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# 中国神华能源股份有限公司

## CHINA SHENHUA ENERGY COMPANY LIMITED

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

**(Stock Code: 01088)**

### INSIDE INFORMATION ANNOUNCEMENT REGARDING SHAREHOLDER RETURN PLAN FOR 2025-2027

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

China Shenhua Energy Company Limited (the “**Company**”) has proposed the “Shareholder Return Plan for 2025-2027”, pursuant to which, and in compliance with the Articles of Association of China Shenhua Energy Company Limited (the “**Articles of Association**”), profit distribution in the form of cash dividends per annum shall be no less than 65% of the net profit attributable to equity holders of the Company realised in the corresponding year during 2025-2027 and the Company may also implement interim profit distribution during such period after taking into comprehensive consideration of its operational performance and capital needs. This shareholder return plan is subject to the approval of the general meeting of the Company by way of special resolution.

The Company formulated and implemented the shareholder return plan for 2022-2024, which was approved at the 2022 first extraordinary general meeting of the Company held on 28 October 2022. As such plan is approaching its expiration, the board of directors (the “**Board**”) of the Company, after thorough deliberation, has proposed the “Shareholder Return Plan for 2025-2027” and submitted the same for consideration at the general meeting of the Company.

#### **I. PROVISIONS OF THE ARTICLES OF ASSOCIATION**

Pursuant to Article 200 and Article 209 of the Article of Association, in the absence of any special circumstances that may have material adverse effect on the normal operation of the Company as determined by the Board, if the Company's profit for the year and accumulated undistributed profit are positive, distribution of dividends shall be made by way of cash. The profit distribution of the Company shall be made based on the profit after tax for the accounting year in the consolidated financial statements prepared under the China Accounting Standards for Business Enterprises or the International Financial Reporting Standards, whichever is lower. Profit distribution in the form of cash dividends per annum shall be no less than 35% of the net profit attributable to equity holders of the Company.

## II. CASH DIVIDEND FOR 2022-2023

On 28 October 2022, the Proposal on the Company's Shareholder Return Plan for 2022-2024 was considered and approved at the 2022 first extraordinary general meeting of the Company to approve that the profit to be distributed in cash annually by the Company for the year 2022-2024 shall be no less than 60% of the net profit attributable to equity holders of the Company realised in the corresponding year. The Company's final dividend distribution for 2022-2023 is in compliance with the provisions of the Articles of Association and relevant shareholder return plan. The details are as follows:

<b>Year of the annual final dividend</b>	<b>Amount of the distribution per share (tax inclusive)</b> <i>RMB</i>	<b>Total amount of cash dividend (tax inclusive)</b> <i>RMB100 million</i>	<b>Net profit attributable to equity holders of the Company in the consolidated financial statements of the respective dividend year in accordance with China Accounting Standards for Business Enterprises</b> <i>RMB100 million</i>	<b>Percentage to the net profit attributable to equity holders of the Company in the consolidated financial statements</b> <i>%</i>
2023	2.26	449.03	596.94	75.2
2022	2.55	506.65	696.26	72.8

The final dividend distribution plan for 2024 is currently being formulated in accordance with the above plans and will be submitted to the Board together with the 2024 annual results of the Company for consideration. The plan is expected to be disclosed by the end of March 2025.

According to Wind data, the average dividend payout ratio of the constituent stocks of the CSI Shenwan Coal Index (000820.CSI) was 57.9% in 2022 and 58.5% in 2023. During the same period, the Company's dividend payout ratio was 72.8% and 75.2%, respectively, both higher than the average of the coal industry.

### **III. SHAREHOLDER RETURN PLAN FOR 2025-2027**

In order to proactively implement the securities regulatory requirements, respond to shareholders' demand, further strengthen the Company's close ties with its long-term and patient shareholders, and based on the confidence in the Company's future development, the Board, after thorough consideration, proposes to increase the minimum cash dividend payout ratio and appropriately enhance the frequency of dividend distribution. Thus, the Board has proposed shareholder return plan for 2025-2027 and submits it to the general meeting of the Company for consideration. Specifically, subject to the provisions of the Articles of Association, the profit to be distributed in cash annually for the year 2025-2027 shall be no less than 65% of the Company's net profit attributable to equity holders of the Company realised in the corresponding year and the Company may also implement interim profit distribution during such period after taking into comprehensive consideration of its operational performance and capital needs.

The specific profit distribution plan shall be formulated by the Board based on the actual situation of the corresponding year, and submitted to the general meeting of the Company for approval.

### **IV. IMPACT OF THE "SHAREHOLDER RETURN PLAN FOR 2025-2027" ON THE COMPANY**

A continuous, stable and predictable profit distribution policy is beneficial to attracting long-term capital and patient capital, protecting legal interests of shareholders and promoting the realisation of the investment value of the Company, thereby safeguarding the sustainable development of the interests of the Company and shareholders as a whole.

Having fully considered the factors such as the Company's capital expenditure, cash flow and capital balance during the relevant period in the future, the shareholder return plan for 2025-2027 will not adversely affect the Company's normal production and operation.

### **V. REVIEW PROCEDURES FOR THE "SHAREHOLDER RETURN PLAN FOR 2025-2027"**

On 21 January 2025, the Proposal on the Company's Shareholder Return Plan for 2025-2027 was considered and approved at the 6th meeting of the sixth session of the Board of the Company with 8 assenting votes, 0 dissenting vote and 0 abstained vote.

The shareholder return plan for 2025-2027 is subject to the approval of the general meeting of the Company by way of special resolution.

By order of the Board  
**China Shenhua Energy Company Limited**  
**Song Jिंगgang**

*Chief Financial Officer and Secretary to the Board of Directors*

Beijing, 21 January 2025

*As at the date of this announcement, the Board comprises the following: Mr. Lv Zhiren and Mr. Zhang Changyan as executive directors, Mr. Kang Fengwei and Mr. Li Xinhua as non-executive directors, Dr. Yuen Kwok Keung, Dr. Chen Hanwen and Mr. Wang Hong as independent non-executive directors, and Ms. Jiao Lei as employee director.*