

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

POTENTIAL NOTIFIABLE TRANSACTION AND CONNECTED TRANSACTION RELATING TO THE ACQUISITION OF TARGET ASSETS AND THE ISSUANCE OF CONSIDERATION SHARES PROPOSED ISSUANCE OF A SHARES TO RAISE SUPPORTING FUNDS AND RESUMPTION OF TRADING IN A SHARES

POTENTIAL NOTIFIABLE TRANSACTION AND CONNECTED TRANSACTION RELATING TO THE ACQUISITION OF TARGET ASSETS AND THE ISSUANCE OF CONSIDERATION SHARES

On 15 August 2025, the Company entered into the Asset Purchase Agreement with China Energy and its wholly-owned subsidiary Western Energy, pursuant to which, the Company conditionally agreed to (i) acquire 100% equity interest in Guoyuan Power, 100% equity interest in Xinjiang Energy, 100% equity interest in Chemical Company, 100% equity interest in Wuhai Energy, 100% equity interest in Pingzhuang Coal, 41% equity interest in Shenyang Coal, 49% equity interest in Jinshen Energy, 100% equity interest in Baotou Mining, 100% equity interest in Shipping Company, 100% equity interest in Coal Trading Company, 100% equity interest in E-commerce Company and 100% equity interest in Port Company held by China Energy by way of issuance of Consideration Shares and payment in cash; and (ii) acquire 100% equity interest in Inner Mongolia Construction Investment held by Western Energy by way of payment in cash.

As at the date of this announcement, the audit and valuation of the Target Companies has not been completed, so the specific price of the Target Assets has not yet been determined. The final transaction price of the Target Assets will be determined after arm's length negotiation among the parties based on the valuation results assessed by a valuation institution that meets the requirements of relevant laws and regulations and filed with the state-owned assets supervision and administration department or its authorised institution. After the completion of the above-mentioned audit and valuation, the Company will convene separate Board meeting and general meeting (if necessary) to consider the specific proposal of the Transaction, and will sign relevant supplemental agreement to clearly stipulate the final transaction price of the Target Assets.

PROPOSED ISSUANCE OF A SHARES TO RAISE SUPPORTING FUNDS

The Company proposes to issue New A Shares to no more than 35 qualified specific investors. The total amount of supporting funds to be raised shall not exceed 100% of the price for the Transaction and the number of New A Shares to be issued shall not exceed 30% of the total share capital of the Company upon completion of the issuance of Consideration Shares. All target subscribers shall subscribe for New A Shares to be issued under the Proposed Issuance of A Shares at the same price in cash. After review by the SSE and registration approval by the CSRC, the number of A shares to be issued will be determined based on the results of price inquiry.

The Proposed Issuance of A Shares is conditional on the implementation of the Transaction while the Transaction is not conditional on the completion of the Proposed Issuance of A Shares.

HONG KONG LISTING RULES IMPLICATIONS

It is expected that the Transaction, if implemented, will constitute a notifiable transaction of the Company under the Hong Kong Listing Rules. As the consideration of the Transaction has not been finalised, the classification of the Transaction under Chapter 14 of the Hong Kong Listing Rules cannot be confirmed. Subject to the finalisation of the consideration, the Company will comply with the requirements of Chapter 14 of the Hong Kong Listing Rules.

As at the date of this announcement, China Energy is the controlling shareholder of the Company, and Western Energy is a wholly-owned subsidiary of China Energy and hence an associate of China Energy. Therefore, China Energy and Western Energy are connected persons of the Company. The Transaction, if implemented, will constitute a connected transaction of the Company under the Hong Kong Listing Rules. Subject to the finalisation of the consideration, the Company will comply with the requirements of Chapter 14A of the Hong Kong Listing Rules.

Upon confirmation of the final consideration of the Transaction, the Company will enter into a supplemental agreement with the Counterparties. The Company will comply in a timely manner with the reporting, announcement and independent Shareholders' approval requirements (if applicable) under Chapter 14 and Chapter 14A of the Hong Kong Listing Rules.

If the Transaction is implemented, the Company will comply with the relevant requirements under the Hong Kong Listing Rules in respect of the Proposed Issuance of A Shares.

GENERAL

As at the date of this announcement, the audit and valuation of the Target Companies has not been completed, so the specific price of the Target Assets has not yet been determined. The final transaction price of the Target Assets will be determined after arm's length negotiation among the parties based on the valuation results assessed by a valuation institution that meets the requirements of relevant laws and regulations and filed with the state-owned assets supervision and administration department or its authorised institution. After the completion of the above-mentioned audit and valuation, the Company will convene separate Board meeting and general meeting (if necessary) to consider the specific proposal of the Transaction, and will sign relevant supplemental agreement to clearly stipulate the final transaction price of the Target Assets.

RESUMPTION OF TRADING IN A SHARES

At the request of the Company, trading in A Shares on the SSE has been suspended from 4 August 2025 as the Transaction involves uncertainties. An application has been made by the Company to the SSE for the resumption of trading in A Shares on the SSE from 18 August 2025.

As the implementation of the Transaction is subject to the satisfaction of the relevant conditions precedent, and may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares of the Company.

I. POTENTIAL NOTIFIABLE TRANSACTION AND CONNECTED TRANSACTION RELATING TO THE ACQUISITION OF TARGET ASSETS AND THE ISSUANCE OF CONSIDERATION SHARES

1. Introduction

Reference is made to the announcement of the Company dated 1 August 2025 in relation to the proposed acquisition of assets by way of issuance of A Shares and payment in cash by the Company and raising supporting funds through A Share market.

On 15 August 2025, the Company entered into the Asset Purchase Agreement with China Energy and its wholly-owned subsidiary, Western Energy, pursuant to which, the Company conditionally agreed to (i) acquire 100% equity interest in Guoyuan Power, 100% equity interest in Xinjiang Energy, 100% equity interest in Chemical Company, 100% equity interest in Wuhai Energy, 100% equity interest in Pingzhuang Coal, 41% equity interest in Shenyan Coal, 49% equity interest in Jinshen Energy, 100% equity interest in Baotou Mining, 100% equity interest in Shipping Company, 100% equity interest in Coal Trading Company, 100% equity interest in E-commerce Company and 100% equity interest in Port Company held by China Energy by way of issuance of Consideration Shares and payment in cash; and (ii) acquire 100% equity interest in Inner Mongolia Construction Investment held by Western Energy by way of payment in cash.

As at the date of this announcement, the audit and valuation of the Target Companies has not been completed, so the specific price of the Target Assets has not yet been determined. The final transaction price of the Target Assets will be determined after arm's length negotiation among the parties based on the valuation results assessed by a valuation institution that meets the requirements of relevant laws and regulations and filed with the state-owned assets supervision and administration department or its authorised institution. After the completion of the above-mentioned audit and valuation, the Company will convene separate Board meeting and general meeting (if necessary) to consider the specific proposal of the Transaction, and will sign relevant supplemental agreement to clearly stipulate the final transaction price of the Target Assets.

2. Asset Purchase Agreement

The major terms of the Asset Purchase Agreement are set out as follows:

Date : 15 August 2025

Parties : The Company (as the buyer); and
China Energy and Western Energy (as the sellers).

Transaction Structure : The Company shall (i) acquire 100% equity interest in Guoyuan Power, 100% equity interest in Xinjiang Energy, 100% equity interest in Chemical Company, 100% equity interest in Wuhai Energy, 100% equity interest in Pingzhuang Coal, 41% equity interest in Shenyang Coal, 49% equity interest in Jinshen Energy, 100% equity interest in Baotou Mining, 100% equity interest in Shipping Company, 100% equity interest in Coal Trading Company, 100% equity interest in E-commerce Company and 100% equity interest in Port Company held by China Energy by way of issuance of Consideration Shares and payment in cash; and (ii) acquire 100% equity interest in Inner Mongolia Construction Investment held by Western Energy by way of payment in cash. The specific ratio of Consideration Shares and payment in cash shall be determined after arm's length negotiation among the parties upon the price of the Target Assets is confirmed.

Transaction Price of the Target Assets : As the audit and valuation of the Target Companies has not yet been completed, the specific price of the Target Assets has not been determined. The final transaction price of the Target Assets will be determined after arm's length negotiation among the parties based on the valuation results assessed by a valuation institution that meets the requirements of relevant laws and regulations and filed with the state-owned assets supervision and administration department or its authorised institution.

All parties shall actively cooperate in carrying out the audit and valuation of the Target Assets. The Company will convene the second Board meeting and the general meeting (if necessary) to consider the specific proposal of the Transaction within a reasonable period from the date when the valuation institution that meets the requirements of relevant laws and regulations issues a formal asset valuation report on the valuation of the Target Assets and the valuation results are filed. It will also sign relevant supplemental agreement to clearly stipulate the final transaction price of the Target Assets.

Method of Payment : The payment schedule and payment method for the cash portion of the consideration for the Target Assets under the Transaction will be separately agreed by all parties in the supplemental agreement after the transaction price is determined. The portion of the consideration for the Target Assets to be settled by Consideration Shares under the Transaction will be delivered in accordance with the closing arrangements set out below.

Issuance of Consideration Shares : The terms relating to the issuance of Consideration Shares are consistent with those set out in the preliminary plan for the issuance of Consideration Shares disclosed below.

Attribution of Profits and Losses for the Transition Period : The attribution of profits and losses of the Target Assets during the Transition Period shall be determined through separate negotiations and supplemental agreement by all parties in accordance with relevant laws, regulations or regulatory opinions after the completion of the audit and valuation of the Target Assets.

The accumulated undistributed profits (if any) before the completion of the issuance of Consideration Shares shall be jointly shared by new and existing Shareholders after the completion of the issuance of Consideration Shares, starting from the date of completion of the issuance of Consideration Shares, in proportion to their shareholdings registered with CSDC.

Closing : After the Asset Purchase Agreement becomes effective, all parties shall promptly implement the transaction proposal thereunder and actively cooperate with each other in going through all necessary closing procedures for the Transaction in accordance with the law.

The Counterparties shall, immediately after the Effective Date, procure the Target Companies to perform necessary procedures, amend the articles of association and other documents, and complete the industrial and commercial registration of change for the transfer of the Target Assets to the Company within 20 working days after the Effective Date. The Company shall, within 20 working days after the completion of the aforesaid equity transfer procedures, apply to CSDC for the registration of the Consideration Shares.

**Conditions
Precedent for
Effectiveness of
the Asset Purchase
Agreement**

: The Asset Purchase Agreement shall be established on the date when the legal representatives or authorised representatives of all parties sign and affix their seals thereto. Except for the confidentiality clauses, which shall take effect as at the date of signing the Asset Purchase Agreement, all other clauses shall come into force after all of the following conditions are satisfied:

- (1) The Transaction has been considered and approved by the Board and the general meeting of the Company;
- (2) The necessary internal approvals of the Counterparties in respect of the Transaction have been obtained;
- (3) The asset valuation report involved in the Transaction has been filed with the state-owned assets supervision and administration department or its authorised institution;
- (4) The Transaction has been approved by the state-owned assets supervision and administration department or its authorised institution;
- (5) The Transaction has been reviewed and approved by the SSE and registered and consented to by the CSRC; and
- (6) Other approvals or consents required by relevant laws and regulations (if any) have been obtained.

3. Preliminary Plan for the Issuance of Consideration Shares

Type and Par Value of Consideration Shares : Domestic listed ordinary shares denominated in RMB (A Shares) with a par value of RMB1.00 per Share, which will be listed on the SSE. The Consideration Shares, upon issuance, will rank *pari passu* in all respects with the A Shares in issue at the time of the issuance of such Consideration Shares.

Target of issuance : China Energy

Pricing Basis, Pricing Benchmark Date, and Issuance Price of Consideration Shares : Pursuant to the Administrative Measures for Restructuring, the price of the shares to be issued by the listed companies shall not be less than 80% of the market reference price of the shares. The market reference price shall be the average trading price of the shares of the listed companies over any one of the last 20 trading days, 60 trading days or 120 trading days prior to the Pricing Benchmark Date. The average trading price of the share of the company for such number of trading days prior to the Pricing Benchmark Date = Total trading amount of the shares of the company for such number of trading days prior to the Pricing Benchmark Date/Total trading volume of the shares of the company for such number of trading days prior to the Pricing Benchmark Date.

The Pricing Benchmark Date for the issuance of Consideration Shares is the date of the announcement of the resolution of the 12th meeting of the 6th Board of the Company (i.e., 16 August 2025). The average trading prices of the Shares over the last 20 trading days, 60 trading days and 120 trading days prior to the Pricing Benchmark Date (adjusted for any ex-rights and ex-dividend effects during the respective periods) are shown in the following table:

Calculation period of the average trading price of the Shares	Average trading prices (RMB/Share)	80% of the average trading prices (RMB/Share)
Last 20 trading days	38.07	30.46
Last 60 trading days	37.69	30.16
Last 120 trading days	36.17	28.94

Note: The data for 80% of the average trading prices are rounded up to the nearest two decimal places.

The issuance price of the Consideration Shares is RMB30.38 per share, which complies with the Administrative Measures for Restructuring, and shall not be lower than the audited net assets per share attributable to shareholders of the listed company as at the end of the latest period before the disclosure of the proposal for the issuance of Consideration Shares after ex-dividend adjustment by the Company.

During the period between the Pricing Benchmark Date and the Issuance Date, if there are any ex-rights or ex-dividend events of the Company, such as distribution of dividend, issue of bonus share, rights issue or capitalisation issue, the issuance price will be adjusted according to the following formula, and the calculation result will be rounded up to the nearest two decimal places. The adjustment formula for the issuance price is as follows:

In the event of bonus issue or capitalisation issue: $P1 = P0 / (1 + n)$;

In the event of rights issue: $P1 = (P0 + A \times k) / (1 + k)$;

In the event of the above two items implemented simultaneously: $P1 = (P0 + A \times k) / (1 + n + k)$;

In the event of distribution of cash dividend: $P1 = P0 - D$;

In the event that the above three items are implemented simultaneously: $P1 = (P0 - D + A \times k) / (1 + n + k)$.

Where, “P0” is the issuance price of the Consideration Shares before adjustment; “n” is the rate of bonus issue or rate of capitalisation issue; “k” is the rights issue ratio; “A” is the subscription price for the rights issue; “D” is the amount of cash dividend per share; and “P1” is the adjusted issuance price.

Except for the adjustment of the issuance price resulting from the aforesaid ex-rights and ex-dividend events, no issuance price adjustment mechanism is set for the Transaction for the time being.

Number of Share to be Issued : The number of Consideration Shares to be issued shall be determined according to the following formula: Total number of the Consideration Shares to be issued = The portion of the transaction consideration corresponding to the issuance of Consideration Shares/issuance price.

The number of new Shares to be acquired by China Energy, as calculated according to the above formula, shall be rounded down to the nearest whole Share, and any fractional Share shall be deemed as a donation to the Company and directly included in the capital reserve of the Company. The final number of the Consideration Shares to be issued shall be the number as approved by the general meeting of the Company, reviewed and approved by the SSE and registered with the CSRC. During the period between the Pricing Benchmark Date and the Issuance Date, if there are any ex-rights and ex-dividend events of the Company, such as distribution of dividend, bonus issue, rights issue or capitalisation issue, or the issuance price is adjusted according to the abovementioned issuance price adjustment mechanism, the number of Consideration Shares to be issued will also be adjusted accordingly according to the adjustment of the issue price.

Lock-up Period : China Energy shall not transfer the Shares of the Company acquired under the Transaction within 36 months from the date of the completion of the issuance of Consideration Shares. If additional Shares are allotted or issued due to, among others, the bonus issue, capitalisation issue or rights issue of the Company, any additional Shares so allotted or issued will also be subject to the above-mentioned lock-up period. However, transfers permitted under applicable laws, regulations and regulatory documents are not subject to such restrictions.

Where the closing price of the Shares of the Company is lower than the issue price for 20 consecutive trading days during the 6 months after completion of the Transaction or the closing price is lower than the issue price at the end of the 6 months after completion of the Transaction, the lock-up period of such Shares of the Company held by China Energy will be automatically extended for another 6 months.

Arrangement for Profits and Losses During the Transition Period : The audit and valuation for the Target Assets of the Transaction have not yet been completed. After the completion of the audit and valuation, the Company and China Energy will separately negotiate and determine the arrangements for the attribution, payment, etc. of the profits and losses of the Target Assets during the Transition Period in accordance with relevant regulatory provisions.

Arrangements for Accumulated Profit : The accumulated undistributed profits (if any) before the issuance of Consideration Shares shall be jointly shared by new and existing Shareholders of the Company after the issuance of Consideration Shares in proportion to their respective shareholding.

4. Information on the Parties to the Transaction and the Target Companies

Information on the Parties to the Transaction

(1) The Group

The Company is a world-leading coal-based integrated energy company. The main business of the Group includes production and sales of coal and power, railway, port and ship transportation, and coal-to-olefins and other coal related chemical processing business. As at the date of this announcement, China Energy directly holds 13,812,709,196 A Shares of the Company and indirectly holds 11,593,528 A Shares of the Company through Capital Holdings, in aggregate representing 69.5789% of the total number of issued shares of the Company.

(2) China Energy

China Energy and its subsidiaries have various industrial sectors, including coal, thermal power, new energy, hydropower, transportation, chemical, technology and environmental protection and finance, and are mainly engaged in coal production, power generation, transportation and coal based chemical processing as well as investment and financing activities. China Energy is a controlling Shareholder of the Company. The ultimate beneficial owner of China Energy is the SASAC.

(3) Western Energy

Western Energy is a company established in the PRC with limited liability in 2024 and mainly engaged in coal mining, power generation, power transmission, power supply (distribution), road freight transportation, coal washing and processing, sales of coal and coal products, etc. As at the date of this announcement, Western Energy is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

Information on the Target Companies

(1) Guoyuan Power

Guoyuan Power is a company established in the PRC with limited liability in 2008. It operates in the power, heat production, and supply industry as well as coal mining and washing industry and is mainly engaged in, among others, coal mining, washing, processing and sales, pithead coal-fired power generation business, heat supply and construction of power transmission and distribution facilities. As at the date of this announcement, Guoyuan Power is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Guoyuan Power's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	7,784,390.00	7,991,064.64	8,153,800.40	7,963,872.72
Equity attributable to equity holders of the Company	3,334,252.20	3,377,064.15	2,884,208.19	3,024,054.13
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	644,123.94	2,982,064.12	3,409,016.22	3,193,518.36
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses	64,167.77	279,095.90	(127,718.89)	137,988.29
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	64,167.77	350,954.07	294,064.13	384,237.14

Note 1: To avoid potential competition arising from the wind power generation business assets, certain wind power assets of Guoyuan Power will be excluded from the target company under the Transaction. The aforementioned financial data have been prepared based on this assumption;

Note 2: According to the arrangements of China Energy, the transfer of 100% equity interest of Guoneng Electric Power Technology Engineering Co., Ltd. (國能電力技術工程有限公司) (a subsidiary of Guoyuan Power) to other companies of China Energy is expected to be completed within 2025. The aforementioned financial data have been prepared based on this assumption;

(2) *Xinjiang Energy*

Xinjiang Energy is a company established in the PRC with limited liability in 2000. It operates in the coal mining and washing industry and is mainly engaged in, among others, coal mining, washing and processing, and sales. As at the date of this announcement, Xinjiang Energy is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Xinjiang Energy's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	3,978,906.54	3,943,956.00	3,257,407.53	2,264,555.85
Equity attributable to equity holders of the Company	1,173,023.14	1,165,099.94	1,001,666.25	791,594.57
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	343,717.11	1,863,547.53	2,010,789.76	1,893,009.29
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses	8,843.08	76,062.71	91,041.50	291,100.63
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	8,843.08	76,062.71	98,148.55	291,766.88

Note: To avoid potential competition arising from the wind power generation business assets, certain wind power assets of Xinjiang Energy will be excluded from the target company under the Transaction. The aforementioned financial data have been prepared based on this assumption;

(3) *Chemical Company*

Chemical Company is a company established in the PRC with limited liability in 2003. It operates in the petroleum, coal, and other fuel processing industry and is mainly engaged in the production, processing, and sale of coal chemical products, as well as the businesses related to the clean conversion and utilisation of coal. As at the date of this announcement, Chemical Company is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Chemical Company's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	3,887,095.30	3,702,681.20	3,644,493.45	3,790,098.69
Equity attributable to equity holders of the Company	1,733,916.97	1,748,618.98	1,676,644.99	1,624,197.95
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	515,132.41	2,642,897.55	2,565,089.99	2,798,223.93
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses	(22,729.56)	66,881.12	50,455.24	213,998.67
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	(22,729.56)	158,525.49	50,455.24	213,998.67

Note: The Chemical Company's loss in the first quarter of 2025 was due to the suspension of production for the second-generation process upgrade of its coal-to-oil units, and there are no obstacles to subsequent resumption of operations.

(4) *Wuhai Energy*

Wuhai Energy is a company established in the PRC with limited liability in 2002. It operates in the coal mining and washing industry and is mainly engaged in coal mining, washing and processing, and sales. As at the date of this announcement, Wuhai Energy is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Wuhai Energy's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	2,405,867.98	2,368,381.43	2,227,649.44	2,002,905.34
Equity attributable to equity holders of the Company	1,177,215.08	1,156,932.24	994,921.92	969,809.96
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	140,100.79	971,655.71	1,072,178.02	1,337,796.88
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses	1,995.95	152,366.29	(875.93)	419,549.66
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	1,995.95	152,374.95	75,430.69	419,731.24

(5) *Pingzhuang Coal*

Pingzhuang Coal is a company established in the PRC with limited liability in 2000. It operates in the coal mining and washing industry and is mainly engaged in coal mining, washing and processing, and sales. As at the date of this announcement, Pingzhuang Coal is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Pingzhuang Coal's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	4,013,889.13	3,839,566.39	3,802,785.20	3,737,081.08
Equity attributable to equity holders of the Company	334,424.03	307,922.43	619,210.94	595,392.52
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	341,806.66	1,457,625.32	1,455,088.43	1,552,889.65
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses	10,677.82	15,311.13	22,788.43	(27,583.13)
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	10,677.82	21,411.22	22,884.79	58,431.24

(6) *Inner Mongolia Construction Investment*

Inner Mongolia Construction Investment is a company established in the PRC with limited liability in 2005. It operates in the power, heat production and supply industry as well as coal mining and washing industry and is mainly engaged in pithead coal-fired power generation, heat supply, and coal mining, washing, processing, and sales. As at the date of this announcement, Inner Mongolia Construction Investment is a wholly-owned subsidiary of Western Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Inner Mongolia Construction Investment's unaudited financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	1,489,206.71	1,470,086.35	1,457,640.38	1,549,042.20
Equity/(deficit) attributable to equity holders of the Company	(190,184.06)	(224,062.26)	483,720.45	533,172.45
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	125,191.79	309,983.37	269,845.41	724,993.58
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses	25,242.34	(73,426.60)	(45,830.47)	264,692.50
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	25,242.34	(73,426.60)	(45,830.47)	268,822.92

Note: Inner Mongolia Construction Investment's losses in 2023 and 2024, as well as current deficit attributable to equity holders of the Company, were due to factors such as prior production suspensions. Operations have since resumed, and achieved profitability in the first quarter of 2025.

(7) *Shenyan Coal*

Shenyan Coal is a company established in the PRC with limited liability in 2009. It operates in the coal mining and washing industry and is mainly engaged in coal mining, washing and processing, and sales. As at the date of this announcement, Shenyan Coal is held by China Energy, Shaanxi Yanchang Petroleum Mining Co., Ltd.* (陝西延長石油礦業有限責任公司), Shenmu State-Owned Capital Investment and Operation Group Co., Ltd.* (神木市國有資本投資運營集團有限公司), Shaanxi Yushen Energy Development and Construction Group Co., Ltd.* (陝西榆神能源開發建設集團有限公司), and Yulin Yuyang District Energy Investment Co., Ltd.* (榆林市榆陽區能源投資有限責任公司) as to approximately 41.00%, 39.00%, 7.50%, 7.00%, and 5.50% equity interest, respectively. The ultimate beneficial owners of China Energy and Shaanxi Yanchang Petroleum Mining Co., Ltd. are the SASAC and the State-owned Assets Supervision and Administration Commission of the People's Government of Shaanxi Province, respectively.

The key financial data of Shenyan Coal's unaudited financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	1,093,163.26	1,011,537.63	995,584.36	1,058,181.87
Equity attributable to equity holders of the Company	856,982.13	788,695.33	537,059.51	870,877.46
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	161,571.61	714,189.58	688,525.77	716,839.94
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses	64,456.62	255,249.13	242,070.57	320,541.31
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	64,456.62	255,249.13	242,070.57	320,541.31

(8) *Jinshen Energy*

Jinshen Energy is a company established in the PRC with limited liability in 2004. It operates in the coal mining and washing industry and is mainly engaged in coal mining, washing, processing and sales, and a small amount of coal distribution. As at the date of this announcement, Jinshen Energy is held by Shanxi Coal Transportation and Sales Group Co., Ltd.* (山西煤炭運銷集團有限公司) and China Energy as to 51.00% and 49.00% equity interest, respectively. The ultimate beneficial owners of Shanxi Coal Transportation and Marketing Group Co., Ltd. and China Energy are the State-owned Assets Supervision and Administration Commission of the People's Government of Shanxi Province and the SASAC, respectively.

The key financial data of Jinshen Energy's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	944,838.18	945,625.93	925,234.57	907,552.29
Equity attributable to equity holders of the Company	682,365.82	665,871.23	659,366.34	614,489.40
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	152,240.96	336,991.77	1,196,143.73	708,254.36
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses	6,529.17	38,725.90	136,673.03	166,626.22
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	6,529.17	38,725.90	137,575.10	166,626.22

(9) *Baotou Mining*

Baotou Mining is a company established in the PRC with limited liability in 1980. It operates in the road transportation industry and is mainly engaged in road transportation. As at the date of this announcement, Baotou Mining is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Baotou Mining's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	576,036.25	573,017.91	547,574.94	159,559.03
Equity attributable to equity holders of the Company	519,810.50	517,123.72	136,957.42	124,904.69
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	3,405.63	13,249.64	16,772.20	18,173.87
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses	2,686.05	(25,523.50)	3,808.67	(2,371.48)
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	2,686.05	(18,061.81)	3,808.67	(2,371.48)

(10) *Shipping Company*

Shipping Company is a company established in the PRC with limited liability in 2023. It operates in the water transportation industry and is mainly engaged in water transportation. As at the date of this announcement, Shipping Company is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Shipping Company's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	483,132.34	372,954.98	232,170.50	—
Equity attributable to equity holders of the Company	166,640.61	111,073.89	92,619.36	—
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	92,434.08	409,100.71	248,828.78	—
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses	3,463.56	18,463.25	(7,722.61)	—
Profit/(loss) attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	3,463.56	21,978.16	(7,420.04)	—

(11) Coal Trading Company

Coal Trading Company is a company established in the PRC with limited liability in 1985. It operates in the wholesale industry and is mainly engaged in coal sales and import/export, comprehensive utilisation and deep processing of coal, etc. As at the date of this announcement, Coal Trading Company is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Coal Trading Company's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	373,207.57	194,042.84	99,926.12	51,717.75
Equity attributable to equity holders of the Company	82,045.28	80,563.93	48,565.29	44,501.59
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	63,219.77	1,204,172.37	531,198.07	357,548.94
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses	1,532.83	4,990.89	4,062.25	4,398.15
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	1,532.83	4,990.89	4,062.25	4,398.15

(12) *E-Commerce Company*

E-Commerce Company is a company established in the PRC with limited liability in 2019. It operates in the internet and related services industry and is mainly engaged in industrial internet data services, supply chain management services, and others. As at the date of this announcement, E-Commerce Company is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of E-Commerce Company's unaudited financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	24,791.45	24,590.85	11,307.88	9,087.13
Equity attributable to equity holders of the Company	18,813.79	18,312.39	10,686.10	8,035.53
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	3,055.58	18,350.85	6,083.59	5,210.83
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses	501.40	7,617.36	2,832.39	2,736.76
Profit attributable to equity holders of the Company after deducting non-recurring gains or losses, excluding the impairment losses of non-current assets	501.40	7,617.36	2,832.39	2,736.76

(13) Port Company

Port Company is a company established in the PRC with limited liability in 2023. It operates in the cargo handling and warehousing industry and is mainly engaged in coal storage and transportation, port cargo handling, ship agency services, and supply chain management. As at the date of this announcement, Port Company is a wholly-owned subsidiary of China Energy and its ultimate beneficial owner is the SASAC.

The key financial data of Port Company's unaudited consolidated financial statements for the three financial years ended 31 December 2024 and the three months ended 31 March 2025, prepared in accordance with the PRC Accounting Standards for Business Enterprises are set out below:

Unit: RMB10,000

	As at 31 March 2025 (Unaudited)	As at 31 December 2024 (Unaudited)	As at 31 December 2023 (Unaudited)	As at 31 December 2022 (Unaudited)
Total assets	22,028.42	18,043.00	12,396.18	–
Equity attributable to equity holders of the Company	16,443.02	15,152.68	10,766.00	–
	Three months ended 31 March 2025 (Unaudited)	Year ended 31 December 2024 (Unaudited)	Year ended 31 December 2023 (Unaudited)	Year ended 31 December 2022 (Unaudited)
Revenue	3,964.62	12,744.65	4,229.46	–
Profit attributable to equity holders of the Company after deducting non- recurring gains or losses	1,258.70	4,420.82	766.00	–
Profit attributable to equity holders of the Company after deducting non- recurring gains or losses, excluding the impairment losses of non-current assets	1,258.70	4,420.82	766.00	–

II. PROPOSED ISSUANCE OF A SHARES TO RAISE SUPPORTING FUNDS

The Company proposes to issue New A Shares to no more than 35 qualified specific investors. The total amount of supporting funds to be raised shall not exceed 100% of the price for the Transaction and the number of New A Shares to be issued shall not exceed 30% of the total share capital of the Company upon completion of the issuance of Consideration Shares. All target subscribers shall subscribe for New A Shares to be issued under the Proposed Issuance of A Shares at the same price in cash. After review by the SSE and registration approval by the CSRC, the number of A Shares to be issued will be determined based on the results of price inquiry.

The Proposed Issuance of A Shares is conditional on the implementation of the Transaction while the Transaction is not conditional on the completion of the Proposed Issuance of A Shares.

The details of the Proposed Issuance of A Shares are as follows:

Type and Par Value of Shares to be Issued	:	Domestic listed ordinary shares denominated in RMB (A Shares) with a par value of RMB1.00 per Share, which will be listed on the SSE. New A Shares to be issued will rank <i>pari passu</i> in all respects with the A Shares in issue at the time of the issuance of such New A Shares.
Issue Method, Target Subscriber, and Subscription Method	:	The Company intends to issue New A Shares to no more than 35 specific subscribers by way of price enquiry to raise supporting funds. The target subscribers are legal persons, natural persons, or other legitimate investment organisations that meet the conditions specified by the CSRC.
Pricing Basis, Pricing Benchmark Date and Issuance Price for Shares to be Issued	:	The pricing benchmark date for the Proposed Issuance of A Shares is the first day of the issuance period of New A Shares. The issuance price will not be less than 80% of the average trading price of the Company's A Shares for the 20 trading days prior to the pricing benchmark date, and shall not be less than the Company's latest audited net assets per Share attributable to shareholders of the listed company (subject to corresponding adjustments if the Company has any ex-rights and ex-dividend events, such as distribution of dividend, bonus issue, capitalisation issue or rights issue, during the period from the balance sheet date for its latest audited financial report to the pricing benchmark date). After the Proposed Issuance of A Shares has been reviewed by the SSE and registered and consented with the CSRC, the specific issuance price will be determined by the Board with the authorisation of the general meeting in accordance with the requirements of the relevant laws, administrative regulations and normative documents and in consultation with the financial adviser (being lead underwriter) for the Proposed Issuance of A Shares based on price enquiry.

Number of Shares to be Issued : The number of New A Shares to be issued = The amount of supporting funds to be raised ÷ The issuance price per New A Share. If the calculation result of the number of Shares to be issued is less than one Share, it shall be rounded down.

The Company intends to issue New A Shares to no more than 35 qualified specific investors by way of price enquiry to raise supporting funds. The total amount of supporting funds to be raised shall not exceed 100% of the price for the Transaction and the number of New A Shares to be issued shall not exceed 30% of the total share capital of the Company upon completion of the Transaction. All target subscribers shall subscribe for New A Shares to be issued under the Proposed Issuance of A Shares at the same price in cash. After being reviewed by the SSE and registered with the CSRC, the number of shares to be issued under the Proposed Issuance of A Shares will be determined based on the results of price inquiry.

Lock-up Period : The target subscribers under the Proposed Issuance of A Shares shall not transfer the New A Shares within six months from the completion date of issuance of the New A Shares. From the listing date of the A Shares issued to the unlocking date of such shares, if the target subscribers acquire additional Shares of the Company as a result of the ex-rights and ex-dividend events of the Company, such as capitalisation of capital reserve, capitalisation of retained profit, share split, merger, rights issue, and distribution of dividend, any such additional Shares shall also be subject to the above lock-up arrangement.

Use of Proceeds to be Raised : The supporting funds to be raised from the Proposed Issuance of A Shares, after deducting relevant transaction fees, may be used to pay the cash consideration for the Transaction, to pay taxes and charges, personnel settlement expenses and other merger and integration expenses related to the Transaction, and to invest in the construction of projects under construction of the Target Assets, and may also be used to replenish the working capital of the Company and the Target Assets, repay debts, and for other purposes. Further announcement(s) will be made by the Company in respect of the specific use and amount of the proceeds to be raised.

The Transaction is not conditional on the implementation of the Proposed Issuance of A Shares and its implementation is also not subject to whether or not New A Shares are ultimately issued to raise supporting funds. If the Company fails in successfully implementing the Proposed Issuance of A Shares to raise supporting funds or the actual proceeds raised is less than the fund requirements for the use of proceeds to be raised, the Company will address the shortfall through its own or self-financing funds.

III. REASONS FOR AND BENEFITS OF THE TRANSACTION AND THE PROPOSED ISSUANCE OF A SHARES

1. The Transaction

(1) Background of the Transaction

The coal industry has entered a new stage of high-quality development: As the “ballast stone” for national energy security, coal plays an important role in the supply assurance system. In its Guiding Opinions on Energy Work (《能源工作指導意見》) for 2025, the National Energy Administration proposed enhancing intensive and large-scale development, promoting the construction of coal supply assurance bases, and further advancing clean and efficient utilisation and intelligent development, marking the industry’s entry into a new stage of safe, intelligent and green development. The Company’s mergers and acquisitions (M&A) and restructuring will help integrate resources, build a resilient supply system, and promote transformation and upgrading.

Favourable policy and market environment for M&A and restructuring: In recent years, the CPC Central Committee and the State Council have attached great importance to capital market reform and the improvement of the quality of listed companies. Accordingly, the authorities have issued policies such as the Opinions on Further Improving the Quality of Listed Companies (《關於進一步提高上市公司質量的意見》) and the Several Opinions on Strengthening Supervision and Preventing Risks to Promote the High-quality Development of the Capital Market (《關於加強監管防範風險推動資本市場高質量發展的若干意見》), which encourage listed companies to focus on their principal businesses and integrate premium resources. In September 2024, the CSRC issued the Opinions on Deepening the Reform of the M&A and Restructuring Market of Listed Companies (《關於深化上市公司併購重組市場改革的意見》) to support the consolidation of listed companies in line with the country’s strategic emerging industries and industry chains, and in May 2025 revised the Administrative Measures for the Restructuring (《重組管理辦法》) to streamline the review and registration processes. The SASAC has also reiterated on multiple occasions that central state-owned enterprises (“SOEs”) should focus on their principal businesses and promote M&A and restructuring activities that are conducive to enhancing investment value.

Mature conditions for non-competition commitment: Since 2005, China Energy and the Company have entered into multiple Non-Competition Agreements and relevant supplemental agreement, which set out the arrangements and deadline (27 August 2028) for asset injection. As at the date of this announcement, the Company has progressively completed a series of asset consolidations related to the avoidance of competition, achieving phased progress in the relevant integration efforts. Currently, the remaining assets within the scope of China Energy’s commitment that have not yet been injected have largely met the conditions for injection. The Transaction is an important move by China Energy to honour its commitments to the capital market and further resolve the issue of competition in the same industry.

(2) *Purposes of the Transaction*

Act on energy security strategies and improve the supply assurance system: The Company will consolidate the assets of resource bases in Xinjiang, Inner Mongolia, Shaanxi and Shanxi as well as port shipping and logistics assets, to boost collaboration among regions, enhance emergency supply capabilities during critical periods such as summer (for cooling) and winter (for heating), and shape a more reliable national system for emergency energy assurance.

Act on reform requirements and serve as a model for central SOE restructuring: The Company will invest in the premium coal, pithead coal power and coal chemical assets of China Energy. The move will consolidate and optimise resources across the industry chain, lift asset quality, economies of scale, risk resilience and profitability, demonstrate the support of the controlling shareholder, and serve as a model for SOE restructuring.

Address competition in the same industry and protect minority shareholders: The Company will make a one-off injection of premium core assets to eliminate business overlaps with the controlling shareholder, enhance scale and profitability, regulate the governance structure, and effectively safeguard the legitimate rights and interests of minority shareholders.

Enhance core functions and competitiveness: The Company will consolidate the coal, pithead coal power, coal chemical, and logistics business, improve resource reserves and core production capacity, optimise the layout across the industry chain, and pursue lower costs and higher profitability. As such, the Company will deliver the “1+1>2” effect and help build a world-class integrated energy firm as a competitive listed company on the global stage.

2. *Proposed Issuance of A Shares*

The proceeds from the Proposed Issuance of A Shares will be used to pay the cash consideration for the Transaction, to pay taxes and charges, personnel settlement expenses and other merger and integration expenses related to the Transaction, and to invest in the construction of projects under construction of the Target Assets, replenish the working capital of the Company and the Target Assets, repay debts, and for other purposes, so as to improve the overall financial position and drive the Group’s future development.

IV. *IMPACT ON THE COMPANY’S EQUITY STRUCTURE*

The Transaction and the Proposed Issuance of A Shares are not expected to result in any change in the Company’s controlling shareholder and actual controller, which will remain China Energy and SASAC, respectively. As at the date of this announcement, both the valuation of the Target Assets and the specifics of the Company’s A share issuance have yet to be determined. In addition, the specific changes in the Company’s shareholding structure before and after the Transaction cannot yet be calculated accurately. As such, the Company will convene another Board meeting after completing the audit, valuation and other related work, and will disclose the impact of the Transaction on the Company’s equity structure in a separate announcement.

V. FINANCIAL IMPACT OF THE TRANSACTION

Upon the completion of the Transaction, the Company's asset size and business strength will be significantly enhanced, with a marked rise in key financial indicators such as total assets, net assets and revenue. This will lead to higher asset quality and profitability for the Company. Among the Target Companies, except for Jinshen Energy, the others will become subsidiaries of the Company and will be included in the Group's consolidated financial statements. Given its 49% shareholding held by the Company, Jinshen Energy will not be included in the consolidated financial statements, and its results will be accounted for using the equity method.

As the audit and valuation regarding the Transaction have yet to be completed, the specific financial data have not been determined. The Company will convene another Board meeting after completing the audit, valuation and other related work, and will disclose the specific impact of the Transaction on the Company's financial position and profitability in a separate announcement.

VI. HONG KONG LISTING RULES IMPLICATIONS

It is expected that the Transaction, if implemented, will constitute a notifiable transaction of the Company under the Hong Kong Listing Rules. As the consideration of the Transaction has not been finalised, the classification of the Transaction under Chapter 14 of the Hong Kong Listing Rules cannot be confirmed. Subject to the finalisation of the consideration, the Company will comply with the requirements of Chapter 14 of the Hong Kong Listing Rules.

As at the date of this announcement, China Energy is the controlling shareholder of the Company, and Western Energy is a wholly-owned subsidiary of China Energy and hence an associate of China Energy. Therefore, China Energy and Western Energy are connected persons of the Company. The Transaction, if implemented, will constitute a connected transaction of the Company under the Hong Kong Listing Rules. Subject to the finalisation of the consideration, the Company will comply with the requirements of Chapter 14A of the Hong Kong Listing Rules.

Upon confirmation of the final consideration of the Transaction, the Company will enter into a supplemental agreement with the Counterparties. The Company will comply in a timely manner with the reporting, announcement and independent Shareholders' approval requirements (if applicable) under Chapter 14 and Chapter 14A of the Hong Kong Listing Rules.

If the Transaction is implemented, the Company will comply with the relevant requirements under the Hong Kong Listing Rules in respect of the Proposed Issuance of A Shares.

VII. BOARD APPROVAL

The Board resolved and approved the Transaction and the Proposed Issuance of A Shares on 15 August 2025. Among the Directors present at the Board meeting, Abstained Directors were deemed to have a material interest in the Transaction and the Proposed Issuance of A Shares due to their employment with China Energy, and therefore abstained from voting on the relevant resolutions. The Directors (including the independent non-executive Directors) consider that the Transaction and the Proposed Issuance of A Shares will be conducted on normal commercial terms, that the terms and conditions of the relevant agreements are fair and reasonable, and that they are in the interests of the Company and its Shareholders as a whole.

VIII. FUND-RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not conducted any fund-raising activities during the period of 12 months preceding the date of this announcement.

IX. GENERAL

As at the date of this announcement, the audit and valuation of the Target Companies has not been completed, so the specific price of the Target Assets has not yet been determined. The final transaction price of the Target Assets will be determined after arm's length negotiation among the parties based on the valuation results assessed by a valuation institution that meets the requirements of relevant laws and regulations and filed with the state-owned assets supervision and administration department or its authorised institution. After the completion of the above-mentioned audit and valuation, the Company will convene separate Board meeting and general meeting (if necessary) to consider the specific proposal of the Transaction, and will sign relevant supplemental agreement to clearly stipulate the final transaction price of the Target Assets.

X. RESUMPTION OF TRADING IN A SHARES

At the request of the Company, trading in A Shares on the SSE has been suspended from 4 August 2025 as the Transaction involves uncertainties. An application has been made by the Company to the SSE for the resumption of trading in A Shares on the SSE from 18 August 2025.

As the implementation of the Transaction is subject to the satisfaction of the relevant conditions precedent, and may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares of the Company.

XI. DEFINITIONS

“A Share(s)”	the domestic shares denominated in RMB and listed on the SSE that are issued to domestic investors by the Company
“Abstained Directors”	Mr. Kang Fengwei and Mr. Li Xinhua, who had abstained from voting as Directors on the relevant board resolution(s) relating to the Transaction and the proposed issuance of A Shares
“Administrative Measures for Restructuring”	Administrative Measures for Major Asset Restructuring of Listed Companies
“Asset Purchase Agreement”	the asset purchase agreement for the acquisition by way of share issuance and cash payment entered into between the Company and China Energy and Western Energy on 15 August 2025, pursuant to which the Company conditionally agreed to acquire the Target Assets through issuance of Shares and cash payments
“associate(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Baotou Mining”	China Energy Baotou Mining Co., Ltd.
“Board”	the board of directors
“Capital Holdings”	China Energy Capital Holdings Co., Ltd.
“Chemical Company”	China Shenhua Coal Liquefaction and Chemical Company Limited
“China Energy”	China Energy Investment Corporation Limited (國家能源投資集團有限責任公司), the controlling Shareholder of the Company as defined under the Hong Kong Listing Rules, and one of the Counterparties to the Transaction
“Closing Date”	the date on which China Energy and Western Energy deliver the Target Assets to the Company, which shall be determined by negotiation among the parties; all rights, obligations and risks of the Target Assets will be transferred to the Company from the Closing Date
“Coal Trading Company”	Shenhua Coal Trading Co., Ltd.

“Company”	China Shenhua Energy Company Limited (中國神華能源股份有限公司), a joint stock limited company incorporated under the laws of the PRC, the H shares of which are listed on the Hong Kong Stock Exchange and the A shares of which are listed on the Shanghai Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“connected transaction(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Consideration Shares”	the New A Shares to be issued to China Energy by the Company as partial consideration for the Target Assets (excluding the 100% equity interest in Inner Mongolia Construction Investment) under the Asset Purchase Agreement
“controlling shareholder(s)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Counterparties”	China Energy and Western Energy
“CSDC”	Shanghai Branch of China Securities Depository and Clearing Corporation Limited
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“E-Commerce Company”	China Energy E-commerce Co., Ltd.
“Effective Date”	the date on which all the conditions precedent agreed in the Asset Purchase Agreement are satisfied
“Group”	the Company and its subsidiaries
“Guoyuan Power”	Guoyuan Electric Power Co., Ltd.
“H Share(s)”	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Inner Mongolia Construction Investment”	Guodian Construction and Investment Inner Mongolia Energy Co., Ltd.
“Jinshen Energy”	Shanxi Province Jinshen Energy Co., Ltd.
“New A Shares”	A Shares to be issued by the Company under the proposed issuance of A Shares
“Non-Competition Agreement and Relevant Supplemental Agreements”	the Non-Competition Agreement dated 24 May 2005, the Supplemental Agreement to the Non-Competition Agreement dated 27 April 2018, and the Second Supplemental Agreement to the Non-Competition Agreement dated 28 April 2023, each entered into between the Company and China Energy, together with the non-competition undertaking made by China Energy on 27 June 2014. For details, please refer to the Company’s H-share announcements dated 27 June 2014, 2 March 2018 and 28 April 2023
“Pingzhuang Coal”	Inner Mongolia Pingzhuang Coal (Group) Co., Ltd.
“pithead coal power”	an energy conversion model of “local coal mining, local power generation, and substituting coal transportation with power transmission” achieved through coal-fired power plants constructed near coal mining areas (typically within ≤50 kilometers) that utilise conveyor belts, short-haul rail or road transport for coal delivery
“Port Company”	China Energy Port Co., Ltd.
“PRC”	the People’s Republic of China
“Pricing Benchmark Date”	the pricing benchmark date of the issuance of Consideration Shares, which is the announcement date of the resolutions passed at the twelfth meeting of the sixth session of the Board of the Company, i.e. 16 August 2025
“RMB”	the lawful currency of the PRC

“SASAC”	the State-owned Assets Supervision and Administration Commission of the State Council (國務院國有資產監督管理委員會)
“Share(s)”	the ordinary shares of RMB1.00 each in the share capital of the Company, comprising A Share(s) and H Share(s)
“Shareholder(s)”	the shareholder(s) of the Company
“Shenyan Coal”	China Energy Shaanxi Shenyan Coal Co., Ltd.
“Shipping Company”	China Energy Shipping Co., Ltd.
“SSE”	the Shanghai Stock Exchange
“State Council”	the State Council of the People’s Republic of China
“subsidiary(ies)”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“Target Assets”	100% equity interests in Guoyuan Power, 100% equity interests in Xinjiang Energy, 100% equity interests in Chemical Company, 100% equity interests in Wuhai Energy, 100% equity interests in Pingzhuang Coal, 100% equity interests in Inner Mongolia Construction Investment, 41% equity interests in Shenyan Coal, 49% equity interests in Jinshen Energy, 100% equity interests in Baotou Mining, 100% equity interests in Shipping Company, 100% equity interests in Coal Trading Company, 100% equity interests in E-Commerce Company and 100% equity interests in Port Company
“Target Companies”	Guoyuan Power, Xinjiang Energy, Chemical Company, Wuhai Energy, Pingzhuang Coal, Inner Mongolia Construction Investment, Shenyan Coal, Jinshen Energy, Baotou Mining, Shipping Company, Coal Trading Company, E-Commerce Company and Port Company, Shipping Company
“Transaction”	the acquisition of the Target Assets by the Company through the issuance of Consideration Shares and/or cash payments under the Asset Purchase Agreement

“Transition Period”	the period from the Valuation Benchmark Date (excluding the Valuation Benchmark Date) to the Closing Date (including the Closing Date)
“Valuation Benchmark Date”	the benchmark date for auditing and evaluating the Target Assets, as agreed upon by all parties for the implementation of the Transaction
“Western Energy”	China Energy Western Energy Investment Co., Ltd., one of the Counterparties to the Transaction
“Wuhai Energy”	China Energy Wuhai Coal Group Corporation Limited
“Xinjiang Energy”	China Energy Xinjiang Energy & Chemical Co., Ltd.
“%”	per cent.

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

Beijing, 15 August 2025

As at the date of this announcement, the Board comprises the following: Mr. Zhang Changyan as executive director, 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.