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(385,033)	(385,033)
Business combination under common control	-	-	(133,505)	-	-	-	-	-	-	(133,505)	-	-	(133,505)
Dividend paid to former shareholders of a subsidiary related to business combination under common control	-	-	(2,043)	-	-	-	-	-	-	(2,043)	-	-	(2,043)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(3,800,794)	(3,800,794)
Dividends (Note 15)	-	-	-	-	-	-	-	-	(13,816,393)	(13,816,393)	-	-	(13,816,393)
Deregistration of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	(1,000,500)	(1,000,500)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	5,704,868	5,704,868
Issuance of bonus shares	2,316,890	-	-	-	-	-	-	-	(2,316,890)	-	-	-	-
Issue of placing shares	285,000	4,229,108	-	-	-	-	-	-	-	4,514,108	-	-	4,514,108
Repurchase and cancellation of shares	(1,401)	147,543	212,563	-	-	-	-	-	-	358,705	-	-	358,705
Recognition of equity-settled share-based payment expenses	-	-	-	151,295	-	-	-	-	-	151,295	-	(17,083)	134,212
Others	-	-	(660,481)	-	-	-	(681)	-	291,753	(369,409)	-	1,689,593	1,320,184
Total transactions with owners (restated)	2,600,489	4,376,651	(583,466)	151,295	1,177,577	-	(681)	-	(17,019,107)	(9,297,242)	6,093,579	2,191,051	(1,012,612)
At 31 December 2024 (restated)	10,039,860	8,100,734	3,813,268	705,513	2,841,391	(8,215,506)	(1,125,910)	(272,739)	48,120,939	64,007,550	23,267,221	61,627,069	148,901,840

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

for the year ended 31 December 2025

(Expressed in Renminbi)

	Attributable to equity shareholders of the Company												
	Share capital RMB'000 (Note 43)	Share premium RMB'000	Capital reserve and future development fund RMB'000 (Note 43)	Share-based compensation reserve RMB'000	Statutory common reserve RMB'000 (Note 43)	Translation reserve RMB'000	Investment revaluation reserve RMB'000	Cash flow hedge reserve RMB'000	Retained earnings RMB'000 (Note 43)	Total RMB'000	Perpetual capital securities RMB'000 (Note 44)	Non-controlling interests RMB'000	Total RMB'000
At 1 January 2025 (restated)	10,039,860	8,100,734	3,813,268	705,513	2,841,391	(8,215,506)	(1,125,910)	(272,739)	48,120,939	64,007,550	23,267,221	61,627,069	148,901,840
Profit for the year	-	-	-	-	-	-	-	-	8,524,664	8,524,664	628,718	5,736,887	14,890,269
Other comprehensive income/(expense) for the year:													
Fair value change of financial assets at FVTOCI	-	-	-	-	-	-	97	-	-	97	-	-	97
Remeasurement of defined benefit plans	-	-	(39,621)	-	-	-	-	-	-	(39,621)	-	(39,911)	(79,532)
Revaluation on reclassification of investment properties	-	-	-	-	-	-	14,300	-	-	14,300	-	-	14,300
Cash flow hedge reserve recognised	-	-	-	-	-	-	-	102,897	-	102,897	-	62,373	165,270
Share of other comprehensive expense of associates	-	-	-	-	-	-	(139,386)	-	-	(139,386)	-	-	(139,386)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	1,227,614	-	-	-	1,227,614	-	677,883	1,905,497
Total comprehensive income/(expense) for the year	-	-	(39,621)	-	-	1,227,614	(124,989)	102,897	8,524,664	9,690,565	628,718	6,437,232	16,756,515
Issuance of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	16,000,000	-	16,000,000
Redemption of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	(9,489,900)	-	(9,489,900)
Distribution paid to holders of perpetual capital securities	-	-	-	-	-	-	-	-	-	-	(638,201)	-	(638,201)
Appropriations to statutory reserves	-	-	-	-	554,453	-	-	-	(554,453)	-	-	-	-
Capital injection from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	3,405,057	3,405,057
Business combination under common control	-	-	(2,426,334)	-	(2,841,391)	-	-	-	(1,011,512)	(6,279,237)	-	1,179,945	(5,099,292)
Dividend paid/payable to former shareholders of a subsidiary related to business combination under common control	-	-	(7,000,000)	-	-	-	-	-	-	(7,000,000)	-	-	(7,000,000)
Dividends to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(3,347,082)	(3,347,082)
Dividends (Note 15)	-	-	-	-	-	-	-	-	(7,226,986)	(7,226,986)	-	-	(7,226,986)
Step acquisition from an associate to a subsidiary	-	-	-	-	-	-	-	-	-	-	-	29,163	29,163
Deemed disposal from a subsidiary to an associate	-	-	-	-	-	-	-	-	-	-	-	(8,122)	(8,122)
Deregistration of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	194,999	194,999
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	329,605	329,605
Performance compensation from the Parent Company (Note 34)	-	-	18,360,561	-	-	-	-	-	-	18,360,561	-	-	18,360,561
Cancellation of shares	(2,379)	(961)	3,340	-	-	-	-	-	-	-	-	-	-
Recognition of equity-settled share-based payment expenses	-	-	55,653	45,648	-	-	-	-	-	101,301	-	754	102,055
Others	-	-	(386,631)	-	-	-	-	-	21,538	(365,093)	-	(6,393)	(371,486)
Total transactions with owners	(2,379)	(961)	8,606,589	45,648	(2,286,938)	-	-	-	(8,771,413)	(2,409,454)	5,871,899	1,777,926	5,240,371
At 31 December 2025	10,037,481	8,099,773	12,380,236	751,161	554,453	(6,987,892)	(1,250,899)	(169,842)	47,874,190	71,288,661	29,767,838	69,842,227	170,898,726

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2025

(Expressed in Renminbi)

	Notes	2025 RMB'000	2024 RMB'000 (Restated)
Operating activities			
Profit before tax		**19,310,046**	28,750,862
Adjustments for:			
Finance costs	11	**4,095,650**	4,407,581
Interest income	10	**(1,482,234)**	(2,484,429)
Net unrealised foreign exchange (gain)/loss		**(715,711)**	1,452,363
Amortisation of intangible assets	13	**2,374,192**	2,556,767
Depreciation of property, plant and equipment	13	**13,010,935**	13,690,661
Depreciation of right-of-use assets	13	**418,800**	481,680
Impairment loss recognised on property, plant and equipment	10	**–**	6,225
Impairment loss recognised on inventories, net	10	**58,125**	4,045
Impairment loss (reversed)/recognised on long-term receivables, net	10	**(19,699)**	198,146
Impairment loss recognised on bills and accounts receivables and other receivables, net	10	**562,763**	304,476
Impairment loss recognised/(reversed) on advance to suppliers	10	**29,358**	(334)
Gain on disposal of intangible assets, net	10	**(1,077,564)**	(48,034)
Loss/(gain) on disposal of property, plant and equipment, net	10	**88,505**	(58,784)
Loss from changes in fair value of investment properties	10	**19,090**	7,788
Loss/(gain) from changes in fair value of investment securities	10	**45,205**	(3,835)
Loss from changes in fair value of royalty receivables	10	**108,561**	8,606
Gain on bargain purchase	10	**(9,926)**	(134,765)
Loss on deemed disposal from a subsidiary to an associate		**53,380**	–
Gain from changes in fair value of financial assets and liabilities at FVTPL	10	**(178,422)**	(12,590)
Realised loss from hedged derivatives		**236,100**	586,825
Share of results of associates		**(2,526,212)**	(2,221,695)
Share of results of joint ventures		**99,754**	(74,096)
Fair value changes in contingent consideration receivable	10	**70,499**	22,172
Waiver of payables for mining rights		**(1,705,716)**	–
Share-based payment expenses	13	**84,459**	159,327
Operating cash flows before movements in working capital		**32,949,938**	47,598,962
Decrease in inventories		**211,399**	424,761
Decrease in bills and accounts receivables		**650,278**	1,084,201
(Increase)/decrease in prepayments and other receivables		**(11,651,717)**	3,479,175
Decrease in bills and accounts payables		**1,946,041**	1,497,595
Increase other payables and accrued expenses		**(277,035)**	(8,557,485)
Decrease/(increase) in contract liabilities		**1,142,384**	(651,918)
Decrease/(increase) in provision for land subsidence, restoration, rehabilitation and environmental cost		**957,557**	(467,057)
(Decrease)/increase in provisions		**(1,068,848)**	234,543
Decrease/(increase) in amounts due to Parent Company and its subsidiaries		**2,143,089**	(889,442)
Decrease/(increase) in long-term receivables		**2,576,416**	(4,427,052)
(Decrease)/increase in long-term payables		**(5,594,642)**	120,554
Cash generated from operations		**23,984,860**	39,446,837
Income taxes paid		**(4,443,619)**	(8,467,462)
Interest paid		**(4,383,218)**	(4,349,733)
Interest received		**1,482,234**	2,484,429
Net cash generated from operating activities		**16,640,257**	29,114,071

CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

for the year ended 31 December 2025

(Expressed in Renminbi)

	2025 RMB'000	2024 RMB'000 (Restated)
Investing activities		
Withdrawal of pledged term deposits	11,380	51,880
Placement of restricted cash	(1,169,548)	(725,038)
Placement of short-term bank deposits	(787,776)	–
Purchase of intangible assets	(2,621,001)	(1,883,870)
Purchase of property, plant and equipment	(13,419,149)	(17,347,124)
Purchase of right-of-use assets	(365,712)	–
Purchase of investment properties	–	(44,446)
Increase in deposit paid for intangible assets and property, plant and equipment	(1,321,910)	(898,583)
Proceeds from disposal of property, plant and equipment	116,885	1,324,558
Proceeds from disposal of intangible assets	578,699	1,974,566
(Payments)/receipts for other investments	(851,403)	465,885
(Payments)/receipts for interests in associates	(34,595)	474,845
Payments for interests in joint ventures	–	(310,825)
Net cash effect on acquisition of joint operation	(226,087)	–
Net cash effect on acquisition of subsidiaries	(23,816)	(6,520,660)
Net cash effect on disposal of subsidiaries	(35,684)	–
Decrease in deposits in investments	–	462,415
Repayment of loan receivables	2,257,891	5,815,194
Loan receivables advanced	(1,610,019)	(5,609,960)
Payments for acquisition of non-controlling interests	–	(385,033)
Deregistration of the subsidiaries	194,999	(1,000,500)
Dividends received from associates and joint ventures	817,084	891,369
Net cash used in investing activities	(18,489,762)	(23,265,327)
Financing activities		
Proceeds from borrowings	70,175,674	58,014,022
Repayments of borrowings	(66,163,524)	(45,058,178)
Proceeds from issuance of perpetual capital security	16,000,000	13,000,000
Redemption of perpetual capital securities	(9,489,900)	(6,287,670)
Distribution paid to holders of perpetual capital securities	(638,201)	(618,751)
Repayments of lease liabilities	(641,101)	(408,181)
Dividends paid	(6,964,904)	(13,817,619)
Dividends paid to non-controlling shareholders	(4,207,135)	(3,801,611)
Issuance of shares	–	4,514,108
Contribution from non-controlling interests	3,405,057	–
Business combination under common control	(4,754,444)	(10,191,299)
Net cash used in financing activities	(3,278,478)	(4,655,179)
Net (decrease)/increase in cash and cash equivalents	(5,127,983)	1,193,565
Cash and cash equivalents at 1 January	31,485,289	30,948,415
Effect of foreign exchange rate changes	319,249	(656,691)
Cash and cash equivalents at 31 December	26,676,555	31,485,289

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Renminbi)

1 GENERAL INFORMATION

Yankuang Energy Group Company Limited (the "Company") is established as a joint stock company with limited liability in The People's Republic of China (the "PRC"). In April 2001, the status of the Company was changed to that of a Sino-foreign joint stock limited company. The Company's A shares are listed on the Shanghai Stock Exchange ("SSE") while its H shares are listed on The Stock Exchange of Hong Kong Limited (the "SEHK"). The Company's parent and ultimate holding company is Shandong Energy Group Company Limited (the "Parent Company"), a state-owned enterprise in the PRC. The addresses of the registered office and principal place of business of the Company are disclosed in the Group Profile section of the annual report.

The principal activities of the Company are investment holding, coal mining and coal railway transportation. The activities of its principal subsidiaries, associates, joint ventures and joint operations are set out in Notes 60, 23, 24 and 25 respectively.

The consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") are presented in Renminbi ("RMB"), which is also the functional currency of the Company.

The English names of all the companies established in the PRC presented in these consolidated financial statements represent the best efforts made by the directors of the Company for the translation of the Chinese names of these companies to English names as they do not have official English names.

2 APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the International Accounting Standards Board ("IASB") for the first time, which are mandatorily effective for the Group's annual period beginning on or after 1 January 2025 for the presentation of the consolidated financial statements:

Amendments to International Accounting Standard ("IAS") 21	Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current year has had no material effect on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

2 APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (Continued)

New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11[2]
IFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency[3]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2026.
[3] Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to IFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to IFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term "non-recourse" is enhanced and the characteristics of "contractually linked instruments" are clarified in the amendments.

2 APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (Continued)

New and amendments to IFRS Accounting Standards in issue but not yet effective (Continued)

Amendments to IFRS 9 and IFRS 7 Amendments to the Classification and Measurement of Financial Instruments (Continued)

The disclosure requirements in IFRS 7 *Financial Instruments: Disclosures* in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

2 APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS (Continued)

New and amendments to IFRS Accounting Standards in issue but not yet effective (Continued)

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values, at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2 *Share-based Payment* ("IFRS 2"), leasing transactions that are accounted for in accordance with IFRS 16 *Lease* ("IFRS 16"), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 *Inventories* or value in use in IAS 36 *Impairment of Assets* ("IAS 36").

3 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Going concern assessment

The consolidated financial statements have been prepared on a going concern basis notwithstanding the Group had net current liabilities of approximately RMB22,872,516,000 (2024 (Restated): RMB31,994,977,000) as at 31 December 2025.

In view of the undrawn borrowings facilities available for the Group's immediate use and that the Group is anticipated to generate positive cash flows from its operations, the directors of the Company consider that the Group will have sufficient funds to meet its financial obligations as and when they fall due for the next twelve months from 31 December 2025. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis. The consolidated financial statements do not include any adjustments relating to the carrying amounts and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

4 MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved where the Company has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power to affect its returns.

The Group reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Basis of consolidation (Continued)

When the Group has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including: (i) the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders; (ii) potential voting rights held by the Group, other vote holders or other parties; (iii) rights arising from other contractual arrangements; and (iv) any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity shareholders of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the equity shareholders of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group’s interests in existing subsidiaries

Changes in the Group’s interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group’s and the non-controlling interests’ proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to equity shareholders of the Company.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Changes in the Group's interests in existing subsidiaries (Continued)

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the equity shareholders of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses, other than business combination under common control, are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the "Conceptual Framework") except for transactions and events within the scope of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC-Int 21 *Levies*, in which the Group applies IAS 37 or IFRIC-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Changes in the Group's interests in existing subsidiaries (Continued)

Business combinations (Continued)

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in IFRS 16 *Leases*) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Changes in the Group's interests in existing subsidiaries (Continued)

Business combinations (Continued)

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income, as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under IFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Merger accounting for business combination involving entities under common control

The consolidated financial statements incorporate the financial statements items of the combining businesses in which the common control combination occurs as if they had occurred from the date when the combining businesses first came under the control of the controlling party.

The net assets of the combining businesses are consolidated using the existing book values from the controlling party's perspective. Difference between the consideration transferred in the common control combination and the aggregate carrying value of the assets and liabilities of the combining or businesses at the date of the transaction is included in equity in the capital reserve. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Merger accounting for business combination involving entities under common control (Continued)

Expenditure incurred in relation to a common control combination that is to be accounted for by using merger accounting is recognised as an expense in the period in which it is incurred.

The consolidated statement of profit or loss includes the results of each of the combining businesses from the earliest date presented or since the date when the combining businesses first came under the common control, where this is a shorter period.

The comparative amounts in the consolidated financial statements are presented as if the combining businesses had been combined at the beginning of the previous reporting period or when they first came under common control, whichever is shorter.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in an annual period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that annual period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of an associate and a joint venture is described below.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with IFRS 5. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method until disposal of the portion that is classified as held for sale takes place. If the Group has lost significant influence/joint control over the associates/joint ventures after the disposal takes place, the Group accounts for any retained interest in the associates/joint ventures in accordance with IFRS 9. If the Group has retained significant influence/joint control over the associates/joint ventures after the disposal takes place, the Group continues to account for the remaining interest using equity method. Under the equity method, an investment in an associate or joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are provided for, and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Investments in associates and joint ventures (Continued)

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of IFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Investments in associates and joint ventures (Continued)

Changes in the Group's interests in associates and joint ventures

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Acquisition of additional interests in associates or joint ventures

When the Group increases its ownership interest in an associate or a joint venture but the Group continues to use the equity method, goodwill is recognised at acquisition date if there is excess of the consideration paid over the share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired. Any excess of share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired over the consideration paid are recognised in the profit or loss in the period in which the additional interest are acquired.

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation;
- its expenses, including its share of any expenses incurred jointly.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Interests in joint operations (Continued)

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRS Accounting Standards applicable to the particular assets, liabilities, revenues and expenses.

When a group entity transacts with a joint operation in which a group entity is a joint operator, such as a sale or contribution of assets, the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the consolidated financial statements only to the extent of other parties' interests in the joint operation. When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is recognised as met only when the asset or disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset or disposal group and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in the relevant subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment (or a portion of the investment) is classified as held for sale.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

The Group recognised revenue from the following major sources:

- Sales of goods (including coal, equipment manufacturing and chemical products)
- Provision of coal railway transportation services, electricity and heat supply

Sales of goods

Revenue from sale of coal, equipment manufacturing and chemical products is recognised at the point when the control of the goods is transferred to the customers (generally on delivery of the goods to the location specified by the customers and accepted by the customers). It is a point of time where the customer has the ability to direct the use of the products and obtain substantially all of the remaining benefits of the products.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Revenue from contracts with customers (Continued)

Provision of services

Revenue from transportation services is recognised when the services are rendered.

Revenue from supply of electricity and heat is recognised at the time when the electricity or heat is transmitted.

Sea freight services

When contracts for sale of coal include sea freight services the performance obligation associated with providing the shipping is separately measured and recognised as the service is provided.

Provision of management services

Revenue from the provision of management services is recognised over the scheduled period on a straight-line basis because the customer simultaneously receives and consumes the benefits provided by the Group.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under IFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Group applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets (such as tablets and personal computers, small items of office furniture and telephones). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Leases (Continued)

The Group as lessee (Continued)

Right-of-use assets

The cost of right-of-use assets includes:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term are depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

Refundable rental deposits

Refundable rental deposits paid are accounted under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including loan prime rate and any entity-specific adjustment whether the risk profile of the entity that enters into the lease is different to that of the Group.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Leases (Continued)

The Group as lessee (Continued)

Lease liabilities (Continued)

The lease payments include:

- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- amount expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using revised discount rate at the date of reassessment.
- the lease payments change due to changes in expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for "lease modifications").

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Leases (Continued)

The Group as lessee (Continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under finance leases are recognised as receivables at commencement date at amounts equal to net investments in the leases, measured using the interest rate implicit in the respective leases. Initial direct costs (other than those incurred by manufacturer or dealer lessors) are included in the initial measurement of the net investments in the leases. Interest income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Interest and rental income which are derived from the Group's business are presented as other income.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Leases (Continued)

The Group as a lessor (Continued)

Allocation of consideration to components of a contract

When a contract includes both leases and non-lease components, the Group applies IFRS 15 to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Refundable rental deposits

Refundable rental deposits received are accounted for under IFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Sublease

When the Group is an intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

Lease modification

Changes in considerations of lease contracts that were not part of the original terms and conditions are accounted for as lease modifications, including lease incentives provided through forgiveness or reduction of rentals.

(i) Operating leases

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Company (i.e. Renminbi) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the equity shareholders of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefits costs

Payments to defined contribution plans including included state-managed retirement benefit schemes and superannuation funds are recognised as an expense when employees have rendered service entitling them to the contributions.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another IFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another IFRS Accounting Standard requires or permits their inclusion in the cost of an asset.

Share-based payment

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payments reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve.

When share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to share capital and/or share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to retained earnings.

When share awards granted are vested, the amount previously recognised in share-based payments reserve will be transferred to share premium.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Share-based payment (Continued)

Equity-settled share-based payment transactions (Continued)

Cash-settled share-based payment transactions

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. The fair value of the cash-settled share-based payments is determined without taking into consideration all non-market vesting conditions.

At the end of each reporting period until the liability is settled, and at the date of settlement, the liability is remeasured to fair value. For cash-settled share-based payments that are already vested, any changes in fair value are recognised in profit or loss for the year. For cash-settled share-based payments which are still subject to non-market vesting conditions, the effects of vesting and non-vesting conditions are accounted on the same basis as equity-settled share-based payments.

In case of share options granted by a subsidiary, the share options reserve of the subsidiary is classified as and grouped under non-controlling interests by the Group on consolidation. At the time when the share options are exercised, the amount previously recognised in share-based compensation reserve will be transferred to share premium of that subsidiary. The Group will account for the dilution as an equity transaction if the exercise of share options does not constitute a loss of the Group's control over that subsidiary.

Recognition and measurement of restricted stock repurchase obligations

Under the Group's stock incentive plan of restricted stock, the Group grants non-publicly issued shares of the Company for a restricted sale period (the "Restricted Shares") to the incentive targets. During the restricted sale period, restricted shares shall be restricted for sale and shall not be transferred, pledged for any guarantee or used for repayment of debts. When the agreed unlocking conditions are met, the restricted stock will be unlocked. If all or part of the shares expire or be cancelled due to unlocking, the Group will repurchase the shares at the agreed price.

On the grant date, the Group recognises the share capital and capital reserve according to the subscription payment received from the incentive targets. Meanwhile, for the Group obligation of restricted stock repurchase, recognised liabilities calculated by the number of restricted stock and the repurchase price, treat as the acquisition of treasury stock.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit/(loss) differs from profit before tax because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in associates and joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale, except for freehold land, which is always presumed to be recovered entirely through sale.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Taxation (Continued)

For the purpose of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies IAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss in the period when the asset is derecognised.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Intangible assets (Continued)

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are carried at costs less any accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Intangible assets (Continued)

Intangible assets acquired in a business combination (Continued)

(i) Mining reserves

Mining reserves represent the portion of total proven and probable reserves in the mine. Mining reserves are amortised over the life of the mine on a unit of production basis of the estimated total proven and probable reserves. Changes in the annual amortisation rate resulting from changes in the remaining reserves are applied on a prospective basis from the commencement of the next financial year.

(ii) Mining resources

Mining resources represent the fair value of economically recoverable reserves (excluding the portion of total proven and probable reserves of a mining right i.e. does not include the above mining reserves) of a mining right (Details are set out in the accounting policy of exploration and evaluation expenditure). When production commences, the mining resources for the relevant areas of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes (other than freehold lands and construction in progress as described below). Property, plant and equipment are stated in the consolidated statement of financial position at cost or fair value less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Freehold lands are not depreciated and are measured at cost less subsequent accumulated impairment losses.

Buildings in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, including costs of testing whether the related assets is functioning properly and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Sale proceeds of items that are produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended by management (such as samples produced when testing whether the asset is functioning properly), and the related costs of producing those items are recognised in the profit or loss. The cost of those items is measured in accordance with the measurement requirements of IAS 2. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Property, plant and equipment (Continued)

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position expect for those that are classified and accounted for as investment properties under the fair value model. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment. If a property becomes an investment property because its use has changed as evidenced by end of owner occupation, any difference between the carrying amount and the fair value of that item (including the relevant leasehold land classified as right-of-use assets) at the date of transfer is recognised in other comprehensive income and accumulated in revaluation reserve. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to retained profits.

Depreciation is recognised so as to write off the cost or valuation of assets, other than construction in progress and freehold land, over their estimated useful lives and after taking into account their estimated residual values, using the straight line method or unit of production method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no economic future benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation including properties under construction for such purposes.

Investment properties also include leased properties which are being recognised as right-of-use assets and subleased by the Group under operating leases.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Investment properties (Continued)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. A leased property which is recognised as a right-of-use asset is derecognised if the Group as intermediate lessor classifies the sublease as a finance lease. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each separately identifiable area of interest which is at individual mine level.

Exploration and evaluation expenditure comprises costs that are directly attributable to:

- Researching and analysing existing exploration data;
- Conducting geological studies, exploratory drilling and sampling;
- Examining and testing extraction and treatments methods; and/or
- Compiling pre-feasibility and feasibility studies.

These costs include employee remuneration, materials and fuel used, rig costs and payments made to contractors.

Exploration expenditure relates to the initial search for deposits with economic potential. Expenditure on exploration activity is not capitalised.

Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. Capitalisation of evaluation expenditure commences when there is a high degree of confidence that the Group will determine that a project is commercially viable, i.e. the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the Group.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Exploration and evaluation expenditure (Continued)

Evaluation expenditure incurred is accumulated in respect of each separately identifiable area of interest which is at individual mine level. These costs are only carried forward where the right of tenure for the area of interest is current and to the extent that they are expected to be recouped through successful development and commercial exploitation, or alternatively, sale of the area, or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing.

The carrying amount of exploration and evaluation assets is assessed for impairment when facts or circumstances suggest the carrying amount of the assets may exceed their recoverable amount.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Accumulated costs in relation to an abandoned area are written-off in full in the period in which the decision to abandon the area is made.

Capitalised evaluation expenditure considered to be tangible is recorded as a component of property, plant and equipment. Otherwise, it is recorded as an intangible asset. Exploration and evaluation assets acquired in a business combination are recognised at their fair value at the acquisition date (the fair value of potential economically recoverable reserves at the acquisition date which is shown as "Mining resources").

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable (i.e. when proved reserves of coal are determined and development is approved by management), the exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining reserves or property, plant and equipment. When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

On reclassification, the carrying amounts of exploration and evaluation assets are also reviewed and, where appropriate, written down to their recoverable amount.

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets with finite useful life to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Impairment on property, plant and equipment, right-of-use assets and intangible assets other than goodwill (Continued)

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

(a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Cash and cash equivalents (Continued)

(b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as short-term borrowings in the consolidated statement of financial position.

Inventories

Inventories of coal, iron ore, equipment and chemical products are stated at the lower of cost and net realisable value. Cost, which comprises direct materials and, where applicable, direct labour and overheads that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventory less all estimated costs of completion and costs necessary to make the sale. Cost necessary to make the sale include incremental cost directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

Inventories of auxiliary materials, spare parts and small tools expected to be used in production are stated at weighted average cost less allowance, if necessary, for obsolescence.

Overburden in advance

Overburden in advance comprises mining stripping (waste removal) costs both during the development and production phase of the Group's operations.

When stripping costs are included in the development phase of a mine before the production phase commences (development stripping), such expenditure is capitalised as part of the cost of constructing the mine if it can be demonstrated that it is probable that future economic benefits will be realised, the costs can be reliably measured and the entity can identify the component of the ore body for which access has been improved. The stripping assets are subsequently amortised over its useful life using a units of production method, in accordance with the policy applicable to mine properties. The capitalisation of development stripping costs ceases when the mine/component is commissioned and ready for use as intended by management.

Waste removal costs incurred in the production phase creates two benefits, being either the production of inventory or improved access to the ore to be mined in the future. Where the benefits are realised in the form of inventory produced in the period, the production stripping costs are accounted for as part of the cost of producing those inventories. Where production stripping costs are incurred and the benefit is improved access to ore to be mined in the future, the costs are recognised as a stripping activity asset in mine properties.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Overburden in advance (Continued)

If the costs of the inventory produced and the stripping asset are not separately identifiable, the allocation is undertaken based on waste-to-ore stripping ratio for the particular ore component concerned. If mining of waste in a period occurs in excess of the expected life-of-component average waste-to-ore strip ratio, the excess is recognised as part of the stripping asset. Where mining occurs at or below the expected life-of-component stripping ratio in a period, the entire production stripping cost is allocated to the cost of the ore inventory produced.

Amortisation is provided using the units-of-production method over the life of the identified component of ore body. The units-of-production method results in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probable reserves).

Stripping costs that do not satisfy the asset recognition criteria are expensed.

Land subsidence, restoration, rehabilitation and environmental costs

One consequence of coal mining is land subsidence caused by the resettlement of the land above the underground mining sites. Depending on the circumstances, the Group may relocate inhabitants from the land above the underground mining sites prior to mining those sites or the Group may compensate the inhabitants for losses or damages from land subsidence after the underground sites have been mined. The Group may also be required to make payments for restoration, rehabilitation or environmental protection of the land after the underground sites have been mined.

An estimate of such costs is recognised in the period in which the obligation is identified and is charged as an expense in proportion to the coal extracted. At the end of each reporting period, the Group adjusts the estimated costs in accordance with the actual land subsidence status. The provision is also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalised cost, except where a reduction in the provision is greater than the undepreciated capitalised cost of any related assets, in which case the capitalised cost is reduced to nil and remaining adjustment is recognised in profit or loss. Changes to the capitalised cost result in an adjustment to future depreciation and finance charges.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Restoration provisions

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognised at the date of inception of the lease at the directors' best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the net cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

When assessing whether a contract is onerous or loss-making, the Group includes costs that relate directly to the contract, consisting of both the incremental costs (to specify, e.g. direct labour and materials) and an allocation of other costs (to specify, e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract) that relate directly to fulfilling contracts.

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with IFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised in profit or loss is included in the "Other income and gains/losses" line item.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established generally by regulation or convention in the market place concerned.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 *Business Combinations* applies.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of Investment revaluation reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investment revaluation reserve; and are not subject to impairment assessment. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments and is transferred to retained earnings.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "Other income and gains/losses" line item in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "Other income and gains/losses" line item.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under IFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including bills and accounts receivables, other receivables, long-term receivables and performance compensation receivables from the Parent Company) which are subject to impairment assessment under IFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of past events and the current conditions at the reporting date as well as the forecast of future economic conditions.

The Group always recognises lifetime ECL for bills and accounts receivables.

For all other financial instruments, the Group measures the loss allowance equal to 12-m ECL, unless there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 (Continued)

Significant increase in credit risk (Continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group has rebutted the 90 days past due presumption of default based on reasonable and supportable information, including the Group's credit risk control practices and the historical recovery rate of financial assets over 90 days past due. However, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 (Continued)

Credit-impaired financial assets (Continued)

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events: (Continued)

- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- the disappearance of an active market for that financial asset because of financial difficulties; or
- the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 4 years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and forward-looking information, including time value of money where appropriate, that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 (Continued)

Measurement and recognition of ECL (Continued)

For a financial guarantee contract, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Lifetime ECL for certain accounts receivables are considered on a collective basis taking into consideration past due information and relevant credit information such as forward-looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under IFRS 9 (Continued)

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "Other income and gains/losses" line item (Note 10) as part of the net foreign exchange gains;

- For debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the "Other income and gains/losses" line item (Note 10) as part of the net foreign exchange gains. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of carrying amount (at fair value) is recognised in other comprehensive income in the investment revaluation reserve;

- For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the "Other income and gains/losses" line item as part of the gain from changes in fair value of financial assets (Note 10);

- For equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in the investment revaluation reserve.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument/receivables classified as at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is reclassified to profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the FVTOCI reserve is not reclassified to profit or loss, but is transferred to retained earnings.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Perpetual instruments, which include no contractual obligation for the Group to deliver cash or other financial assets or the Group has the sole discretion to defer payment of distribution and redemption of principal amount indefinitely are classified as equity instruments.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which IFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities (Continued)

Financial liabilities at FVTPL (Continued)

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at FVTPL.

For financial liabilities that are designated as at FVTPL, the amount of changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. For financial liabilities that contain embedded derivatives, the changes in fair value of the embedded derivatives are excluded in determining the amount to be presented in other comprehensive income. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities at amortised cost

Financial liabilities including bills and accounts payable, other payables, amounts due to Parent Company and its subsidiary companies, guaranteed notes, bank borrowings, other borrowings, corporate bond and long term payables borrowings are subsequently measured at amortised cost, using the effective interest method.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities (Continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with IFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are recognised in the "Other income and gains/losses" line item in profit or loss (Note 10) as part of net foreign exchange gains for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities (Continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

Derivatives embedded in hybrid contracts that contain financial asset hosts within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured in its entirety as either amortised cost or fair value as appropriate.

Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Generally, multiple embedded derivatives in a single instrument that are separated from the host contracts are treated as a single compound embedded derivative unless those derivatives relate to different risk exposures and are readily separable and independent of each other.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities (Continued)

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Hedge accounting

The Group designates certain derivatives as hedge instruments in respect of foreign currency risk as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in cash flows of the hedged item attributable to the hedged risk:

Assessment of hedging relationship and effectiveness

For hedge effectiveness assessment, the Group considers whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the entity actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

4 MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, and is included in the "Other income and gains/losses" line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

Discontinuation of hedge accounting

The Group discontinues hedge accounting prospectively only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. Discontinuing hedge accounting can either affect a hedging relationship in its entirety or only a part of it (in which case hedge accounting continues for the remainder of the hedging relationship).

Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 4, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, revenue and expenses reported and disclosure made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

Significant influence over associates

As stated in Note 23, the directors of the Company considered that China Zheshang Bank Co., Ltd. ("Zheshang Bank"), Linshang Bank Co., Ltd.* (臨商銀行股份有限公司) ("Linshang Bank"), Qilu Bank Co., Ltd. ("Qilu Bank") and Inner Mongolia Yitai Huzhun Railway Co., Ltd.* (內蒙古伊泰呼准铁路有限公司) ("Huzhun Railway"), in which the Group has 3.40%, 14.15%, 5.88% and 18.94% equity interest respectively, are associates of the Group.

The Group considered that it has the practical power to participates in significant financial and operating decisions and are able to exercise significant influence over the investees even though it owns less than 20% of the ownership interest and voting control taking into account (1) that the Group's ownership interest is significant relative to other shareholders due to the wide dispersion of shareholding interests; (2) the representation or right to appoint/nominate directors on the board of directors of these investees; and (3) the rights to participate in the policy-making process, including dividends and other distribution of the investees.

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Depreciation of mining structures

The cost of mining structures (Note 18) is depreciated using the unit of production method based on the estimated total production volume for which the structure was designed that are based on the total estimated proven and probable reserves of each of the mines and the unit of production for the year. The management exercises their judgement in estimating the unit of production rates of the mining structures and the remaining estimated total production volume of the mine. The estimated total coal production volumes are updated at regular intervals and have taken into account recent production and technical information as well as the proven and probable estimated reserves about each mine. These changes are considered a change in estimate for accounting purposes and are reflected on a prospective basis in related depreciation rates. Estimates of the remaining estimated total production volume are inherently imprecise and represent only approximate amounts because of the subjective judgements involved in developing such information.

Amortisation of mining reserve

Mining reserve (Note 17) is amortised based on unit of production basis. The expensing of overburden costs is based on saleable coal production over its estimated economically recoverable reserves. The units of production for each mine are estimated on the basis of the total estimated proven and probable reserves of the mine. Proven and probable mining reserve estimates are updated at regular intervals and have taken into account recent production and technical information about each mine.

Provision for land subsidence, restoration, rehabilitation and environmental costs

The provision (Note 35) is reviewed regularly to verify that it properly reflects the remaining obligation arising from the current and past mining activities. Provision for land subsidence, restoration, rehabilitation and environmental costs are determined by the management based on their best estimates of the current and future costs, latest government policies and past experience.

As at 31 December 2025, the carrying amount of provision for land subsidence, restoration, rehabilitation and environmental costs is approximately RMB14,241,755,000 (2024 (Restated): RMB13,284,198,000).

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Estimated impairment of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets belong.

The future cash flow is estimated based on past performance and expectation for market development. As the current environment is uncertain, the estimated cash flows and discount rate are subject to higher degree of estimation uncertainty. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 December 2025, the carrying amounts of intangible assets and property, plant and equipment were approximately RMB96,752,617,000 and RMB166,606,332,000 (2024 (Restated): RMB80,594,274,000 and RMB158,109,221,000)) respectively. Details of the impairment of intangible assets and property, plant and equipment are disclosed in Notes 17 and 18, respectively.

Exploration and evaluation expenditure

Under the Group's accounting policy, exploration expenditure is not capitalised. Evaluation expenditure is capitalised when there is a high degree of confidence that the Group will determine that a project is commercially viable and therefore it is considered probable that future economic benefits will flow to the Group.

There are occasions when the Group concludes that the asset recognition criteria are met at an earlier stage than approval to proceed. In these cases, evaluation expenditure is capitalised if there is a high degree of confidence that the Group will determine the project is commercially viable. The Group's view is that a high degree of confidence is greater than "more likely than not" (that is greater than 50 per cent certainty) and less than "virtually certain" (that is less than 90 per cent certainty). Determining whether there is a high degree of confidence that the Group will determine that an evaluation project is commercially viable requires a significant degree of judgement and assessment of all relevant factors such as the nature and objective of the project; the project's current stage and project timeline; current estimates of the project's net present value including sensitivity analyses for the key assumptions; and the main risks of the project. Development expenditure incurred prior to the decision to proceed is subject to the same criteria for capitalisation, being a high degree of confidence that the Group will determine that a project is commercially viable.

5 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Exploration and evaluation expenditure (Continued)

In accordance with IFRS 6 *Exploration for and Evaluation of Mineral Resources*, the criteria for the capitalisation of evaluation costs are applied consistently from period to period.

Subsequent recovery of the carrying value for evaluation costs depends on successful development or sale of the undeveloped project. If a project does not prove viable, all irrecoverable costs associated with the project net of any related impairment provisions are charged to profit or loss.

Impairment of bills and accounts receivables, other receivables and long-term receivables

Provision for impairment provisions of bills and accounts receivables, other receivables and long-term receivables is made based on assessment of expected credit losses, which requires management's judgement and estimate. The expected loss rates are determined based on the Group's historical credit loss experience of receivables with similar credit risk characteries and adjusted to reflect current and forward-looking such as macroeconomics facts affecting the ability of customers to settle the receivables. Changes in these assumptions and estimates could materially affect the results of the assessment and it may be necessary to make additional impairment charge to profit or loss.

As at 31 December 2025, the carrying amount of bills and accounts receivables is approximately RMB12,355,257,000 (2024 (Restated): RMB13,788,462,000), net of accumulated impairment losses of approximately RMB1,017,999,000 (2024 (Restated): RMB972,594,000); the carrying amount of other receivables is approximately RMB17,747,031,000 (2024 (Restated): RMB13,349,647,000), net of accumulated impairment losses of approximately RMB1,932,021,000 (2024 (Restated): RMB1,755,450,000); and the carrying amount of long-term receivables is approximately RMB10,255,632,000 (2024 (Restated): RMB12,812,349,000), net of accumulated impairment losses of approximately RMB360,673,000 (2024: RMB740,129,000).

6 SEGMENT INFORMATION

The Group is engaged primarily in the mining business and the smart logistics business. The Group does not currently have direct export rights in the PRC and all of its export sales are made through China National Coal Industry Import and Export Corporation ("National Coal Corporation"), Minmetals Trading Co., Ltd. ("Minmetals Trading") and/or Shanxi Coal Imp. & Exp. Group Corp. ("Shanxi Coal Corporation"). The final customer destination of the Company's export sales is determined by the Company, National Coal Corporation, Minmetals Trading and/or Shanxi Coal Corporation. The exploitation right of the Group's foreign subsidiaries is not restricted. Certain of the Company's subsidiaries and associates are engaged in manufacturing and trading of mining machinery and the transportation business via rivers and lakes and provision of financial services in the PRC. No separate segment information about these businesses is presented in the consolidated financial statements as the underlying gross sales, results and assets of these businesses, which are included in the mining business segment, are insignificant to the Group. Upon the acquisition of Yankuang Donghua Heavy Industry Limited ("Donghua") in 2016, the Group is also engaged in the manufacturing of comprehensive coal mining and excavating equipment. In addition, certain subsidiaries are engaged in production of methanol and other chemical products, and provision of heat and electricity, which is classified as "coal chemical, electricity and heat supply" business.

For management purposes, the Group is organised into the following four operating divisions, which are also the basis on which the Group reports its segment information.

Coal mining	Underground and open-cut mining, preparation and sales of coal and potash mineral exploration
Smart logistics	Provision of transportation services
Coal chemical, electricity and heat supply	Provision of electricity and related heat supply services and production and sales of chemical products
Equipment manufacturing	Manufacturing of comprehensive coal mining and excavating equipment

The accounting policies of the operating segments are same as the Group's accounting policies described in Note 4. Segment results represent the results of each segment without allocation of corporate expenses, directors' emoluments, share of results of associates and joint ventures, interest income, finance cost and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

Inter-segment revenue is charged at prices pre-determined by the relevant government authority.

Unallocated corporate income for the years ended 31 December 2025 and 2024 mainly included gain on sales of auxiliary materials and sundry items and other corporate income.

6 SEGMENT INFORMATION (Continued)

Unallocated corporate expenses for the years ended 31 December 2025 and 2024 mainly included bank charges, salaries and other employee benefits, miscellaneous taxes and sundry items and other corporate expenses.

Unallocated corporate assets at 31 December 2025 and 2024 mainly included certain bank balances and cash, investments in securities, deferred tax assets and sundry items and other corporate assets.

Unallocated corporate liabilities at 31 December 2025 and 2024 mainly included borrowings, dividend payables, deferred tax liabilities and sundry items and other corporate liabilities.

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

	For the year ended 31 December 2025					
	Coal mining RMB'000	Smart logistics RMB'000	Coal chemical, electricity and heat supply RMB'000	Equipment manufacturing RMB'000	Eliminations RMB'000	Consolidated RMB'000
Segment revenue						
External	88,666,141	15,083,018	27,513,007	2,078,431	–	133,340,597
Inter-segment	14,202,034	951,583	8,353,083	1,630,844	(25,137,544)	–
Total	102,868,175	16,034,601	35,866,090	3,709,275	(25,137,544)	133,340,597
Results						
Segment results	31,490,787	441,082	6,255,399	525,382	–	38,712,650
Unallocated corporate expenses						(27,538,799)
Unallocated corporate income						8,323,153
Interest income						1,482,234
Share of results of associates						2,526,212
Share of results of joint ventures						(99,754)
Finance costs						(4,095,650)
Profit before tax						19,310,046
Income tax expense						(4,419,777)
Profit for the year						14,890,269

6 SEGMENT INFORMATION (Continued)

(a) Segment revenue and results (Continued)

	For the year ended 31 December 2024					
	Coal mining RMB'000 (Restated)	Smart logistics RMB'000 (Restated)	Coal chemical, electricity and heat supply RMB'000 (Restated)	Equipment manufacturing RMB'000 (Restated)	Eliminations RMB'000 (Restated)	Consolidated RMB'000 (Restated)
Segment revenue						
External	107,123,573	3,271,132	29,141,814	1,607,672	–	141,144,191
Inter-segment	16,064,289	880,608	9,565,892	3,219,005	(29,729,794)	–
Total	123,187,862	4,151,740	38,707,706	4,826,677	(29,729,794)	141,144,191
Results						
Segment results	45,894,497	202,900	5,396,024	355,086	–	51,848,507
Unallocated corporate expenses						(34,379,509)
Unallocated corporate income						10,909,225
Interest income						2,484,429
Share of results of associates						2,221,695
Share of results of joint ventures						74,096
Finance costs						(4,407,581)
Profit before tax						28,750,862
Income tax expense						(6,740,949)
Profit for the year						22,009,913

The revenue for the years ended 31 December 2025 and 2024 represented revenue from contracts with customers within the scope of IFRS 15.

Disaggregation of revenue from contracts with customers by timing of recognition

	2025 RMB'000	2024 RMB'000 (Restated)
Timing of revenue recognition		
At a point in time	**133,340,597**	141,144,191

6 SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

	As at 31 December 2025				
	Coal mining RMB'000	Smart logistics RMB'000	Coal chemical, electricity and heat supply RMB'000	Equipment manufacturing RMB'000	Consolidated RMB'000
Assets					
Segment assets	293,494,027	8,110,955	66,778,649	7,526,879	375,910,510
Interests in associates					25,660,514
Interests in joint ventures					1,222,894
Unallocated corporate assets					49,178,446
					451,972,364
Liabilities					
Segment liabilities	191,258,912	6,280,932	32,151,190	3,346,245	233,037,279
Unallocated corporate liabilities					48,036,359
					281,073,638

6 SEGMENT INFORMATION (Continued)

(b) Segment assets and liabilities (Continued)

	As at 31 December 2024				
	Coal mining RMB'000 (Restated)	Smart logistics RMB'000 (Restated)	Coal chemical, electricity and heat supply RMB'000 (Restated)	Equipment manufacturing RMB'000 (Restated)	Consolidated RMB'000 (Restated)
Assets					
Segment assets	259,695,754	4,207,520	68,703,271	7,489,555	340,096,100
Interests in associates					24,384,257
Interests in joint ventures					1,275,916
Unallocated corporate assets					44,084,832
					409,841,105
Liabilities					
Segment liabilities	178,212,556	3,258,204	33,077,817	3,329,652	217,878,229
Unallocated corporate liabilities					43,061,036
					260,939,265

6 SEGMENT INFORMATION (Continued)

(c) Other segment information

	For the year ended 31 December 2025				
	Coal mining RMB'000	Smart logistics RMB'000	Coal chemical products, electricity and heat supply RMB'000	Equipment manufacturing RMB'000	Total RMB'000
Amounts included in the measure of segment profit or loss or segment assets:					
Capital additions	11,643,759	35,842	1,940,483	23,384	13,643,468
Amortisation of intangible assets	2,066,471	9,931	286,973	10,817	2,374,192
Depreciation of property, plant and equipment	9,115,005	87,324	3,698,338	110,268	13,010,935
Depreciation of right-of-use assets	311,512	14,630	72,245	20,413	418,800
Impairment loss recognised/(reversal) on:					
– property, plant and equipment	–	–	–	–	–
– inventories	48,552	129	207	9,237	58,125
– long-term receivables	(19,699)	–	–	–	(19,699)
– bills and accounts receivables	76,503	–	–	–	76,503
– other receivables	454,868	4,766	3,524	23,102	486,260
– advance to suppliers	29,358	–	–	–	29,358

6 SEGMENT INFORMATION (Continued)

(c) Other segment information (Continued)

	For the year ended 31 December 2024				
	Coal mining RMB'000 (Restated)	Smart logistics RMB'000 (Restated)	Coal chemical products, electricity and heat supply RMB'000 (Restated)	Equipment manufacturing RMB'000 (Restated)	Total RMB'000 (Restated)
Amounts included in the measure of segment profit or loss or segment assets:					
Capital additions	10,564,685	–	510,486	179,115	11,254,286
Amortisation of intangible assets	2,099,467	–	418,801	38,499	2,556,767
Depreciation of property, plant and equipment	11,207,806	48,737	2,121,697	312,421	13,690,661
Depreciation of right-of-use assets	421,117	–	48,697	11,866	481,680
Impairment loss recognised/(reversal) on:					
– property, plant and equipment	6,225	–	–	–	6,225
– inventories	4,045	–	–	–	4,045
– long-term receivables	198,146	–	–	–	198,146
– bills and accounts receivables	403,079	–	307	831	404,217
– other receivables	(99,544)	–	(53)	(144)	(99,741)
– advance to suppliers	(334)	–	–	–	(334)

6 SEGMENT INFORMATION (Continued)

Geographical information

The following table sets out the geographical information. The geographical location of sales to external customers is based on the location at which the services were provided or the destination of goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill, and the location of operations, in the case of interests in associates and joint ventures.

The geographical information of revenue from contracts with customers are as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
The PRC (place of domicile)	**102,632,680**	104,808,622
Australia	**29,615,323**	35,949,295
Others	**1,092,594**	386,274
Total	**133,340,597**	141,144,191

The geographical information of non-current assets (Note) are as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
The PRC (place of domicile)	**268,085,967**	239,214,732
Australia	**44,223,859**	52,465,998
Others	**469,055**	2,003,043
Total	**312,778,881**	293,683,773

Note: Non-current assets excluded investments in securities, long-term receivables, royalty receivables, deposits made on investments and deferred tax assets.

Information about major customers

No revenue from customers contributed over 10% of the total revenue of the Group for the years ended 31 December 2025 and 2024.

7 GROSS SALES OF COAL

	2025 RMB'000	2024 RMB'000 (Restated)
Coal sold in the PRC, gross	**69,164,888**	85,767,007
Coal sold outside of the PRC, gross	**19,501,253**	21,356,566
	88,666,141	107,123,573

8 COST OF SALES AND SERVICES PROVIDED

Cost of sales and services provided included:

	2025 RMB'000	2024 RMB'000 (Restated)
Amortisation of intangible assets	**2,195,686**	2,329,503
Depreciation of property, plant and equipment	**11,717,540**	12,437,306
Depreciation of right-of-use assets	**406,567**	470,633

9 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES,

Selling, general and administrative expenses included:

	2025 RMB'000	2024 RMB'000 (Restated)
Wages and employee benefits	**7,680,832**	8,234,190
Amortisation of intangible assets	**178,506**	227,264
Depreciation of property, plant and equipment	**1,293,395**	1,253,355
Depreciation of right-of-use assets	**12,233**	11,047

10 OTHER INCOME AND GAINS/LOSSES

	2025 RMB'000	2024 RMB'000 (Restated)
Gain on sales of auxiliary materials	**440,734**	295,418
Sea freight service	**613,717**	375,999
Management service fee income	**113,709**	128,937
Interest income	**1,482,234**	2,484,429
Government grants (Note (i))	**381,510**	383,312
Intermediary service	**257,759**	157,455
Rental income	**19,628**	24,481
Impairment loss recognised on inventories, net	**(58,125)**	(4,045)
Impairment loss reversed/(recognised) on property, plant and equipment	**–**	(6,225)
Impairment loss reversed/(recognised) on long term receivables, net	**19,699**	(198,146)
Impairment loss recognised on bills and accounts receivables and other receivables, net	**(562,763)**	(304,476)
Impairment loss on (recognised)/reversed on advance to suppliers	**(29,358)**	334
Gain on disposal of intangible asset, net	**1,077,564**	48,034
(Loss)/gain on disposal of property, plant and equipment, net	**(88,505)**	58,784
Realised (losses)/gains from hedge derivatives	**(236,100)**	(586,825)
Fair value changes in investment properties	**(19,090)**	(7,788)
Fair value changes in financial assets and liabilities at FVTPL	**178,422**	12,590
Fair value changes in royalty receivables	**(108,561)**	(8,606)
Fair value changes in investments in securities	**(45,205)**	3,835
Gain on bargain purchases	**9,926**	134,765
Loss on deemed disposal from a subsidiary to an associate	**(53,380)**	–
Fair value changes in contingent consideration receivable	**(70,499)**	(22,172)
Exchange (loss)/gain, net	**(226,861)**	739,953
Waiver of payables for mining rights (Note (ii))	**1,705,716**	–
Others	**753,800**	(582,367)
	5,555,971	3,127,676

Notes:

(i) Government grants mainly represented subsidies provided to the Group to finance its operations and there were no unfulfilled conditions.

(ii) In accordance with the applicable government policies in force at the time, mining rights transfer proceeds payable of approximately RMB1,705,716,000 were accrued in prior years. Subsequent to the issuance of new policies by the relevant government authorities, such mining rights transfer proceeds are no longer payable. Accordingly, the previously recognised accrued amount was reversed during the year.

11 FINANCE COSTS

	2025 RMB'000	2024 RMB'000 (Restated)
Interest on bank and other borrowings	**4,131,539**	4,570,073
Interest on lease liabilities	**43,410**	57,848
	4,174,949	4,627,921
Less: Amounts capitalised on construction in progress (Note)	**(79,299)**	(220,340)
	4,095,650	4,407,581

Note: Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 2.27% to 4.90% (2024: 2.27% to 4.75%) per annum to expenditure on qualifying assets.

12 INCOME TAX EXPENSE

	2025 RMB'000	2024 RMB'000 (Restated)
Current tax charge		
The PRC	**3,246,889**	4,072,524
Income taxes under Pillar Two Rules in Australia	**2,814**	–
Other jurisdictions	**1,349,513**	2,646,066
	4,599,216	6,718,590
Deferred tax charge/(credit) (Note 39)		
The PRC	**225,812**	239,766
Other jurisdictions	**(405,251)**	(217,407)
	(179,439)	22,359
	4,419,777	6,740,949

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the Company and its subsidiaries in the PRC is 25% for both years, except for certain subsidiaries that are entitled to a preferential tax rate of 15% (2024: 15%).

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

12 INCOME TAX EXPENSE (Continued)

The Group is operating in certain jurisdictions where the Global Anti-Base Erosion Model Rules ("Pillar Two Rules") are effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

Income tax relating to items recognised in the other comprehensive income is disclosed as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Current tax		
Income tax related to fair value change on equity investments at FVTOCI	**3,165**	(7,402)
Deferred tax		
Net (gain)/loss on cash flow hedge	**(70,830)**	52,814

The total tax charge for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Profit before tax	**19,310,046**	28,750,862
Tax calculated at the PRC EIT rate of 25% (2024: 25%)	**4,827,512**	7,187,716
Top up tax under pillar two	**2,814**	–
Tax effect of share of results of associates and joint ventures	**(606,615)**	(573,948)
Tax effect of expenses not deductible for tax purpose	**132,518**	563,496
Tax effect of income not taxable for tax purpose	**(70,307)**	(326,972)
Tax effect of tax losses not recognised	**1,058,787**	847,992
Utilisation of tax losses previously not recognised	**(231,377)**	(113,606)
Changes in tax base of assets (Note)	**–**	59,328
Effect of tax rate differences in other taxation jurisdictions	**(953,809)**	(1,151,564)
Others	**260,254**	248,507
Income tax expense	**4,419,777**	6,740,949
Effective income tax rate	**22.89%**	23.45%

Note: The amount represented tax benefits relating to the finalisation of tax bases arising from Yancoal Australia Limited ("Yancoal Australia").

13 PROFIT BEFORE TAX

	2025 RMB'000	2024 RMB'000 (Restated)
Profit before tax for the year has been arrived at after charging:		
Amortisation of intangible assets	**2,374,192**	2,556,767
Depreciation of property, plant and equipment	**13,010,935**	13,690,661
Depreciation of right-of-use assets	**418,800**	481,680
Auditors' remuneration (Note (i))	**13,010**	8,400
Staff costs, including directors', chief executive director's and supervisors' emoluments	**27,760,646**	28,513,916
Retirement benefit scheme contributions (included in staff costs above)	**3,411,833**	3,381,277
Share-based payments expenses (included in staff costs above)	**84,459**	159,327
Cost of inventories recognised as expenses (Note (ii))	**64,403,051**	67,116,295
Expense relating to short-term lease	**81,875**	77,293
Research and development other costs	**1,989,924**	2,072,824

Notes:

(i) Auditors' remuneration of RMB9,341,000 (2024: RMB6,200,000) are charged for audit and audit related work performed by the Company's auditors and RMB3,669,000 (2024: RMB2,200,000) for non-audit work performed by the Company's auditors.

(ii) Cost of inventories includes RMB38,164,602,000 (2024 (Restated): RMB37,526,120,000) relating to staff costs, depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in Note 8 for each of these types of expenses, and net gain on cash flow hedging instruments reclassified from equity to the initial carrying amount of inventories.

14 DIRECTORS', SUPERVISORS' AND FIVE HIGHEST PAID INDIVIDUALS' EMOLUMENTS

Directors' and supervisors' emoluments

Directors' and chief executive's emoluments, disclosed pursuant to the Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	For the year ended 31 December 2025			
	Fees RMB'000	Salaries, allowance and other benefits in kind RMB'000	Retirement benefit scheme contributions RMB'000	Total RMB'000
Executive directors				
Li Wei [Note] (Chief Executive Officer)	–	–	–	–
Liu Jian [Note]	–	–	–	–
Liu Qiang [Note]	–	–	–	–
Zhang Haijun [Note]	–	–	–	–
Su Li	–	1,001	155	1,156
Huang Xiaolong	–	975	150	1,125
Wang Jiuhong (appointed on 30 May 2025)	–	946	117	1,063
	–	2,922	422	3,344
Independent non-executive directors				
Zhu Limin	250	–	–	250
Woo Kar Tung, Raymond	250	–	–	250
Zhu Rui	250	–	–	250
Gao Jingxiang (appointed on 30 May 2025)	146	–	–	146
Peng Suping (resigned on 30 May 2025)	–	–	–	–
	896	–	–	896
Supervisors				
Li Shipeng [Note]	–	–	–	–
Zhu Hao [Note]	–	–	–	–
Jin Jiahao	–	955	147	1,102
	–	955	147	1,102
Total	896	3,877	569	5,342

14 DIRECTORS', SUPERVISORS' AND FIVE HIGHEST PAID INDIVIDUALS' EMOLUMENTS (Continued)

Directors' and supervisors' emoluments (Continued)

	For the year ended 31 December 2024			
	Fees RMB'000	Salaries, allowance and other benefits in kind RMB'000	Retirement benefit scheme contributions RMB'000	Total RMB'000
Executive directors				
Li Wei [Note] (Chief Executive Officer)	–	–	–	–
Xiao Yaomeng (Resigned on 18 September 2024)	–	1,313	206	1,519
Liu Jian [Note]	–	–	–	–
Liu Qiang [Note]	–	–	–	–
Zhang Haijun [Note]	–	–	–	–
Su Li	–	1,137	176	1,313
Huang Xiaolong	–	1,130	175	1,305
	–	3,580	557	4,137
Independent non-executive directors				
Peng Suping	200	–	–	200
Zhu Limin	200	–	–	200
Woo Kar Tung, Raymond	200	–	–	200
Zhu Rui	200	–	–	200
	800	–	–	800
Supervisors				
Li Shipeng [Note]	–	–	–	–
Zhu Hao [Note]	–	–	–	–
Jin Jiahao	–	1,140	177	1,317
	–	1,140	177	1,317
Total	800	4,720	734	6,254

Note: Emoluments of the directors were borne by the Parent Company and there is no reasonable basis of allocating their emoluments to the Group.

During the years ended 31 December 2025 and 2024, the executive directors' and chief executive directors' shown above were for their services to the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

There were no emoluments were paid during the years ended 31 December 2025 and 2024 to any of the directors and supervisors as an inducement to joining the Group or as compensation for loss of office.

During the year ended 31 December 2025, Mr. Peng Suping agreed to waive his entitlements to directors' fees totally amounted to RMB104,000. Apart from this, there was no arrangement under which a director waived or agreed to waive any remuneration during the year ended 31 December 2025 and 2024.

14 DIRECTORS', SUPERVISORS' AND FIVE HIGHEST PAID INDIVIDUALS' EMOLUMENTS (Continued)

Employees' emoluments

No directors included in the five highest paid individuals of the Group for the year ended 31 December 2025 and 2024. The emoluments of the remaining five (2024: five) highest paid individuals who are neither a director of the Company are as follows:

	2025 RMB'000	2024 RMB'000
Salaries, allowance and other benefits in kind	**15,362**	23,148
Retirement benefit scheme contributions	**689**	797
Discretionary bonuses	**22,068**	9,985
Equity-settled share-based expense (Note)	**753**	1,932
	38,872	35,862

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	Number of individuals	
	2025	2024
HKD4,500,001 to HKD5,000,000	**–**	2
HKD5,000,001 to HKD5,500,000	**–**	1
HKD6,500,001 to HKD7,000,000	**1**	1
HKD7,000,001 to HKD7,500,000	**3**	–
HKD7,500,001 to HKD8,000,000	**1**	–
HKD15,500,001 to HKD16,000,000	**–**	1
	5	5

Note: During the year ended 31 December 2025 and 2024, certain non-director and non-chief executive highest paid employees were granted share, in respect of their services to the Group under the equity incentive scheme of subsidiaries. Details of equity incentive scheme are set out in Note 47(b) to the consolidated financial statements.

15 DIVIDEND

	2025 RMB'000	2024 RMB'000 (Restated)
Dividends for ordinary shareholders of the Company recognised as distribution during the year:		
2025 Interim – RMB0.18 (2024: 2024 Interim – RMB0.23) per share	**1,806,747**	2,309,168
2024 Final – RMB0.54 (2024: 2023 Final – RMB1.30) per share	**5,420,239**	10,039,861
2023 Special – RMB0.19 per share	**–**	1,467,364
	7,226,986	13,816,393

Subsequent to end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of RMB0.32 (2024: final dividend in respect of the year ended 31 December 2024 of RMB0.54 per share (tax inclusive)), in an aggregate amount of approximately RMB3,211,994,000 (2024: approximately RMB5,420,239,000), has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

16 EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to equity shareholders of the Company for the year ended 31 December 2025 of approximately RMB8,524,664,000 (2024 (Restated): RMB14,592,264,000) and on the weighted average of approximately 10,038,250,000 (2024: 9,913,443,000) shares in issue during the year ended 31 December 2025.

The calculation of the diluted earnings per share for the years ended 31 December 2025 and 2024 are based on the profit for the year attributable to equity shareholders of the Company with an adjustment on effect of dilutive share incentive schemes of non-wholly owned subsidiaries.

For the year ended 31 December 2024, the computation of diluted earnings per share does not assume the exercise of the Company's options because the exercise price of those options was higher than the average market price for shares.

16 EARNINGS PER SHARE (Continued)

The calculation of basic and diluted earnings per share are based on the following data:

	2025 RMB'000	2024 RMB'000 (Restated)
Earnings		
Profit for the year attributable to equity shareholders of the Company used in the basic earnings per share calculation	**8,524,664**	14,592,264
Adjustment to the share of profit of a subsidiary based on dilution of their earnings	**(8,217)**	(13,989)
Earnings for the purpose of diluted earnings per share	**8,516,447**	14,578,275

	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	**10,038,250**	9,913,443
Effect of dilutive potential ordinary shares:		
Share options	**33,781**	–
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**10,072,031**	9,913,443

17 INTANGIBLE ASSETS

	Mining reserves RMB'000	Mining resources (exploration and evaluation assets) RMB'000	Technology RMB'000	Water licenses RMB'000	Others RMB'000	Total RMB'000
Cost						
At 1 January 2024 (Restated)	97,931,515	5,301,084	1,470,587	593,394	315,530	105,612,110
Exchange adjustments	(2,488,988)	–	(4,268)	(17,901)	(19,635)	(2,530,792)
Additions	1,342,979	465,884	26,666	–	48,341	1,883,870
Acquisition of subsidiaries	6,565,256	821,422	–	–	405,157	7,791,835
Disposals	(1,196,453)	–	(224,084)	–	(2,450)	(1,422,987)
At 31 December 2024 and 1 January 2025 (Restated)	102,154,309	6,588,390	1,268,901	575,493	746,943	111,334,036
Exchange adjustments	1,220,278	102,388	–	9,074	10,751	1,342,491
Additions	16,949,826	796,192	1,387	–	68,959	17,816,364
Acquisition under business combination	194,820	–	–	1,582	22,287	218,689
Transfer	6,003,639	(6,003,639)	–	–	–	–
Disposal of subsidiaries	–	–	–	–	(622)	(622)
Disposals	(763,045)	–	(33,214)	(25,749)	(3,022)	(825,030)
At 31 December 2025	125,759,827	1,483,331	1,237,074	560,400	845,296	129,885,928
Amortisation and impairment						
At 1 January 2024 (Restated)	28,119,567	–	949,356	83,200	281,042	29,433,165
Exchange adjustments	(1,082,961)	–	(4,268)	(1,912)	(14,566)	(1,103,707)
Charged for the year	2,329,503	–	100,667	13,713	112,884	2,556,767
Eliminated on disposals	(17,420)	–	(126,593)	–	(2,450)	(146,463)
At 31 December 2024 and 1 January 2025 (Restated)	29,348,689	–	919,162	95,001	376,910	30,739,762
Exchange adjustments	600,998	–	–	510	9,983	611,491
Charged for the year	2,195,686	–	88,040	13,713	76,753	2,374,192
Disposal of subsidiaries	–	–	–	–	(515)	(515)
Eliminated on disposals	(550,385)	–	(14,157)	(25,749)	(1,328)	(591,619)
At 31 December 2025	31,594,988	–	993,045	83,475	461,803	33,133,311
Carrying values						
At 31 December 2025	94,164,839	1,483,331	244,029	476,925	383,493	96,752,617
At 31 December 2024 (Restated)	72,805,620	6,588,390	349,739	480,492	370,033	80,594,274

17 INTANGIBLE ASSETS (Continued)

The mining reserves (mining rights) are amortised based on units of production method.

The mining resources are reclassified to mining reserves when the reserves are reasonably proved to be commercial available. They are stated at cost less impairment.

Technology has not yet reached the stage of commercial application and therefore is not amortised. Patent is also included in technology and it is amortised on a straight line basis over the estimated useful life of 10 years.

Water licenses are amortised over the life of mine. If the mining activities of the relevant locations have not yet been started and the connections to water sources have not been completed, no amortisation will be provided.

As at 31 December 2025, water licenses with carrying amount of approximately RMB128,413,000 (2024: RMB132,167,000) are still in the process of applying the title certificates.

Other intangible assets mainly represented capacity replacement right which is amortised on a straight-line basis over the contractual term.

Amortisation expense of the mining rights for the year of approximately RMB2,195,686,000 (2024 (Restated): RMB2,329,503,000) has been included in cost of sales and services provided. Amortisation expense of other intangible assets for the year of RMB178,506,000 (2024 (Restated): RMB227,264,000) has been included in selling, general and administrative expenses.

During the years ended 31 December 2025 and 2024, for cash-generating units with impairment indicator, their recoverable amounts have been determined using the value-in-use method.

Value-in-use has been determined using a discounted cash flow model. The key assumptions to which the model is most sensitive include:

- Coal prices
- Foreign exchange rates, if applicable
- Production and capital costs
- Discount rate
- Coal reserves and resources

In determining the value assigned to each key assumption, management has used external sources of information and utilised the expertise of external consultants and/or experts within the Group to validate entity specific assumptions such as coal reserves and resources.

Production and capital costs are based on the Group's estimates of forecasted geological conditions, stage of existing plant and equipment and future production levels. The information is obtained from internally maintained budgets, the five-year business plan, life of mine models, life of mine plans and project evaluations performed by the Group in its ordinary course of business.

The Group has applied pre-tax discount rates ranged from 8% – 11% (2024: 8% – 9%) to discount the forecast cash flows. The pre-tax discount rate applied to the future cash flow forecasts represents an estimate of the rate the market would apply having regard to the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. This rate is also consistent with the Group's five-year business plan, life of mine models and project evaluations performed in ordinary course of business.

During the years ended 31 December 2025 and 2024, no impairment loss was recognised.

18 PROPERTY, PLANT AND EQUIPMENT

	Freehold land in Australia RMB'000	Buildings RMB'000	Mining structures RMB'000	Railway structures RMB'000	Other plant, machinery and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
Cost							
At 1 January 2024 (Restated)	1,480,625	19,385,570	58,438,542	30,285,319	125,031,559	22,360,919	256,982,534
Exchange adjustments	(104,730)	(87,506)	(999,547)	–	(1,566,244)	–	(2,758,027)
Additions	–	788,435	1,100,587	45,010	6,508,662	10,963,190	19,405,884
Transfer to investment properties	–	–	–	–	–	(76,490)	(76,490)
Acquisition of subsidiaries	–	249,962	964,406	–	195,785	788,201	2,198,354
Transfer	–	665,769	1,875,066	1,199,690	5,427,522	(9,168,047)	–
Disposals/write-off	–	(48,878)	(1,757,583)	(38,124)	(3,281,963)	–	(5,126,548)
At 31 December 2024 and 1 January 2025 (Restated)	1,375,895	20,953,352	59,621,471	31,491,895	132,315,321	24,867,773	270,625,707
Exchange adjustments	53,344	85,066	561,470	–	958,776	76,323	1,734,979
Additions	45	378,957	712,038	25,013	3,313,734	17,999,201	22,428,988
Transfer to investment properties	–	(32,266)	–	(450,551)	–	(53,908)	(536,725)
Acquisition under business combination	7,917	5,022	102,711	–	166,543	79,718	361,911
Reclassification	–	(6,907,360)	(876,230)	8,869,034	(1,085,444)	–	–
Disposal of subsidiaries	–	(3,199)	–	(16,603)	(30,925)	–	(50,727)
Transfer	286,074	840,770	6,712,075	4,151,081	7,731,999	(19,721,999)	–
Disposals/write-off	(461,624)	(438,918)	(688,998)	(40,451)	(4,241,405)	(98,742)	(5,970,138)
At 31 December 2025	1,261,651	14,881,424	66,144,537	44,029,418	139,128,599	23,148,366	288,593,995

18 PROPERTY, PLANT AND EQUIPMENT (Continued)

	Freehold land in Australia RMB'000	Buildings RMB'000	Mining structures RMB'000	Railway structures RMB'000	Other plant, machinery and equipment RMB'000	Construction in progress RMB'000	Total RMB'000
Accumulated depreciation and impairment							
At 1 January 2024 (Restated)	–	6,911,618	19,365,601	11,480,290	65,871,557	–	103,629,066
Exchange adjustments	–	(52,436)	(507,404)	–	(1,030,853)	–	(1,590,693)
Provided for the year	–	1,280,008	2,081,259	1,228,718	9,100,676	–	13,690,661
Impairment loss recognised in profit or loss	–	–	–	–	4,768	1,457	6,225
Eliminated on disposals	–	(34,150)	(861,492)	(32,438)	(2,290,693)	–	(3,218,773)
At 31 December 2024 and 1 January 2025 (Restated)	–	8,105,040	20,077,964	12,676,570	71,655,455	1,457	112,516,486
Exchange adjustments	–	53,241	281,067	–	637,410	–	971,718
Provided for the year	–	878,832	1,896,421	1,177,434	9,058,248	–	13,010,935
Reclassification	–	(2,077,108)	(598,903)	3,156,468	(480,457)	–	–
Transfer to investment properties	–	(4,768)	–	–	–	–	(4,768)
Disposal of subsidiaries	–	(1,519)	–	(7,103)	(29,130)	–	(37,752)
Eliminated on disposals	–	(198,087)	(524,890)	(23,891)	(3,722,088)	–	(4,468,956)
At 31 December 2025	–	6,755,631	21,131,659	16,979,478	77,119,438	1,457	121,987,663
Carrying values							
At 31 December 2025	1,261,651	8,125,793	45,012,878	27,049,940	62,009,161	23,146,909	166,606,332
At 31 December 2024 (Restated)	1,375,895	12,848,312	39,543,507	18,815,325	60,659,866	24,866,316	158,109,221

18 PROPERTY, PLANT AND EQUIPMENT (Continued)

The following estimated useful lives are used for the depreciation of property, plant and equipment, other than freehold land:

Buildings	10 to 30 years
Railway structures	10 to 25 years
Other plant, machinery and equipment	2.5 to 40 years

Transportation equipment includes vessels, harbour works and crafts which are depreciated over the estimated useful lives of 6 and 40 years respectively.

The mining structures include the main and auxiliary mine shafts and underground tunnels. Depreciation is provided to write off the cost of the mining structures using the units of production method based on the estimated production volume for which the structure was designed and the contractual period of the relevant mining rights.

As at 31 December 2025, property, plant and equipment with carrying amount of approximately RMB423,870,000 (2024 (Restated): RMB3,997,517,000) have been pledged to secure bank borrowings of the Group.

As at 31 December 2025, buildings with carrying amount of approximately RMB2,665,741,000 (2024: approximately RMB4,683,211,000) are still in the process of applying the title certificates.

During the year ended 31 December 2025, no impairment loss was recognised (2024 (Restated): RMB6,225,000 was recognised).

19 LEASES

(i) Right-of-use assets

	2025 RMB'000	2024 RMB'000 (Restated)
Leased properties	**119,417**	55,199
Land use right	**6,652,405**	6,068,570
Plant, machinery and equipment	**507,546**	488,406
At 31 December	**7,279,368**	6,612,175

As at 31 December 2025, right-of-use assets of approximately RMB6,652,405,000 represents land use right located in the PRC (2024 (Restated): RMB6,068,570,000).

In addition, the Group has lease arrangements for buildings and plant, machinery and equipment. The lease terms are generally ranged from two to five years.

19 LEASES (Continued)

(i) Right-of-use assets (Continued)

Included in intangible as at 31 December 2025 are balances of approximately RMB1,093,200,000 (2024: RMB1,109,278,000) that have been pledged to secure borrowings and banking facilities granted to the Group.

In respect of lease arrangements for renting certain production equipment, the Group has options to purchase the production equipment at a nominal amount at the end of the lease term. The Group's obligations are secured by the lessors' title to the leased assets for such leases.

Additions to the right-of-use assets for the year ended 31 December 2025 amounted to RMB711,826,000 due to new lease arrangements of land use right and plant, machinery and equipment (2024 (Restated): RMB844,579,000).

During the years ended 31 December 2025 and 2024, no right-of-use assets was transferred to property, plant and equipment.

The Group has obtained the land use right certificates for all leasehold lands except for leasehold lands with carrying amount of RMB577,742,000 (2024: RMB34,659,000), where the Group is in the process of obtaining.

(ii) Lease liabilities

	2025 RMB'000	2024 RMB'000 (Restated)
Within one year	**241,982**	227,826
After one year but within two years	**172,054**	113,603
After two years but within five years	**253,589**	231,221
	667,625	572,650
Less: amount due for settlement within 12 months shown under current liabilities	**(241,982)**	(227,826)
Amount due for settlement after 12 months shown under non-current liabilities	**425,643**	344,824

During the year ended 31 December 2025, the Group entered into a number of new leases agreements in respect of renting plant, machinery and equipment and recognised lease liability of RMB346,114,000 (2024 (Restated): RMB451,482,000).

19 LEASES (Continued)

(iii) Amounts recognised in profit or loss

	2025 RMB'000	2024 RMB'000 (Restated)
Depreciation of right-of-use assets	**418,800**	481,680
Interest on lease liabilities	**43,410**	57,848
Expense relating to short-term leases	**81,875**	77,293

(iv) Other

During the year ended 31 December 2025, the total cash outflow for leases amount approximately to RMB766,386,000 (2024 (Restated): RMB539,322,000).

Restrictions or covenants on leases

As at 31 December 2025, lease liabilities of RMB667,625,000 are recognised with related right-of-use assets of RMB543,605,000 (2024 (Restated): lease liabilities of RMB572,650,000 are recognised with related right-of-use assets of RMB543,605,000). The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

20 INVESTMENT PROPERTIES

	RMB'000
Fair value	
At 1 January 2024	1,109,569
Additions	44,425
Arising on acquisition of subsidiaries	12,128
Transfer from property, plant and equipment	76,490
Decrease in fair value recognised in profit or loss	(7,788)
At 31 December 2024 and 1 January 2025	**1,234,824**
Transfer from property, plant and equipment	**531,957**
Decrease in fair value recognised in profit or loss	**(19,090)**
At 31 December 2025	**1,747,691**

20 INVESTMENT PROPERTIES (Continued)

All of the Group's investment properties are situated in the PRC.

As at 31 December 2025, investment properties with carrying amount RMB35,086,000 (2024: RMB35,086,000) are still in the process of applying the title certificates.

The fair value of the Group's investment properties as at 31 December 2025 and 2024 has been arrived at on the basis of a valuation carried out on the respective dates by independent qualified professional valuers not connected to the Group.

The valuation was arrived at by reference to market evidence of transaction prices and rentals for similar properties in the similar locations and conditions. Details of valuation techniques and assumptions are discussed below. There has been no change from the valuation techniques used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

An analysis of the Group's investment properties that are measured subsequent to initial recognition at fair value grouped into fair value hierarchy Level 3 based on the degree to which the inputs to fair value measurement is observable and the information about how the valuation has reached and the use of significant unobservable inputs are as follows:

	Fair value hierarchy	Fair value as at 31 December 2025	Valuation technique and key inputs	Significant unobservable	Range of unobservable inputs	Relationship of significant unobservable inputs to fair value
Commercial investment properties	Level 3	RMB1,747,691,000 (2024: RMB1,234,824,000)	Market Comparison Approach – By reference to recent selling price of comparable properties and adjusted to reflect the time, size and location	Adjusted market price	RMB3,700 to RMB61,200 (2024: RMB14,600 to RMB61,200) per square metre	The higher the adjusted market price, the higher the fair value

21 GOODWILL

	2025 RMB'000	2024 RMB'000 (Restated)
Cost:		
At 1 January	**1,535,173**	1,042,564
Additions	**52,997**	515,866
Exchange adjustments	**12,657**	(23,257)
At 31 December	**1,600,827**	1,535,173
Impairment losses		
At 1 January	**705,306**	706,814
Exchange adjustments	**805**	(1,508)
At 31 December	**706,111**	705,306
Net carrying value		
At 31 December	**894,716**	829,867

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units that are expected to benefit from that business combination. The net carrying amount had been allocated as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Mining		
– Shandong Yanmei Shipping Co., Ltd	**10,045**	10,045
– Yancoal Resources Ltd	**278,439**	267,412
– Syntech Holdings Pty Ltd and Syntech Holdings II Pty Ltd	**20,537**	19,712
– Pingliang Wuju Coal Industry Co., Ltd.	**16,832**	16,832
– Gansu Huaneng Tianjun Energy Co., Ltd. ("Huaneng Tianjun")	**515,866**	515,866
– CFH GmbH	**52,997**	–
	894,716	829,867

21 GOODWILL (Continued)

Business performance is reviewed by management on an individual business unit basis. In particular, each mine is considered to be a separate cash-generating unit.

For the impairment testing purposes, the recoverable amounts of the cash-generating units have been determined on the basis of value-in-use calculations. Value-in-use has been determined using a discounted cash flows model. Cash flow projections during the budget period are based on the budgeted revenue and expected gross margins during the budget period and the raw materials price inflation during the budget period. Expected cash inflows/outflows have been determined based on past performance and management's expectations for the market development. The future cash flows are highly dependent on the following unobservable inputs: forecast sales volumes and forecasted selling prices.

In determining each of the key inputs, management has used external sources of information and utilised the expertise of external consultants and experts within the Group to validate entity specific assumptions such as mining reserves and mining resources. Furthermore, in estimating future coal prices, the Group receives long term forecast coal price data from multiple externally verifiable sources when determining its coal price forecasts, making adjustments for specific coal quality factors. The long term forecast exchange rate is based on externally verifiable sources. Production and capital costs are based on the Group's estimate of forecasted geological conditions, stage of existing plant and equipment and future production levels. This information is obtained from internally maintained budgets, the five year business plan, life of mine models and project evaluations performed by the Group in its ordinary course of business.

The cash flow model was based on financial budgets approved by management covering a five-year period with an assumption of pre-tax discount rate of ranged from 6% to 11% (2024: 6% to 12%). It represents an estimate of the rate the market would apply having regard to the time value of money and the risks specific to the asset. Externally verifiable data received by the Group validates this assumption. For mining business units, the recoverable amount is also dependent on the estimated lives of mines ranged from 5 to 45 years (2024: 4 to 40 years), which is calculated based on the Group's annual coal production forecast for each mine and mining reserves and mining resources. For non-coal business, the growth rate was based on the relevant industry growth rate forecast and does not exceed the average long-term growth rate for the relevant industry. The management determined the gross margin ratio mainly based on past performance of the CGU and the management's expectations for the market development.

The cash flows beyond the five-year period are extrapolated using a zero percent growth rate. Management believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of each of the above units to exceed the recoverable amount of each of the above units.

22 INVESTMENTS IN SECURITIES

	2025 RMB'000	2024 RMB'000 (Restated)
Financial assets at FVTPL		
Unlisted equity securities (Note (i))	**563,777**	561,896
Financial assets at FVTOCI		
Equity securities listed on the SSE (Note (ii))	**480**	345
Unlisted equity securities (Note (i))	**697,832**	528,935
	698,312	529,280
	1,262,089	1,091,176

Notes:

(i) These unlisted equity investments represent investments in unlisted equity securities issued by private entities established in the PRC. Certain of these investments in equity instruments, amounting to approximately RMB697,832,000 (2024 (Restated): RMB528,935,000), are not held for trading. Instead, they are held for medium to long-term strategic purposes. The directors of the Company have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

Other investments of approximately RMB563,777,000 (2024: RMB561,896,000) are classified and measured as at FVTPL, which is classified as non-current assets as it is expected to be realised after 12 months after the reporting period.

(ii) As at 31 December 2025 and 2024, the investments in equity securities listed on the SSE are carried at fair value which are determined based on the quoted market prices in active market. The directors of the Company have elected to designate these investments in equity securities as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

23 INTERESTS IN ASSOCIATES

	2025 RMB'000	2024 RMB'000 (Restated)
Cost of investments in associates	**15,321,996**	15,318,442
Share of post-acquisition profit and other comprehensive income, net of dividends	**10,338,518**	9,071,973
	25,660,514	24,390,415
Less: accumulated impairment loss recognised (Note)	**–**	(6,158)
Interest in associates under equity method	**25,660,514**	24,384,257

Note: The decrease in impairment is due to the step acquisition from an associate to a subsidiary (see Note 48).

Details of each of the Group's material associates at the end of the reporting period are as follows:

Name of entity	Place of incorporation/ registration/ operation	Class of shares held	Proportion of ownership interest held by the Group 2025	2024	Principal activity
Huadian Zouxian Power Generation Company Limited ("Huadian Zouxian") (Note (i))	The PRC	Registered capital	**30.00%**	30.00%	Electricity generation business
Qilu Bank (Note (ii) and (iii))	The PRC	Registered capital	**5.88%**	7.49%	Financial services
Huzhun Railway (Note (ii))	The PRC	Registered capital	**18.94%**	18.94%	Railway construction and transportation
Zheshang Bank (Note (ii))	The PRC	Registered capital	**3.40%**	3.40%	Financial services
Linshang Bank (Note (ii) and (iv))	The PRC	Registered capital	**14.15%**	17.00%	Financial services
Yili Xintian Coal Chemical Co., Ltd. ("Yili Xintian")	The PRC	Registered capital	**45.00%**	45.00%	Production and sales of coal-to-synthetic
Inner Mongolia Jinlian Aluminum Material Limited Company ("Jinlian Aluminum") (Note (v))	The PRC	Registered capital	**44.25%**	44.24%	Aluminium post-processing, Production and sales of aluminium ingots, aluminium products and derivative products

* The official name of the entity is in Chinese. The English name is for identification purpose only.

Notes:

(i) Huadian Zouxian is a strategic partner of the Group.

(ii) The Group considered that it has the practical ability to exercise significant influence on the associates even though it owns less than 20% of the ownership interest and voting right and take into account 1) the Group's ownership interest is significant relative to other shareholders due to the wide dispersion of shareholding interests; 2) the representation or right to appoint/ nominate directors on the board of directors of the associates; and 3) the rights to participate in the policy-making process, including dividends and other distribution.

(iii) During the year ended 31 December 2025, the Group's shareholding percentage decreased from 7.49% to 5.88% due to other shareholders' capital injection.

(iv) During the year ended 31 December 2025, the Group's shareholding percentage decreased from 17.00% to 14.15% due to other shareholders' capital injection.

(v) During the year ended 31 December 2025, the Group's effective shareholding in the investee increased from 44.24% to 44.25%. The increase arose from a resolution passed at the shareholders' meeting pursuant to which the registered capital was first reduced on pro rata basis based on the shareholders' subscribed capital contributions, followed by a cash capital injection to replenish the registered capital.

23 INTERESTS IN ASSOCIATES (Continued)

All of the above associates have been accounted for using the equity method in the consolidated financial statements.

Except for Qilu Bank and Zheshang Bank, all of the associates are private companies whose quoted market price is not available. As at 31 December 2025, the fair value of the shares of Qilu Bank and Zheshang Bank held by the Group at 31 December 2025 were approximately RMB2,353,420,440 (2024: RMB2,023,580,000) and RMB2,077,880,000 (2024: RMB2,717,640,000) respectively. The fair values are based on the quoted market prices available on their respective stock exchange, which are Level 1 input under IFRS 13.

Summarised financial information in respect of the Group's material associates is set out below:

Huadian Zouxian	**2025 RMB'000**	2024 RMB'000
Current assets	**892,346**	963,966
Non-current assets	**3,567,173**	3,320,330
Current liabilities	**(937,216)**	(519,007)
Non-current liabilities	**(6,221)**	(76,935)
Revenue	**2,464,438**	3,783,385
Profit for the year	**63,267**	235,553
Other comprehensive income for the year	**–**	–
Total comprehensive income for the year	**63,267**	235,553
Dividend received from the associate during the year	**81,171**	64,811

Huzhun Railway	**2025 RMB'000**	2024 RMB'000
Current assets	**508,261**	568,922
Non-current assets	**9,507,009**	10,058,752
Current liabilities	**(437,230)**	(623,926)
Non-current liabilities	**(778,160)**	(1,010,950)
Revenue	**1,571,983**	1,942,420
Profit for the year	**25,257**	266,216
Other comprehensive expense for the year	**(12,082)**	(14,944)
Total comprehensive income for the year	**13,175**	251,272
Dividend received from the associate during the year	**34,282**	32,307

23 INTERESTS IN ASSOCIATES (Continued)

Summarised financial information in respect of the Group's material associates is set out below: (Continued)

Linshang Bank	**2025 RMB'000**	2024 RMB'000
Current assets	**147,079,943**	134,359,960
Non-current assets	**44,198,460**	34,833,799
Current liabilities	**(175,138,902)**	(156,028,592)
Non-current liabilities	**(1,742,719)**	(1,368,979)
Revenue	**3,944,400**	3,905,476
Profit for the year	**585,844**	533,333
Other comprehensive income for the year	**–**	19,252
Total comprehensive income for the year	**585,844**	552,585

Yili Xintian	**2025 RMB'000**	2024 RMB'000
Current assets	**1,157,971**	671,826
Non-current assets	**11,009,470**	11,635,535
Current liabilities	**(1,996,354)**	(1,425,012)
Non-current liabilities	**(5,077,822)**	(5,857,785)
Revenue	**5,350,606**	5,630,462
Profit for the year	**403,302**	334,238
Other comprehensive income for the year	**–**	–
Total comprehensive income for the year	**403,302**	334,238

Jinlian Aluminum	**2025 RMB'000**	2024 RMB'000
Current assets	**3,844,177**	3,502,678
Non-current assets	**11,632,104**	11,745,816
Current liabilities	**(4,770,962)**	(3,984,923)
Non-current liabilities	**(618,737)**	(2,352,262)
Revenue	**19,013,590**	18,341,919
Profit for the year	**2,889,610**	1,716,911
Other comprehensive income for the year	**–**	–
Total comprehensive income for the year	**2,889,610**	1,716,911
Dividend received from the associate during the year	**557,709**	453,231

23 INTERESTS IN ASSOCIATES (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associates in respect of material associates recognised in the consolidated financial statements:

Huadian Zouxian	**2025 RMB'000**	2024 RMB'000
Carrying amount of the Group's interest in the associate	**1,054,825**	1,102,420

Huzhun Railway	**2025 RMB'000**	2024 RMB'000
Carrying amount of the Group's interest in the associate	**2,189,814**	2,221,548

Linshang Bank	**2025 RMB'000**	2024 RMB'000
Carrying amount of the Group's interest in the associate	**2,332,829**	2,237,879

Yili Xintian	**2025 RMB'000**	2024 RMB'000
Carrying amount of the Group's interest in the associate	**2,280,555**	2,099,069

Jinlian Aluminum	**2025 RMB'000**	2024 RMB'000
Carrying amount of the Group's interest in the associate	**5,306,538**	4,734,190

Note: Qilu Bank and Zheshang Bank are public companies traded on the National SME Equity Transfer System and the SEHK respectively. They are the material associates of the Group. Since the audited results of Qilu Bank and Zheshang Bank for the year ended 31 December 2025 were not yet publicly available when these consolidated financial statements were approved, the relevant financial information of Qilu Bank were not presented.

Aggregate information of Qilu Bank, Zheshang Bank and other associates that are not individually material.

	2025 RMB'000	2024 RMB'000 (Restated)
The Group's share of profit	**1,090,840**	1,148,662
The Group's share of other comprehensive (expense)/income	**(147,131)**	239,928
The Group's share of total comprehensive income*	**943,709**	1,388,590
Aggregate carrying amount of the Group's interests in these associates*	**12,495,953**	11,989,151

* Included those of Qilu Bank and Zheshang Bank.

24 INTERESTS IN JOINT VENTURES

	2025 RMB'000	2024 RMB'000 (Restated)
Interest in joint ventures under equity method	**1,222,894**	1,275,916

Details of each of the Group's joint ventures at the end of the reporting period are as follows:

Name of entity	Place of incorporation/ registration/ operation	Class of shares held	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activity
			2025	2024	2025	2024	
Australian Coal Processing Holdings Pty Ltd (Note)	Australia	Ordinary shares	50%	50%	50%	50%	Investment holding
Middlemount Joint Venture (Note)	Australia	Ordinary shares	50%	50%	50%	50%	Coal mining and sales
Sheng Di Finlay Coal Processing Technology (Tianjin) Co., Ltd	The PRC	Registered capital	50%	50%	50%	50%	Consultancy services for deep preprocess technology
Shandong Bochuang Kaisheng Industrial Technology Co., Ltd.	The PRC	Register capital	50%	50%	50%	50%	Manufacturing of mining machinery
Shandong Fenglong Intelligent Control Technology Co., Ltd.	The PRC	Register capital	50%	50%	50%	50%	Manufacturing of mining machinery

The joint ventures are accounted for using equity method in the consolidated financial statements. All of the joint ventures are private companies and are not individually material to the Group.

Note: The interests held disclosed above represented the interests held by Yancoal Australia.

	2025 RMB'000	2024 RMB'000
Aggregate carrying amount of individual immaterial joint ventures in the consolidate financial statement	**1,222,894**	1,275,916
The Group's share of (loss)/profit	**(99,754)**	74,096
The Group's share of other comprehensive income/(expense)	**46,732**	(88,578)
The Group's share of total comprehensive (expense)/income	**(53,022)**	(14,482)

25 INTERESTS IN JOINT OPERATIONS

Information on major joint operations is as follows:

Name of entity	Place of Incorporation/ registration/ operation	Proportion of ownership interest held by the Group 2025	2024	Principal activity
Boonal Joint Venture	Australia	50%	50%	Provision of a coal haul road and train load out facilities
Moolarben Coal Joint Venture (Note)	Australia	98.75%	95%	Development and operation of open-cut and underground coal mines
Hunter Valley Australia Operation	Australia	51%	51%	Underground coal mines
Warkworth Coal Sales Pty Ltd.	Australia	84.5%	84.5%	Development and operation of open-cut mines
Mount Thorley Joint Venture	Australia	80%	80%	Development and operation of open-cut mines
Middlemount Joint Venture	Australia	50%	50%	Underground coal mines
Newcastle Coal Infrastructure Group Pty Ltd	Australia	27%	27%	Development and operation of open-cut mines

The above joint operations are established and operated as unincorporated businesses and are held indirectly by the Company. The interest held disclosed above represented the interest held by Yancoal Australia.

Note: On 3 October 2025, an indirectly non-wholly owned subsidiary, Moolarben Coal Mine Pty acquired an additional 3.75% interest in Moolarben Coal Joint Venture ("Moolarben JV"). Following the acquisition, the Group's equity interest in the Moolarben JV was increased to 98.75%. The acquisition completed for a cash consideration of approximately AUD25,000,000 (equivalent to approximately RMB117,230,000) together with deferred cash consideration of AUD62,000,000 (equivalent to approximately RMB290,873,000). The net identifiable assets recognised as a result of the acquisition amounted to approximately AUD76,000,000 (approximately RMB356,370,000), included intangible assets, property, plant and equipment and cash and bank balances approximately RMB196,475,000, RMB218,198,000 and RMB1,886,000, respectively.

26 LONG-TERM RECEIVABLES

	2025 RMB'000	2024 RMB'000 (Restated)
Loan receivables (Note)	**9,771,753**	10,795,801
Others	**844,552**	2,756,677
Less: impairment loss recognised	**(360,673)**	(740,129)
	10,255,632	12,812,349
Analysed for reporting purpose:		
– Non-current portion	**7,460,112**	8,094,595
– Current portion	**2,795,520**	4,717,754
	10,255,632	12,812,349

Note: The loan receivables carry interest at 2.40% to 3.30% (2024: 2.60% to 8.40%) per annum and are secured by the machinery of the borrowers.

During the year ended 31 December 2025 and 2024, in determining the ECL for these assets, the directors of the Company have taken into account the historical default experience, the financial position of the counterparties as well as the future prospects of the industries in which the debtors operate obtained from available market data considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period in assessing the loss allowance for these receivables.

26 LONG-TERM RECEIVABLES (Continued)

An analysis of the gross amount of long-term receivables is as follows:

	12-month ECL RMB'000	Lifetime ECL RMB'000	Lifetime ECL – credit impaired RMB'000	Total RMB'000
Gross amount as at 31 December 2025				
– Performing	**10,441,351**	–	–	**10,441,351**
– Doubtful	–	**147,710**	–	**147,710**
– Default	–	–	**27,244**	**27,244**
	10,441,351	**147,710**	**27,244**	**10,616,305**

	12-month ECL RMB'000 (Restated)	Lifetime ECL RMB'000	Lifetime ECL – credit impaired RMB'000	Total RMB'000 (Restated)
Gross amount as at 31 December 2024				
– Performing	10,545,842	–	–	10,545,842
– Doubtful	–	2,507,543	–	2,507,543
– Default	–	–	499,093	499,093
	10,545,842	2,507,543	499,093	13,552,478

Movement in the impairment losses on long-term receivables are as follows:

	12-month ECL RMB'000	Lifetime ECL RMB'000	Lifetime ECL – credit impaired RMB'000	Total RMB'000
At 1 January 2024	171,086	105,680	265,217	541,983
Impairment loss recognised	73,210	–	124,936	198,146
At 31 December 2024 and 1 January 2025	**244,296**	**105,680**	**390,153**	**740,129**
Impairment loss recognised/(reversed)	**8,010**	**(27,709)**	–	**(19,699)**
Write-offs	–	–	**(362,909)**	**(362,909)**
Exchange adjustments	–	**3,152**	–	**3,152**
At 31 December 2025	**252,306**	**81,123**	**27,244**	**360,673**

27 ROYALTY RECEIVABLES

	2025 RMB'000	2024 RMB'000
At 1 January	**974,233**	1,056,952
Change in fair value	**(108,561)**	(8,606)
Exchange adjustments	**37,234**	(74,113)
At 31 December	**902,906**	974,233
Analysed as:		
Current assets	**80,514**	83,605
Non-current assets	**822,392**	890,628
	902,906	974,233

A right to receive a royalty of 4% of Free on Board trimmed sales from Middlemount Coal Pty Ltd ("Middlemount") mine operated by Middlemount Joint Venture was acquired as part of the acquisition of Gloucester Coal Limited ("Gloucester"). This financial asset has been determined to have a finite life being the life of the Middlemount mine and is measured at fair value basis.

The royalty receivable is measured based on management expectations of the future cash flows at each reporting date with the re-measurement recorded in profit or loss. The amount expected to be received in the next 12 month is disclosed as current receivable and the expected future cash flow beyond 12 months is disclosed as a non-current receivable. Gain/ (loss) from change in fair value is included in other income and gains/losses.

28 INVENTORIES

	2025 RMB'000	2024 RMB'000 (Restated)
Auxiliary material, spare parts and small tools	**3,127,388**	2,805,878
Coal products	**1,352,704**	1,926,533
Methanol	**211,674**	346,657
	4,691,766	5,079,068
Work in progress	**1,257,489**	667,699
Finished goods	**1,615,362**	2,121,768
	7,564,617	7,868,535

During the year ended 31 December 2025, provision for inventories of RMB58,125,000 (2024: RMB34,243,000) had been made while no provision (2024: RMB30,198,000) had been reversed.

29 FINANCIAL ASSETS/LIABILITIES AT FVTPL AND OTHER FINANCIAL ASSETS AT AMORTISED COST

	2025 RMB'000	2024 RMB'000
Financial assets and liabilities at FVTPL		
Current asset		
Financial liabilities at FVTPL		
– Listed equity investments	**668**	481
Current liability		
Financial liabilities at FVTPL		
– Contingent royalty	**(360,192)**	(538,427)
Other financial assets at amortised cost		
Short-term bank deposits (Note)	**787,776**	–

Note: The zero-coupon bank deposits with a licensed bank in the PRC has a maturity period of 8 months from the placement date and bear no stated interest rate. The difference between the placement amount and the maturity amount is recognised as interest income over the deposit period using the effective interest method.

30 CONTINGENT CONSIDERATION RECEIVABLES

	2025 RMB'000	2024 RMB'000
Acquisition of subsidiaries	**6,805**	77,304

The balance represents the aggregate sum of contingent consideration receivable in relation to the acquisition of Wubo Technology Co., Ltd* (物泊科技有限公司) ("Wubo Technology") (see Note 49(B)) as cash and specific compensation, if there are any shortfalls between the actual results and the profit guarantee pursuant to the sale and purchase agreement.

* The official name of the entity is in Chinese. The English name is for identification purpose only.

31 BILLS AND ACCOUNTS RECEIVABLES

	2025 RMB'000	2024 RMB'000 (Restated)
Accounts receivables (at amortised cost)	**9,630,317**	10,547,897
Less: impairment loss on accounts receivables	**(1,017,849)**	(972,210)
	8,612,468	9,575,687
Bills receivables (at FVTOCI)	**3,742,939**	4,213,159
Less: impairment loss on bills receivables	**(150)**	(384)
	3,742,789	4,212,775
	12,355,257	13,788,462

As at 1 January 2024, accounts receivables from contracts with customers amounted to RMB7,241,366,000 (Restated).

Bills receivables represent unconditional orders in writing issued by or negotiated from customers of the Group for completed sale orders which entitle the Group to collect a sum of money from banks or other parties. The bills are non-interest bearing and have an average maturity of six months. Considering the bills receivables are held by the Group for both collection of contractual cash flows and selling of the related financial assets (via the endorsement of bills receivables to suppliers as the Group's settlement of related payable balances), the Group has designated bills receivables as financial assets of FVTOCI.

According to the credit rating of different customers, the Group allows a range of credit periods to its trade customers not exceeding 180 days.

The following is an aged analysis of bills and accounts receivables, net of allowance for impairment, presented based on the invoice dates, which approximates the respective revenue recognition dates, at the end of the reporting period:

	2025 RMB'000	2024 RMB'000 (Restated)
0 – 90 days	**7,366,327**	8,098,370
91 – 180 days	**2,690,591**	1,608,422
181 – 365 days	**1,165,074**	1,763,988
Over 1 year	**1,133,265**	2,317,682
	12,355,257	13,788,462

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed once a year.

The Group measures the loss allowance for bills and accounts receivables at an amount equal to lifetime ECL. As part of the Group's credit risk management, the Group uses debtors' ageing to assess the impairment on a collective basis for part of its customers which consist of large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

31 BILLS AND ACCOUNTS RECEIVABLES (Continued)

The following table provides information about the exposure to credit risk and ECL for bills and accounts receivables from customers, which are assessed individually or collectively based on provision matrix as at 31 December 2025 and 2024.

As at 31 December 2025	Average expected loss rate %	Gross carrying amount RMB'000	Loss allowance RMB'000
Accounts receivables – collective assessment			
Past due within 1 year	0.53	7,519,504	40,107
Past due 1 – 2 years	0.49	458,908	2,228
Past due 2 – 3 years	2.98	248,922	7,409
Past due over 3 years	5.49	460,130	25,252
		8,687,464	74,996
Accounts receivables – individual assessment	100.00	942,853	942,853
		9,630,317	1,017,849
Bills receivables		3,742,939	150
		13,373,256	1,017,999

As at 31 December 2024	Average expected loss rate %	Gross carrying amount RMB'000 (Restated)	Loss allowance RMB'000 (Restated)
Accounts receivables – collective assessment			
Past due within 1 year	0.14	7,222,187	10,300
Past due 1 – 2 years	1.61	322,609	5,196
Past due 2 – 3 years	1.71	1,020,661	17,478
Past due over 3 years	5.11	1,050,796	53,709
		9,616,253	86,683
Accounts receivables – individual assessment	95.05	931,644	885,527
		10,547,897	972,210
Bills receivables		4,213,159	384
		14,761,056	972,594

31 BILLS AND ACCOUNTS RECEIVABLES (Continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward looking information that is available without undue cost or effort. The grouping is regularly reviewed by the management to ensure relevant information about specific debtor is updated.

Receivables are written off if they have been past due for more than 4 years (2024: 4 years) and are not subject to enforcement activity. The Group does not hold collateral as security. During the year ended 31 December 2025, accounts receivables of approximately RMB6,396,000 (2024: RMB2,883,000) were written-off.

An analysis of the impairment loss on bills and accounts receivables for the years ended 31 December 2025 and 2024 is as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
At 1 January	**972,594**	559,314
Impairment loss recognised	**76,503**	404,217
Write-offs	**(6,396)**	(2,883)
Others	**(24,702)**	11,946
At 31 December	**1,017,999**	972,594

Included in bills and accounts receivables as at 31 December 2025 are balances of approximately RMB1,128,281,000 (2024(Restated): RMB1,642,500,000) that have been pledged to secure borrowings and banking facilities granted to the Group.

32 PREPAYMENTS AND OTHER RECEIVABLES

	2025 RMB'000	2024 RMB'000 (Restated)
Advance to suppliers	**7,364,746**	4,802,152
Less: impairment loss on advance to suppliers (Note (i))	**(45,739)**	(16,381)
	7,319,007	4,785,771
Prepaid relocation costs of inhabitants	**19,843,698**	15,742,308
Other taxes	**2,156,168**	1,624,165
Dividend receivables	**65,334**	48,320
Loan receivables (Note (ii))	**11,578,445**	8,080,326
Other receivables	**8,035,273**	6,976,451
Less: impairment loss on other receivables (Note (iii))	**(1,932,021)**	(1,755,450)
	47,065,904	35,501,891

32 PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Notes:

(i) An analysis of the impairment loss on advance to suppliers for the years ended 31 December 2025 and 2024 is as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
At 1 January	**16,381**	16,715
Impairment loss recognised/(reversed)	**29,358**	334
At 31 December	**45,739**	16,381

Advances will be written-off, if aged over 4 years (2024: 4 years) and considered irrecoverable by the management after considering the credit quality of the individual party and the nature of the amount.

(ii) The loan receivables carried interest ranging from 2.11% to 3.30% (2024: 2.60% to 3.60%) per annum and are repayable within 12 months from the end of the reporting period.

(iii) The Group recognised lifetime ECL and 12-month ECL for other receivables based on the credit risk grading framework as follows:

As at 31 December 2025	**Average expected loss rate %**	**Gross carrying amount RMB'000**	**Loss allowance RMB'000**
Other receivables – Performing	**1.51**	**18,019,335**	**272,304**
Other receivables – Default	**100.00**	**1,659,717**	**1,659,717**
		19,679,052	**1,932,021**

As at 31 December 2024	Average expected loss rate %	Gross carrying amount RMB'000 (Restated)	Loss allowance RMB'000 (Restated)
Other receivables – Performing	2.36	13,672,406	322,759
Other receivables – Default	100.00	1,432,691	1,432,691
		15,105,097	1,755,450

32 PREPAYMENTS AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(iv) Movement in the impairment losses on other receivables is as follows:

	Lifetime ECL – non credit impaired RMB'000	Lifetime ECL – credit impaired RMB'000	Total RMB'000
At 1 January 2024 (Restated)	1,016,549	1,537,726	2,554,275
Impairment loss reversed	(38,312)	(61,429)	(99,741)
Write-offs	(655,478)	(43,606)	(699,084)
At 31 December 2024 and 1 January 2025 (Restated)	**322,759**	**1,432,691**	**1,755,450**
Impairment loss (reversed)/recognised	**(50,455)**	**536,715**	**486,260**
Write-offs	–	**(309,689)**	**(309,689)**
At 31 December 2025	**272,304**	**1,659,717**	**1,932,021**

33 RESTRICTED CASH, PLEDGED TERM DEPOSITS AND BANK BALANCES AND CASH

As at the reporting date, the restricted cash mainly represents the bank acceptance bill deposits paid for safety work as required by the State Administrative of work safety and guarantee deposits for issuance of bank bills which carry interest at market rates of 0.05% to 1.55% (2024: 0.32% to 0.46%) per annum.

Pledged term deposits were pledged to certain banks as security for loans and banking facilities granted to the Group, which carry fixed interest rate ranging from 1.30% to 1.30% (2024: 1.25% to 1.50%) per annum. The pledged term deposits will be released upon the settlement of relevant bank borrowings.

Bank balances carry interest at market rates which ranged from 0.01% to 1.77% (2024: from 0.10% to 1.35%) per annum.

34 PERFORMANCE COMPENSATION RECEIVABLE FROM THE PARENT COMPANY

Performance compensation receivable from the Parent Company represents the amount receivable pursuant to the performance compensation undertakings entered into between the Company and the Parent Company in connection with the acquisition of Shandong Energy Group Luxi Mining Co., Limited ("Luxi Mining") and Yankuang Xinjiang Neng Hua Company Limited ("Xinjiang Neng Hua") from the Parent Company under the equity transfer agreements (the "Acquisition Agreements") in 2023.

34 PERFORMANCE COMPENSATION RECEIVABLE FROM THE PARENT COMPANY (Continued)

Pursuant to the terms of the performance compensation undertakings, the Parent Company guaranteed that Luxi Mining and Xinjiang Neng Hua would achieve specified levels of cumulative net profit attributable to equity holders during the performance commitment period from 2023 to 2025, where the cumulative actual results achieved by Luxi Mining and/or Xinjiang Neng Hua during the performance commitment period fall below the guaranteed amounts, the Parent Company is contractually obliged to compensate the Group in cash, in accordance with the terms set out in the Acquisition Agreements and the related performance compensation undertakings.

The amount of performance compensation receivable is determined with reference to the shortfall between the actual cumulative financial performance of the relevant subsidiaries and the guaranteed performance targets.

As the acquisition was accounted for as an acquisition under common control, the performance compensation arrangement with the Parent Company is regarded as a capital transaction and is accounted for within capital reserve. Accordingly, when the right to receive performance compensation becomes probable and reliably measurable, the Group recognises a performance compensation receivable measured at amortised cost, as it represents a contractual right to receive cash from the Parent Company. As at the reporting date, the management has assessed the recoverability of the performance compensation receivable and considers that no material credit risk exists.

35 PROVISIONS FOR LAND SUBSIDENCE, RESTORATION, REHABILITATION AND ENVIRONMENTAL COSTS

	2025 RMB'000	2024 RMB'000 (Restated)
At 1 January	**13,284,198**	13,732,883
Additional provision in the year	**1,183,702**	1,422,522
Acquisition of a subsidiary	**–**	18,372
Utilisation of provision	**(514,066)**	(1,896,556)
Exchange adjustments	**287,921**	6,977
At 31 December	**14,241,755**	13,284,198
Analysed as:		
Current liabilities	**812,479**	614,947
Non-current liabilities	**13,429,276**	12,669,251
	14,241,755	13,284,198

Provision for land subsidence, restoration, rehabilitation and environmental costs has been determined by the management of the Group based on their best estimates. However, in so far as the effect on the land and the environment from current mining activities becomes apparent in future periods, the estimate of the associated costs may be subject to change in the near term.

36 PROVISIONS

	2025 RMB'000	2024 RMB'000 (Restated)
Current liabilities		
– Take or pay provision (Note (i))	–	9,799
– Onerous contract provision (Note (ii))	**20,638**	24,846
	20,638	34,645
Non-current liabilities		
– Onerous contract provision (Note (ii))	**61,652**	78,729
– Employee benefits (Note (iii))	**796,984**	778,715
– Post employment benefits (Note (iv))	**10,595,818**	11,836,600
– Others	**283,041**	98,292
	11,737,495	12,792,336
	11,758,133	12,826,981

Notes:

(i) Take or pay provision, which arose from business combination in prior years, is the assessment of forecast excess capacity for port and rail contracts. A provision was recognised for the discounted estimated excess capacity. The provision is released to profit or loss over the period in which excess capacity is realised.

(ii) The onerous contract provision is the assessment of a coal supply and transportation agreement to supply coal at below market prices. A provision was recognised for the discounted estimated variance between contract and market prices. The provision has a finite life and will be released to profit or loss over the contract term.

(iii) The balance mainly included provision for long-term employee entitlements and other employee incentives.

(iv) The balance mainly related to the provision for termination benefits made in relation the Group's plan in simplification of the organisation structure.

37 BORROWINGS

	2025 RMB'000	2024 RMB'000 (Restated)
Current liabilities		
Bank borrowings		
– Unsecured borrowings (Note (i))	**41,937,159**	25,659,292
– Secured borrowings (Note (ii))	**2,392,152**	3,869,100
Corporate bonds (Note (iii))	**6,422,622**	11,660,503
	50,751,933	41,188,895
Non-current liabilities		
Bank borrowings		
– Unsecured borrowings (Note (i))	**47,060,644**	46,736,679
– Secured borrowings (Note (ii))	**10,033,923**	16,920,354
Corporate bonds (Note (iii))	**22,964,152**	15,973,544
Other secured borrowings (Note (iv))	**501,056**	1,540,724
	80,559,775	81,171,301
	131,311,708	122,360,196

Notes:

(i) Unsecured borrowings are detailed as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Within one year	**41,937,159**	25,659,292
After one year but within two years	**7,073,241**	22,546,743
After two years but within five years	**36,476,261**	18,665,797
More than five years	**3,511,142**	5,524,139
	88,997,803	72,395,971

As at 31 December 2025, included in unsecured borrowings are short-term borrowings amounting to approximately RMB41,937,159,000 (2024 (Restated): RMB25,659,292,000) which carried interest at 2.20% to 4.80% per annum (2024: 2.20% to 4.15% per annum).

Long-term borrowings of the Group amounting to approximately RMB47,060,644,000 (2024 (Restated): RMB46,736,679,000) carried interest at 2.20% to 4.80% per annum (2024 (Restated): 2.38% to 4.98% per annum).

37 BORROWINGS (Continued)

Notes: (Continued)

(ii) Secured borrowings are detailed as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Within one year	**2,392,152**	3,869,100
After one year but within two years	**1,991,257**	14,375,424
After two years but within five years	**1,281,612**	2,544,930
More than five years	**6,761,054**	–
	12,426,075	20,789,454

As at 31 December 2025, the secured borrowings of Yancoal International (Holding) Co., Ltd., amounted to approximately RMB456,872,000 (approximately USD65,000,000) (2024: approximately RMB718,840,000 (approximately USD100,000,000)) which carried interest at three-month LIBOR plus a margin of 1.8% per annum, approximately 6.2% (2024: 7.30%) per annum.

As at 31 December 2025, secured borrowings of Premier Coal Limited and Premier Holdings Pty., Ltd., amounted to approximately RMB169,852,000 (approximately AUD36,222,000) (2024: approximately RMB157,400,000 (approximately AUD34,924,000) which carried interest 2.69% (2024: 8.70%) per annum.

Other than the above, as at 31 December 2025, secured borrowings of the Group amounting to RMB16,293,630,000 (2024 (Restated): RMB20,154,238,000), carried interest at 2.13% to 4.98% (2024: 2.02% to 4.90%) per annum.

As at 31 December 2025 and 2024, certain of the borrowings of the Group were secured by the Group's interests in certain overseas subsidiaries and joint operations.

(iii) Corporate bonds denominated in RMB are detailed as follows:

	2025 RMB'000	2024 RMB'000 (Restated)
Within one year	**6,422,622**	11,660,503
After one year but within two years	**4,998,504**	1,998,666
After two years but within five years	**10,981,847**	4,997,578
More than five years	**6,983,801**	8,977,300
	29,386,774	27,634,047

In 2020, the Company issued bonds with a total principal amount of RMB10,000,000,000. The first phase of the bonds was issued in March 2020 with an aggregate principal amount of RMB5,000,000,000 in two series: (i) RMB2,700,000,000 with maturity period of 5 years and annual interest rate of 3.43%; (ii) RMB2,000,000,000 with maturity period of 10 years and annual interest rate of 4.29%. The second phase of the bonds was issued in October 2020 with a principal amount of RMB1,500,000,000 with maturity period of 10 years and annual interest rate of 4.27%.

In 2021, the Company issued bonds with a total principal amount of RMB1,000,000,000 with maturity period of 5 years and annual interest rate of 4.13%. The bonds are unsecured.

37 BORROWINGS (Continued)

Notes: (Continued)

(iii) Corporate bonds denominated in RMB are detailed as follows: (Continued)

In 2023, the Company issued bonds with a total principal amount of RMB5,000,000,000. The first phase of the bond was issued in May 2023 with an aggregate principal amount of RMB3,000,000,000 in two series: (i) RMB1,000,000,000 with maturity period of 5 years and annual interest rate of 3.34%; (ii) RMB2,000,000,000 with maturity period of 10 years and annual interest rate of 3.80%. The second phase of the bond was issued in June 2023 with a principal amount of RMB2,000,000,000 with maturity period of 10 years and annual interest rate of 3.75%. The bonds are unsecured.

In 2024, the Company issued bonds with a total principal amount of RMB14,200,000,000. The first phase of the bonds was issued in July 2024 with a principal amount of RMB2,000,000,000 with maturity period of 6 months and annual interest rate of 3.80%. The second phase of the bonds was issued in July 2024 with a principal amount of RMB2,700,000,000 with maturity period of 6 months and annual interest rate of 3.43%. The third phase of the bonds was issued in July 2024 with a principal amount of RMB2,000,000,000 with maturity period of 6 months and annual interest rate of 1.82%. The fourth phase of the bonds was issued in October 2024 with a principal period of 6 months and annual interest rate of 4.27%. The fifth phase of the bonds was issued in November 2024 with a principal amount of RMB3,000,000,000 with maturity period of 9 months and annual interest rate of 2.02%. The sixth phase of the bonds was issued in December 2024 with a principal amount of RMB3,000,000,000 with maturity period of 9 months and annual interest rate of 1.75%. The bonds are unsecured and repayable on demand.

In 2025, the Company issued bonds with a total principal amount of RMB15,000,000,000. The first phase of the bond was issued in June 2025 with a principal amount of RMB3,000,000,000 with maturity period of 5 years and annual interest rate of 2.02%. The second phase of the bond was issued in July 2025 with a principal amount of RMB2,000,000,000 with maturity period of 5 months and interest rate of 1.56%. The third phase of the bond was issued in September 2025 with a principal amount of RMB2,000,000,000 with a maturity of 5 years and interest rate of 1.94%. The forth phase of the bond was issued in November 2025 with a principal amount of RMB3,000,000,000 with a maturity of 5 years and interest rate of 2.00%. The fifth phase of the bond was issued in December 2025 with a principal amount of RMB3,000,000,000 with a maturity of 9 months and interest rate of 1.65%.

As at 31 December 2025, the aggregate outstanding principal amount of the bonds is RMB29,000,000,000 (2024: RMB27,600,000,000).

(iv) Other secured borrowings are detailed as follows:

As at 31 December 2025, the secured borrowings of the Group were amounting to RMB501,056,000 (2024 (Restated): RMB1,540,724,000) which carried interest at 3.00% to 3.85% (2024: 3.10% to 4.65%) per annum.

38 LONG-TERM PAYABLES

	2025 RMB'000	2024 RMB'000 (Restated)
Intangible assets payable (Note (i))	**13,295,006**	7,107,097
Non-contingent royalty payable	**16,162**	13,382
Others (Note (ii))	**2,754,564**	2,539,895
	16,065,732	9,660,374
Analysed as:		
Current liabilities	**269,464**	354,381
Non-current liabilities	**15,796,268**	9,305,993
	16,065,732	9,660,374

Notes:

(i) Intangible assets payable represented the consideration for acquisition of mining rights. The amount is payable by the Group by instalments from 2019 to 2049.

(ii) Included in the balance was an interest-free, unsecured advance of RMB2,041,902,000 (2024: RMB2,041,902,000) due to an independent third party.

39 DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

	2025 RMB'000	2024 RMB'000 (Restated)
Deferred tax assets	**3,085,317**	2,846,384
Deferred tax liabilities	**(9,807,018)**	(9,543,960)
	(6,721,701)	(6,697,576)

39 DEFERRED TAXATION (Continued)

Deferred tax assets/(liabilities) of the Group and the movements thereon for both reporting periods are:

	Mining rights (mining reserves) RMB'000	Property, plant and equipment, investment properties and intangible assets RMB'000	Tax losses RMB'000	Provision for land subsidence, restoration, rehabilitation and environmental costs RMB'000	Others RMB'000	Total RMB'000
At 1 January 2024 (Restated)	(5,849,537)	(5,959,319)	1,415,991	2,784,969	1,130,885	(6,477,011)
Exchange adjustments	152,655	155,521	–	(72,679)	(29,513)	205,984
Credited (charged) to profit or loss	(141,332)	243,449	(29,516)	20,299	(115,259)	(22,359)
Acquisition of subsidiaries	–	(378,294)	–	–	(71,308)	(449,602)
Credited to other comprehensive income	–	–	–	–	45,412	45,412
At 31 December 2024 (Restated)	(5,838,214)	(5,938,643)	1,386,475	2,732,589	960,217	(6,697,576)
At 1 January 2025 (Restated)	(5,838,214)	(5,938,643)	1,386,475	2,732,589	960,217	(6,697,576)
Exchange adjustments	(94,821)	(192,088)	–	66,571	23,394	(196,944)
Credited (charged) to profit or loss	181,951	(236,242)	92,698	28,630	112,402	179,439
Acquisition of subsidiaries	(62,481)	–	–	–	(18,134)	(80,615)
Credited to other comprehensive income	–	–	–	–	73,995	73,995
At 31 December 2025	(5,813,565)	(6,366,973)	1,479,173	2,827,790	1,151,874	(6,721,701)

The temporary differences mainly arose from unpaid provision of salaries and wages, provisions of compensation fees for mining rights and land subsidence, restoration, rehabilitation and environmental costs and also included payments on certain expenses such as exploration costs and certain income in Australia.

At the reporting date, the Group has unused tax losses of approximately RMB8,437 million (2024 (Restated): RMB12,346 million) available for offset against future profits. Deferred tax asset has been recognised for tax losses of RMB7,096 million (2024 (Restated): RMB6,440 million) for such tax losses. No deferred tax asset has been recognised in respect of tax losses of approximately RMB1,341 million (2024 (Restated): RMB5,906 million) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of RMB1,341 million (2024 (Restated): RMB5,906 million) that will be expiring within five years.

By reference to financial budgets, management believes that there will be sufficient future profits for the realisation of deferred tax assets which have been recognised in respect of tax losses.

40 BILLS AND ACCOUNTS PAYABLES

	2025 RMB'000	2024 RMB'000 (Restated)
Accounts payables	**23,002,970**	21,348,493
Bills payables	**11,946,745**	11,876,974
	34,949,715	33,225,467

The following is an aged analysis of bills and accounts payables presented based on the invoice dates at the reporting date:

	2025 RMB'000	2024 RMB'000 (Restated)
0 – 90 days	**19,859,961**	15,099,530
91 – 180 days	**9,437,832**	7,484,928
181 – 365 days	**1,792,647**	5,062,109
Over 1 year	**3,859,275**	5,578,900
	34,949,715	33,225,467

The average credit period for accounts and bills payables is 90 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

41 OTHER PAYABLES AND ACCRUED EXPENSES

	2025 RMB'000	2024 RMB'000 (Restated)
Accrued staff costs	**2,817,739**	3,297,107
Other taxes payable	**2,714,809**	1,923,822
Payables in respect of purchases of property, plant and equipment and construction materials	**165,518**	86,692
Security deposits received	**766,934**	997,060
Deposits received from customers in relation to financing business	**24,111,872**	23,359,247
Interest payable	**3,501**	9,054
Dividends payable	**6,931,005**	3,178,658
Payables for acquisition of subsidiaries/associates	**400,215**	832,623
Deposits from other customers	**4,564,708**	8,762,842
Consideration payable related to business combination under common control	**344,847**	–
Others	**3,108,691**	3,739,095
	45,929,839	46,186,200

42 CONTRACT LIABILITIES

	2025 RMB'000	2024 RMB'000 (Restated)
Contract liabilities	**6,330,233**	5,189,166

As at 1 January 2024, contract liabilities amounted to approximately RMB5,769,544,000 (Restated).

Contract liabilities include advances received to deliver goods and advances received to render transportation services. The increase in contract liabilities was mainly due to more deposits were received in current year.

Revenue recognised during the year ended 31 December 2025 that was included in the contract liabilities as at 31 December 2024 in the current year is approximately RMB5,189,166,000 (2024 (Restated): RMB5,769,544,000). There was no revenue recognised that related to performance obligations that were satisfied in prior year.

43 SHAREHOLDERS' EQUITY

(a) Share capital

The Company's share capital structure at the reporting date is as follows:

	Domestic invested shares A shares	Foreign invested shares H shares	Total
Number of shares			
At 1 January 2024	4,589,370,720	2,850,000,000	7,439,370,720
Repurchase and cancellation of shares (Note (i))	(1,401,180)	–	(1,401,180)
Issuance of bonus share (Note (ii))	1,376,390,862	940,500,000	2,316,890,862
Issue of placing shares (Note (iii))	–	285,000,000	285,000,000
At 31 December 2024 and 1 January 2025	**5,964,360,402**	**4,075,500,000**	**10,039,860,402**
Repurchase and cancellation of shares (Note (iv))	**(2,379,858)**	–	**(2,379,858)**
At 31 December 2025	**5,961,980,544**	**4,075,500,000**	**10,037,480,544**
	RMB'000	RMB'000	RMB'000
Registered, issued and fully paid			
At 1 January 2024	4,589,371	2,850,000	7,439,371
Repurchase and cancellation of shares (Note (i))	(1,401)	–	(1,401)
Issuance of bonus share (Note (ii))	1,376,390	940,500	2,316,890
Issue of placing shares (Note (iii))	–	285,000	285,000
At 31 December 2024 and 1 January 2025	**5,964,360**	**4,075,500**	**10,039,860**
Repurchase and cancellation of shares (Note (iv))	**(2,379)**	–	**(2,379)**
At 31 December 2025	**5,961,981**	**4,075,500**	**10,037,481**

Each share has a par value of RMB1.

Notes:

(i) During the year ended 31 December 2024, 1,401,180 A share were repurchased and cancelled accordingly to forfeiture under Restructured Share Incentive Scheme. The scheme was repurchased at price of RMB3.6133 per share.

(ii) On 28 March 2024, the Board proposed a bonus issue on the basis of three bonus share for every ten shares then held. The bonus issue was approved by Shareholder on 21 June 2024 and 1,376,390,862 bonus A shares and 940,500,000 bonus H shares were issued on 5 July 2024 and 31 July 2024 respectively.

43 SHAREHOLDERS' EQUITY (Continued)

(a) Share capital (Continued)

Notes: (Continued)

(iii) On 12 June 2024, a total of 285,000,000 new H shares have been successfully placed by a placing agent to no fewer than six investors at the price of HKD17.39 per share pursuant to the terms and conditions of the placing agreement, representing 10.00% of the number of issued H Shares and approximately 3.83% of the number of issued Shares immediately before the Completion, and approximately 9.09% of the number of issued H Shares and approximately 3.69% of the number of issued Shares as enlarged by the allotment and issue of the new H shares immediately.

(iv) During the year ended 31 December 2025, 2,379,858 A shares were repurchased and cancelled accordingly to forfeiture under Restricted share incentive scheme. The scheme was repurchased at price of RMB1.4033 per share.

(b) Reserves

(i) Future Development Fund

Pursuant to regulation in the PRC, the Company, Shanxi Heshun Tianchi Energy Company Limited ("Shanxi Tianchi") and Heze are required to transfer an annual amount to a future development fund at RMB6 per tonne of raw coal mined (Xintai, Ordos, Shaanxi Future Energy and Inner Mongolia Mining: RMB10.5 per tonne of raw coal mined). The fund can only be used for the future development of the coal mining business and is not available for distribution to shareholders.

From 2008 onwards, Shanxi Tianchi is required to transfer an additional amount at RMB5 per tonne of raw coal mined as coal mine transformation fund. Pursuant to the Shanxi Provincial Government's decision, coal mine transformation fund was suspended since 1 August 2013.

Pursuant to the regulations of the Shandong Province Finance Bureau, State-owned Assets Supervision and Administration Commission of Shandong Province and the Shandong Province Coal Mining Industrial Bureau, the Company is required to transfer an additional amount at RMB5 per tonne of raw coal mined from 1 July 2004 to the reform specific development fund for the future improvement of the mining facilities and is not distributable to shareholders. No further transfer to the reform specific development fund is required from 1 January 2008.

43 SHAREHOLDERS' EQUITY (Continued)

(b) Reserves (Continued)

(i) Future Development Fund (Continued)

In accordance with the regulations of the State Administration of Work Safety, the Company has a commitment to incur RMB15 per tonne of raw coal mined from 1 February 2012 onwards (Shanxi Tianchi RMB30 per tonne of raw coal mined from 1 October 2013 onwards, Xintai and Ordos RMB15 per tonne of raw coal mined from 1 February 2012 onwards, Shaanxi Future Energy and Inner Mongolia Mining RMB15 per tonne of raw coal mined) for each tonne of raw coal mined which will be used for enhancement of safety production environment and improvement of facilities ("Work Safety Cost"). In prior years, the work safety expenditures are recognised only when acquiring the assets or incurring other work safety expenditures. The Company, Heze, Shanxi Tianchi, Xintai and Ordos make appropriation to the future development fund in respect of unutilised Work Safety Cost from 2008 onwards.

In accordance with the regulations of the State Administration of Work Safety, the Company's subsidiaries, Hua Ju Energy, Shanxi Tianhao and Yulin, have a commitment to incur Work Safety Cost at the rate of: 4% of the actual sales income for the year below RMB10 million; 2% of the actual sales income for the year between RMB10 million and RMB100 million (included); 0.5% of the actual sales income for the year between RMB100 million and RMB1 billion (included); 0.2% of the actual sales income for the year above RMB1 billion.

(ii) Statutory Common Reserve Fund

The Company has to set aside 10% of its profit for the statutory common reserve fund (except where the fund has reached 50% of its registered capital). The statutory common reserve fund can be used for the following purposes:

- to make good losses of the previous years; or
- to convert into capital, provided such conversion is approved by a resolution at a shareholders' general meeting and the balance of the statutory common reserve fund does not fall below 25% of the registered capital.

(iii) Distributable Reserve

In accordance with the Company's Articles of Association, the profit for the purpose of appropriation will be deemed to be the lesser of the amounts determined in accordance with (i) the PRC accounting standards and regulations and (ii) the IFRS Accounting Standards or the accounting standards of the places in which its shares are listed.

As at 31 December 2025, the distributable reserve of the Company is approximately RMB6,794,044,000 (2024: RMB9,174,557,000).

44 PERPETUAL CAPITAL SECURITIES

	From the Company RMB'000	From its subsidiary RMB'000	Total RMB'000
At 1 January 2024	16,541,777	–	16,541,777
Issuance of perpetual capital security	13,000,000	–	13,000,000
Redemption of perpetual capital security	(6,287,670)	–	(6,287,670)
Dividend to holders of perpetual capital security	631,865	–	631,865
Distribution paid to holders of perpetual capital security	(618,751)	–	(618,751)
At 31 December 2024 and 1 January 2025	**23,267,221**	**–**	**23,267,221**
Issuance of perpetual capital security	**15,000,000**	**1,000,000**	**16,000,000**
Redemption of perpetual capital security	**(9,489,900)**	**–**	**(9,489,900)**
Dividend to holders of perpetual capital security	**627,530**	**1,188**	**628,718**
Distribution paid to holders of perpetual capital security	**(638,201)**	**–**	**(638,201)**
At 31 December 2025	**28,766,650**	**1,001,188**	**29,767,838**

Notes:

(i) The Company issued 2.85% perpetual capital securities with par value RMB3,000,000,000 on 2 February 2024. Coupon payments of 2.85% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(ii) The Company issued 2.28% perpetual capital securities with par value RMB3,000,000,000 on 18 June 2024. Coupon payments of 2.28% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

44 PERPETUAL CAPITAL SECURITIES (Continued)

Notes: (Continued)

(iii) The Company issued 2.17% perpetual capital securities with par value RMB2,000,000,000 on 25 July 2024. Coupon payments of 2.17% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(iv) The Company issued 2.43% perpetual capital securities with par value RMB1,500,000,000 on 30 October 2024. Coupon payments of 2.43% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(v) The Company issued 2.26% perpetual capital securities with par value RMB1,500,000,000 on 22 November 2024. Coupon payments of 2.26% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(vi) The Company issued 2.06% perpetual capital securities with par value RMB2,000,000,000 on 11 December 2024. Coupon payments of 2.06% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(vii) The Company issued 2.09% perpetual capital securities with par value RMB3,000,000,000 on 28 April 2025. Coupon payments of 2.09% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(viii) The Company issued 1.86% perpetual capital securities with par value RMB3,000,000,000 on 23 June 2025. Coupon payments of 1.86% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

44 PERPETUAL CAPITAL SECURITIES (Continued)

Notes:(Continued)

(ix) The Company issued 2.15% perpetual capital securities with par value RMB3,000,000,000 on 19 October 2025. Coupon payments of 2.15% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(x) The Company issued 1.96% perpetual capital securities with par value RMB3,000,000,000 on 28 October 2025. Coupon payments of 1.96% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(xi) The Company issued 2.06% perpetual capital securities with par value RMB3,000,000,000 on 13 November 2025. Coupon payments of 2.06% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the Company undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

(xii) One of the Company's subsidiary issued 2.25% perpetual capital securities with par value RMB1,000,000,000 on 12 December 2025. Coupon payments of 2.25% per annum on the perpetual capital securities are paid once a year. These perpetual capital securities have no fixed maturity and are redeemable at the discretion of the Group at their principal amounts together with any accrued, unpaid or deferred coupon interest payments. In addition, while any coupon payments are unpaid or deferred, the subsidiary undertakes not to declare, pay any dividends nor to make any distributions or similar periodic payments in respect of, or repurchase, redeem or otherwise acquire any securities of lower or equal rank. Since the perpetual capital security does not include any payment of cash or other contractual obligation of financial instrument, it is categorised as equity.

45 CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debt, which includes the borrowings, perpetual capital securities and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure regularly. As part of this review, the directors of the Company assess the annual budget prepared by the accounting and treasury department and consider and evaluate the cost of capital and the risks associated with each class of capital. The Group will balance its capital structure through the payment of dividends, issue of new shares and new debts or the repayment of existing debts.

46 FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2025 RMB'000	2024 RMB'000 (Restated)
Financial assets		
Financial assets at FVTPL:		
– Unlisted equity instruments	**563,777**	561,896
– Contingent consideration receivables	**6,805**	77,304
– Royalty receivables	**902,906**	974,233
– Listed equity investments	**668**	481
Financial assets at amortised cost	**93,191,493**	76,816,274
Financial assets at FVTOCI:		
– Investments in securities listed on the SSE	**480**	345
– Unlisted equity instruments	**697,832**	528,935
– Bills receivables	**3,742,789**	4,212,775
Financial liabilities		
Financial liabilities at FVTPL		
– Contingent royalty	**360,192**	538,427
Financial liabilities at amortised cost	**239,298,865**	219,540,032

(b) Financial risk management objectives and policies

The Group's major financial instruments include investments in securities, bills and accounts receivables, royalty receivables, performance compensation receivables from the Parent Company, other receivables, bank balances and cash, pledged term deposits, restricted cash, long-term receivables, contingent royalty, bills and accounts payables, other payables, long-term payables, borrowings, amounts due to Parent Company and its subsidiaries. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include credit risk, market risk (currency risk, interest rate risk and other price risk), and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner. There has been no significant change to the Group's exposure to market risk or the manner in which it manages and measures the risk.

46 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. As at 31 December 2025 and 2024, the Group's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in Note 56.

The credit risk of the Group mainly arises from bills and accounts receivables, royalty receivables, performance compensation receivables from the Parent Company, other receivables, bank balances and cash, pledged term deposits, restricted cash and long-term receivables. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group generally grants the customers with long-relationship credit terms not exceeding 180 days, depending on the situations of the individual customers. For small to medium sized new customers, the Group generally requires them to pay for the products before delivery.

The impairment assessment and quantitative disclosure of bills and accounts receivables are set out in Note 31.

For other non-trade related receivables, the Group has assessed whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk, the Group will measure the loss allowance based on lifetime rather than 12-month ECL.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

46 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

In order to minimise credit risk, the Group has tasked its operation management committee to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The credit rating information is supplied by independent rating agencies where available and, if not available, the operation management committee uses other publicly available financial information and the Group's own trading records to rate its major customers and other debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Bills and accounts receivables	Other financial assets/other items
Performing	For financial assets where there has low risk of default or has not been a significant increase in credit risk since initial recognition and that are not credit impaired (refer to as Stage 1)	Lifetime ECL – not credit impaired	12-month ECL
Watch list	Debtor frequently repays after due dates but usually settle after due date (refer to as Stage 1)	Lifetime ECL – not credit impaired	12-month ECL
Doubtful	For financial assets where there has been a significant increase in credit risk since initial recognition but that are not credit impaired (refer to as Stage 2)	Lifetime ECL – not credit impaired	Lifetime ECL – not credit impaired
Default	Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred (refer to as Stage 3)	Lifetime ECL – credit impaired	Lifetime ECL – credit Impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off	Amount is written off

The credit quality of the Group's financial assets as well as the Group's maximum exposure to credit risk by credit risk rating grades are disclosed in respective notes.

46 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Details of the accounts receivables from the five customers with the largest gross receivable balances at 31 December 2025 and 2024 are as follows:

	Percentage of accounts receivable	
	2025	2024 (Restated)
Five largest receivable balances	**20.4%**	18.1%

The management considers the strong financial background and good creditability of these customers, and there is no significant uncovered credit risk.

Market risk

(i) Currency risk

The Group's sales are denominated mainly in the functional currency of the relevant group entity making the sale, whilst costs are mainly denominated in the group entity's functional currency. Accordingly, there is no significant exposure to transactional foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities in currencies other than the functional currencies of the relevant group entities at the reporting date are as follows:

	Liabilities		Assets	
	2025 RMB'000	2024 RMB'000 (Restated)	**2025 RMB'000**	2024 RMB'000 (Restated)
USD	**233,644**	2,070,182	**4,305,420**	7,164,164
EUR ("EUR")	**571,453**	287,854	**1,014,779**	719,370
Hong Kong Dollar ("HKD")	–	–	–	145,576

The sales of the subsidiaries in Australia are mainly export sales and some of their fixed assets are imported from overseas. Their foreign exchange exposures are hedged by foreign currency denominated borrowings. The Group's operations in the PRC do not adopt any foreign exchange hedging policy.

46 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Currency risk (Continued)

Sensitivity analysis

The Group is mainly exposed to the fluctuation against the currency of USD.

The following table details the Group's sensitivity to a 5% (2024: 5%) increase and decrease in RMB against relevant foreign currencies. 5% (2024: 5%) represents management's assessment of reasonably possible changes in foreign exchange rates over the period until the next reporting date. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2024: 5%) change in foreign currency rates and also assumes all other risk variables remained constant. The sensitivity analysis includes loans of foreign operations within the Group where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

	USD impact (Note)	
	2025 RMB'000	2024 RMB'000 (Restated)
(Decrease)/increase in profit		
– if RMB weakens against respective foreign currency	**203,589**	254,699
– if RMB strengthens against respective foreign currency	**(203,589)**	(254,699)

Note This is mainly attributable to the exposure of the Group's outstanding bank deposit and loans denominated in USD.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

46 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(ii) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances, pledged term deposits, restricted cash (Note 33) and variable rate borrowings (Note 37).

The Group's exposures to interest rate risk on financial assets and financial liabilities are detailed in the liquidity risk section of this note. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of the People's Bank of China ("PBOC") arising from the Group's RMB borrowings and the LIBOR arising from the Group's USD borrowings.

Sensitivity analysis

The following table details the Group's sensitivity to a change of 100 basis points in the interest rate, assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year and all the variables were held constant.

	2025 RMB'000	2024 RMB'000 (Restated)
(Decrease)/increase in profit		
– if increases by 100 basis points	**(585,434)**	(370,632)
– if decreases by 100 basis points	**585,484**	370,632

(iii) Other price risk

In addition to the above risks relating to financial instruments, the Group is exposed to equity price risk through investment in listed equity securities. The Group currently does not have any arrangement to hedge the price risk exposure of its investment in equity securities. The Group's exposure to equity price risk through investment in listed equity securities is not significant.

46 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk

In managing of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The following table details the Group's remaining contractual maturity for its financial liabilities. For non-derivative financial liabilities, the table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

Liquidity and interest risk tables

	Within 1 year or on demand RMB'000	After 1 year but within 5 years RMB'000	More than 5 years RMB'000	Total undiscounted cash flow RMB'000	Carrying amount RMB'000
At 31 December 2025					
Non-derivative financial liabilities					
Bills and accounts payable	34,949,715	–	–	34,949,715	34,949,715
Other payables	45,929,839	–	–	45,929,839	45,929,839
Amounts due to Parent Company and its subsidiary companies	8,327,062	–	–	8,327,062	8,327,062
Bank borrowings	46,652,611	49,276,332	10,810,562	106,739,505	101,423,878
Corporate bonds	6,625,621	16,485,440	7,204,537	30,315,598	29,386,774
Other secured borrowings	–	520,037	–	520,037	501,056
Long-term payable	269,464	15,796,268	–	16,065,732	16,065,732
	142,754,312	82,078,077	18,015,099	242,847,488	236,584,056
Financial liabilities measured at FVTPL	360,192	–	–	360,192	360,192
Financial guarantees issued					
Maximum amount guaranteed (Note)	5,876,700	–	–	5,876,700	5,876,700

46 FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity and interest risk tables (Continued)

	Within 1 year or on demand RMB'000 (Restated)	After 1 year but within 5 years RMB'000 (Restated)	More than 5 years RMB'000 (Restated)	Total undiscounted cash flow RMB'000 (Restated)	Carrying amount RMB'000 (Restated)
At 31 December 2024					
Non-derivative financial liabilities					
Bills and accounts payable	33,225,467	–	–	33,225,467	33,225,467
Other payables	46,186,200	–	–	46,186,200	46,186,200
Amounts due to Parent Company and its subsidiary companies	6,183,973	–	–	6,183,973	6,183,973
Bank borrowings	31,075,976	61,179,639	5,813,659	98,069,274	93,185,425
Corporate bonds	12,029,055	7,217,373	9,261,044	28,507,472	27,634,047
Other secured borrowings	–	1,575,383	–	1,575,383	1,540,724
Long-term payable	354,381	9,305,993	–	9,660,374	9,660,374
	129,055,052	79,278,388	15,074,703	223,408,143	217,616,210
Financial liabilities measured at FVTPL	538,427	–	–	538,427	538,427
Financial guarantees issued					
Maximum amount guaranteed (Note)	5,876,700	–	–	5,876,700	5,876,700

Additional information about the maturity of lease liabilities is provided in the following table:

	Within 1 year RMB'000 (Restated)	1-5 years RMB'000 (Restated)	5 years RMB'000 (Restated)	Total RMB'000 (Restated)	Carrying amount RMB'000 (Restated)
At 31 December 2025	254,049	446,869	–	700,918	667,625
At 31 December 2024	239,187	362,020	–	601,207	572,650

Note: the amount presented is the maximum contractual presented under guarantees issued.

46 FINANCIAL INSTRUMENTS (Continued)

(c) Fair values

The fair value of listed equity investment is determined with reference to quoted market price. The fair values of the interest rate swap are estimated based on the discounted cash flows between the contract forward rate and spot forward rate. The fair value of royalty receivables is determined on the basis as set out in Note 27. The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

The following table presents the carrying value of financial instruments measured at fair value across the three levels of the fair value hierarchy:

	Fair value as at 31 December 2025			
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets				
Financial assets at FVTPL:				
– Unlisted equity investments	–	–	563,777	563,777
– Contingent consideration receivables	–	–	6,805	6,805
– Royalty receivables	–	–	902,906	902,906
– Listed equity investments	668	–	–	668
Financial assets at FVTOCI:				
– Investments in securities listed on the SSE	480	–	–	480
– Unlisted equity securities	–	–	697,832	697,832
– Bills receivables	–	3,742,789	–	3,742,789
	1,148	3,742,789	2,171,320	5,915,257
Liabilities				
Financial liabilities at FVTPL:				
– Contingent royalty	–	360,192	–	360,192

46 FINANCIAL INSTRUMENTS (Continued)

(c) Fair values (Continued)

	Fair value as at 31 December 2024			
	Level 1 RMB'000 (Restated)	Level 2 RMB'000 (Restated)	Level 3 RMB'000 (Restated)	Total RMB'000 (Restated)
Assets				
Financial assets at FVTPL:				
– Unlisted equity investments	–	–	561,896	561,896
– Contingent consideration receivables	–	–	77,304	77,304
– Royalty receivables	–	–	974,233	974,233
– Listed equity investments	481	–	–	481
Financial assets at FVTOCI:				
– Investments in securities listed on the SSE	345	–	–	345
– Unlisted equity securities	–	–	528,935	528,935
– Bills receivables	–	4,212,775	–	4,212,775
	826	4,212,775	2,142,368	6,355,969
Liabilities				
Financial liabilities at FVTPL:				
– Contingent royalty	–	538,427	–	538,427

During the years ended 31 December 2025 and 2024, there are no transfers between Level 1 and Level 2 and no movement from or into Level 3.

The fair value of the royalty receivables is determined using the discounted future cash flows that are dependent on the following unobservable inputs: forecast sales volumes, coal prices and fluctuations in foreign exchange rates. The forecast sales volumes are based on the internally maintained budgets, five-year business plan and life of mine models. The forecast coal prices and long-term exchange rates are based on external data consistent with the data used for impairment assessments. The risk-adjusted post-tax discount rate used to determine the future cash flows is 7% (2024: 7%). The estimated fair value would increase if the sales volumes and coal prices were higher and if the AUD weakens against the USD. The estimated fair value would also increase if the risk adjusted discount rate was lower.

47 SHARE-BASED PAYMENTS

(a) The Company

Restricted Share Incentive Scheme

In January 2022, a restricted share incentive scheme of the Company (the "Restricted Share Incentive Scheme") was approved. The principal terms are as follows:

(i) Purpose

The Restricted Share Incentive Scheme is for the purpose to further improve the medium and long-term incentive mechanism of the Company's management team and key employees, closely combine the interests of Shareholders, the Company's interests and the personal interests of the core team, and enhance the Company's market competitiveness and sustainable development capabilities.

(ii) Scope of participants

The participants include the directors, senior management, mid-level management and core employees of the Company. In respect of the abovementioned participants, any such directors and senior management must have been elected at the General Meeting or appointed by the Board. A participant must be employed by and have entered into a labour contract or an employment contract with the Company, the wholly-owned subsidiaries or controlled subsidiaries of the Company as at the date of grant and during the assessment years.

The participants do not include the external directors (including the independent directors), the supervisors and any shareholder or actual controller individually or jointly holding more than 5% of the shares of the Company and their respective spouse, parents and children. The participants shall not also be participants of share incentive schemes of any other listed companies, and persons who are already participants of such incentive schemes of any other listed companies shall not take part in the Restricted Share Incentive Scheme.

(iii) Total number of the options involved in the Restricted Share Incentive Scheme

The number of Restricted Shares granted under the scheme is 61,740,000. The conditions on unlocking the restricted shares of the participants need to meet certain performance conditions and personal performance evaluation conditions.

(iv) Validity period

The validity period of the Restricted Shares granted under the Restricted Share Incentive Scheme shall not exceed 60 months commencing from the date of granting the share options.

47 SHARE-BASED PAYMENTS (Continued)

(a) The Company (Continued)

Restricted Share Incentive Scheme (Continued)

(v) Vesting date

As reviewed and approved at the twentieth meeting of the eighth session of the Board convened on 27 January 2022, the vesting date is 27 January 2022.

(vi) Lock-up period

The lock-up periods of the Restricted Share Incentive Scheme are 24 months, 36 months and 48 months from the date of completion of the registration of the grant of restricted shares.

(vii) The grant price

The grant price of shares under the Restricted Share Incentive Scheme is RMB11.72 per share.

(viii) Unlocking arrangements

The Restricted Shares are subject to a sales restriction period of 24 months from the grant date of the Restricted Shares. During the lockup period, Restricted Shares may not be transferred, pledged for any guarantee or used for repayment of debts. The 36 months after the restricted sale period is the lifting period. In each unlocking period, if the conditions for unlocking of the Restricted Shares are met, the incentive object can apply for the Restricted Shares held through the Restricted Share Incentive Scheme to be divided into three batches of the termination of sales restrictions, and the proportions were 33%, 33% and 34% respectively. If the Company's performance assessment targets for a particular unlocking period of the restricted shares are not met, all the restricted shares of the participants for that period shall not be unlocked and shall be repurchased by the Company at the agreed price.

(ix) The completion of the granting

On 24 February 2022, the Company completed the registration of the grant of the restricted shares in the Shanghai branch of China Clearing Corporation.

During the year ended 31 December 2025, 2,379,858 shares of the Company were forfeited under the Restricted Share Incentive Scheme (2024: 1,401,180 shares forfeited), RMB57,840,000 (2024: RMB90,394,000) was recognised as share-based compensation expenses during the year ended 31 December 2025.

For the year ended 31 December 2025, no shares issued under the Restricted Share Incentive Scheme.

47 SHARE-BASED PAYMENTS (Continued)

(b) Equity incentive plan of subsidiaries

(A) Yancoal Australia equity incentive scheme

Yancoal Australia, a non-wholly-owned subsidiary of the Company, had adopted a share incentive scheme and the principal terms of the incentive plan (the "Yancoal Australia Plan") are as follows:

(i) Purpose

The purpose of the Yancoal Australia Plan is to:

(1) attract, retain and motivate eligible employees essential for the continued growth and development of Yancoal Australia;

(2) provide a strategic, value-based reward for eligible employees who make a key contribution to the success of Yancoal Australia;

(3) align the interests of eligible employees more closely with the interests of shareholders by providing an opportunity for eligible employees to receive an equity interest in the form of awards;

(4) provide eligible employees with the opportunity to share in any future growth in value of Yancoal Australia; and

(5) provide greater incentive for eligible employees to focus on Yancoal Australia's longer-term goals.

(ii) Scope of participants

Those employees that the Board of Yancoal Australia determine are eligible to participate in the Plan (the "Yancoal Australia Participants"). Eligible employee may receive, at the absolute discretion of the Board, options or rights (a conditional right to receive shares of Yancoal Australia) ("Rights") or a Share (each, an "Award") under the Yancoal Australia Plan.

47 SHARE-BASED PAYMENTS (Continued)

(b) Equity incentive plan of subsidiaries (Continued)

(A) Yancoal Australia equity incentive scheme (Continued)

(iii) Maximum number of shares

Where an offer is made under the Yancoal Australia Plan, the Board of Yancoal Australia must, at the time of making the offer, have reasonable grounds to believe that the total number of Shares (or, in respect of Options or Rights, the total number of Shares which would be issued if those Options or Rights were exercised) will not exceed 5% of the total number of Shares on issue when aggregated with the number of Shares issued or that may be issued as a result of offers made at any time during the previous 3 year period under: (a) the Plan or any other employee incentive scheme covered by the Australian Securities and Investments Commission ("ASIC") Class Order CO 14/1000 (or any amendment to or replacement of that Class Order) ("Class Order"); or (b) an ASIC exempt arrangement of a similar kind to an employee incentive scheme, ("5% Limit").

The Rights are redeemable on a one-for-one basis for Yancoal Australia's shares. Yancoal Australia may at its discretion to settle Rights in cash or share.

During the year ended 31 December 2025, 682,609 (2024: 1,533,906) Rights were granted and 1,983,747 (2024: 346,780) Rights were forfeited or lapsed. During the year ended 31 December 2025, Nil Rights (2024: Nil Rights) were settled in cash and 1,500,266 Rights (2024: 2,390,183 Rights) were settled in shares. As at 31 December 2025, 2,432,874 Rights (2024: 5,234,278 Rights) were still outstanding.

During the year ended 31 December 2025, a share-based compensation expenses of RMB26,619,000 (2024: RMB68,933,000) was recognised in profit or loss.

The fair value of share options granted was estimated on the date of grant using the Black Scholes model, taking into account of the terms and conditions upon which the options were granted. The inputs used in the model was as follow:

Grant date	1/1/2025	1/1/2024	1/1/2023
Average share price at grant date	AUD5.89	AUD5.03	AUD6.16
Dividend yield	10%	10%	10%
Value per performance right	AUD4.42	AUD3.78	AUD4.63

The Rights has been valued using the volume weighted average price of Yancoal Australia's ordinary shares across a 10-day trading period before grant date.

There are a maximum of 2,432,874 shares available for issue, which, if issued as new shares of Yancoal Australia, would represent 0.2% of share capital in issue at 31 December 2025 (2024: 5,234,278 shares representing 0.4% of share capital of Yancoal Australia).

47 SHARE-BASED PAYMENTS (Continued)

(b) Equity incentive plan of subsidiaries (Continued)

(B) Wubo Technology equity incentive plan

Wubo Technology, a non-wholly-owned subsidiary of the Company, has adopted an equity incentive scheme (the "Wubo Incentive Plan"). The principal terms of the Wubo Incentive Plan are as follows:

(i) Purpose

The purpose of the Wubo Incentive Plan is to:

(1) further establish and improve a long-term incentive mechanism, enhance the remuneration and performance appraisal system of Wubo Technology, and attract and retain outstanding management personnel and key business talents;

(2) stabilise and attract senior management and core employees, encourage them to focus on the long-term development and overall interests of the company, and align their remuneration with individual capability and performance so as to enhance motivation and value creation;

(3) improve the corporate governance structure of Wubo Technology, promote a performance culture oriented towards value creation, strengthen management team cohesion, and ensure the achievement of the company's strategic and operational goals, thereby supporting its healthy, sustainable and rapid development; and

(4) align the interests of shareholders, the company, and its management personnel by ensuring that all parties remain committed to the company's long-term development.

(ii) Scope of participants

Employees determined by the board of directors of Wubo Technology to be eligible (the "Wubo Technology Participants") may, at the Wubo Technology Board's absolute discretion, be granted options, rights (being conditional rights to receive shares of Wubo Technology), or shares under the Wubo Incentive Plan.

(iii) Structure and source of equity

Equity incentives are implemented through a partnership based shareholding platform (the "Holding Platform"). Wubo Technology Participants contribute capital to the Holding Platform and indirectly hold equity in Wubo Technology through the Holding Platform's capital increase. The total equity allocated under the Wubo Incentive Plan corresponds to registered capital not exceeding RMB30 million.

47 SHARE-BASED PAYMENTS (Continued)

(b) Equity incentive plan of a subsidiaries (Continued)

(B) Wubo Technology equity incentive plan (Continued)

(iv) Grant price

The grant price for Wubo Technology Participants to indirectly subscribe for equity under the Wubo Incentive Plan is RMB1 per unit of registered capital, determined through negotiation with reference to Wubo Technology's industry, growth prospects and net asset position. Participants must pay the required subscription amount in full within the specified time frame; otherwise, the grant will be deemed forfeited

(v) Grant date

The grant date of the Wubo Incentive Plan is at 20 January 2023, being the date on which the Wubo Incentive Plan was approved by the shareholders' meeting of Wubo Technology.

(vi) Lock up period

The lock up period is six years from the date the Wubo Incentive Plan is approved. If Wubo Technology submits but does not complete an initial public offering ("IPO") during the lock up period, the lock up period automatically extends:

- until completion of the statutory post IPO lock up, if IPO is eventually completed; or
- until the IPO is terminated or withdrawn. Participants may not transfer, pledge, gift, or otherwise dispose of the equity during the lock up period unless permitted under the Wubo Incentive Plan.

During the lock-up period, Participants may not transfer, pledge, gift or otherwise dispose of their equity interests unless permitted under the Wubo Incentive Plan.

(vii) Participant obligations

Participants must comply with full time service obligations, confidentiality obligations, and non competition restrictions during employment and for two years after departure. Violations constitute negative departure and trigger mandatory exit at a reduced exit price.

(viii) Dividends

After exercising rights and completing capital contribution, participants are entitled to dividends based on their proportionate share of the Holding Platform's paid in capital.

48 STEP ACQUISITION FROM AN ASSOCIATE TO A SUBSIDIARY

On 20 December 2024, the Group entered a share transfer agreement with an independent third party to acquire 35% equity interest in Inner Mongolia Huomei Jinlian Mining Co., Ltd.* (內蒙古霍煤錦聯礦業股份有限公司) ("Huomei Jinlian") at considerations of RMB23,818,000. Prior to the acquisition, the Group indirectly held 30% equity interest in Huomei Jinlian. The acquisition was completed in January 2025. After completion of the acquisition, the Group directly holds 65% equity interest in aggregate in Huomei Jinlian, being a non-wholly owned subsidiary of the Group, and Huomei Jinlian ceased to be an associate of the Group. Huomei Jinlian subsequently changed its name to Yankuang Energy (Horinger) Co., Ltd.* (兗礦能源(霍林郭勒)有限公司).

* The official name of the entity is in Chinese. The English name is for identification purpose only.

Consideration transferred

	RMB'000
Cash consideration paid	23,818
Fair value of previously held 30% equity interest in Huomei Jinlian	20,416
Total consideration	44,234

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	RMB'000
Intangible assets	76,051
Property, plant and equipment	73,124
Bills and accounts receivables	743
Prepayment and other receivables	20,523
Bank balances and cash	2
Bills and accounts payables	(7,547)
Other payables and accrued expenses	(77,006)
Deferred tax liabilities	(2,567)
Net assets acquired	83,323
Less: Non-controlling interests at proportionate share of net assets	(29,163)
Less: Fair value of previously held 30% equity interest in Huomei Jinlian	(20,416)
Less: Gain from a bargain purchase	(9,926)
	23,818

Net cash outflow on acquisition of Huomei Jinlian

	RMB'000
Cash consideration paid	23,818
Less: cash and cash equivalent balances acquired	(2)
	23,816

49 ACQUISITION OF SUBSIDIARIES

(A) Acquisition of 52.66% SMT Scharf

In March 2024, the Company entered into the equity transfer agreement whereby the Company agreed to purchase 52.66% equity interest in SMT Scharf AG ("SMT Scharf") at an aggregate consideration of approximately EUR32,170,000 (equivalent to RMB254,552,000). The acquisition was completed on 30 September 2024. SMT Scharf are mainly engaged in the manufacturing of transportation and infrastructure equipment for underground mining and tunnel construction sites. Upon completion of the acquisition, SMT Scharf became the non-wholly-owned subsidiary of the Group and the financial results of SMT Scharf have been consolidated into the Group's consolidated financial statements.

Consideration transferred

	RMB'000
Cash consideration paid	254,552
Total consideration	254,552

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	RMB'000
Intangible assets	53,895
Property, plant and equipment	94,586
Right-of-use assets	20,280
Investments in securities	14,191
Long-term receivables	4,934
Interests in joint ventures	174,966
Deferred tax assets	14,240
Inventories	355,688
Trade and bills receivables	223,587
Prepayments and other receivables	54,518
Cash and bank balances	56,529
Provisions	(7,767)
Borrowings	(127,709)
Lease liabilities	(22,887)
Long term payables	(19,957)
Trade and bills payables	(43,430)
Other payables and accrued expenses	(40,819)
Contract liabilities	(69,704)
Tax payable	(9,266)
Long term payables – due within one year	(7,212)
Net assets acquired	718,663
Less: Non-controlling interests at proportionate share of net assets	(347,004)
Less: Gain from a bargain purchase	(117,107)
	254,552

49 ACQUISITION OF SUBSIDIARIES (Continued)

(A) Acquisition of 52.66% SMT Scharf (Continued)

Consideration transferred (Continued)

Bargain purchase gain amounting approximately to RMB117,107,000 on acquisition of SMT Scharf, after reassessment, is recognised in profit or loss within the other income and gains/losses line item in the consolidated statement of profit or loss as a result of the difference between the fair value of the consideration paid and payable, and the fair value of the net assets acquired, which are the fair value of the identifiable assets acquired and liabilities assumed to their values with reference to the valuation report carried out by an independent qualified professional valuer not connected to the Group.

Net cash outflow on acquisition of SMT Scharf

	RMB'000
Cash consideration paid	254,552
Less: cash and cash equivalent balances acquired	(56,529)
	198,023

Impact of acquisition on the results of the Group

Included in the profit for the year ended 31 December 2024 is approximately RMB50,596,000 attributable to the additional business generated by SMT Scharf. Revenue for the year includes approximately RMB305,387,000 generated from SMT Scharf.

Had the acquisition been completed on 1 January 2024, total revenue for the year would have been approximately RMB786,067,000 and profit for the year would have been approximately RMB59,424,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2024, nor is it intended to be a projection of future results.

49 ACQUISITION OF SUBSIDIARIES (Continued)

(B) Acquisition of 45.00% Wubo Technology

On 31 May 2024, the Company entered into the capital increase agreement with Wubo Technology, Fujian Dongju Technology Co., Ltd* (福建東聚科技有限公司) ("Fujian Dongju") and Dongming Industry Group Co., Ltd* (東銘實業集團有限公司), whereby the Company obtained 45% equity interest in Wubo Technology through subscription of the new registered capital of Wubo Technology with a cash consideration of RMB1,554,545,455. In addition, the Company entered into the voting rights entrustment agreement (the "Voting Right Entrustment Agreement") with Wubo Technology, Fujian Dongju and the entrusting shareholders (the "Entrusting Shareholders"). Pursuant to the Voting Right Entrustment Agreement, the Entrusting Shareholders have unanimously agreed to grant the Company, exclusively, unconditionally and irrevocably, all of the voting rights (aggregate of 6.32%) of equity interest of Wubo Technology, which they are entitled to and hold as shareholders of Wubo Technology. As a result, the Group practically exercises aggregate of 51.32% of the voting rights of Wubo Technology. The acquisition was completed on 31 October 2024. Upon completion, Wubo Technology became the non-wholly-owned subsidiary of the Group and the financial results of Wubo Technology have been consolidated into the Company's consolidated financial statements.

* The official name of the entity is in Chinese. The English name is for identification purpose only.

Consideration transferred

	RMB'000
Cash consideration paid	1,554,546
Contingent consideration arrangement (Note)	(99,476)
Total consideration	1,455,070

Note:

An agreement requires the original shareholder of Wubo Technology to guarantee the Company that the total net profits of Wubo Technology after tax for the financial years ended 31 December 2024, 2025, 2026, 2027 and 2028, calculated in accordance with the Chinese accounting standards, shall not less than approximately RMB987,537,000, RMB1,093,141,000, RMB1,158,510,000, RMB1,268,099,000, and RMB1,390,910,000 respectively. Fair value of contingent consideration receivable of RMB99,476,000 is estimated based on a probability model.

49 ACQUISITION OF SUBSIDIARIES (Continued)

(B) Acquisition of 45.00% Wubo Technology (Continued)

Consideration transferred (Continued)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	RMB'000
Intangible assets	289,846
Property, plant and equipment	192,840
Right-of-use assets	18,936
Investment properties	12,128
Long-term receivables	37,580
Interests in associates	34,945
Inventories	12,270
Trade and bills receivables	1,785,880
Prepayments and other receivables	752,779
Bank balances and cash	2,624,049
Borrowings	(137,613)
Lease liabilities	(25,367)
Long term payables	(9,356)
Deferred tax liabilities	(83,583)
Trade and bills payables	(1,550,828)
Other payables and accrued expenses	(486,208)
Contract liabilities	(1,090)
Tax payable	(18,524)
Net assets acquired	3,448,684
Less: Non-controlling interests at proportionate share of net assets	(1,978,518)
Less: Gain from a bargain purchase	(15,096)
	1,455,070

Bargain purchase gain amounting approximately to RMB15,096,000 on acquisition of Wubo Technology, after reassessment, is recognised in profit or loss within the other income and gains/losses line item in the consolidated statement of profit or loss as a result of the difference between the fair value of the consideration paid and payable, and the fair value of the net assets acquired, which are the fair value of the identifiable assets acquired and liabilities assumed to their values with reference to the valuation report carried out by an independent qualified professional valuer not connected to the Group.

49 ACQUISITION OF SUBSIDIARIES (Continued)

(B) Acquisition of 45.00% Wubo Technology (Continued)

Net cash inflow on acquisition of Wubo Technology

	RMB'000
Cash consideration paid	1,455,070
Less: cash and cash equivalent balances acquired	(2,624,049)
	(1,168,979)

Impact of acquisition on the results of the Group

Included in the profit for the year ended 31 December 2024 is approximately RMB48,526,000 attributable to the additional business generated by Wubo Technology. Revenue for the year includes approximately RMB2,691,452,000 generated from Wubo Technology.

Had the acquisition been completed on 1 January 2024, total revenue for the year would have been approximately RMB16,376,049,000 and profit for the year would have been approximately RMB107,040,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2024, nor is it intended to be a projection of future results.

(C) Acquisition of 55.00% Huaneng Tianjun

In August 2024, Shandong Energy Group Xibei Mining Co., Ltd. ("Xibei Mining"), a non-wholly owned subsidiary of the Company, entered into the equity transfer agreement whereby Xibei Mining agreed to purchase 55.00% equity interest in Huaneng Tianjun at an aggregate consideration of approximately RMB4,495,050,000. The acquisition was completed on 26 August 2024. Huaneng Tianjun are mainly engaged in mining, washing and sales of coal businesses of the coal industry chain in the PRC. Upon completion of the acquisition, Huaneng Tianjun became the non-wholly-owned subsidiary of the Group and the financial results of Huaneng Tianjun have been consolidated into the Group's consolidated financial statements.

Consideration transferred

	RMB'000
Cash consideration paid	4,495,050
Total consideration	4,495,050

49 ACQUISITION OF SUBSIDIARIES (Continued)

(C) Acquisition of 55.00% Huaneng Tianjun (Continued)

Assets acquired and liabilities recognised at the date of acquisition are as follows:

	RMB'000
Intangible assets	7,317,147
Property, plant and equipment	1,680,643
Right-of-use assets	24,744
Inventories	18,846
Trade and bills receivables	4,838
Prepayments and other receivables	53,504
Restricted cash	2,177
Bank balances and cash	480
Borrowings	(1,270,201)
Provisions	(3,899)
Provisions for land subsidence, restoration, rehabilitation and environmental costs	(18,372)
Deferred tax liabilities	(378,294)
Trade and bills payables	(165,225)
Other payables and accrued expenses	(30,762)
Contract liabilities	(746)
Net assets acquired	7,234,880
Less: Non-controlling interests at proportionate share of net assets	(3,255,696)
Add: Goodwill	515,866
	4,495,050

Goodwill amounting approximately to RMB515,866,000 on acquisition of Huaneng Tianjun by Xibei Mining, after reassessment, is recognised in the consolidated statement of financial position as a result of the difference between the fair value of the consideration paid and payable, and the fair value of the net assets acquired, which are the fair value of the identifiable assets acquired and liabilities assumed to their values with reference to the valuation report carried out by an independent qualified professional valuer not connected to the Group.

Net cash outflow on acquisition of Huaneng Tianjun

	RMB'000
Cash consideration paid	4,495,050
Less: cash and cash equivalent balances acquired	(480)
	4,494,570

49 ACQUISITION OF SUBSIDIARIES (Continued)

(C) Acquisition of 55.00% Huaneng Tianjun (Continued)

Impact of acquisition on the results of the Group

Included in the profit for the year ended 31 December 2024 is approximately RMB98,630,000 loss attributable to the additional business generated by Huaneng Tianjun. Revenue for the year includes approximately RMB211,862,000 generated from Huaneng Tianjun.

Had the acquisition been completed on 1 January 2024, total revenue for the year would have been approximately RMB567,000,000 and loss for the year would have been approximately RMB575,525,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2024, nor is it intended to be a projection of future results.

(D) Other business combinations in 2025

During the year ended 31 December 2025, the Group also acquired certain insignificant subsidiaries. The aggregate consideration for these acquisitions were approximately RMB316,272,000 (2024: RMB115,988,000), fair value of net assets acquired (including identifiable net assets, non-controlling interests and goodwill recognised were approximately RMB589,781,000, RMB326,496,000 and RMB52,997,000, (2024: including identifiable net assets, non-controlling interests and gain from a bargain purchase recognised were approximately RMB242,170,000, RMB123,650,000 and RMB2,562,000) respectively.

Impact of acquisition on the results of the Group

Included in the profit for the year is approximately RMB185,445,000 (2024: RMB39,592,000) attributable to the other business. Revenue for the year includes approximately RMB2,107,710,000 (2024: RMB650,024,000) generated from the other business.

50 DEEMED DISPOSAL FROM A SUBSIDIARY TO AN ASSOCIATE

During the year, Yanzhou Dongfang Electrical Co., Ltd* (兗州東方機電有限公司) ("Dongfang Electrical") has become an associate of the Group by a deemed disposal.

On 14 February 2025, Yankuang Donghua Heavy Industry Co. Limited* (兗礦東華重工有限公司), a direct wholly-owned subsidiary of the Company, entered into the capital increase agreement (the "Agreement") with Windsun Science Technology Co. Ltd* (新風光電子科技股份有限公司) ("Windsun Science"), a non-wholly owned subsidiary of the Parent Company. Pursuant to the Agreement, Windsun Science has to contribute approximately RMB55,926,000 in cash to subscribe for additional registered capital (the "Capital Injection") of Dongfang Electrical. The Capital Injection was completed in March 2025 and the Group's equity interest in Dongfang Electrical was diluted from 94.34% to 47.17%. Dongfang Electrical ceased to be the subsidiary of the Group and was then accounted for as an associate of the Group using equity method. The fair value of the retained interests in Dongfang Electrical at the date on which the control was lost is regarded as the cost on initial recognition of the interest in associate.

* The official name of the entity is in Chinese. The English name is for identification purpose only.

The net assets of the disposed subsidiary at the date of disposal were as follows:

	RMB'000
Property, plant and equipment	9,602
Intangible assets	107
Inventories	34,394
Bills and accounts receivables	285,523
Prepayments and other receivable	2,366
Bank balances and cash	33,591
Deferred tax assets	2,353
Bills and accounts payable	(229,340)
Other payables and accrued expenses	(10,781)
Contract liabilities	(1,317)
Net assets disposed of	126,498

Loss on deemed disposal from a subsidiary to an associate:

	RMB'000
Interest in an associate retained	64,996
Net assets	(126,498)
Non-controlling interests	8,122
Loss on deemed disposal of	(53,380)

50 DEEMED DISPOSAL FROM A SUBSIDIARY TO AN ASSOCIATE (Continued)

Net cash outflow arising on disposal:

	RMB'000
Cash consideration	–
Cash and cash equivalents disposed	33,591
	33,591

51 NON-CONTROLLING INTERESTS

Summarised financial information of material non-controlling interests of subsidiaries is set out below:

	Yancoal Australia and its subsidiaries At 31 December		Luxi Mining and its subsidiaries At 31 December	
	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000
Non-controlling interests percentage	37.74%	37.74%	49%	49%
Summarised financial information				
Current assets	14,989,072	15,761,234	13,295,729	15,050,797
Non-current assets	42,097,527	39,733,653	29,380,974	29,378,674
Current liabilities	(6,717,264)	(5,901,232)	(18,986,242)	(22,848,679)
Non-current liabilities	(7,999,219)	(7,605,498)	(10,138,588)	(11,654,310)
Net assets	42,370,116	41,988,157	13,551,873	9,926,482
Carrying amounts of non-controlling interests	15,987,393	15,845,350	5,135,266	5,784,668
Revenue	27,138,682	32,213,609	11,795,074	13,868,451
Profit for the year	2,034,853	5,690,354	2,443,150	2,952,424
Other comprehensive income	1,856,776	(2,628,819)	(80,370)	30,714
Total comprehensive income	3,891,629	3,061,535	2,362,780	2,983,138
Total comprehensive income allocated to non-controlling interests	1,468,701	2,147,539	903,988	1,081,062
Cash flows generated from operating activities	6,001,514	10,168,515	216,120	16,228,991
Cash flows used in investing activities	(3,480,730)	(3,233,373)	(1,549,605)	(4,798,077)
Cash flows (used in)/generated from financing activities	(3,915,552)	(2,502,333)	1,358,757	6,288,659
Net increase in cash and cash equivalents	(1,394,768)	4,432,809	25,272	17,719,573

51 NON-CONTROLLING INTERESTS (Continued)

Summarised financial information of material non-controlling interests of subsidiaries is set out below: (Continued)

	Shaanxi Future Energy and its subsidiaries At 31 December		Xibei Mining and its subsidiaries At 31 December	
	2025 RMB'000	2024 RMB'000	**2025 RMB'000**	2024 RMB'000
Non-controlling interests percentage	**26.03%**	26.03%	**49%**	49%
Summarised financial information				
Current assets	**22,286,209**	17,972,532	**5,173,363**	5,716,577
Non-current assets	**14,110,759**	14,972,792	**48,888,614**	48,505,808
Current liabilities	**(2,101,545)**	(2,274,434)	**(21,660,762)**	(18,384,277)
Non-current liabilities	**(2,593,588)**	(2,890,190)	**(18,445,765)**	(19,212,268)
Net assets	**31,701,835**	27,780,700	**13,955,450**	16,625,840
Carrying amounts of non-controlling interests	**8,237,265**	7,013,551	**5,761,316**	5,641,796
Revenue	**12,698,313**	14,267,821	**15,263,871**	17,407,033
Profit for the year	**4,481,254**	4,898,944	**993,628**	881,591
Other Comprehensive income	**–**	–	**(5,447)**	23,317
Total Comprehensive income	**4,481,254**	4,898,944	**988,181**	904,908
Total comprehensive income allocated to non-controlling interest	**1,161,387**	988,355	**789,759**	626,680
Cash flows generated from/(used in) operating activities	**6,998,107**	(124,709)	**781,759**	5,748,233
Cash flows used in investing activities	**(188,894)**	(81,385)	**(2,251,728)**	(6,429,011)
Cash flows (used in)/generated from financing activities	**(5,008,341)**	3,534,517	**143,624**	627,815
Net increase/(decrease) in cash and cash equivalents	**1,800,872**	3,328,423	**(1,326,345)**	(52,963)

Note: The above financial information is before elimination of intra-group transactions.

52 RELATED PARTY BALANCES AND TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed. In accordance with Main Board Listing Rules Chapter 14A, continuing connected transactions are disclosed below:

(a) Balances and transactions with related parties

	2025 RMB'000	2024 RMB'000 (Restated)
Nature of balances (other than those already disclosed)		
Bills and accounts receivables		
– Parent Company and its subsidiaries	**1,785,205**	1,893,956
– Joint ventures	**11,609**	6,907
– Associates	**263,888**	44,032
Prepayments and other receivables		
– Parent Company and its subsidiaries	**9,446,081**	7,547,853
– Joint ventures	**1,220**	–
– Associates	**800,245**	1,014,534
Performance compensation receivable from the Parent Company	**18,360,561**	–
Long-term receivables		
– Parent Company and its subsidiaries	**975,100**	4,161,223
– Associates	**62,612**	324,462
Bills and accounts payables		
– Parent Company and its subsidiaries	**9,532,901**	7,724,154
– Associates	**640,619**	123,707
– Joint ventures	**49,601**	–
Other payables and accrued expenses		
– Parent Company and its subsidiaries	**8,997,972**	33,025,131
– Associates	**11,478**	1,118

The amounts due from/to the Parent Company and its subsidiaries, joint ventures and associates excluding the Group, are non-interest bearing, unsecured and repayable on demand.

52 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(a) Balances and transactions with related parties (Continued)

During the years ended 31 December 2025 and 2024, the Group had the following significant transactions with the Parent Company and/or its subsidiaries (excluding the Group):

	2025 RMB'000	2024 RMB'000 (Restated)
Income		
Sales of coal	**10,303,146**	6,355,825
Sales of bulk commodities	**2,563,110**	3,750,304
Sales of auxiliary materials	**1,271,928**	1,245,549
Sales of coal chemical	**210,622**	206,309
Supply of heat and electricity	**11,071**	14,629
Equipment leasing	**298,644**	132,176
Professional services	**460,471**	255,729
Provision of repair and maintenance services	**265,046**	166,175
Provision of road transportation services	**674,782**	146,129
Provision of technology services	**77,714**	31,325
Provision of port services	**144,591**	628,326
Mine rescue	**71,510**	69,378
Interest income	**23,827**	447,144
Financing lease principal	**–**	100,000
Expenditure		
Purchases of supply materials and equipments	**4,166,791**	3,633,472
Labour and services	**5,523,983**	5,360,919
Purchase of bulk commodities	**2,958,787**	2,847,284
Interest expenses	**1,222**	968

Expenditures for social welfare and support services (excluding medical and child care expenses) are approximately RMB54,203,000 (2024: RMB48,887,000) for the year ended 31 December 2025. These expenses will be negotiated with and paid by the Parent Company each year.

As at 31 December 2025, the Parent Company and its subsidiaries, excluding the Group, had withdrawn approximately RMB2,653,259,000 (2024: deposited approximately RMB2,644,126,000) to Yankuang Finance. For the year ended 31 December 2025, interest income from and interest expense to the Parent Company and its subsidiaries (excluding the Group) amounted to approximately RMB390,648,000 and RMB356,748,000 respectively (2024: RMB447,144,000 and RMB295,599,000).

In addition to the above, the Company participates in a retirement benefit scheme of the Parent Company in respect of retirement benefits (Note 54).

52 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

(b) Balances and transactions with other state-controlled entities in the PRC

The Group operates in an economic environment currently predominated by entities directly or indirectly owned or controlled by the PRC government ("state-controlled entities"). In addition, the Group itself is part of a large group of companies under the Parent Company which is controlled by the PRC government. Apart from the transactions with the Parent Company and its subsidiaries disclosed above, for the years ended 31 December 2025 and 2024, the Group's significant transactions with other state-owned enterprises are a large portion of its sales of goods and purchases of raw materials and related receivables and payables.

In addition, the Group has entered into various transactions, including deposits placements, borrowings and other general banking facilities, with certain banks and financial institutions which are state-controlled entities in its ordinary course of business. In view of the nature of those banking transactions, the directors of the Company are of the opinion that separate disclosure would not be meaningful. The directors of the Company consider that the transactions with other state-owned enterprises are not significant to the Group's operations. In the opinion of the directors of the Company, all such transactions were conducted in the ordinary course of business and on normal commercial terms.

(c) Compensation of key management personnel

The remuneration of directors and other members of key management were as follows:

	2025 RMB'000	2024 RMB'000
Directors fee	**896**	800
Salaries, allowance and other benefits in kind	**17,194**	23,148
Retirement benefit scheme contributions	**1,405**	2,338
	19,495	26,286

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

53 COMMITMENTS

Save as disclosed elsewhere in the consolidated financial statements, the Group had the following capital commitments.

	2025 RMB'000	2024 RMB'000
Capital expenditure contracted for but not provided in the consolidated financial statements		
Acquisition of property, plant and equipment		
– the Group	**18,329,267**	6,419,208
– share of joint operations	**298,054**	1,127,234
– others	**223,743**	–
Exploration and evaluation		
– the Group	**5,440**	4,330
– share of joint operations	**8,183**	30,508
Land		
– share of joint operations	**1,426**	–
– others	**1,196**	–
	18,867,309	7,581,280

54 RETIREMENT BENEFITS

Qualifying employees of the Company are entitled to pension, medical and other welfare benefits. The Company participates in a scheme of the Parent Company and pays a monthly contribution to the Parent Company in respect of retirement benefits at an agreed contribution rate based on the monthly basic salaries and wages of the qualified employees. The Parent Company is responsible for the payment of all retirement benefits to the retired employees of the Company.

The Company's subsidiaries are participants in a state-managed retirement scheme pursuant to which the subsidiaries pay a fixed percentage of its qualifying staff's wages as a contribution to the scheme. The subsidiaries' financial obligations under this scheme are limited to the payment of the employer's contribution. During the year, contributions paid and payable by the subsidiaries pursuant to this arrangement were insignificant to the Group. The Group's overseas subsidiaries pay fixed contribution as pensions under the laws and regulations of the relevant countries.

During the year and at the balance sheet date, there were no forfeited contributions which arose upon employees leaving the above schemes available to reduce the contributions payable in future years.

55 HOUSING SCHEME

The Company currently makes a fixed monthly contribution for each of its qualifying employees to a housing fund which is equally matched by a contribution from the employees. The contributions are paid to the Parent Company which utilises the funds, along with the proceeds from the sales of accommodation and, if the need arises, from loans arranged by the Parent Company, to construct new accommodation.

56 CONTINGENT LIABILITIES

The Group had contingent liabilities at 31 December 2025 in respect of:

(i) Guarantees

		2025 RMB'000	2024 RMB'000
(a)	**The Group**		
	Performance guarantees provided to daily operations	**462,871**	379,502
	Guarantees provided in respect of the cost of restoration of certain mining leases, given to government departments as required by statute	**759,424**	571,914
(b)	**Joint operations**		
	Performance guarantees provided to external parties	**1,011,471**	958,879
	Guarantees provided in respect of the cost of restoration of certain mining leases, given to government departments as required by statute	**2,432,685**	2,061,861
(c)	**Related parties**		
	Performance guarantees provided to external parties	**307,625**	368,962
	Guarantees provided in respect of the cost of restoration of certain mining leases, given to government departments as required by statute	**19,093**	19,407
		4,993,169	4,360,525

(ii) Letter of Support provided to Middlemount

Yancoal Australia has issued a letter of support dated 4 March 2015 to Middlemount, a joint venture of the Group confirming:

- it will not demand the repayment of any loan due from Middlemount, except to the extent that Middlemount agrees otherwise or as otherwise provided in the loan agreement; and
- it will provide financial support to Middlemount to enable it to meet its debts as and when they become due and payable, by way of new shareholder loans in proportion to its share of the net assets of Middlemount.

This letter of support will remain in force whilst the Group is a shareholder of Middlemount or until notice of not less than 12 months is provided or such shorter period as agreed by Middlemount.

(iii) Other contingencies

A number of claims have been made against the Group as part of the Group's day to day operations. The directors of the Company do not believe that the outcome of these claims will have a material impact on the Group's financial position.

57 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

During the year ended 31 December 2025, the Group entered into several new arrangement in respect of buildings, and plant, machinery and equipment. Right-of-use assets and lease liabilities of approximately RMB346,114,000 (2024: RMB451,482,000) were recognised at the commencement of the lease.

58 BUSINESS COMBINATION UNDER COMMON CONTROL

On 8 April 2025, the Company entered into the equity transfer agreement with independent third parties to acquire aggregate 26% equity interests of Shandong Energy Group Xibei Mining Co., Ltd. ("Xibei Mining") at a consideration of RMB4,748,251,000 and inject capital of approximately RMB9,317,605,000 into Xibei Mining (the "Xibei Mining Acquisition"). Upon closing of the transaction, the Company holds 51% equity interest in Xibei Mining. The Xibei Mining Acquisition was completed in July 2025 and since Xibei Mining has become a subsidiary of the Group.

As Xibei Mining and the Company are controlled by the Parent Company, the Xibei Mining Acquisition has been accounted for based on the principles of merger accounting.

On 29 August 2025, Shandong Hua Ju Energy Company Limited ("Hua Ju Energy"), a non-wholly owned subsidiary of the Company, entered into the capital increase agreement (the "Capital Increase Agreement") with the Parent Company and Power Sales, a non-wholly owned subsidiary of the Parent Company (the "Power Sales Acquisition"). Pursuant to the Capital Increase Agreement, Hua Ju Energy has to contribute approximately RMB253,624,000 in cash to subscribe for RMB180,000,000 of the additional registered capital of Power Sales. Upon completion of the capital increase, Hua Ju Energy holds 70% equity interest in Power Sales, and the Parent Company holds 30% equity interest in Power Sales. The Power Sales Acquisition was completed in October 2025 and since Power Sales has become a subsidiary of the Group.

As Power Sales and the Company are controlled by the Parent Company, the Power Sales Acquisition has been accounted for based on the principles of merger accounting.

On 27 November 2025, Yankuang Donghua Heavy Industry Co., Ltd., a wholly-owned subsidiary of the Company entered into the equity transfer agreement with Shandong Energy Group Heavy Equipment Manufacturing (Group) Co., Ltd., a non-wholly owned subsidiary of the Parent Company, and Shandong Energy Equipment Group High-End Support Manufacturing Co., Ltd. ("High-End Support") at a cash consideration of approximately RMB344,847,000 (the "High-End Support Acquisition"). The High-End Support Acquisition was completed in December 2025 and since High-End Support has become a subsidiary of the Group.

As High-End Support and the Company are controlled by the Parent Company, the High-End Support Acquisition has been accounted for based on the principles of merger accounting.

Accordingly, the assets and liabilities of Xibei Mining, Power Sales and High-End Support acquired by the Group have been accounted for at historical cost and the consolidated financial statements of the Group for year prior to the combination have been restated to include the financial position and results of operation of Xibei Mining, Power Sales and High-End Support on a combined basis. The details of the restated balances are stated as below.

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(i) The effects of the restatements on the consolidated statement of profit or loss for the year ended 31 December 2024:

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Gross sales of coal	91,624,522	15,720,467	–	–	(221,416)	107,123,573
Logistic service income	3,271,132	–	–	–	–	3,271,132
Gross sales of electricity and heat supply	3,341,203	–	–	–	–	3,341,203
Gross sales of equipment manufacturing	1,074,461	141,822	–	542,840	(151,451)	1,607,672
Gross sales of chemical products	25,222,876	577,735	–	–	–	25,800,611
Total revenue	124,534,194	16,440,024	–	542,840	(372,867)	141,144,191
Transportation costs	(2,041,174)	(2,810,249)	–	–	–	(4,851,423)
Cost of logistic service provided	(2,810,249)	–	–	–	–	(2,810,249)
Cost of sales and services provided	(53,571,235)	(7,879,256)	–	–	221,416	(61,229,075)
Cost of electricity and heat supply	(3,172,540)	–	–	–	–	(3,172,540)
Cost of equipment manufacturing	(850,039)	(63,369)	–	(490,629)	151,451	(1,252,586)
Cost of chemical products	(20,259,360)	(571,872)	–	–	–	(20,831,232)
Total cost of sales	(82,704,597)	(11,324,746)	–	(490,629)	372,867	(94,147,105)
Gross profit	41,829,597	5,115,278	–	52,211	–	46,997,086
Selling, general and administrative expenses	(16,357,766)	(2,821,630)	(34,679)	(48,035)	–	(19,262,110)
Share of results of associates	2,219,617	4,959	–	–	(2,881)	2,221,695
Share of results of joint ventures	74,096	–	–	–	–	74,096
Other income and gains/losses	3,238,791	(170,153)	50,167	8,871	–	3,127,676
Finance costs	(4,137,324)	(269,924)	–	(333)	–	(4,407,581)
Profit before tax	26,867,011	1,858,530	15,488	12,714	(2,881)	28,750,862
Income tax expense	(6,252,476)	(483,745)	(3,965)	(763)	–	(6,740,949)
Profit for the year	20,614,535	1,374,785	11,523	11,951	(2,881)	22,009,913
Attributable to:						
Equity shareholders of the Company	14,056,067	990,777	11,523	11,951	(478,054)	14,592,264
Owners of perpetual capital securities	631,865	–	–	–	–	631,865
Non-controlling interests	5,926,603	384,008	–	–	475,173	6,785,784
	20,614,535	1,374,785	11,523	11,951	(2,881)	22,009,913

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(ii) The effects of the restatements on the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024:

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Profit for the year	20,614,535	1,374,785	11,523	11,951	(2,881)	22,009,913
Items that will not be reclassified subsequently to profit or loss:						
Fair value loss on investments in equity instruments designated as at FVTOCI	(19)	30,723	–	–	–	30,704
Income tax relating to item that will not be reclassified subsequently to profit or loss	4	(7,406)	–	–	–	(7,402)
	(15)	23,317	–	–	–	23,302
Items that may be reclassified subsequently to profit or loss:						
Cash flow hedges:						
Cash flow hedge amounts recognised in other comprehensive income	(228,862)	–	–	–	–	(228,862)
Reclassification adjustments for amounts transferred to income statement	586,825	–	–	–	–	586,825
Deferred taxes	52,814	–	–	–	–	52,814
	410,777	–	–	–	–	410,777
Share of other comprehensive expense of associates	259,180	–	–	–	–	259,180
Exchange differences arising on translation of foreign operations	(3,281,996)	–	–	–	–	(3,281,996)
	(2,612,039)	–	–	–	–	(2,612,039)
Other comprehensive expense for the year, net of income tax	(2,612,054)	23,317	–	–	–	(2,588,737)
Total comprehensive income for the year	18,002,481	1,398,102	11,523	11,951	(2,881)	19,421,176

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(ii) The effects of restatements on the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024: (Continued)

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Attributable to:						
Equity shareholders of the Company	12,456,913	1,006,788	11,523	11,951	(485,899)	13,001,276
Owners of perpetual capital securities	631,865	–	–	–	–	631,865
Non-controlling interests	4,913,703	391,314	–	–	483,018	5,788,035
	18,002,481	1,398,102	11,523	11,951	(2,881)	19,421,176

(iii) The effects of restatements on the consolidated statement of financial position as at 31 December 2024:

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Non-current assets						
Intangible assets	59,007,793	21,586,481	–	–	–	80,594,274
Property, plant and equipment	135,260,991	22,466,898	6,363	374,969	–	158,109,221
Right-of-use assets	5,642,120	970,055	–	–	–	6,612,175
Investment properties	1,234,824	–	–	–	–	1,234,824
Prepayments for intangible assets and property, plant and equipment	19,414,913	1,228,326	–	–	–	20,643,239
Goodwill	297,169	532,698	–	–	–	829,867
Investments in securities	678,521	412,655	–	–	–	1,091,176
Interests in associates	24,367,062	53,543	–	–	(36,348)	24,384,257
Interests in joint ventures	1,275,916	–	–	–	–	1,275,916
Long-term receivables	7,463,937	630,658	–	–	–	8,094,595
Royalty receivables	890,628	–	–	–	–	890,628
Deposits made on investments	117,926	–	–	–	–	117,926
Deferred tax assets	2,563,955	282,429	–	–	–	2,846,384
	258,215,755	48,163,743	6,363	374,969	(36,348)	306,724,482

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(iii) The effects of restatements on the consolidated statement of financial position as at 31 December 2024: (Continued)

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Current assets						
Inventories	7,624,810	150,805	–	92,920	–	7,868,535
Financial assets at FVTPL	481	–	–	–	–	481
Contingent consideration receivables	77,304	–	–	–	–	77,304
Long-term receivables – due within one year	4,717,754	–	–	–	–	4,717,754
Royalty receivables	83,605	–	–	–	–	83,605
Bills and accounts receivables	13,188,501	529,464	–	504,244	(433,747)	13,788,462
Prepayments and other receivables	34,097,296	1,406,186	1	23,196	(24,788)	35,501,891
Restricted cash	7,834,925	1,696,657	47,000	–	–	9,578,582
Pledged term deposits	14,720	–	–	–	–	14,720
Bank balances and cash	30,495,219	1,981,055	96,397	9,141	(1,096,523)	31,485,289
	98,134,615	5,764,167	143,398	629,501	(1,555,058)	103,116,623
Total assets	356,350,370	53,927,910	149,761	1,004,470	(1,591,406)	409,841,105
Non-current liabilities						
Provision for land subsidence, restoration, rehabilitation and environmental costs	12,667,165	2,086	–	–	–	12,669,251
Provision	5,823,239	6,969,097	–	–	–	12,792,336
Borrowings	73,081,526	8,089,775	–	–	–	81,171,301
Lease liabilities	301,244	43,580	–	–	–	344,824
Long term payables	6,634,544	2,671,449	–	–	–	9,305,993
Deferred tax liabilities	8,300,488	1,243,426	–	46	–	9,543,960
	106,808,206	19,019,413	–	46	–	125,827,665

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(iii) The effects of restatements on the consolidated statement of financial position as at 31 December 2024: (Continued)

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Current liabilities						
Bills and accounts payables	27,472,201	5,102,789	3,285	647,192	–	33,225,467
Other payables and accrued expenses	40,142,018	6,024,324	591	19,267	–	46,186,200
Contract liabilities	4,788,213	399,842	–	1,099	12	5,189,166
Provision for land subsidence, restoration, rehabilitation and environmental costs	251,123	363,824	–	–	–	614,947
Provision	34,645	–	–	–	–	34,645
Amounts due to Parent Company and its subsidiaries	4,850,241	2,864,002	–	–	(1,530,270)	6,183,973
Borrowings	37,714,535	3,474,360	–	24,800	(24,800)	41,188,895
Financial liabilities at FVTPL	538,427	–	–	–	–	538,427
Lease liabilities	226,851	975	–	–	–	227,826
Tax payable	1,184,089	183,062	493	29	–	1,367,673
Long term payables – due within one year	354,381	–	–	–	–	354,381
	117,556,724	18,413,178	4,369	692,387	(1,555,058)	135,111,600
Total liabilities	224,364,930	37,432,591	4,369	692,433	(1,555,058)	260,939,265
Capital and reserves						
Share capital	10,039,860	5,000,000	120,000	300,000	(5,420,000)	10,039,860
Reserves	48,570,217	4,817,091	25,392	12,037	542,953	53,967,690
Equity attributable to equity shareholders of the Company	58,610,077	9,817,091	145,392	312,037	(4,877,047)	64,007,550
Owners of perpetual capital securities	23,267,221	–	–	–	–	23,267,221
Non-controlling interests	50,108,142	6,678,228	–	–	4,840,699	61,627,069
Total equity	131,985,440	16,495,319	145,392	312,037	(36,348)	148,901,840
Total liabilities and equity	356,350,370	53,927,910	149,761	1,004,470	(1,591,406)	409,841,105

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(iv) The effects of restatements on the consolidated statement of financial position as at 1 January 2024:

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Non-current assets						
Intangible assets	62,280,141	13,898,804	–	–	–	76,178,945
Property, plant and equipment	132,710,453	20,238,395	6,311	398,309	–	153,353,468
Right-of-use assets	5,638,431	836,452	–	–	–	6,474,883
Investment properties	1,109,569	–	–	–	–	1,109,569
Prepayments for intangible assets and property, plant and equipment	18,753,662	990,994	–	–	–	19,744,656
Goodwill	318,918	16,832	–	–	–	335,750
Investments in securities	670,389	379,459	–	–	–	1,049,848
Interests in associates	22,636,610	–	–	–	(34,148)	22,602,462
Interests in joint ventures	1,355,995	–	–	–	–	1,355,995
Long-term receivables	5,462,466	799,199	–	–	–	6,261,665
Royalty receivables	949,705	–	–	–	–	949,705
Deposits made on investments	580,341	–	–	–	–	580,341
Deferred tax assets	3,043,652	85,501	–	–	–	3,129,153
	255,510,332	37,245,636	6,311	398,309	(34,148)	293,126,440
Current assets						
Inventories	7,744,446	142,876	–	23,215	–	7,910,537
Financial assets at FVTPL	225	–	–	–	–	225
Long-term receivables – due within one year	2,279,264	–	–	–	–	2,279,264
Royalty receivables	107,247	–	–	–	–	107,247
Bills and accounts receivables	12,517,010	764,931	–	45,080	(64,446)	13,262,575
Prepayments and other receivables	36,501,331	1,471,354	36	47,499	(30)	38,020,190
Restricted cash	7,272,336	1,479,137	50,000	52,071	–	8,853,544
Pledged term deposits	66,600	–	–	–	–	66,600
Bank balances and cash	30,352,359	2,033,618	81,394	76	(1,519,032)	30,948,415
	96,840,818	5,891,916	131,430	167,941	(1,583,508)	101,448,597
Assets classified as held for sale	8,291	–	–	–	–	8,291
	96,849,109	5,891,916	131,430	167,941	(1,583,508)	101,456,888
Total assets	352,359,441	43,137,552	137,741	566,250	(1,617,656)	394,583,328

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(iv) The effects of restatements on the consolidated statement of financial position as at 1 January 2024: (Continued)

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Non-current liabilities						
Provision for land subsidence, restoration, rehabilitation and environmental costs	13,469,622	–	–	–	–	13,469,622
Provision	6,101,574	6,431,981	–	–	–	12,533,555
Borrowings	76,079,919	4,909,680	–	–	–	80,989,599
Lease liabilities	327,018	335	–	–	–	327,353
Long term payables	6,734,822	2,768,088	–	–	–	9,502,910
Deferred tax liabilities	8,575,176	1,030,988	–	–	–	9,606,164
	111,288,131	15,141,072	–	–	–	126,429,203
Current liabilities						
Bills and accounts payables	26,055,687	3,639,470	587	337,091	(64,446)	29,968,389
Other payables and accrued expenses	59,412,065	7,783,802	314	3,911	(1,519,062)	65,681,030
Contract liabilities	5,091,445	678,076	–	23	–	5,769,544
Provision for land subsidence, restoration, rehabilitation and environmental costs	254,688	8,573	–	–	–	263,261
Provision	47,217	–	–	–	–	47,217
Amounts due to Parent Company and its subsidiaries	5,399,097	1,674,318	–	–	–	7,073,415
Borrowings	24,108,065	1,200,426	–	–	–	25,308,491
Financial liabilities at fair value through profit or loss	550,761	–	–	–	–	550,761
Lease liabilities	158,511	521	–	–	–	159,032
Tax payable	2,622,773	216,275	247	29	–	2,839,324
Long term payables – due within one year	385	–	–	–	–	385
	123,700,694	15,201,461	1,148	341,054	(1,583,508)	137,660,849
Total liabilities	234,988,825	30,342,533	1,148	341,054	(1,583,508)	264,090,052

58 BUSINESS COMBINATION UNDER COMMON CONTROL (Continued)

(iv) The effects of restatements on the consolidated statement of financial position as at 1 January 2024: (Continued)

	The Group RMB'000 (As previously reported)	Xibei Mining RMB'000	Power Sales RMB'000	High-End Support RMB'000	Adjustment RMB'000	The Group RMB'000 (Restated)
Capital and reserves						
Share capital	7,439,371	5,000,000	120,000	225,110	(5,345,110)	7,439,371
Reserves	48,019,638	3,937,875	16,593	86	889,953	52,864,145
Equity attributable to equity shareholders of the Company	55,459,009	8,937,875	136,593	225,196	(4,455,157)	60,303,516
Owners of perpetual capital securities	16,541,777	–	–	–	–	16,541,777
Non-controlling interests	45,369,830	3,857,144	–	–	4,421,009	53,647,983
	117,370,616	12,795,019	136,593	225,196	(34,148)	130,493,276
Total liabilities and equity	352,359,441	43,137,552	137,741	566,250	(1,617,656)	394,583,328

(v) The effect of business combinations of entities under common control described above on the Group's net profit for the year ended 31 December 2024 is as follows:

	Impact on net profit of the Group RMB'000
Reported figures before restatement	20,614,535
Restatement arising from business combination of entities under common control	1,395,378
Restated	22,009,913

(vi) The effect of business combinations of entities under common control described above on the Group's net profit for the year ended 31 December 2024 is as follows:

	Impact on earnings per share of the Group RMB
Reported figures before restatement	1.42
Restatement arising from business combination of entities under common control	0.05
Restated	1.47

59 RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

	Borrowings (Note 37) RMB'000	Lease liabilities (Note 19) RMB'000	Total RMB'000
At 1 January 2025 (restated)	**122,360,196**	**572,650**	**122,932,846**
Finance cost incurred	**–**	**43,410**	**43,410**
Cash flows	**4,012,150**	**(641,101)**	**3,371,049**
New lease arrangements	**–**	**711,826**	**711,826**
Termination of lease	**–**	**(35,048)**	**(35,048)**
Other	**4,835,033**	**–**	**4,835,033**
Exchange adjustments	**104,329**	**15,888**	**120,217**
At 31 December 2025	**131,311,708**	**667,625**	**131,979,333**

	Borrowings (Note 37) RMB'000	Lease liabilities (Note 19) RMB'000	Total RMB'000
At 1 January 2024 (restated)	106,298,090	486,385	106,784,475
Finance cost incurred	–	57,848	57,848
Cash flows	12,955,844	(408,181)	12,547,663
New lease arrangements	–	451,482	451,482
Acquisition of subsidiaries	–	48,254	48,254
Other	3,106,262	–	3,106,262
Exchange adjustments	–	(63,138)	(63,138)
At 31 December 2024 (restated)	122,360,196	572,650	122,932,846

60 INFORMATION OF THE COMPANY

The Company's statement of financial position is disclosed as follows:

	2025 RMB'000	2024 RMB'000
Non-current assets		
Intangible assets	**4,198,539**	645,764
Investment properties	**531,803**	28,838
Property, plant and equipment	**15,467,920**	14,767,207
Right-of-use assets	**7,958,087**	8,180,912
Investments in securities	**4,214**	4,073
Interests in subsidiaries (Note a)	**106,436,687**	98,656,624
Interests in associates	**7,387,480**	7,476,680
Interests in joint venture	**31,719**	29,266
Long-term receivables – due after one year	**–**	3,717,477
Deposit made on investments	**120,184**	122,448
Deferred tax assets	**3,783,977**	3,094,231
	145,920,610	136,723,520
Current assets		
Inventories	**319,091**	187,495
Financial assets measured at FVTPL	**668**	481
Bills and accounts receivable	**2,847,281**	4,105,155
Prepayments and other receivables	**59,075,140**	55,611,613
Performance compensation receivable from the Parent Company	**18,360,561**	–
Restricted cash	**1,933,474**	816,167
Bank balances and cash	**3,060,103**	3,856,269
	85,596,318	64,577,180
Total assets	**231,516,928**	201,300,700

60 INFORMATION OF THE COMPANY (Continued)

The Company's statement of financial position is disclosed as follows: (Continued)

	2025 RMB'000	2024 RMB'000
Non-current liabilities		
Provision for land subsidence, restoration, rehabilitation and environmental costs	**1,426,517**	1,367,542
Deferred tax liabilities	**2,178,974**	2,281,349
Borrowings	**56,878,922**	57,154,444
Lease liabilities	**7,138,748**	8,574,096
Long term payables	**192,314**	610,918
	67,815,475	69,988,349
Current liabilities		
Bills and accounts payable	**10,400,708**	7,084,340
Other payables and accrued expenses	**43,008,628**	38,942,336
Contract liabilities	**813,524**	524,564
Borrowings	**42,681,150**	33,132,910
Lease liabilities	**1,227,918**	–
Tax payable	**–**	209,460
	98,131,928	79,893,610
Total liabilities	**165,947,403**	149,881,959
Equity		
Equity attributable to equity shareholders of the Company	**36,802,875**	28,151,520
Owners of perpetual capital securities	**28,766,650**	23,267,221
Total equity	**65,569,525**	51,418,741
Total liabilities and equity	**231,516,928**	201,300,700

60 INFORMATION OF THE COMPANY (Continued)

Notes:

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows:

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Yancoal Australia Limited (Note 2)	Australia	AUD1,320,439,437	62%	–	62%	–	62%	62%	Investment holding
Gloucester Pty Ltd	Australia	AUD719,720,808	–	62%	–	62%	62%	62%	Coal resource exploration development
Yancoal Resources Ltd	Australia	AUD446,409,065	–	62%	–	62%	62%	62%	Coal mining business in Australia
Yancoal Australia Sales Pty Ltd	Australia	AUD100	–	62%	–	62%	62%	62%	Coal sales
Yancoal Mining Services Limited	Australia	AUD100	–	62%	–	62%	62%	62%	Provide management services to the underground mines
Coal & Allied Industries Pty Limited	Australia	AUD86,584,735	–	62%	–	62%	62%	62%	Coal mining business
Yancoal Moolarben Pty Ltd	Australia	AUD100	–	62%	–	62%	62%	62%	Coal mining business
Watagan Mining Company Pty Ltd	Australia	AUD100	–	62%	–	62%	62%	62%	Coal mining business
Yancoal Insurance Company Limited	Guernsey	AUD19,000,000	–	62%	–	62%	62%	62%	Asset insurance services
Yancoal International (Holding) Co., Ltd	Hong Kong	USD689,313,091	100%	–	100%	–	100%	100%	Investment holding
Yancoal International Technology Development Co., Limited	Hong Kong	USD1,000,000	–	100%	–	100%	100%	100%	Coal mining technology development, transfer and consultation
Yancoal International Resources Development Co., Limited	Hong Kong	USD600,000	–	100%	–	100%	100%	100%	Coal resource exploration development
Yancoal Luxembourg Energy Holding Co., Ltd	Luxembourg	USD500,000	–	100%	–	100%	100%	100%	Investment Holding
Yancoal Canada Resources Co., Ltd	Canada	CAD290,000,000	–	100%	–	100%	100%	100%	Mineral resource mining and sales
Athena Holding Pty Ltd	Australia	AUD24,450,405	–	100%	–	100%	100%	100%	Investment holding

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Tonford Holdings Pty Ltd	Australia	AUD46,407,917	–	100%	–	100%	100%	100%	Investment holding
Wilpeena Holdings Pty Ltd	Australia	AUD3,457,381	–	100%	–	100%	100%	100%	Investment holding
Premier Coal Holdings Pty Ltd	Australia	AUD321,613,108	–	100%	–	100%	100%	100%	Investment holding
Yancoal Energy Pty Ltd	Australia	AUD202,977,694	–	100%	–	100%	100%	100%	Investment holding
Yancoal Technology Development Holdings Pty Ltd	Australia	AUD75,410,000	–	100%	–	100%	100%	100%	Investment holding
Yankuang Dongping Land Port Co., Ltd (Note 1)	The PRC	RMB9,199,750,740	6%	81%	6%	40%	87%	46%	Port infrastructure construction, operation and management
Zhongyin (Jining) Financial Leasing Co., Ltd (Note 1)	The PRC	USD14,000,000	–	100%	–	100%	100%	100%	Financial leasing
Yankuang Energy (Ordos) Co., Ltd (Note 1)	The PRC	RMB10,800,000,000	100%	–	100%	–	100%	100%	Investment holding, coal mining and sales
Inner Mongolia Rongxin Chemicals Co., Ltd (Note 1)	The PRC	RMB5,000,000,000	–	100%	–	100%	100%	100%	Development of methanol project
Inner Mongolia Xintai Coal Co., Ltd (Note 1)	The PRC	RMB5,000,000	–	100%	–	100%	100%	100%	Coal mining and sales
Ordos Zhuanlongwan Coal Co., Ltd (Note 1)	The PRC	RMB50,500,000,000	–	100%	–	100%	100%	100%	Coal mining and sales
Yankuang DONGHUA Heavy Industry Co., Ltd (Note 1)	The PRC	RMB4,377,890,000	100%	–	100%	–	100%	100%	Production and sales of mining equipment, electromechanical equipment, and rubber products
Yankuang Group Juntong Rubber Co., Ltd (Note 1)	The PRC	RMB6,600,000	–	55%	–	55%	55%	55%	Manufacturing and sale of rubber products

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Yankuang Group Tangcun Industry Co., Ltd (Note 1)	The PRC	RMB51,000,000	–	100%	–	94%	100%	94%	Manufacturing and installation of mining equipments
Shandong Yankuang Intelligent Manufacturing Co., Ltd (Note 1)	The PRC	RMB1,200,000,000	–	100%	–	100%	100%	100%	Manufacturing and sale of mining equipments
Shandong Yankuang Group Changlong Cable Manufacturing Co., Ltd (Note 1)	The PRC	RMB20,000,000	–	95%	–	95%	95%	95%	Manufacturing and sales of cables, wires, cable accessories and raw materials
Shandong Saivis Heavy Industry Group Co., Ltd (Note 1)	The PRC	RMB100,000,000	–	50%	–	50%	50%	50%	Mining machinery manufacturing
Yankuang Donghua Equipment Manufacturing (Tai'an) Co., Ltd (Note 1)	The PRC	RMB300,000,000	100%	–	100%	–	100%	100%	Mining machinery manufacturing
Yanmei Heze Energy Chemical Co., Ltd (Note 1)	The PRC	RMB300,000,000	98%	–	97%	–	98%	97%	Coal mining and sales
Yanmei Wanfu Energy Co., Ltd (Note 1)	The PRC	RMB600,000,000	–	89%	–	88%	90%	88%	Coal mining and sales
Inner Mongolia Haosheng Coal Industry Co., Ltd (Note 1)	The PRC	RMB1,649,960,000	43%	–	60%	–	43%	60%	Sales of coal mine machinery equipment and accessories
Yanzhou Coal Mining Company Group International Trade Co., Ltd (Note 1)	The PRC	RMB300,000,000	100%	–	100%	–	100%	100%	Coal and electrolytic copper trading
Yankuang Ruifeng International Trade Co., Ltd (Note 1)	The PRC	RMB200,000,000	51%	–	51%	–	51%	51%	International trade
Yankuang Lucky (HK) Ltd	Hong Kong	USD1,285,200,000	–	100%	–	100%	100%	100%	International trade
Yankuang Renewable Resources Co., Ltd (Note 1)	The PRC	RMB100,000,000	–	70%	–	70%	70%	70%	Recycling of renewable resources

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Yankuang Finance Leasing Co., Ltd (Note 1)	The PRC	RMB7,000,000,000	100%	–	100%	–	100%	100%	Financial leasing business
Yankuang Financial Leasing (Taian) Co., Ltd (Note 1)	The PRC	RMB1,593,000,000	–	70%	–	70%	70%	70%	Commercial services
Zhongyin (Hong Kong) Ltd (Note 1)	Hong Kong	HKD98,570,000	–	100%	–	100%	100%	100%	Finance leasing, leasing, trading, and commercial factoring
Yankuang Commercial Factoring (Shanghai) Co., Ltd (Note 1)	The PRC	RMB98,000,000	–	100%	–	100%	100%	100%	Finance leasing, leasing, trading, and commercial factoring
Yankuang Commercial Factoring (Tianjin) Co., Ltd (Note 1)	The PRC	RMB90,000,000	–	76%	–	76%	76%	76%	Finance leasing, leasing, trading, and commercial factoring
Shaanxi Future Energy Chemical Co., Ltd (Note 1)	The PRC	RMB5,400,000,000	74%	–	74%	–	74%	74%	Manufacture of synthetic materials
Shaanxi Future Cleaning Chemicals Co., Ltd (Note 1)	The PRC	RMB30,000,000	–	38%	–	38%	51%	51%	Manufacture of synthetic materials
Shaanxi Future Clean Oil & Chemicals Sales Co., Ltd (Note 1)	The PRC	RMB50,000,000	–	74%	–	74%	100%	100%	Wholesale of petroleum and petroleum products
Yankuang Lunan Chemicals Co., Ltd (Note 1)	The PRC	RMB5,040,690,000	100%	–	100%	–	100%	100%	Production and sales of chemical products
Inner Mongolia Mining(Group) Limited Liability Co., Ltd (Note 1)	The PRC	RMB6,997,300,000	51%	–	51%	–	51%	51%	Management of mineral resources, coal mining and coal washing
Ulanqab Hongda Industrial Co., Ltd (Note 1)	The PRC	RMB550,000,000	–	51%	–	51%	100%	100%	Operation of power generation
Ordos Fengwei Optoelectronics Co., Ltd (Note 1)	The PRC	RMB180,000,000	–	51%	–	51%	100%	100%	Construction and production of solar and wind power

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Yankuang (Xinghe) Molybdenum Industry Co., Ltd (Note 1)	The PRC	RMB400,000,000	–	51%	–	51%	100%	100%	Investment and asset management
Ordos Cultural Industry Park Culture & Education Co., Ltd (Note 1)	The PRC	RMB209,030,000	–	32%	–	32%	63%	63%	Research and development of educational software; event planning
Inner Mongolia Jinkong Financial Leasing Co., Ltd (Note 1)	The PRC	RMB1,200,000,000	–	28%	–	28%	55%	55%	Leasing business
Inner Mongolia Yitai Galutu Mining Co., Ltd (Note 1)	The PRC	RMB1,000,000,000	–	27%	–	27%	53%	53%	Coal mining and beneficiation
Ordos Yingpanhao Coal Co., Ltd (Note 1)	The PRC	RMB3,000,000,000	–	72%	–	72%	72%	72%	Coal sales and production and sales of coal mining machinery and equipment
Inner Mongolia Boyintai Coal Co., Ltd (Note 1)	The PRC	RMB3,000,000,000	–	51%	–	51%	100%	100%	Coal mining and washing
QingDao ZhongYan Trade Co., Ltd (Note 1)	The PRC	RMB50,000,000	100%	–	100%	–	100%	100%	Bonded area trade and warehousing
Yanzhou Coal Yulin Energy Co., Ltd (Note 1)	The PRC	RMB1,400,000,000	100%	–	100%	–	100%	100%	Production and supply of thermal energy
Shandong Energy Group Luxi Mining Co., Ltd (Note 1)	The PRC	RMB5,000,000,000	51%	–	51%	–	51%	51%	Coal mining and washing
Shandong Lilou Coal Industry Co., Ltd (Note 1)	The PRC	RMB643,526,000	–	51%	–	51%	100%	100%	Coal mining and sales
Feicheng Mining Group Liangbaosi Energy Co., Ltd (Note 1)	The PRC	RMB500,000,000	–	43%	–	43%	85%	85%	Coal mining and sales
Shandong New Dragon Energy Co., Ltd. (Note 1)	The PRC	RMB1,000,000,000	–	30%	–	30%	60%	60%	Coal mining and sales
Xinwen Mining Juye Coal Preparation Co., Ltd (Note 1)	The PRC	RMB10,000,000	–	51%	–	51%	100%	100%	Coal washing and processing

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Linyi Mining Group Heze Coal & Power Co., Ltd (Note 1)	The PRC	RMB850,000,000	–	43%	–	43%	84%	84%	Coal mining and sales
Feicheng Mining Group Shanxian Energy Co., Ltd (Note 1)	The PRC	RMB700,000,000	–	51%	–	51%	100%	100%	Coal mining and sales
Shandong Tangkou Coal Industry Co., Ltd (Note 1)	The PRC	RMB513,828,500	–	51%	–	51%	100%	100%	Coal mining and sales
Kasong Science And Technology Co., Ltd (Note 1)	The PRC	RMB76,393,310	–	26%	–	26%	51%	51%	Manufacturing of chemical raw materials and chemical products
Shandong Menglu Mining Engineering Co., Ltd (Note 1)	The PRC	RMB50,000,000	–	51%	–	51%	100%	100%	Construction and installation
Yankuang Xinjiang Energy & Chemical Co., Ltd (Note 1)	The PRC	RMB3,000,000,000	51%	–	51%	–	51%	–	Project investment, coal mining and washing
Xinjiang Yankuang Qineng Coal Industry Co., Ltd (Note 1)	The PRC	RMB100,000,000	–	39%	–	39%	76%	76%	Coal mining and sales
Yankuang Xinjiang Mining Co., Ltd (Note 1)	The PRC	RMB383,333,000	–	51%	–	51%	100%	100%	Coal mining and sales
Xinjiang Shanneng Chemical Co., Ltd (Note 1)	The PRC	RMB5,000,000,000	–	51%	–	44%	100%	100%	Production and sales of methanol, urea and other products
Xinwen Mining Group (Ili) Energy Development Co., Ltd (Note 1)	The PRC	RMB1,000,000,000	–	51%	–	51%	100%	100%	Coal chemical industry
Yankuang Xinjiang Coal Chemicals Co., Ltd (Note 1)	The PRC	RMB3,130,000,000	–	51%	–	51%	100%	100%	Manufacture of chemical raw materials and chemical products
Shandong Energy Group Finance Co., Ltd (Note 1)	The PRC	RMB7,000,000,000	54%	1%	54%	1%	54%	1%	Corporate group finance company services

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Wubo Technology Co., Ltd (Note 1)	The PRC	RMB997,262,231	45%	–	45%	–	51%	51%	Logistics and transportation
SMTScharfAG	Germany	EUR547,000,000	52%	–	–	–	52%	–	Machinery manufacturing
SMTScharfGmbH	Germany	EUR25,001	–	52%	–	–	100%	–	Mechanical manufacturing and equipment installation
SerelektronikGmbH	Germany	EUR30,600	–	26%	–	–	51%	–	Mechanical manufacturing and equipment installation
SMTScharfPolskaSp.z.o.o.	Poland	PLN149,000	–	52%	–	–	100%	–	Mechanical manufacturing and equipment installation
SMTScharfAfrica(Pty.) Ltd	South Africa	ZAR100	–	36%	–	–	70%	–	Mechanical manufacturing and equipment installation
SMTScharfSudamericaSpA	Chile	CLP75,221,158	–	52%	–	–	100%	–	Mechanical manufacturing and equipment installation
RDHMiningEquipment	Canada	CAD400,004	–	52%	–	–	100%	–	Mechanical manufacturing and equipment installation
OOOSMTScharf	Russia	RUB4,000,000	–	52%	–	–	100%	–	Mechanical manufacturing and equipment installation
OOOSMTScharfService	Russia	RUB10,000	–	52%	–	–	100%	–	Equipment installation
Scharf Mining Machinery (Beijing) Co., Ltd (Note 1)	The PRC	RMB1,075,180	–	52%	–	–	100%	–	Mechanical manufacturing and equipment installation
Scharf Mining Machinery (Xuzhou) Co., Ltd (Note 1)	The PRC	RMB1,000,000	–	52%	–	–	100%	–	Mechanical manufacturing and equipment installation
Shandong Xinsha Monorail Transportation Equipment Co., Ltd (Note 1)	The PRC	RMB70,500,000	–	26%	–	–	50%	–	Mechanical manufacturing and equipment installation
Shandong Energy Group Northwest Mining Co., Ltd (Note 1)	The PRC	RMB7,551,020,408	51%	–	–	–	51%	–	Coal washing and mining machinery manufacturing

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Shaanxi Zhengtong Coal Industry Co., Ltd (Note 1)	The PRC	RMB2,000,000,000	–	51%	–	–	100%	–	Coal mining and sales
Gansu Lingtai Shaozhai Coal Industry Co., Ltd (Note 1)	The PRC	RMB1,080,000,000	–	51%	–	–	100%	–	Coal mining and sales
Pingliang Wuju Coal Industry Co., Ltd (Note 1)	The PRC	RMB1,654,012,800	–	30%	–	–	60%	–	Coal mining and sales
Pingmei Chang'an Energy Development Co., Ltd (Note 1)	The PRC	RMB1,000,000,000	–	30%	–	–	60%	–	Coal mining and sales
Shaanxi Yingdong Mining Co., Ltd (Note 1)	The PRC	RMB105,000,000	–	40%	–	–	78%	–	Wholesale of coal and coal products
Shaanxi Changwu Tingnan Coal Industry Co., Ltd (Note 1)	The PRC	RMB300,000,000	–	51%	–	–	100%	–	Coal mining and sales
Inner Mongolia Shuangxin Mining Industry Co., Ltd (Note 1)	The PRC	RMB500,000,000	–	28%	–	–	55%	–	Coal mining and sales
Shaanxi Boxuan Technology Co., Ltd (Note 1)	The PRC	RMB150,000,000	–	51%	–	–	100%	–	Business services industry
Zibo Aike Industrial and Mining Machinery Co., Ltd (Note 1)	The PRC	RMB150,000,000	–	51%	–	–	100%	–	Manufacture of other metal processing machinery
Shaanxi Wanhua Coal Mine Equipment Manufacturing Co., Ltd (Note 1)	The PRC	RMB21,000,000	–	51%	–	–	100%	–	Manufacture of mining machinery
Ant City (Xi'an) Technology Co., Ltd (Note 1)	The PRC	RMB6,000,000	–	51%	–	–	100%	–	Business services industry
Shaanxi Yongming Coal Mine Co., Ltd (Note 1)	The PRC	RMB10,000,000	–	26%	–	–	51%	–	Coal mining and sales
Shanxi Longkuang Energy Investment Development Co., Ltd (Note 1)	The PRC	RMB50,000,000	–	51%	–	–	100%	–	Wholesale of coal and coal products

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(a) Details of the Company's major subsidiaries at 31 December 2025 and 2024 are as follows: (Continued)

Name of subsidiary	Place of incorporation/ registration/ operation	Paid up capital/ issues share capital	Proportion of registered capital/ issued share capital held by the Company				Proportion of voting power controlled		Principal activities
			2025		2024		2025	2024	
			Directly	indirectly	Directly	indirectly			
Shuozhou Pinglu District Longkuang Daheng Coal Industry Co., Ltd (Note 1)	The PRC	RMB3,000,000	–	40%	–	–	80%	–	Coal mining and sales
Shanxi Xinzhou Shenda Wangtian Coal Industry Co., Limited (Note 1)	The PRC	RMB245,400,000	–	28%	–	–	55%	–	Coal mining and sales
Hangjin Qijuneng Eenergy Co., Limited (Note 1)	The PRC	RMB300,000,000	–	51%	–	–	100%	–	Other mining industries
Gansu Huaneng Tianjun Energy Co., Limited (Note 1)	The PRC	RMB2,645,216,000	–	28%	–	–	55%	–	Coal mining and sales
Inner Mongolia Huang Taolegai Coal Co., Limited (Note 1)	The PRC	RMB1,580,000,000	–	33%	–	–	60%	–	Coal mining and sales

Unless otherwise specified, the capital of the above subsidiaries are registered capital (those established in the PRC) or ordinary shares (those established in other countries).

Note 1: The companies are established in the PRC as limited liability companies.

Note 2: The investment cost of approximately RMB21,425,119,000 (2024: RMB21,425,119,000) in respect of investment in Yancoal Australia, a subsidiary dually listed on the Australia Stock Exchange and the SEHK, was included in investment in subsidiaries. As at 31 December 2025, the market value of these shares was approximately RMB20,997,908,000 (AUD4,477,930,000) (2024: RMB23,317,716,000 (AUD4,810,653,000)).

Note 3: The investment cost of approximately RMB254,552,000 (2024: RMB254,552,000) in respect of investment in SMT Scharf, a subsidiary dually listed on the Frankfurt Stock Exchange was included in the investment in subsidiaries. As at 31 December 2025, the market value of the share was approximately RMB137,680,000 (EUR16,718,000) (2024: RMB157,541,000 (EUR20,934,000)).

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(b) The Company's equity is as follows:

	Share capital RMB'000	Share premium RMB'000	Capital reserve and future development fund reserve RMB'000	Share-based compensation reserve RMB'000	Statutory common fund RMB'000	Investment revaluation reserve RMB'000	Retained earnings RMB'000	Total RMB'000	Perpetual capital securities RMB'000 (Note 43)	Total RMB'000
At 1 January 2024	7,439,371	3,637,010	(2,319,349)	286,384	1,663,814	599	14,709,639	25,417,468	16,541,777	41,959,245
Profit for the year	-	-	-	-	-	-	11,775,778	11,775,778	631,865	12,407,643
Other comprehensive expense for the year:										
Fair value change of financial assets at FVTOCI	-	-	-	-	-	(15)	-	(15)	-	(15)
Total comprehensive income/ (expense) for the year	-	-	-	-	-	(15)	11,775,778	11,775,763	631,865	12,407,628
Issuance of perpetual capital securities	-	-	-	-	-	-	-	-	13,000,000	13,000,000
Redemption of perpetual capital securities	-	-	-	-	-	-	-	-	(6,287,670)	(6,287,670)
Distribution paid to holders of perpetual capital securities	-	-	-	-	-	-	-	-	(618,751)	(618,751)
Appropriations to reserve	-	-	-	-	1,177,577	-	(1,177,577)	-	-	-
Issuance of bonus shares	2,316,890	-	-	-	-	-	(2,316,890)	-	-	-
Issue of placing shares	285,000	4,229,108	-	-	-	-	-	4,514,108	-	4,514,108
Repurchase and cancellation of share	(1,401)	147,543	212,563	-	-	-	-	358,705	-	358,705
Dividends	-	-	-	-	-	-	(13,816,393)	(13,816,393)	-	(13,816,393)
Business combination under common control	-	-	(133,505)	-	-	-	-	(133,505)	-	(133,505)
Others	-	-	35,374	-	-	-	-	35,374	-	35,374
Total transactions with owners	2,600,489	4,376,651	114,432	-	1,177,577	-	(17,310,860)	(9,041,711)	6,093,579	(2,948,132)
At 31 December 2024	10,039,860	8,013,661	(2,204,917)	286,384	2,841,391	584	9,174,557	28,151,520	23,267,221	51,418,741

60 INFORMATION OF THE COMPANY (Continued)

Notes: (Continued)

(b) The Company's equity is as follows: (Continued)

	Share capital RMB'000	Share premium RMB'000	Capital reserve and future development fund reserve RMB'000	Share-based compensation reserve RMB'000	Statutory common fund RMB'000	Investment revaluation reserve RMB'000	Retained earnings RMB'000	Total RMB'000	Perpetual capital securities RMB'000 (Note 44)	Total RMB'000
At 1 January 2025	10,039,860	8,013,661	(2,204,917)	286,384	2,841,391	584	9,174,557	28,151,520	23,267,221	51,418,741
Profit for the year	-	-	-	-	-	-	5,544,526	5,544,526	627,530	6,172,056
Other comprehensive (expense)/ income for the year:										
Fair value change of financial assets at FVTOCI	-	-	-	-	-	96	-	96	-	96
Revaluation on reclassification of investment properties	-	-	-	-	-	14,300	-	14,300	-	14,300
Share of other comprehensive expense of associates	-	-	-	-	-	(137,098)	-	(137,098)	-	(137,098)
Total comprehensive (expense)/ income for the year	-	-	-	-	-	(122,702)	5,544,526	5,421,824	627,530	6,049,354
Issuance of perpetual capital securities	-	-	-	-	-	-	-	-	15,000,000	15,000,000
Redemption of perpetual capital securities	-	-	-	-	-	-	-	-	(9,489,900)	(9,489,900)
Distribution paid to holders of perpetual capital securities	-	-	-	-	-	-	-	-	(638,201)	(638,201)
Appropriations to reserve	-	-	-	-	554,453	-	(554,453)	-	-	-
Business contribution under common control	-	-	(4,735,838)	-	(2,841,391)	-	(136,392)	(7,713,621)	-	(7,713,621)
Repurchase and cancellation of share	(2,379)	(961)	3,340	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	(7,226,986)	(7,226,986)	-	(7,226,986)
Recognition of equity-settled share-based payment expenses	-	-	55,653	47,414	-	-	-	103,067	-	103,067
Performance compensation from the Parent Company (Note 34)	-	-	18,360,561	-	-	-	-	18,360,561	-	18,360,561
Others	-	-	(687,188)	400,906	-	-	(7,208)	(293,490)	-	(293,490)
Total transactions with owners	(2,379)	(961)	12,996,528	448,320	(2,286,938)	-	(7,925,039)	3,229,531	4,871,899	8,101,430
At 31 December 2025	10,037,481	8,012,700	10,791,611	734,704	554,453	(122,118)	6,794,044	36,802,875	28,766,650	65,569,525

61 EVENTS AFTER THE REPORTING PERIOD

Transfer of 100% equity interests in a wholly-owned subsidiary through public tender

On 1 February 2026, Yankuang Energy (Ordos) Company Limited, a wholly-owned subsidiary of the Company, transferred 100% equity interests in Inner Mongolia Xintai Coal Company Limited through public tender (the "Equity Transfer") on Shandong Property Right Exchange Center Company Limited.

On 6 March 2026, according to the "result notice" issued by Shandong Property Exchange Center for this Equity Transfer, the transferee was Ordos Wulan Coal (Group) Co., Ltd with a transaction price of RMB3,050 million and the transferee formally entered into the Property Rights Transaction Contract.

I SUPPLEMENTAL INFORMATION

Summary of differences between consolidated financial statements prepared under IFRS Accounting Standards and those under The PRC Accounting Rules and Regulations (the "PRC GAAP")

The Group has also prepared a set of consolidated financial statements in accordance with relevant accounting principles and regulations applicable to the PRC enterprises.

The consolidated financial statements prepared under IFRS Accounting Standards and those prepared under the PRC GAAP have the following major differences:

(1) Future development fund and work safety cost

(a) Appropriation of future development fund is charged to profit before income taxes under the PRC GAAP. Depreciation is not provided for plant and equipment acquired by utilising the future development fund under the PRC GAAP but charged to expenses when acquired.

(b) Appropriation of the work safety cost is charged to profit before taxes under PRC GAAP. Depreciation is not provided for plant and equipment acquired by utilising the provision of work safety cost under the PRC GAAP but charged to expenses when acquired.

(2) Reversal of impairment loss on intangible assets in Yancoal Australia

Under IFRS Accounting Standards, the reversal of impairment loss on mining reserves was recognised as income in consolidated profit or loss.

Under the PRC GAAP, no reversal of impairment loss on mining reserves was recognised.

(3) Deferred taxation due to differences between the financial statements prepared under IFRS Accounting Standards and the PRC GAAP

(4) Classification of perpetual capital security due to differences between the financial statements prepared under IFRS Accounting Standards and the PRC GAAP

Under IFRS Accounting Standards, the perpetual capital security issued by the Company was classified as equity instrument and separated from net assets attributable to equity holders of the Company.

Under the PRC GAAP, the perpetual capital security issued by the Company was classified as owners' equity.

I SUPPLEMENTAL INFORMATION (Continued)

Summary of differences between consolidated financial statements prepared under IFRS Accounting Standards and those under The PRC Accounting Rules and Regulations (the "PRC GAAP") (Continued)

The following table summarises the differences between condensed consolidated financial statements prepared under IFRS Accounting Standards and those under the PRC GAAP:

	Net income attributable to equity shareholders of the Company for the year ended 31 December		Net assets attributable to equity shareholders of the Company as at 31 December	
	2025	2024	**2025**	2024
	RMB'000	RMB'000 (Restated)	**RMB'000**	RMB'000 (Restated)
As per consolidated financial statements prepared under IFRS Accounting Standards	**8,524,664**	14,592,264	**71,288,661**	64,007,550
Impact of IFRS Accounting Standards adjustments in respect of:				
– Difference in accounting treatment on work safety funds	**(204,595)**	347,932	**(455,120)**	(221,783)
– Difference in accounting treatment on future development funds	**3,455**	3,455	**(21,248)**	(24,703)
– Reversal of impairment loss attributable to Yancoal Australia	**10,199**	10,199	**(48,644)**	(58,843)
– Deferred tax	**47,225**	(90,907)	**949,992**	902,767
– Perpetual capital security	**–**	–	**28,766,651**	23,267,221
As per consolidated financial statements prepared under the PRC GAAP	**8,380,948**	14,862,943	**100,480,292**	87,872,209

For further details
about information disclosure,
please visit the website of
Yankuang Energy Group Company Limited at