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兗礦能源集團股份有限公司
YANKUANG ENERGY GROUP COMPANY LIMITED*

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

(Stock Code: 01171)

CONTINUING CONNECTED TRANSACTIONS

THE EXISTING GLENCORE CONTINUING CONNECTED TRANSACTION AGREEMENT, THE EXISTING GLENCORE COAL PURCHASE FRAMEWORK AGREEMENT AND THE HVO SALES AGREEMENT

References are made to the announcements of the Company dated 15 January 2024 and 24 August 2026 in relation to, among others, (i) the certain existing Glencore continuing connected transaction agreements entered into between Yancoal Australia, a subsidiary of the Company, and Glencore, including (a) the Existing Glencore Coal Sales Framework Agreement; and (b) the Existing Glencore Coal Purchase Framework Agreement; and (ii) the HVO Sales Agreement entered into between CNAO and HVO SalesCo, the subsidiaries of the Company and Yancoal Australia, and Anotero. As the Existing Glencore Coal Sales Framework Agreement and the Existing Glencore Coal Purchase Framework Agreement will expire on 31 December 2026 and the relevant parties intend to continue to carry on the relevant continuing connected transactions from 1 January 2027, on 30 October 2026, the Company decided to renew the aforesaid agreements and approve the transactions contemplated thereunder and the proposed annual caps. In order to maintain customer relationships and meet specific customer requirements for coal (given that Yancoal Australia Group does not produce certain specifications of coal), Yancoal Australia Group purchased coal under the Glencore Coal Purchase Framework Agreement, and the sales of coal by Yancoal Australia Group under the Glencore Coal Sales Framework Agreement is made in the ordinary course of its business. On the same date, the Board resolved to approve the annual caps for the transactions under the HVO Sales Agreement for the three years ending 31 December 2027, 2028, and 2029.

As at the date of this announcement, Anotero, a wholly-owned subsidiary of Glencore, (i) holds a 49% interest in HV Operations and HVO SalesCo, being subsidiaries of the Company, and (ii) has a 49% participating interest in the HVO JV, the unincorporated joint venture holding the Hunter Valley mining operations, and Yancoal Australia, a controlling subsidiary of the Company, holds a 51% interest in the HVO JV. Accordingly, Anotero is a connected person of the Company at the subsidiary level by virtue of being a substantial shareholder of the Company's subsidiaries and Glencore is a connected person of the Company at the subsidiary level by virtue of being an associate of connected persons of the Company at the subsidiary level. Accordingly, the Glencore Coal Sales Framework Agreement, the Glencore Coal Purchase Framework Agreement, and the HVO Sales Agreement and the transactions contemplated thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to the Glencore Coal Sales Framework Agreement, the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules, except for the profits ratio which is not applicable) of the maximum annual transaction amount to be received by Yancoal Australia Group is more than 1% but less than 5%. Pursuant to the Glencore Coal Purchase Framework Agreement, the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules, except for the profits ratio which is not applicable) of the maximum annual transaction amount to be paid by Yancoal Australia Group is more than 1% but less than 5%. Pursuant to Rule 14A.76(2)(a) of the Listing Rules, the continuing connected transactions contemplated under the Glencore Coal Sales Framework Agreement and the Glencore Coal Purchase Framework Agreement are exempt from the circular and independent shareholder's approval requirements, but are subject to reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

The highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules, except for the profits ratio which is not applicable) of the maximum annual transaction amount of the transactions under the HVO Sales Agreement is more than 5%. As the continuing connected transaction under the HVO Sales Agreement is conducted on normal commercial terms or better between the Group and a connected person at the subsidiary level, the Board has approved the continuing connected transaction and the independent non-executive Directors have made the confirmation required under Rule 14A.101 of the Listing Rules, such continuing connected transaction is exempt from the circular and independent shareholder's approval requirements but is subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

RENEWED DIESEL FUEL SUPPLY AGREEMENT

Reference is made to the announcement of the Company dated 8 December 2023 in relation to the 2024 Diesel Fuel Supply Agreement. On 30 October 2026, the Board has reviewed and approved the authorisation for Yancoal Australia to renew the Diesel Fuel Supply Agreement and approved the caps of such restricted transactions for the next two years. The specific terms of the Renewed Diesel Fuel Supply Agreement shall be determined after negotiation among the relevant parties. It cannot be determined at this stage whether the transaction will proceed. If the transaction proceeds, the Company will publish a further announcement in due course in compliance with the applicable disclosure requirements under the Listing Rules.

I. THE GLENCORE COAL SALES FRAMEWORK AGREEMENT

Background

References are made to the announcements of the Company dated 15 January 2024 and 24 August 2026 (the "**Announcements**").

Yancoal Australia and Glencore Coal Pty Ltd ("**Glencore**") entered into a coal sales framework agreement on 29 June 2018 to manage relevant matters on existing and future sales of coal by Yancoal Australia and its subsidiaries ("**Yancoal Australia Group**") to Glencore and/or its subsidiaries and/or its related entities (as defined in division 1 section 9 (Dictionary) of Corporations Act 2001 (Cth) of Australia). As disclosed in the Announcements, the coal sales framework agreement was renewed for a period of three years commencing on 1 January 2024 and ended 31 December 2026.

The Existing Glencore Coal Sales Framework Agreement will expire on 31 December 2026 and will be automatically renewable for successive periods of three years thereafter, subject to compliance with the applicable provisions of the Listing Rules and unless terminated earlier by not less than three months' prior notice or otherwise in accordance with the terms thereunder.

On 30 October 2026, the Board resolved to approve the renewal of the Existing Glencore Coal Sales Framework Agreement for three years commencing from 1 January 2027 and to set the annual caps for the transactions thereunder for the three years ending 31 December 2029.

Major Terms

Pursuant to the Glencore Coal Sales Framework Agreement, all relevant transactions involving the sale of coal by Yancoal Australia Group to Glencore and/or its subsidiaries and/or its related entities shall be (i) conducted in the ordinary and usual course of business of Yancoal Australia Group, (ii) conducted on an arm's length basis, (iii) conducted on normal commercial terms and (iv) in compliance with, among others, the Listing Rules and applicable laws.

Basis of Consideration

Considering the nature of coal, the selling prices will be determined with reference to the prevailing market price for the relevant type of coal. Yancoal Australia will determine the market price by reference to (i) industry index prices which depend on the quality of the coal (generally the global COAL Newcastle Coal Index ("**GCNewC**"), the McCloskey API 5 Index ("**API5**") and the Platts Semi-Soft Coking Coal Index); (ii) coal quality characteristics; and (iii) market substitutes that can optimise the Company's value.

Historical Transaction Amounts and Annual Caps

Pursuant to the Existing Glencore Coal Sales Framework Agreement, the maximum annual transaction amounts received by Yancoal Australia Group for the three years ended 31 December 2024, 2025 and 2026 shall not exceed US$350 million, US$350 million and US$750 million, respectively.

Pursuant to the Existing Glencore Coal Sales Framework Agreement, the aggregate annual/periodic transaction amounts received by Yancoal Australia Group for the sales of coal for the two years ended 31 December 2024 and 2025 and the nine months ended 30 September 2026 were approximately US$213.3 million, US$175.6 million and US$253.2 million, respectively. As of the date of this announcement, pursuant to the Existing Glencore Coal Sales Framework Agreement, the aggregate transaction amount received by Yancoal Australia Group for the sales of coal in 2026 had not exceeded the maximum annual transaction amount for the year ended 31 December 2026.

The historical transaction amounts were less than the existing annual caps as the annual caps for the three years ended 31 December 2026 were determined during a period of market volatility and elevated coal prices, while the actual selling prices of coal were lower than the assumed prices used when determining annual caps, therefore the utilisation rate of the annual caps under the Glencore Coal Sales Framework Agreement was affected.

Pursuant to the Glencore Coal Sales Framework Agreement, the maximum annual transaction amounts to be received by Yancoal Australia Group for the three years ending 31 December 2027, 2028 and 2029 shall not exceed US$750 million, US$500 million and US$550 million, respectively.

These caps were calculated with reference to (i) the historical transaction amounts; (ii) the expected increase in coal production by Yancoal Australia Group in the next three years; (iii) the expected demand for coal from Glencore and/or its subsidiaries and/or its related entities based on further spot transaction opportunities that may exist; and (iv) the estimated increase in the selling prices for coal after taking into account global coal price fluctuations. In light of market instability arising from the Middle East conflict, which makes it more likely that Glencore and/or its subsidiaries and/or its related entities will purchase coal on the spot market, the annual cap for the financial year ending 31 December 2027 is US$750 million, the same as that for the financial year ending 31 December 2026. Although coal production is expected to increase during the period, the annual caps for the financial years ending 31 December 2028 and 2029 will be lower, as the Company anticipates that market conditions will return to normal.

Reasons for and Benefits of the Glencore Coal Sales Framework Agreement

Yancoal Australia's principal business activity is the production of thermal and metallurgical coal. Glencore has been one of the major customers of Yancoal Australia Group since 2017. The Company believes that through supplying coal to Glencore in Yancoal Australia's ordinary and usual course of business, Yancoal Australia could maintain its good business relationship with Glencore, and further expand its business revenue.

The Directors (including the independent non-executive Directors) consider that the Glencore Coal Sales Framework Agreement, the transactions contemplated thereunder, and the proposed annual caps are (i) on normal commercial terms or better in the ordinary and usual course of business of the Group; (ii) fair and reasonable; and (iii) in the interests of the Company and its Shareholders as a whole.

Listing Rules Implications

As at the date of this announcement, Anotero Pty Ltd ("**Anotero**"), a wholly-owned subsidiary of Glencore (i) holds a 49% interest in the HV Operations Pty Ltd and the HVO Coal Sales Pty Ltd ("**HVO SalesCo**"), being subsidiaries of the Company, and (ii) has a 49% participating interest in the HVO JV, and Yancoal Australia, a controlling subsidiary of the Company, holds a 51% interest in the HVO JV. Accordingly, Anotero is a connected person of the Company at the subsidiary level by virtue of being a substantial shareholder of the Company's subsidiaries and Glencore is a connected person of the Company at the subsidiary level by virtue of being an associate of connected persons of the Company at the subsidiary level. Accordingly, the Glencore Coal Sales Framework Agreement and the transactions contemplated thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to the Glencore Coal Sales Framework Agreement, the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules, except for the profits ratio which is not applicable) of the maximum annual transaction amount to be received by Yancoal Australia Group is more than 1% but less than 5%. Pursuant to Rule 14A.76(2)(a) of the Listing Rules, the continuing connected transaction contemplated under the Glencore Coal Sales Framework Agreement is exempt from the circular and independent shareholder's approval requirements, but is subject to reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

The Board resolved to approve the Glencore Coal Sales Framework Agreement and the transactions contemplated thereunder. None of the Directors has a material interest in the underlying transactions, and therefore none of them is required to abstain from voting on the relevant resolutions approving the underlying transactions.

II. THE GLENCORE COAL PURCHASE FRAMEWORK AGREEMENT

Background

Reference is made to the announcement of the Company dated 15 January 2024 (the "**Announcement**").

Yancoal Australia entered into a coal purchase framework agreement with Glencore on 6 August 2018 to manage relevant matters on existing and future purchases of coal by Yancoal Australia Group from Glencore and/or its subsidiaries and/or its related entities. As disclosed in the Announcement, the coal purchase framework agreement was renewed for a period of three years commencing on 1 January 2024 and ended 31 December 2026.

The Existing Glencore Coal Purchase Framework Agreement will expire on 31 December 2026 and will be automatically renewable for successive periods of three years thereafter, subject to compliance with the applicable provisions of the Listing Rules and unless terminated earlier by not less than three months' prior notice or otherwise in accordance with the terms thereunder.

On 30 October 2026, the Board resolved to approve the renewal of the Existing Glencore Coal Purchase Framework Agreement for three years commencing from 1 January 2027 and to set the annual caps for the transactions thereunder for the three years ending 31 December 2029.

Major terms

Pursuant to the Glencore Coal Purchase Framework Agreement, all relevant transactions involving the purchase of coal by Yancoal Australia Group from the Glencore and/or its subsidiaries and/or its related entities shall be (i) conducted in the ordinary and usual course of business of Yancoal Australia Group, (ii) conducted on an arm's length basis, (iii) conducted on normal commercial terms and (iv) in compliance with, among others, the Listing Rules and applicable laws.

Basis of Consideration

Considering the nature of coal, the purchase prices will be determined with reference to the prevailing market price for the relevant type of coal. Yancoal Australia will determine the market price by reference to (i) industry index prices which depend on the quality of the coal (generally the GCNewC, API5 and the Platts Semi-Soft Coking Coal Index); (ii) coal quality characteristics; and (iii) market substitutes that can optimise the Company's value.

Historical Transaction Amounts and Annual Caps

Pursuant to the Existing Glencore Coal Purchase Framework Agreement, the maximum annual transaction amounts to be paid by Yancoal Australia Group for the three years ended 31 December 2024, 2025 and 2026 were not to exceed US$250 million, US$250 million and US$250 million, respectively.

Pursuant to the Existing Glencore Coal Purchase Framework Agreement, the aggregate annual/periodic transaction amounts paid by Yancoal Australia Group for the purchases of coal for the two years ended 31 December 2024 and 2025 and the nine months ended 30 September 2026 were approximately US$82.30 million, US$74.20 million, and US$56.90 million, respectively. As of the date of this announcement, pursuant to the Existing Glencore Coal Purchase Framework Agreement, the aggregate transaction amount paid by Yancoal Australia Group for the purchase of coal in 2026 had not exceeded the maximum annual transaction amount for the year ended 31 December 2026.

The historical transaction amounts were less than the existing annual caps as the annual caps for the three years ended 31 December 2026 were determined during a period of market volatility and elevated coal prices, while the actual purchase prices of coal were lower than the assumed prices used when determining annual caps, therefore the utilisation rate of the annual caps under the Glencore Coal Purchase Framework Agreement was affected.

Pursuant to the Glencore Coal Purchase Framework Agreement, the maximum annual transaction amounts to be paid by Yancoal Australia Group for the three years ending 31 December 2027, 2028 and 2029 shall not exceed US$250 million, US$250 million and US$250 million, respectively.

These caps were calculated with reference to (i) the existing demand from Yancoal Australia's customers for coal from Glencore and/or its subsidiaries; (ii) the expected further demand for coal from Yancoal Australia Group considering Yancoal Australia's strategy to optimise blend values and to minimise shortfalls to meet specific customer requirements; and (iii) the estimated increase in the purchase price of the coal after taking into account global coal price fluctuations.

Reasons for and Benefits of the Glencore Coal Purchase Framework Agreement

Yancoal Australia Group has purchased, and expects to continue to purchase, coal from Glencore and/or its subsidiaries and/or its related entities in order to maintain customer relationships and meet specific customer requirements for coal (given that Yancoal Australia Group does not produce certain specifications of coal). Considering the benefits of maintaining customer relationships and that the coal is to be purchased at the market price, the Company believes that the transactions under the Glencore Coal Purchase Framework Agreement are in the best interest of the Company and its Shareholders as a whole.

The Directors (including the independent non-executive Directors) consider that the Glencore Coal Purchase Framework Agreement, the transactions contemplated thereunder, and the proposed annual caps are (i) on normal commercial terms or better in the ordinary and usual course of business of the Group; (ii) fair and reasonable; and (iii) in the interests of the Company and its Shareholders as a whole.

Listing Rules Implications

As mentioned above, Anotero is a connected person of the Company at the subsidiary level by virtue of being a substantial shareholder of the Company's subsidiaries and Glencore is a connected person of the Company at the subsidiary level by virtue of being an associate of connected persons of the Company at the subsidiary level. Accordingly, the Glencore Coal Purchase Framework Agreement and the transactions contemplated thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to the Glencore Coal Purchase Framework Agreement, the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules, except for the profits ratio which is not applicable) of the maximum annual transaction amount to be paid by Yancoal Australia Group is more than 1% but less than 5%. Pursuant to Rule 14A.76(2)(a) of the Listing Rules, the continuing connected transaction contemplated under the Glencore Coal Purchase Framework Agreement is exempt from the circular and independent shareholder's approval requirements, but is subject to reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

The Board resolved to approve the Glencore Coal Purchase Framework Agreement and the transactions contemplated thereunder. None of the Directors has a material interest in the underlying transactions, and therefore none of them is required to abstain from voting on the relevant resolutions approving the underlying transactions.

III. HVO SALES AGREEMENT

Background

Reference is made to the announcement of the Company dated 15 January 2024.

As part of the sales by Yancoal Australia of a 16.6% interest in Hunter Valley mining operations to Glencore, which was completed on 4 May 2018, resulting in Yancoal Australia and Glencore owning 51% and 49% of the HVO JV respectively, Coal & Allied Operations Pty Ltd ("**CNAO**"), an indirectly wholly-owned subsidiary of the Company, HVO SalesCo and Anotero entered into the HVO Sales Agreement on 4 May 2018. The HVO Sales Agreement is a long-term contract and terminates upon the termination of the HVO JV agreement.

On 30 October 2026, the Board resolved to approve the annual caps for the three years ending 31 December 2027, 2028, and 2029 for the transactions under the HVO Sales Agreement. The existing terms of the HVO Sales Agreement remain unchanged.

Major Terms and Basis of Consideration

Pursuant to the HVO Sales Agreement, (i) each of CNAO and Anotero agrees to sell all of its entitled portion of finished coal products in saleable form that is produced by the tenements held by the HVO JV to HVO SalesCo only and HVO SalesCo agrees to purchase each of CNAO's and Anotero's entitled portion of coal products (other than the coal products to be sold to Glencore and/or its subsidiaries); (ii) the amount payable by HVO SalesCo to each of CNAO and Anotero shall be the total amount received for that portion of the products under each of its sales agreements entered into with its customers; and (iii) payment by HVO SalesCo to CNAO and Anotero shall be no later than 3 business days after receipt of payment from its customers. In respect of any sales to Glencore and/or its subsidiaries that fall within the Glencore Coal Sales Framework Agreement, each of CNAO and Anotero agrees that HVO SalesCo will be treated as if it has entered into the sale as an agent for and on behalf of CNAO and Anotero in proportion to their respective participating interests in the HVO JV.

Historical Transaction Amounts and Annual Caps

The maximum annual transaction amounts for revenues to be distributed to Anotero under the HVO Sales Agreement for the three years ended 31 December 2024, 2025, and 2026 were not to exceed US$1.3 billion, US$1.3 billion and US$1.3 billion, respectively.

The amounts of revenue distributed by HVO SalesCo to Anotero for the two years ended 31 December 2024 and 2025 and the nine months ended 30 September 2026 were approximately US$726.8 million, US$694.4 million and US$620.8 million, respectively. As of the date of this announcement, the amount of revenue distributed by HVO SalesCo to Anotero in 2026 had not exceeded the maximum annual transaction amounts for the year ended 31 December 2026.

The historical transaction amounts were less than the existing annual caps as the annual caps for the three years ended 31 December 2026 were determined during a period of market volatility and elevated coal prices, while the actual selling prices of coal were lower than the assumed prices used when determining annual caps, therefore the utilisation rate of the annual caps under the HVO Sales Agreement was affected.

The maximum annual transaction amounts to be distributed by HVO SalesCo to Anotero for the three years ending 31 December 2027, 2028, and 2029 shall not exceed US$1.2 billion, US$1.2 billion and US$1.2 billion, respectively.

The estimated maximum annual transaction amounts are determined mainly based on (i) the expected amount and price of coal to be sold by HVO SalesCo, with reference to Yancoal Australia's forward marketing price guidance and the annual production capacity of Hunter Valley mining operations as per the current budget; and (ii) global coal price fluctuations.

Reasons for and Benefits for the HVO Sales Agreement

The reason for entering into the HVO Sales Agreement and the business objective of HVO SalesCo are to facilitate the sales of coal produced by the HVO JV, given the HVO JV, which is an unincorporated joint venture, does not have the legal capacity to enter into sales agreements itself. The arrangement under the HVO Sales Agreement is to make the coal attributable to the relevant participants available for resale by HVO SalesCo, and after such sales of coal have taken place, HVO SalesCo will distribute all amounts received by it from the sales of coal to the participants. HVO SalesCo does not retain any sales revenue received by it and does not receive any fees from the participants for the sales function carried out by it. Accordingly, HVO SalesCo is not operated for profit. Considering the above, the Company considers that the transactions under the HVO Sales Agreement are in the best interest of the Company and its Shareholders as a whole.

The Directors (including the independent non-executive Directors) consider that the HVO Sales Agreement, the transactions contemplated thereunder, and the proposed annual caps are (i) on normal commercial terms or better in the ordinary and usual course of business of the Group; (ii) fair and reasonable; and (iii) in the interests of the Company and its Shareholders as a whole.

Listing Rules Implications

As mentioned above, CNAO and HVO SalesCo are subsidiaries of the Company and Yancoal Australia. Anotero is a connected person of the Company at the subsidiary level by virtue of being a substantial shareholder of the Company's subsidiaries. Accordingly, the HVO Sales Agreement and the transactions contemplated thereunder will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules, except for the profits ratio which is not applicable) of the maximum annual transaction amounts of the transactions under the HVO Sales Agreement is more than 5%. As the continuing connected transaction under the HVO Sales Agreement is conducted on normal commercial terms or better between the Group and a connected person at the subsidiary level, the Board has approved the continuing connected transaction and the independent non-executive Directors have made the confirmation required under Rule 14A.101 of the Listing Rules, such continuing connected transaction is exempt from the circular and independent shareholder's approval requirements but is subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules.

The Board has considered and approved the HVO Sales Agreement and the transactions contemplated thereunder. None of the Directors has a material interest in the underlying transactions, and therefore none of them is required to abstain from voting on the relevant resolutions approving the underlying transactions.

IV. RENEWED DIESEL FUEL SUPPLY AGREEMENT

Reference is made to the announcement of the Company dated 8 December 2023 in relation to the 2024 Diesel Fuel Supply Agreement. On 30 October 2026, the Board has reviewed and approved the authorisation for Yancoal Australia to renew the Diesel Fuel Supply Agreement and approved the caps of such restricted transactions for the next two years. The specific terms of the Renewed Diesel Fuel Supply Agreement shall be determined after negotiation among the relevant parties. It cannot be determined at this stage whether the transaction will proceed. If the transaction proceeds, the Company will publish a further announcement in due course in compliance with the applicable disclosure requirements under the Listing Rules.

V. INTERNAL CONTROL MEASURES

To safeguard the interests of the Company and its Shareholders as a whole, the Company has adopted the following internal control measures to regulate the Glencore Coal Sales Framework Agreement, the Glencore Coal Purchase Framework Agreement and the HVO Sales Agreement (the "**Framework Agreements**") and the transactions contemplated thereunder. The management will follow the methods and procedures set out below to determine the prices and terms of the transactions contemplated under the Framework Agreements:

(1) The Framework Agreements are conducted by Yancoal Australia, which is a subsidiary of the Company and is also listed on the Stock Exchange. Accordingly, the pricing policies and annual caps for the Framework Agreements are determined by the management of Yancoal Australia in accordance with the connected transaction requirements under the Listing Rules and are subject to further review by the Company. Before entering into the Framework Agreements, Yancoal Australia will complete the relevant application procedures in accordance with the Company's internal management policies. The relevant departments of the Company that are responsible for compliance with the Listing Rules, financial management, audit and risk management will review the necessity, reasonableness, fairness and compliance of the transactions.

(2) In relation to the Glencore Coal Sales Framework Agreement and the Glencore Coal Purchase Framework Agreement, having regard to the nature of coal, the management of Yancoal Australia will determine the selling prices with reference to the prevailing market prices of the relevant types of coal, taking into account (i) industry index prices determined by coal quality (generally including the GCNewC, API5 and Platts semi-soft coking coal indices), (ii) coal quality characteristics and (iii) market substitutes that may optimise the value of Yancoal Australia. In determining market prices, Yancoal Australia will take into account the relevant industry benchmarks and indices. In determining the reasonable consideration for any transactions under the Framework Agreements, the management of Yancoal Australia will consider the prevailing fair market value and, where appropriate, the specific requirements of Yancoal Australia's business.

(3) Yancoal Australia will continuously monitor the transaction amounts under the continuing connected transactions contemplated under the Framework Agreements and report to the Company every six months, in order to identify any transactions that may pose a risk of exceeding the annual caps.

(4) Yancoal Australia will report the status of the continuing connected transactions to its Board every six months, including to the directors nominated by the Company. Such reports will cover the management methods and procedures and their implementation.

(5) The Company's auditor and the independent non-executive Directors will conduct an annual review of the transactions under the Framework Agreements and confirm in the Company's annual report that the transactions have been conducted in accordance with the terms and conditions and pricing policies agreed under the Framework Agreements, are entered into in the ordinary course of business of the Group on normal commercial terms or better, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

VI. GENERAL INFORMATION

The Company

The Company is principally engaged in the business of mining, high-end chemicals and new materials, power and new energy, high-end equipment manufacturing, and intelligent logistics. The Company's main products are steam coal for use in large-scale power plants, coking coal for metallurgical production, prime quality low sulphur coal for use in pulverized coal injection and chemical products such as methanol and acetic acid, etc.

Yancoal Australia

It is an overseas subsidiary controlled by the Company as at the date of this announcement. Its principal business activity is the production of thermal and metallurgical coal for use in the power generation and steel industries in Asian markets. The shares of Yancoal Australia have been listed on the Australian Securities Exchange (stock code: YAL) and the Stock Exchange (stock code: 03668) since 2012 and 2018, respectively.

Glencore

It is a member of Glencore plc as at the date of this announcement, which is one of the largest global diversified natural resource companies in the world. The shares of Glencore plc are listed on the London Stock Exchange and the Johannesburg Stock Exchange.

Anotero

It is a company incorporated in Australia and a wholly-owned subsidiary of Glencore as at the date of this announcement, principally engaged in the production and sales of coal through its interest in the Hunter Valley mining operation.

CNAO

It is a company established in Australia, a subsidiary of the Company and Yancoal Australia, and a wholly-owned subsidiary of Coal & Allied Industries Limited as at the date of this announcement.

HVO SalesCo

It is a subsidiary of the Company and Yancoal Australia as at the date of this announcement, principally engaged in the sales of coal produced by the HVO JV for the participants of the HVO JV.

HV Operations

It is a subsidiary of the Company and Yancoal Australia as at the date of this announcement. Its principal business activities include managing Hunter Valley Operations, an entity established to operate a large open-cut mine located in Lemington, New South Wales, Australia.

VII. DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

"2024 Diesel Fuel Supply Agreement"	the diesel fuel supply agreement entered into between HV Operations and GAO on 8 December 2023
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"AUD"	Australian dollars, the lawful currency of Australia
"Board"	the board of Directors of the Company

"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 Stock Exchange (01171.HK) and the Shanghai Stock Exchange (600188.SH), respectively
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Director(s)"	the director(s) of the Company
"Existing Glencore Coal Purchase Framework Agreement"	the existing coal purchase framework agreement entered into between Yancoal Australia and Glencore on 15 January 2024
"Existing Glencore Coal Sales Framework Agreement"	the existing coal sales framework agreement entered into between Yancoal Australia and Glencore on 15 January 2024
"GAO"	Glencore Australia Oil Pty Ltd, a subsidiary of Glencore plc, which is in turn the holding company of Anotero Pty Ltd, a substantial shareholder of HV Operations
"Glencore Coal Purchase Framework Agreement"	the coal purchases framework agreement entered into between Yancoal Australia and Glencore on 30 October 2026 to be renewed for an additional three years commencing from 1 January 2027
"Glencore Coal Sales Framework Agreement"	the coal sales framework agreement entered into between Yancoal Australia and Glencore on 30 October 2026 to be renewed for an additional three years commencing from 1 January 2027
"Group"	the Company and its subsidiaries
"HV Operations"	HV Operations Pty Ltd, an indirect subsidiary of Yancoal Australia
"HVO Sales Agreement"	the sales agreement entered into between CNAO and HVO SalesCo and Anotero on 4 May 2018
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"percentage ratios"	has the meaning ascribed thereto under the Listing Rules
"PRC"	the People's Republic of China

"Renewed Diesel Fuel Supply Agreement"	the diesel fuel supply agreement for the forthcoming years, which the Board agreed on 30 October 2026 to authorise Yancoal Australia to negotiate with GAO
"Shareholder(s)"	the shareholder(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"US$"	United States Dollar, the lawful currency of the United States
"Yancoal Australia"	Yancoal Australia Limited, a controlled overseas subsidiary of the Company, the shares of which are listed on the Australian Securities Exchange and the Stock Exchange with stock codes "YAL" and "03668", respectively
"%"	percentage

By order of the Board
Yankuang Energy Group Company Limited*
Li Wei
Chairman of the Board

Zoucheng, Shandong Province, the PRC
30 October 2026

As at the date of this announcement, the Directors of the Company are Mr. Li Wei, Mr. Wang Jiuhong, Mr. Yue Guangsheng, Mr. Zhang Haijun, Mr. Li Shipeng, Mr. Su Li and Mr. Huang Xiaolong, and the independent non-executive Directors of the Company are Mr. Li Weian, Mr. Gao Jingxiang, Mr. Woo Kar Tung, Raymond and Ms. Zhu Rui.

* *For identification purposes only*