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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your shares in **China Coal Energy Company Limited**, you should at once hand this circular together with the accompanying form of proxy to the purchaser(s) or the transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).



CHINA COAL ENERGY COMPANY LIMITED*

中國中煤能源股份有限公司

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

(Stock code: 01898)

**CONTINUING CONNECTED TRANSACTIONS
PROPOSED REVISION OF
THE 2021 INTEGRATED MATERIALS AND SERVICES MUTUAL
PROVISION FRAMEWORK AGREEMENT AND
THE 2021 COAL SUPPLY FRAMEWORK AGREEMENT AND
THE ANNUAL CAPS FOR RELEVANT TRANSACTIONS
THEREUNDER FOR THE TWO YEARS ENDING 31 DECEMBER 2023
PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION AND SEVERAL PROCEDURES
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING AND
H SHAREHOLDERS' CLASS MEETING**

**Independent Financial Adviser of Independent Board Committee
and Independent Shareholders**



Gram Capital Limited
嘉林資本有限公司

An EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting of the Company are to be held at 3:00 p.m, 3:15 p.m and 3:30 p.m respectively on Thursday, 25 August 2022 at China Coal Building, No. 1 Huangsidajie, Chaoyang District, Beijing, the PRC and notices of the EGM and H Shareholders' Class Meeting are set out on pages 167 to 170 and pages 171 to 173 of this circular respectively.

If you intend to appoint a proxy to attend the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting, please complete and return the respective proxy form of each meeting in accordance with the instructions printed thereon as soon as practicable and in any event no less than 24 hours before the respective time appointed for the holding of the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting or any adjournment thereof, and deposit it with Computershare Hong Kong Investor Services Limited, the H Shares registrar and transfer office of the Company in Hong Kong, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in the case of holders of H Shares); or to the registered office of the Company at No. 1 Huangsidajie, Chaoyang District, Beijing, 100120, the PRC (in the case of holders of A Shares). Completion and return of the form(s) of proxy will not preclude you from attending and voting at the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting or any adjournment thereof should you so desire.

Whether you intend to attend the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting in person or by proxy, you are required to complete and return the reply slip of each meeting to Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in the case of holders of H Shares) on or before Friday, 5 August 2022; or to the registered office of the Company at No. 1 Huangsidajie, Chaoyang District, Beijing, 100120, the PRC (in the case of holders of A Shares).

* For identification purpose only

TABLE OF CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	5
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	31
LETTER FROM GRAM CAPITAL	33
APPENDIX I – GENERAL INFORMATION	50
APPENDIX II – DETAILS OF PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION	54
APPENDIX III – DETAILS OF PROPOSED AMENDMENTS TO SEVERAL PROCEDURES	96
NOTICE OF EXTRAORDINARY GENERAL MEETING	167
NOTICE OF H SHAREHOLDERS’ CLASS MEETING	171

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“A Share(s)”	the domestic ordinary share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Shanghai Stock Exchange and traded in Renminbi
“A Shareholders’ Class Meeting”	the 2022 first class meeting of the holders of A Shares of the Company to be held at 3:15 p.m. on Thursday, 25 August 2022 at China Coal Building, No. 1 Huangsidajie, Chaoyang District, Beijing, the PRC
“associate”	has the meaning ascribed to it under the Hong Kong Listing Rules and SSE Listing Rules
“Board”	the board of Directors of the Company
“China Coal Group” or “Parent”	China National Coal Group Corporation (中國中煤能源集團有限公司), a state-owned enterprise established under the laws of the PRC and the controlling shareholder of the Company
“Company”	China Coal Energy Company Limited (中國中煤能源股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the Hong Kong Stock Exchange under the stock code of 01898 and the A Shares of which are listed on the Shanghai Stock Exchange under the stock code of 601898
“connected person”	has the meaning ascribed to it under the Hong Kong Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the 2022 first extraordinary general meeting of the Company to be held at 3:00 p.m. on Thursday, 25 August 2022 at China Coal Building, No. 1 Huangsidajie, Chaoyang District, Beijing, the PRC
“Enlarged Parent Group”	The Parent Group and Guoyuan Group

DEFINITIONS

“Group”	the Company and its subsidiaries
“Guoyuan”	Guoyuan Times Coal Asset Management Co., Ltd., a state-owned enterprise established under the laws of the PRC, is a central enterprise coal asset management platform. As at the Latest Practicable Date, it was a 29% participating company of China Coal Group through its subsidiary China Coal Resources Development Group Company Limited
“Guoyuan Group”	Guoyuan and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company, which are listed on the Hong Kong Stock Exchange and traded in Hong Kong dollars
“H Shareholders’ Class Meeting”	the 2022 first class meeting of the holders of H Shares of the Company to be held at 3:30 p.m. on Thursday, 25 August 2022 at China Coal Building, No. 1 Huangsidajie, Chaoyang District, Beijing, the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited amended from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Board Committee”	an independent board committee comprising all of the independent non-executive Directors of the Board, who have no material interest in the Supplementary Agreements and Proposed Revision of Annual Caps, namely Zhang Ke, Zhang Chengjie, and Leung Chong Shun, which was established to advise the Independent Shareholders in relation to the Supplementary Agreements and Proposed Revision of Annual Caps
“Independent Financial Adviser” or “Gram Capital”	Gram Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to Supplementary Agreements and Proposed Revision of Annual Caps

DEFINITIONS

“Independent Shareholders”	shareholders of the Company who have no material interest in the Supplementary Agreements and Proposed Revision of Annual Caps and thus are not required to abstain from voting on the relevant resolutions to be proposed at the EGM under the Hong Kong Listing Rules
“Latest Practicable Date”	Wednesday, 6 July 2022, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Parent Group”	the Parent and its associates (excluding the Group)
“Proposed Revision of Annual Caps”	the proposed revision of the annual caps for the two years ending 31 December 2023 for the provision of materials and ancillary services and of the exclusive coal export-related services to the Enlarged Parent Group by the Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement and for the transactions under the Revised Coal Supply Framework Agreement
“Renminbi” or “RMB”	Renminbi, the lawful currency of the PRC
“Revised Coal Supply Framework Agreement”	2021 Coal Supply Framework Agreement and the Supplementary Agreement to the Coal Supply Framework Agreement
“Revised Integrated Materials and Services Mutual Provision Framework Agreement”	2021 Integrated Materials and Services Mutual Provision Framework Agreement and the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement
“SASAC”	the State-owned Assets Supervision and Administration Commission to the State Council
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s), including A Shares and H Shares
“Shareholder(s)”	the shareholder(s) of the Company, including holder(s) of H Shares and holder(s) of A Shares

DEFINITIONS

“SSE Listing Rules”	The Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (《上海證券交易所股票上市規則》) amended from time to time
“subsidiary”	has the meaning ascribed to it under the Hong Kong Listing Rules and the SSE Listing Rules
“substantial shareholders”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Supplementary Agreements”	the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement and the Supplementary Agreement to the Coal Supply Framework Agreement
“Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement”	the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement dated 5 July 2022 and entered between the Company and the Parent
“Supplementary Agreement to the Coal Supply Framework Agreement”	the Supplementary Agreement to the Coal Supply Framework Agreement dated 5 July 2022 and entered between the Company and the Parent
“2018 Integrated Materials and Services Mutual Provision Framework Agreement”	the integrated materials and services mutual provision framework agreement dated 27 April 2017 and entered into between the Company and the Parent
“2021 Integrated Materials and Services Mutual Provision Framework Agreement”	the integrated materials and services mutual provision framework agreement dated 28 April 2020 and entered into between the Company and the Parent
“2021 Coal Supply Framework Agreement”	the coal supply framework agreement dated 28 April 2020 and entered into between the Company and the Parent
“%”	percent

LETTER FROM THE BOARD



CHINA COAL ENERGY COMPANY LIMITED*

中國中煤能源股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 01898)

Executive Directors:

Wang Shudong
Peng Yi

Non-executive Directors:

Zhao Rongzhe
Xu Qian

Independent Non-executive Directors:

Zhang Ke
Zhang Chengjie
Leung Chong Shun

Registered office:

Huangsidajie No. 1
Chaoyang District
Beijing, 100120, China

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in Hong Kong:*

Room 2608, 26th Floor
Office Tower
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1 Harbour Road
Wan Chai
Hong Kong

11 July 2022

To the Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS
PROPOSED REVISION OF
THE 2021 INTEGRATED MATERIALS AND SERVICES MUTUAL
PROVISION FRAMEWORK AGREEMENT AND
THE 2021 COAL SUPPLY FRAMEWORK AGREEMENT AND
THE ANNUAL CAPS FOR RELEVANT TRANSACTIONS
THEREUNDER FOR THE TWO YEARS ENDING 31 DECEMBER 2023
PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION
AND SEVERAL PROCEDURES**

I. INTRODUCTION

Reference is made to (i) the announcement of the Company dated 28 April 2020 and the circular of the Company dated 29 April 2020, in relation to, among others, the renewal of the continuing connected transactions under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement and the 2021 Coal Supply Framework Agreement between the Company and the Parent and the revision of the annual caps for the three years ending 31 December 2023 for the continuing connected transactions thereunder; (ii) the announcement of the Company dated 27 October 2021, in relation to, among others, the revision of the annual

LETTER FROM THE BOARD

caps for the three years ending 31 December 2023 for the provision of the materials and ancillary services and of the exclusive coal export-related services to the Parent Group by the Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement between the Company and the Parent.

On 5 July 2022, as with the deepening of the national supply-side structural reform and considering the further integration and optimization of coal resources of coal-related central enterprises by the Parent Group, the Group decides to regulate the Group's continuing transactions with Guoyuan Group under the connected transaction regime from 2022, the Company and China Coal Group entered into the Supplementary Agreements, pursuant to which, apart from the relevant transactions between the Group and the Parent Group, those between the Group and Guoyuan Group will also be incorporated into and governed by the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the Revised Coal Supply Framework Agreement, respectively. On the same day, the Board also proposed to revise the annual caps for the two years ending 31 December 2023 for the provision of the materials and ancillary services and of the exclusive coal export-related services to the Enlarged Parent Group by the Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the transactions under the Revised Coal Supply Framework Agreement. The annual caps for the two years ending 31 December 2023 for the provision of the materials and ancillary services and of the social and support services to the Group by the Enlarged Parent Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement remain unchanged.

Reference is also made to the announcements of the Company dated 17 October 2021 and 5 July 2022 in relation to the proposed amendments to the Articles of Association and several internal procedures including the Rules of Procedures of the Shareholders' General Meeting, the Rules of Procedures of the Board Meeting, Regulations Governing the Connected Transactions and the Working Procedures of Independent Non-executive Directors.

The above proposed amendments to the 2021 Integrated Materials and Services Mutual Provision Framework Agreement and the 2021 Coal Supply Framework Agreement and the annual caps for the two years ending 31 December 2023 for the relevant transactions thereunder, the proposed amendments to the Regulations Governing Connected Transactions and the Working Procedures of Independent Non-Executive Directors are subject to the approval of the Shareholders by way of ordinary resolution at the EGM; the proposed amendments to the Articles of Association, the Rules of Procedure of the General Meeting and the Rules of Procedure of the Board of Directors are subject to the approval of the Shareholders by way of special resolution at the EGM; besides, the above proposed amendments to the provisions on the notice period of shareholders' class meetings of the Articles of Association are subject to the approval of the A Shareholders and H Shareholders by way of special resolution at the A Shareholders' Class Meeting and the H Shareholders' Class Meeting respectively.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with all the information regarding, among other matters, (i) detailed information of the Supplementary Agreements and the Proposed Revision of Annual Caps; (ii) detailed information of the proposed amendments to the Articles of Association and several procedures and (iii) notices convening the EGM and H Shareholders' Class Meeting respectively so as to enable you to make an informed decision on whether to vote for or against the proposed resolutions at the EGM and H Shareholders' Class Meeting.

II. CONTINUING CONNECTED TRANSACTIONS

(I) Proposed Revision of the 2021 Integrated Materials and Services Mutual Provision Framework Agreement and the Annual Caps for Relevant Transactions thereunder for the Two Years Ending 31 December 2023

1. *Introduction to the Revised Integrated Materials and Services Mutual Provision Framework Agreement*

(1) *Introduction to the 2021 Integrated Materials and Services Mutual Provision Framework Agreement*

Date: 28 April 2020

Parties: (i) the Company
(ii) the Parent

Continuing transactions Pursuant to the 2021 Integrated Materials and Services Mutual Provision Framework Agreement,

- (i) the Parent Group shall supply the Group (1) production materials and ancillary services, including raw materials, auxiliary materials, transportation, loading and unloading services, electricity and heat supplies, equipment maintenance and leasing, labour contracting, entrusted management and others; and (2) social and support services including staff training, medical services and emergency rescues, communication, property management services and others; and

LETTER FROM THE BOARD

- (ii) the Group shall supply the Parent Group (1) production materials and ancillary services, among others, including coal (Note), coal mining facilities, raw materials, auxiliary materials, electricity and heat supplies, transportation, loading and unloading services, equipment maintenance and leasing, labour contracting, entrusted management, information service and others; and (2) coal export-related services including organizing product supplies, performing coal blending, coordinating logistics and transportation, provision of port related services, arranging inspection and quality verification and providing services relating to product delivery.

The raw materials and auxiliary materials supplied each by the Parent Group and the Group are not the same, in that those provided by the Parent Group to the Group are mainly auxiliary materials and accessories for coal mine production and raw coal for power plants while those provided by the Group to the Parent Group are mainly coal production equipment and the raw coal for power plants. With respect to the raw coal for power plants as mentioned above, those provided by the Parent Group mainly supply for power plants in eastern China, while those provided by the Group mainly supply for power plants in the central and western China.

Note: The coal provided by the Group to the Parent Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement does not include the coal procured by the Group from the Parent Group under the 2021 Coal Supply Framework Agreement. Under the 2021 Coal Supply Framework Agreement, the Group procures the coal produced by the Parent Group mainly for subsequent sales by the Group, which aims to avoid potential competition between the coal products produced by the Parent Group and the coal products produced by the Group. Under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement, the coal provided by the Group to the Parent Group is raw coal to meet the production needs of the power plants of the Parent Group.

LETTER FROM THE BOARD

Term and termination The 2021 Integrated Materials and Services Mutual Provision Framework Agreement is for a term of three years commencing on 1 January 2021 and ending on 31 December 2023.

Price determination Under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement, the prices will be based on the following pricing policy and order:

- (i) as for the bulk equipment and raw materials, the price will be arrived by bidding process in principle;
- (ii) where no bidding process is involved, the price shall be in accordance with the relevant market price; and
- (iii) where comparable market price rate is unavailable, agreed price shall be adopted. Agreed price is determined with reference to reasonable costs plus a reasonable profit margin.

In respect of the above integrated raw materials and services transactions provided by the Group to the Parent Group, the details of the above pricing policies are as follows:

- (i) Under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement, the price of bulk equipment and raw materials shall be determined through a bidding process in principle and in compliance with applicable laws, regulations and rules, which applies to the vast majority of the procurement and sales of bulk equipment and raw materials under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement.

LETTER FROM THE BOARD

As for the bulk equipment and raw materials provided by the Group to the Parent Group, the Group shall strictly comply with The Invitation and Submission of Bids Law of the PRC (《中華人民共和國招標投標法》) and all the essential requirements set out in the bid invitation of the Parent Group during the bidding process. In preparing for the submission of a tender, tender review meeting of the relevant subsidiary of the Group will be held to perform a thorough analysis of the project management guidelines, the collection of cost and other essential data. In pricing a tender, the relevant department of the Group will also make references to recent project quotations and related market information. For example, in respect of coal mining equipment, the Group generally refers to the market volatility of the recent transaction price of the Group's project, the production cost of raw materials, labor and other expenses since the date of the recent transaction, the fair and reasonable profit rate, and the price of similar equipment of the comparable enterprise in the same industry. The procedures above can ensure that the tender price to be offered by the Group are fair and reasonable and no more favorable than the price and terms offered by the Group to the independent third parties.

The market prices for the bulk equipment and raw materials under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement refer to the prices (i) charged when providing bulk equipment and raw materials of the same or similar quality to independent third parties, or (ii) charged by an independent third party when providing bulk equipment and raw materials of the same or similar quality, at that time under normal commercial terms in the place where the relevant products or services are provided or the nearby regions of such place.

LETTER FROM THE BOARD

- (ii) Under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement, the price of coal shall be determined in accordance with the relevant market price, with reference to the Bohai Bay Thermal Coal Price Index, and taking into account of the quality of the coal and different types of delivery. The coal price is determined by mutual agreement with reference to the regional market price of thermal coal, the Bohai-Rim Steam-Coal Sea Price Index, the China Coal Price Index from China Coal Transportation and Distribution Association and the Thermal Coal Price Index from sxcoal.com, and is adjusted monthly according to the changes in the indexes.

- (iii) Where comparable market price rate is unavailable, the prices shall be determined after arm's length negotiation by both parties of the contract based on the principle of cost plus a fair and reasonable profit rate, which applies to the services and procurement and sales of bulk equipment and raw materials at comparatively small amount under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement. The cost includes the price of the raw materials, labor cost, manufacturing expense and so on. The expected range of profit of the products and services provided by the Group to the Parent Group is from 1% to 10%, which is line with the industry and not lower than the profit rate charged to independent third parties.

LETTER FROM THE BOARD

As for the mutual provision of raw materials and ancillary materials between the Parent Group and the Group, the payment shall be implemented by instalments according to the time nodes or other methods agreed by the parties. In this regard, the Parent Group and the Group mainly adopt the payment mode of cash on delivery, namely one-time acceptance check and payment for on-time delivery, and batch acceptance check and payment for batch delivery. As for the social and support services provided by the Parent Group to the Group, the account shall be settled with and paid to the Parent Group according to the actual usage. As for the coal mine facilities provided by the Group to the Parent Group, the payment shall be made by the Parent Group by instalments according to the time nodes or other methods agreed by the parties. In this regard, the Parent Group mainly adopts the payment mode of cash on delivery, namely one-time acceptance check and payment for on-time delivery, and batch acceptance check and payment for batch delivery. The procurement prices under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement shall be paid by cash or other methods agreed by the parties (usually paid by cash). The procurement prices and service fees under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement are payable in accordance with the agreed payment terms stipulated in the specific implementation agreements. The payment terms of such implementation agreements shall be within the ambit of the payment terms in the 2021 Integrated Materials and Services Mutual Provision Framework Agreement and will remain unchanged once signed by the parties.

Considering that the payment terms under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement are consistent with the transactions under the 2018 Integrated Materials and Services Mutual Provision Framework Agreement and the payment terms entered into by the Group with independent third parties for the same products and services, the Board considers that the above payment terms are fair and reasonable and are carried out on normal commercial terms or better terms, which is in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

(2) *Introduction to the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement*

Date: 5 July 2022

Parties: (i) the Company
(ii) the Parent

Continuing transactions Pursuant to the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement, the Company and the Parent agree and ratify, with effect from 1 January 2022, the scope of the Parent Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement will be expanded to the China Coal Group and its associates (excluding the Group) and the Guoyuan Group, i.e. to the Enlarged Parent Group.

Term and termination The Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement shall be effective from the date of signature and sealing by the legal representatives or authorised representatives of both parties and approval by the shareholders in the General Meeting until 31 December 2023.

Others Upon the effectiveness of the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement, it shall become an integral part of the Revised Integrated Materials and Services Mutual Provision Framework Agreement and shall have the same legal effect as the 2021 Integrated Materials and Services Mutual Provision Framework Agreement. Except the provisions expressly modified in the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement, the 2021 Integrated Materials and Services Mutual Provision Framework Agreement shall remain effective. In the event of a conflict between the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement and the 2021 Integrated Materials and Services Mutual Provision Framework Agreement, the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement shall prevail.

LETTER FROM THE BOARD

2. Proposed Revision of the Annual Caps for Relevant Transactions Under the Revised Integrated Materials And Services Mutual Provision Framework Agreement for the Two Years Ending 31 December 2023

The Board proposed to revise the annual caps for the two years ending 31 December 2023 for the provision of the materials and ancillary services and of the exclusive coal export-related services to the Enlarged Parent Group by the Group under the Revised Integrated Materials and Services Mutual Provision Framework. The annual caps for the two years ending 31 December 2023 for the provision of the materials and ancillary services and of the social and support services to the Group by the Enlarged Parent Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement remain unchanged. Details of the proposed revision are set out below:

Existing Annual Caps for the Three Years Ending 31 December 2023

The existing annual caps for the provision of the materials and ancillary services and of the exclusive coal export-related services to the Parent Group by the Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement for the three years ending 31 December 2023 are set out below:

Transactions	Year ended 31 December 2021 (RMB)	Year ending 31 December 2022 (RMB)	Year ending 31 December 2023 (RMB)
Provision of the materials and ancillary services and of the exclusive coal export-related services to the Parent Group by the Group	3,800,000,000	4,500,000,000	4,500,000,000

Historical Actual Transaction Value

The actual transaction value of the provision of the materials and ancillary services and of the exclusive coal export-related services to the Parent Group by the Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement for the year ended 31 December 2021 and the four months ended 30 April 2022 is set out below:

Transactions	Year ended 31 December 2021 (RMB)	Four months ended 30 April 2022 (RMB)
Provision of the materials and ancillary services and of the exclusive coal export-related services to the Parent Group by the Group	3,650,000,000	1,325,000,000

LETTER FROM THE BOARD

The Directors have been monitoring the transaction value contemplated under the Revised Integrated Materials and Services Mutual Provision Framework Agreement. As at the Latest Practicable Date, the relevant annual caps for the continuing connected transactions contemplated under the Revised Integrated Materials and Services Mutual Provision Framework Agreement have not been exceeded.

Proposed Revision of Annual Caps for the Two Years Ending 31 December 2023

The Proposed Revision of Annual Caps for the provision of the materials and ancillary services and of the exclusive coal export-related services to the Enlarged Parent Group by the Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement for the two years ending 31 December 2023 are set out as below:

Transactions	Year ending 31 December 2022 (RMB)	Year ending 31 December 2023 (RMB)
Provision of the materials and ancillary services and of the exclusive coal export-related services to the Enlarged Parent Group by the Group	9,800,000,000	9,400,000,000

In arriving at the above revised annual caps for the transactions of providing raw materials and supporting services by the Group to the Enlarged Parent Group and the exclusive coal export supporting services under the Revised Integrated Materials and Services Mutual Provision Framework Agreement, the directors primarily considered the following factors:

- (i) In 2021, the actual transaction value for the provision of raw materials and supporting services and of exclusive coal export supporting services by the Group to the Parent Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement was RMB3,650 million. Therefore, based on the 2021 annual cap of RMB3,800 million, the utilization rate of the annual cap reached 96%;
- (ii) China National Coal Development Co., Ltd. (“Development Company”), a subsidiary of the Company, will develop a new business model of centralized procurement platform under which the Parent Group will increase the bulk procurement from Development Company, leading to an increase of RMB3,070 million and RMB3,125 million for the provision of raw materials, equipment and auxiliary materials to the Parent Group for the year of 2022 and 2023 respectively based on the procurement plan for raw materials, equipment and auxiliary materials of members of the Parent Group. Meanwhile, China Coal Sales and Transportation Co., Ltd. (“China Coal Sales Company”), a subsidiary of the Company, will increase

LETTER FROM THE BOARD

centralized supply of raw coal to the power plants of the Parent Group by an average amount of over 5 million tonnes per year with transaction value of RMB1,203 million and RMB1,221 million for the year of 2022 and 2023 respectively; and

- (iii) Considering the deepening of the national supply-side structural reform and further optimization and integration of coal resources of coal-related central enterprises by the Parent Group, the Group voluntarily regulates the Group's continuing transactions with Guoyuan Group under the connected transaction regime. Based on the demand for mining equipment from coal mines of members of Guoyuan Group, the amount of equipment provided by the Group to Guoyuan Group is estimated to amount to RMB990 million and RMB540 million for the year of 2022 and 2023 respectively.

3. Reasons for Entering into the Revised Integrated Materials and Services Mutual Provision Framework Agreement and Revision of the Relevant Annual Caps

The Company is of the view that the 2021 Integrated Materials and Services Mutual Provision Framework Agreement enables (i) the Group to secure a stable source of the materials and services from the Parent Group in its ordinary course of business at market prices; and (ii) the Group to have a stable customer of the relevant materials and services of the Group in its ordinary course of business at market prices. Entering into the Supplementary Agreement to Integrated Materials and Services Mutual Provision Framework Agreement will incorporate the relevant transactions between the Group and Guoyuan Group.

The Board has been carefully monitoring the performance of the Revised Integrated Materials and Services Mutual Provision Framework Agreement. Taking into account of the factors set out above, the Board envisages that the existing annual caps for the transactions of providing raw materials and supporting services and the exclusive coal export supporting services by the Group to the Enlarged Parent Group thereunder will not be sufficient to fulfil the business demand of the Group in the future. Hence, the Board proposed to revise the relevant annual caps to allow flexibility and agility within a higher cap for such transactions between the Group and the Enlarged Parent Group for the benefit of normal production and operation of the Group. The Directors (excluding the independent non-executive Directors, whose opinions are set out in the Letter from the Independent Board Committee in this circular) are of the view that the Proposed Revision of Annual Caps are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

4. *Implementation Agreements*

Members of the Group and members of the Enlarged Parent Group will enter into, from time to time and as necessary, separate implementation agreements for each of the specific transactions contemplated under the Revised Integrated Materials and Services Mutual Provision Framework Agreement during the term thereof. Each implementation agreement will set out the relevant materials and services supplied, and the specifications, quantities, prices and other relevant terms thereof.

As the implementation agreements provide for the mutual supply of materials and services as contemplated under the Revised Integrated Materials and Services Mutual Provision Framework Agreement, as such, they do not constitute new categories of connected transactions. Any such implementation agreements will be within the ambit of the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the relevant annual caps, and if exceed, the Company will comply with the relevant Hong Kong Listing Rules accordingly.

5. *Internal Control Measures*

- (a) In determining the prices of the bulk equipment and raw materials to be procured by the Enlarged Parent Group from the Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement, the Group will strictly comply with relevant laws, regulations, rules and the necessary requirements stated in the bid invitation documents of the Enlarged Parent Group during bidding process. The Group will hold tender review meetings, which will determine the tender price with reference to, among others, recent project quotations and related market information to ensure that the price is fair and reasonable, on normal commercial terms, as well as no less favourable to the Group than terms available to or from independent third parties, and is subject to the final approval by the bid determination committee of the Company; and is subject to the final approval by the management level of the Group; The relevant department of the Group is responsible for monitoring, collecting and evaluating the market prices of relevant equipment and raw materials with the same specifications and similar functions, including but not limited to the prevailing and then market prices of the comparable services of relevant industries, on a regular basis. Under the circumstances such as the prices of the relevant equipment and raw materials fluctuate, the relevant department of the Group will put forward the proposal of price adjustment to ensure that the price is fair and reasonable, on normal commercial terms, as well as no less favourable to the Group than terms available to or from independent third parties, subject to the approval of the management level of the Group;

LETTER FROM THE BOARD

- (b) The financial department and the securities affairs department of the Company is responsible for monitoring, collecting and evaluating the detailed information of the continuing connected transactions of the Group, including but not limited to the pricing terms, payment arrangements and actual transaction value under each of the specific implementation agreements on a monthly basis to ensure no applicable caps are exceeded;
- (c) The Group will implement, amend and improve the relevant monitoring mechanism and the requirements pursuant to its connected transaction management rules and internal monitoring measures to ensure the Group's compliance with the pricing policies in respect of the continuing connected transactions contemplated under the Revised Integrated Materials and Services Mutual Provision Framework Agreement. Specifically, the connected transactions management departments of the Company such as the securities affairs department, the financial department and the legal and compliance department will put forward suggestions to revise and/or improve the relevant monitoring mechanisms and regulations in accordance with the domestic and foreign regulatory rules and relevant regulations on the management of connected transactions and by reference to the problems arisen in monitoring the connected transactions. Such suggestions will be examined and approved by the management of the Company and then submitted to the Board and the special committees thereunder for final consideration and approval before implementation;
- (d) The independent non-executive Directors will review the continuing connected transactions contemplated under the Revised Integrated Materials and Services Mutual Provision Framework Agreement to ensure that such transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and the terms of the related agreements are fair and reasonable, and in the interest of the Group and the Shareholders as a whole; and
- (e) The auditors of the Company will also conduct an annual review on the pricing and annual caps of such continuing connected transactions.

Taking into account of: (i) the above methods and procedures comprise necessary components of an internal control system with designated department and responsible officer, clear approval process and monitoring system and detailed and explicit assessment criteria; and (ii) the above-mentioned review procedures and approval process against the detailed and explicit assessment criteria can ensure that the transactions will be executed in compliance with the pricing principles stipulated in the Revised Integrated Materials and Services Mutual Provision Framework Agreement, the Directors (including the independent non-executive Directors) are of the view that such methods and procedures can ensure that the above integrated materials and service transactions the Group provided to the Enlarged Parent Group contemplated under the Revised Integrated Materials and Services Mutual Provision Framework Agreement will be conducted on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

(II) Proposed Revision of the 2021 Coal Supply Framework Agreement and the Annual Caps for Relevant Transactions thereunder for the Two Years Ending 31 December 2023

1. Introduction to the Revised Coal Supply Framework Agreement

(1) Introduction to the 2021 Coal Supply Framework Agreement

Date: 28 April 2020

Parties: (i) the Company
(ii) the Parent

Continuing transactions Pursuant to the 2021 Coal Supply Framework Agreement, the Parent Group has agreed to supply the coal products produced from the mines owned by the Parent Group to the Group. The Group is entitled to procure coal products produced by third parties once the quantity or quality of coal products provided by the Parent Group cannot satisfy the requirements of the Group.

Term and termination The 2021 Coal Supply Framework Agreement is for a term of three years commencing on 1 January 2021 and ending on 31 December 2023.

Price determination Under the 2021 Coal Supply Framework Agreement, the coal prices of long-term contracts shall be determined in accordance with the Bohai Bay Thermal Coal Price Index and the China Coal Price Index of China Coal Transport and Distribution Association and the China Electricity Coal Index, subject to adjustments on a monthly basis in accordance with the changes in the indexes. The spot sales prices of coal shall be determined and promptly adjusted in accordance with market prices.

LETTER FROM THE BOARD

The Bohai Bay Thermal Coal Price Index is authorized and guided by National Development and Reform Committee of the PRC, based on data collected and periodically published by Qinhuangdao Seaborne Coal Market Co., Ltd. It is an index system which reflects the offshore Free on Board (FOB) market price and price volatility of Bohai Bay thermal coal. The China Coal Price Index of China Coal Transport and Distribution Association is published on China Coal Market Network and reflects the level of spot FOB delivery price of mainstream thermal coal products of Qinhuangdao Port and surrounding ports on a weekly basis. The China Electricity Coal Index is published by China Electricity Council, which reflects the procurement price and its changing trend of electricity coal from power generation side and set up a pricing reference for the electricity coal transactions among enterprises.

The market prices to which reference shall be made when determining the coal prices under the 2021 Coal Supply Framework Agreement shall be determined referring to public price information including the China Coal Price Index of China Coal Transport and Distribution Association and China Coal Resources Network as well as information in respect of the actual transaction prices collected by prompt market researches.

As for the coal supplied by the Parent Group to the Group, the account shall be settled by several batches (including the acceptance check upon delivery and receiving of all settlement documents) collectively as provided in relevant agreement in cash or other methods agreed by the parties. The payment method of procurement prices under the 2021 Coal Supply Framework Agreement shall follow the separate implementation agreements entered into between the parties for each of the specific transactions contemplated under the 2021 Coal Supply Framework Agreement.

Considering that the payment terms under the 2021 Coal Supply Framework Agreement are consistent with the transactions under the 2018 Coal Supply Framework Agreement and the payment terms entered into by the Group with independent third parties for the same products, the Board considers that the above payment terms are fair and reasonable and are carried out on normal commercial terms or better terms, which is in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

(2) *Introduction to the Supplementary Agreement to the Coal Supply Framework Agreement*

Date: 5 July 2022

Parties: (i) the Company

(ii) the Parent

Continuing transactions Pursuant to the Supplementary Agreement to the Coal Supply Framework Agreement, the Company and the Parent agree and ratify, with effect from 1 January 2022, the scope of the Parent Group under the 2021 Coal Supply Framework Agreement will be expanded to the China Coal Group and its associates (excluding the Group) and the Guoyuan Group, i.e. to the Enlarged Parent Group.

Term and termination The Supplementary Agreement to the Coal Supply Framework Agreement shall be effective from the date of signature and sealing by the legal representatives or authorised representatives of both parties and approval by the shareholders in the General Meeting until 31 December 2023.

Others Upon the effectiveness of the Supplementary Agreement to the Coal Supply Framework Agreement, it shall become an integral part of the Revised Coal Supply Framework Agreement and shall have the same legal effect as the 2021 Coal Supply Framework Agreement. Except the provisions expressly modified in the Supplementary Agreement to the Coal Supply Framework Agreement, the 2021 Coal Supply Framework Agreement shall remain effective. In the event of a conflict between the Supplementary Agreement to the Coal Supply Framework Agreement and the 2021 Coal Supply Framework Agreement, the Supplementary Agreement to the Coal Supply Framework Agreement shall prevail.

LETTER FROM THE BOARD

2. *Proposed Revision of the Annual Caps for Relevant Transactions Under the Revised Coal Supply Framework Agreement for the Two Years Ending 31 December 2023*

The Board proposed to revise the annual caps for the continuing connected transaction under the Revised Coal Supply Framework Agreement for the two years ending 31 December 2023, and the details are set out below:

Existing Annual Caps for the Three Years Ending 31 December 2023

The existing annual caps for the 2021 Coal Supply Framework Agreement for the three years ending 31 December 2023 are set out below:

Transactions	Year ended 31 December 2021 (RMB)	Year ending 31 December 2022 (RMB)	Year ending 31 December 2023 (RMB)
Procurement of coal products from the Parent Group by the Group	10,700,000,000	11,000,000,000	11,300,000,000

Historical Actual Transaction Value

The actual transaction value of the 2021 Coal Supply Framework Agreement for the year ended 31 December 2021 and the four months ended 30 April 2022 is set out below:

Transactions	Year ended 31 December 2021 (RMB)	Four months ended 30 April 2022 (RMB)
Procurement of coal products from the Parent Group by the Group	5,972,000,000 (Note)	6,185,000,000

Note: The utilization rate of the annual cap for the transactions under the 2021 Coal Supply Framework Agreement for the year ended 31 December 2021 was 55.8%. This utilization rate being below expected is mainly due to the factors including business restructuring and decline in coal productivity resulting from depletion of coal resources of some members of the Parent Group, and the non-occurrence of new continuing connected transactions under the 2021 Coal Supply Framework Agreement as a result of the integration of coal resources of central enterprises by the Parent Group, as a result of which the transaction value for the procurement of coal from the Parent Group to the Group was below expected.

The Directors have been monitoring the transaction value contemplated under the Revised Coal Supply Framework Agreement. As at the Latest Practicable Date, the relevant annual caps for the continuing connected transactions contemplated under the Revised Coal Supply Framework Agreement have not been exceeded.

LETTER FROM THE BOARD

Proposed Revision of Annual Caps for the Two Years Ending 31 December 2023

The Proposed Revision of Annual Caps for the transactions under the Revised Coal Supply Framework Agreement for the two years ending 31 December 2023 are set out as below:

Transactions	Year ending 31 December 2022 (RMB)	Year ending 31 December 2023 (RMB)
Procurement of coal products from the Enlarged Parent Group by the Group	22,200,000,000	27,600,000,000

In arriving at the above proposed revised annual caps for the transactions under the Revised Coal Supply Framework Agreement, the directors primarily considered the following factors:

- (i) For the four months ended 30 April 2022, the actual transaction value of coal products procured by the Group from the Enlarged Parent Group under the Revised Coal Supply Framework Agreement was RMB6,185 million, representing 56.3% of the annual cap for the year 2022, exceeding the original budget;
- (ii) Considering the deepening of structural reform on the supply side of coal and the participation of integration of coal resources of central enterprises by the Parent, the Group voluntarily regulates the Group's continuing transactions with Guoyuan Group under the connected transaction regime. The Group expected to procure coal from Guoyuan Group with an average amount of 25 million tonnes per year and transaction value of approximately RMB10,053 million and RMB11,400 million for the year of 2022 and 2023 respectively;
- (iii) The Group will increase its centralized procurement from some members of the Parent Group for centralized sales pursuant to the national energy supply assurance requirements by 1.8 million tonnes and 3.5 million tonnes with transaction value of RMB3,600 million and RMB7,000 million for the year of 2022 and 2023 respectively. Besides, with the establishment of branch in Western China by China Coal Sales Company, a subsidiary of the Company, the centralized procurement of coal products from members of the Parent Group in Xinjiang for centralized sales are expected to amount to 6.70 million tonnes and 9.85 million tonnes for the year of 2022 and 2023 respectively, leading to an increase in transaction value of approximately RMB1,593 million and RMB2,193 million in the procurement of coal by the Group from the Parent Group for the year of 2022 and 2023 respectively; and

LETTER FROM THE BOARD

- (iv) Following the acquisition of 56% equity interest in China Coal Jingmin (Fujian) Industry and Trade Co., Ltd. (“Jingmin Company”) by China Coal Sales Company, the Group’s procurement of coal from Jingmin Company, which expects to amount to 1.56 million tonnes and 1.83 million tonnes, with transaction value of approximately RMB775 million and RMB938 million for the year of 2022 and 2023 respectively, no longer constitutes continuing connected transactions of the Company and thus deducted from the original annual cap budget. Besides, circumstances including that some members of the Parent Group restructured their business, and will lead to a decrease of approximately 2.90 million tonnes per year and an average decrease in total transaction value of RMB1,263 million per year for the coal transactions with the Group.

3. Reasons for Entering into the Revised Coal Supply Framework Agreement and Revision of the Relevant Annual Caps

The Company is of the view that the 2021 Coal Supply Framework Agreement enables (i) the Group to secure a stable source of the coal products from the Parent Group in its ordinary course of business at market prices; and (ii) the Group to avoid the potential competition between the coal products of the Parent Group with the Group’s coal products. Entering into the Supplementary Agreement to Coal Supply Framework Agreement will incorporate the relevant transactions between the Group and the Guoyuan Group.

The Board has been carefully monitoring the implementation of the Revised Coal Supply Framework Agreement. Taking into account of the factors set out above, the Board envisages that the existing annual caps for the transactions thereunder will not be sufficient to fulfil the procurement demand of coal by the Group from the Enlarged Parent Group in the future. Hence, the Board proposed to revise the relevant annual caps to allow flexibility and agility within a higher cap for such transactions between the Group and the Enlarged Parent Group for the benefit of normal production and operation the Group. The Directors (excluding the independent non-executive Directors, whose opinions are set out in the Letter from the Independent Board Committee in this circular) are of the view that the Proposed Revision of Annual Caps are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

4. Implementation Agreements

Members of the Group and members of the Enlarged Parent Group will enter into, from time to time and as necessary, separate implementation agreement for each of the specific transactions contemplated under the Revised Coal Supply Framework Agreement during the term thereunder. Each implementation agreement will set out the relevant coal products supplied, its specifications, quantities, prices and other relevant terms.

LETTER FROM THE BOARD

As the implementation agreements provide for the supply of coal products as contemplated under the Revised Coal Supply Framework Agreement, as such, they do not constitute new categories of connected transactions. Any such implementation agreements will be within the ambit of the Revised Coal Supply Framework Agreement and the relevant annual caps, and if exceed, the Company will comply with the relevant Hong Kong Listing Rules accordingly.

5. *Internal Control Measures*

- (a) In determining the prices of the coal products to be procured by the Group from the Enlarged Parent Group under the Revised Coal Supply Framework Agreement, the sales centre of the Company is responsible for proposing the price according to relevant coal price index with the quality of the coal and different types of delivery taken into consideration, which will be reviewed by pricing committee of the Company. The sales centre of the Company will then draft the procurement contracts based on the standard contract template composed by the legal and compliance department to ensure that the price is fair and reasonable, on normal commercial terms, as well as no less favourable to the Group than terms available to or from independent third parties;
- (b) The sales centre of the Company is responsible for monitoring, collecting and evaluating the market data in accordance with situation of the coal market including relevant coal price index on a weekly basis, which is subject to the investigation by the sales centre of the Company and the final review by the pricing committee of the Company. Under the circumstances such as the relevant coal price index changes, the sales centre of the Company will, in accordance with the market prices, the category and quality of the coal under the transaction and the logistics expenses to be increased or decreased as per the delivery methods thereof, put forward the proposal of adjustment in contract price, which is subject to the final approval by the pricing committee of the Company to ensure that the price is fair and reasonable, on normal commercial terms, as well as no less favourable to the Group than terms available to or from independent third parties;
- (c) The financial department and the securities affairs department of the Company are responsible for monitoring, collecting and evaluating the detailed information of the continuing connected transactions of the Group, including but not limited to the pricing terms, payment arrangements and actual transaction value under each of the specific implementation agreements on a monthly basis to ensure no applicable caps are exceeded;
- (d) The Group will implement, amend and improve the relevant monitoring mechanism and the requirements pursuant to its connected transaction management rules and internal monitoring measures to ensure the Group's compliance with the pricing policies in respect of the continuing connected transactions contemplated under the Revised Coal Supply Framework Agreement. Specifically, the connected

LETTER FROM THE BOARD

transactions management departments of the Company such as the securities affairs department, the financial department and the legal and compliance department will put forward suggestions to revise and/or improve the relevant monitoring mechanisms and regulations in accordance with the domestic and foreign regulatory rules and relevant regulations on the management of connected transactions and with the problems arisen in monitoring the connected transactions under consideration. Such suggestions will be examined and approved by the management of the Company and then submitted to the Board and the special committees thereunder for final consideration and approval before implementation;

- (e) The independent non-executive Directors will review the continuing connected transactions contemplated under the Revised Coal Supply Framework Agreement to ensure that such transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, and the terms of the related agreements are fair and reasonable, and in the interest of the Group and the Shareholders as a whole; and
- (f) The auditors of the Company will also conduct an annual review on the pricing and annual caps of such continuing connected transactions.

Taking into account of: (i) the above methods and procedures comprise necessary components of an internal control system with designated department and responsible officer, clear approval process and monitoring system and detailed and explicit assessment criteria; and (ii) the above-mentioned review procedures and approval process against the detailed and explicit assessment criteria can ensure that the transactions will be executed in compliance with the pricing principles stipulated in the Revised Coal Supply Framework Agreement, the Directors (including the independent non-executive Directors) are of the view that such methods and procedures can ensure that the transactions contemplated under the Revised Coal Supply Framework Agreement will be conducted on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

(III) Hong Kong Listing Rules Implications

As of the Latest Practicable Date, approximately 58.36 % of the issued share capital of the Company is held directly and indirectly by the Parent, which is the controlling shareholder of the Company and therefore a connected person of the Company under Chapter 14A of the Hong Kong Listing Rules. Accordingly, the transactions contemplated between the Group and the Parent Group constitute connected transactions of the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Hong Kong Listing Rules) in respect of the proposed revised annual caps for the two years ending 31 December 2023 of the provision of the materials and ancillary services and of the exclusive coal export-related services to the Enlarged Parent Group by the Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement and for the transactions under the Revised Coal Supply Framework Agreement exceed 5%, the

LETTER FROM THE BOARD

Supplementary Agreements and the Proposed Revision of Annual Caps are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Mr. Wang Shudong, Mr. Peng Yi and Mr. Zhao Rongzhe, being the Directors of the Company, who are also directors or senior management of China Coal Group, are deemed to have material interests in the Supplementary Agreements and Proposed Revision of Annual Caps, and thus have abstained from voting on the resolutions at the Board meeting. Save as mentioned above, none of the other Directors has a material interest in the Supplementary Agreements and Proposed Revision of Annual Caps.

(IV) General Information of the Parties

The Company

The Company is principally engaged in coal production, sales and trading, coal chemical business, coal mining equipment manufacturing and other related operations in China.

The Parent

The Parent is a state-owned enterprise established under the laws of the PRC and the controlling shareholder of the Company, holding, directly and indirectly, approximately 58.36% of the issued share capital of the Company as at the Latest Practical Date. The Parent is principally engaged in the production and trading of coal, coal chemical business, pithead power generation, construction of coal mines, manufacturing of coal mining equipment and the provision of related engineering technologies and services. The ultimate controller of the Parent is SASAC. SASAC is an ad-hoc ministerial-level organization directly subordinated to the State Council, and is mainly responsible for supervising and managing the state-owned assets of enterprises under the supervision of the Central Government (excluding financial enterprises), supervising the reservation and increment of the value of the state-owned assets of the supervised enterprises and other issues.

(V) Recommendations

Your attention is drawn to (i) the "Letter from the Independent Board Committee" issued by the Independent Board Committee to the Independent Shareholders in relation to the Supplemental Agreements and the Proposed Revision of Annual Caps containing their recommendations; and (ii) the "Letter from the Independent Financial Adviser" issued by Gram Capital to the Independent Board Committee and the Independent Shareholders in relation to the Supplemental Agreements and the Proposed Revision of Annual Caps containing the principal factors and reasons considered by them in making their recommendations.

LETTER FROM THE BOARD

The Directors (excluding the independent non-executive Directors, whose views are set out in the letter from the Independent Board Committee in this circular) consider that the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the Revised Coal Supply Framework Agreement (i) were agreed on an arm's length basis; (ii) will be on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties; (iii) were entered into in the Group in the ordinary and usual course of business; (iv) is fair and reasonable and in the interests of the Company and its Shareholders as a whole; and (v) the Proposed Revision of Annual Caps fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Accordingly, the Directors recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM in relation to the Supplemental Agreements and the Proposed Revision of Annual Caps.

III. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION AND SEVERAL PROCEDURES

On 27 October 2021 and 5 July 2022, in accordance with the Company Law of the People's Republic of China, the Guidelines on the Articles of Association of Central Enterprises (for Trial Implementation), the Guidelines on the Articles of Association of Listed Companies, the State Council's Approval of the Regulations on Adjusting the Application of the Notice Period for Holding General Meetings of Shareholders in Overseas Listed Companies and Other Matters, the Guidelines on the Articles of Association of Listed Companies (Revised in 2022), the Rules for General Meetings of Listed Companies (Revised in 2022), the Code of Governance for Listed Companies, the Rules for Independent Directors of Listed Companies and the domestic and overseas listing rules, the Board proposed to amend the Articles of Association and several internal procedures such as Rules of Procedure for General Meeting of Shareholders, Rules of Procedure for the Board Meetings, Regulations Governing Connected Transactions and Working Procedures of the Independent Non-Executive Directors.

Proposed amendments to the Articles of Association mainly include amending the provisions relating to the repurchase of shares by the Company, amending the provisions on party committee building, improving the provisions relating to the main body of corporate governance (including improving the restrictions and exclusions on the transfer of shares by shareholders, executives and their relatives, improving the powers, deliberations and procedures of the general meeting and the board of directors, the notice period for the general meeting and the interim board of directors, the powers of independent non-executive directors, the addition of the terms of employment of executives and their compensations, and clarifying the relevant obligations of the Supervisor, etc.) as well as increasing the restrictions of the voting rights of the shares of the Company illegally purchased by the shareholders. Proposed amendments to the Rules of Procedure of General Meeting of Shareholders mainly include the improvement of the deliberations and procedures of the general meeting of shareholders, the amendment of the authorization related to the approval of the provision of guarantees, the amendment of the notice period of the general meeting of shareholders, the addition of separate vote counting for small and medium-sized investors and the public solicitation of stock voting

LETTER FROM THE BOARD

rights by eligible shareholders, etc. Proposed amendments to the Rules of Procedure of the Board of Directors mainly include the improvement of the authority of the board of directors and its special committees, delegation of certain matters (including project investment, equity investment, disposal of assets, financing, etc.) from the chairman of the Board to the President's Office for decision making, etc.. Proposed amendments to the Rules Governing Connected Transactions mainly include improving the scope, consideration and approval and information disclosure procedures of connected transactions, etc.. Proposed amendments to the Working Procedures of Independent Non-Executive Directors mainly include improving the independence of independent non-executive directors and the conditions for not serving as independent non-executive directors and authorizing the Board of Directors to amend the system, and the addition of the authority of independent non-executive directors to solicit votes from shareholders in public, etc.

The above proposed amendments to the Articles of Association, the Rules of Procedure of General Meeting of Shareholders and the Rules of Procedure of Board of Directors are subject to the approval of the Shareholders by way of special resolution at the EGM, and the above proposed amendments to the Regulations Governing Connected Transactions and the Working Procedures of Independent Non-Executive Directors are subject to the approval of the shareholders by way of ordinary resolution at the EGM, and the above proposed amendments to the provisions on the notice period of shareholders' class meetings of the Articles of Association are subject to the approval of the holders of A Shares and the holders of H Shares by way of special resolutions at the A Shareholders' Class Meeting and the H Shareholders' Class Meeting respectively.

Please refer to Appendix II and Appendix III of this circular for details of the above proposed amendments to the Articles of Association and to the above procedures, namely the Rules of Procedure for General Meeting of Shareholders, the Rules of Procedure for Board of Directors, Regulations Governing Connected Transactions and the Working Procedures of Independent Non-executive Directors, respectively.

IV. EGM, A SHAREHOLDERS' CLASS MEETING AND H SHAREHOLDERS' CLASS MEETING

An EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting of the Company are to be held at 3:00 p.m, 3:15 p.m and 3:30 p.m respectively on Thursday, 25 August 2022 at China Coal Building, No. 1 Huangsidajie, Chaoyang District, Beijing, the PRC and notices of the EGM and H Shareholders' Class Meeting are set out on pages 167 to 170 and pages 171 to 173 of this circular respectively.

As at the Latest Practicable Date, the Parent and its associates together hold 7,737,558,608 shares of the Company, (represent approximately 58.36% of the issued share capital of the Company), control or are entitled to control over the voting right in respect of their shares in the Company. Therefore, the Parent and its associates will abstain from voting in respect of the resolutions in relation to the Supplementary Agreements and the Proposed Revision of Annual Caps at the EGM. To the best of the Directors' knowledge, information and

LETTER FROM THE BOARD

belief, other than the Parent and its associates, no connected person of the Company, Shareholders or their respective associates has a material interests in the resolutions of the Supplementary Agreements and the Proposed Revision of Annual Caps, and is required to abstain from voting at the EGM, A Shareholders' Class Meeting H Shareholders' Class Meeting.

In order to determine the list of Shareholders who are entitled to attend the EGM, and H Shareholders' Class Meeting, the registers of holders of H Shares will be closed from Tuesday, 26 July 2022 to Thursday, 25 August 2022, both days inclusive, during which period no transfer of H Shares will be effected. Holders of the H Shares whose names appear on the register of members at close of business on Tuesday, 26 July 2022 are entitled to attend the meeting. In order to attend and vote at the meeting, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant Share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at or before 4:30 p.m. on Monday, 25 July 2022. The address of the transfer office of Computershare Hong Kong Investor Services Limited is Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

If you intend to appoint a proxy to attend the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting, you are required to complete and return the proxy form of each meeting in accordance with the instructions printed thereon. The proxy form should be returned to Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in the case of holders of H Shares); or to the registered office of the Company at No. 1 Huangsidajie, Chaoyang District, Beijing, 100120, the PRC (in the case of holders of A Shares) in person or by post not less than 24 hours before the respective time appointed for convening the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting or any adjourned meeting thereof. Completion and return of the proxy form will not preclude you from attending in person and voting at the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting or at any adjourned meeting if you so wish.

Whether you intend to attend the EGM, A Shareholders' Class Meeting and H Shareholders' Class Meeting in person or by proxy, you are required to complete and return the reply slip to Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in the case of holders of H Shares) or to the registered office of the Company at No. 1 Huangsidajie, Chaoyang District, Beijing, 100120, the PRC (in the case of holders of A Shares) on or before Friday, 5 August 2022.

Yours faithfully,
By order of the Board
China Coal Energy Company Limited
Wang Shudong
Chairman of the Board, Executive Director



CHINA COAL ENERGY COMPANY LIMITED*

中國中煤能源股份有限公司

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

(Stock code: 01898)

Independent Board Committee

Mr. Zhang Ke

Mr. Zhang Chengjie

Mr. Leung Chong Shun

11 July 2022

To the Independent Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS
PROPOSED REVISION OF
THE 2021 INTEGRATED MATERIALS AND SERVICES MUTUAL
PROVISION FRAMEWORK AGREEMENT AND
THE 2021 COAL SUPPLY FRAMEWORK AGREEMENT AND
THE ANNUAL CAPS FOR RELEVANT TRANSACTIONS
THEREUNDER FOR THE TWO YEARS ENDING
31 DECEMBER 2023**

We refer to the circular of the Company dated 11 July 2022 (the “**Circular**”) of which this letter forms a part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to consider and advise you as to whether, in our opinion, the Supplementary Agreements and the Proposed Revision of Annual Caps (details of which are set out in the letter from the Board) are fair and reasonable so far as the Independent Shareholders are concerned.

Gram Capital has been appointed by the Board as the Independent Financial Advisor to advise the Independent Board Committee and Independent Shareholders on the fairness and reasonableness of the Supplementary Agreements and the Proposed Revision of Annual Caps. Details of the advice from Gram Capital, together with the principal factors taken into consideration in arriving at such advice, are set out accordingly in the Circular.

Your attention is also drawn to the letter from the Board set out in the Circular and the additional information set out in the Appendix to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the Supplementary Agreements, the Proposed Revision of Annual Caps, the interests of the Independent Shareholders and the advice of Gram Capital, we are of the opinion that the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the Revised Coal Supply Framework Agreement were entered into in the ordinary and usual course of business of the Group, and the terms and conditions of the above framework agreements and the Proposed Revision of Annual Caps, are under normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and are in the interests of the Company and its Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM so as to approve the Supplementary Agreements and the Proposed Revision of Annual Caps.

Yours faithfully,

The Independent Board Committee

Mr. Zhang Ke

Mr. Zhang Chengjie

Mr. Leung Chong Shun

Independent non-executive Directors

LETTER FROM GRAM CAPITAL

Set out below is the text of a letter received from Gram Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Transactions for the purpose of inclusion in this circular.



Room 1209, 12/F.
Nan Fung Tower
88 Connaught Road Central/
173 Des Voeux Road Central
Hong Kong

11 July 2022

*To: The independent board committee and the independent shareholders
of China Coal Energy Company Limited**

Dear Sir/Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of (i) the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement and transactions contemplated thereunder (including the revision of the annual caps for relevant transaction for the two years ending 31 December 2023; and (ii) the Supplementary Agreement to the Coal Supply Framework Agreement and transactions contemplated thereunder (including the revision of the annual caps for relevant transaction for the two years ending 31 December 2023) (collectively, the “**Transactions**”), details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular dated 11 July 2022 issued by the Company to the Shareholders (the “**Circular**”), of which this letter forms part. Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

On 28 April 2020, the Group entered into, among other things, the 2021 Coal Supply Framework Agreement, the 2021 Integrated Materials and Services Mutual Provision Framework Agreement to renew the then existing continuing connected transactions (including the annual caps thereof for the three years ending 31 December 2023). The aforesaid transactions were approved by the then independent Shareholders on 16 June 2020. On 27 October 2021, the Board resolved to revise the annual caps for the three years ending 31 December 2023 for the provision of the materials and ancillary services and of the exclusive coal export-related services to the Parent Group by the Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement.

LETTER FROM GRAM CAPITAL

On 5 July 2022, with the deepening of the national supply-side structural reform and considering the further integration and optimization of coal resources of coal-related central enterprises by the Parent Group, the Group will voluntarily regulate the Group's continuing transactions with Guoyuan Group under the connected transaction regime from 2022. Accordingly, the Company and China Coal Group entered into the Supplementary Agreements, pursuant to which, apart from the relevant transactions between the Group and the Parent Group, those between the Group and Guoyuan Group will also be incorporated into and governed by the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the Revised Coal Supply Framework Agreement.

On the same day, the Board also proposed to revise the annual caps for the two years ending 31 December 2023 for the provision of the materials and ancillary services and of the exclusive coal export-related services to the Enlarged Parent Group by the Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement (the "**Supply Transactions**") and for the transactions under the Revised Coal Supply Framework Agreement (the "**Coal Transactions**"). The annual caps for the two years ending 31 December 2023 for the provision of the materials and ancillary services and of the social and support services to the Group by the Enlarged Parent Group under the Revised Integrated Materials and Services Mutual Provision Framework Agreement remain unchanged.

With reference to the Board Letter, the Transactions are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

The Independent Board Committee comprising Mr. Zhang Ke, Mr. Zhang Chengjie, and Mr. Leung Chong Shun has been established to advise the Independent Shareholders on (i) whether the terms of the Transactions are on normal commercial terms and are fair and reasonable; (ii) whether the Transactions are in the interests of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group; and (iii) how the Independent Shareholders should vote in respect of the resolution(s) to approve the Transactions at the EGM. We, Gram Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

INDEPENDENCE

We were not aware of (i) any relationships or interests between Gram Capital and the Company; or (ii) any services provided by Gram Capital to the Company, during the past two years immediately preceding the Latest Practicable Date, or any other parties that could be reasonably regarded as hindrance to Gram Capital's independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations as provided to us by the Directors and/or the management of the Company (the "**Management**"). We have

LETTER FROM GRAM CAPITAL

assumed that all information and representations that have been provided by the Directors and/or the Management, for which they are solely and wholly responsible, are true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors and/or the Management in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, its advisers and/or the Directors/the Management, which have been provided to us. Our opinion is based on the Directors' and the Management's representation and confirmation that there is no undisclosed private agreement/arrangement or implied understanding with anyone concerning the Transactions. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with Rule 13.80 of the Hong Kong Listing Rules.

The Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement as contained in the Circular or the Circular misleading. We, as the Independent Financial Adviser, take no responsibility for the contents of any part of the Circular, save and except for this letter of advice.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent in-depth investigation into the business and affairs of the Company, the Enlarged Parent Group and each of their respective subsidiaries or associates, nor have we considered the taxation implication on the Group or the Shareholders as a result of the Transactions. Our opinion is necessarily based on the financial, economic, market and other conditions in effect and the information made available to us as at the Latest Practicable Date. Shareholders should note that subsequent developments (including any material change in market and economic conditions) may affect and/or change our opinion and we have no obligation to update this opinion to take into account events occurring after the Latest Practicable Date or to update, revise or reaffirm our opinion. In addition, nothing contained in this letter should be construed as a recommendation to hold, sell or buy any Shares or any other securities of the Company.

Lastly, where information in this letter has been extracted from published or otherwise publicly available sources, it is the responsibility of Gram Capital to ensure that such information has been correctly extracted from the relevant sources.

LETTER FROM GRAM CAPITAL

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion in respect of the Transactions, we have taken into consideration of the following principal factors and reasons:

Background of the Transactions

Information on the Company

With reference to the Board Letter, the Company is principally engaged in coal production, sales and trading, coal chemical business, coal mining equipment manufacturing and other related operations in China.

Information on the Parent

With reference to the Board Letter, the Parent is a state-owned enterprise established under the laws of the PRC and the controlling shareholder of the Company. The Parent is principally engaged in the production and trading of coal, coal chemical business, pithead power generation, construction of coal mines, manufacturing of coal mining equipment and the provision of related engineering technologies and services.

Reasons for and benefit of the Transactions

As advised by the Management, benefits of the Coal Transactions and the Supply Transactions included the followings:

- the Revised Coal Supply Framework Agreement enables (i) the Group to secure a stable source of coal products from the Parent Group in its ordinary course of business at market prices; and (ii) the Group to avoid the potential competition between the coal products of the Parent Group with the Group's coal products; and
- the Revised Integrated Materials and Services Mutual Provision Framework Agreement enables (i) the Group to secure a stable source of the materials and services from the Parent Group in its ordinary course of business at market prices; and (ii) the Group to have a stable customer of the Group's relevant materials and services in its ordinary course of business at market prices.

As confirmed by the Management, as the Coal Transactions and the Supply Transactions are conducted in the ordinary and usual course of business of the Group and on a frequent basis, it would be (i) costly and impractical to make regular disclosure of each of the relevant transactions and obtain the prior approval from the Independent Shareholders as required by the Hong Kong Listing Rules, if necessary; and (ii) impracticable to seek Independent Shareholders' approval upon confirmation of members of the Parent Group's successful bidding for goods or services to be provided regarding contract value over certain thresholds under the Coal Transactions and the Supply Transactions which are selected through bidding process with the specific timetable. Accordingly, the Management is of the view that the Coal Transactions and the Supply Transactions are beneficial to the Company and the Shareholders as a whole.

LETTER FROM GRAM CAPITAL

Having considered the above factors, we consider that the Coal Transactions and the Supply Transactions are in the interest of the Company and the Shareholders as a whole and are conducted in the ordinary and usual course of business of the Group.

With reference to the Board Letter, with the deepening of the national supply-side structural reform and further optimization and integration of coal resources of coal-related central enterprises by the Parent Group, the Group will voluntarily regulate the Group's continuing transactions with Guoyuan Group under the connected transaction regime from 2022. Accordingly, the Company and the Parent entered into the Supplementary Agreements, pursuant to which, apart from the relevant transactions between the Group and the Parent Group, those between the Group and Guoyuan Group will also be incorporated into and be governed by the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the Revised Coal Supply Framework Agreement.

As (i) the relevant transactions between the Group and Guoyuan Group will also be incorporated into and be governed by the Revised Integrated Materials and Services Mutual Provision Framework Agreement and the Revised Coal Supply Framework Agreement; and (ii) the adjustment of the business model of the centralized procurement platform of China National Coal Development Co., Ltd. (being a subsidiary of the Company) are expected to increase the estimated transactions amounts of the Supply Transactions, and having also considered our analyses on the revised annual caps as set out in the sub-section headed "Revised annual caps" under the section headed "A. The Supply Transactions" and "B. The Coal Transactions" of the Board Letter, we consider the revision of the existing annual caps of the Coal Transactions and the Supply Transactions are necessary.

Having considered the above and (i) the Coal Transactions and the Supply Transactions are in the interests of the Company and the Shareholders as a whole; and (ii) the revision of the existing annual caps of the Coal Transactions and the Supply Transactions are necessary, we are of the view the Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole.

A. THE SUPPLY TRANSACTIONS

Principal terms of the Supply Transactions

Summarised below are the major terms of the Supply Transactions, details of which are set out under the section headed "Introduction to the Revised Integrated Materials and Services Mutual Provision Framework Agreement" of the Board Letter:

I. Supply transactions under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement

Date

28 April 2020

LETTER FROM GRAM CAPITAL

Parties

The Company and the Parent

Continuing transactions

- Supply Transactions: the Group shall supply the Parent Group (1) production materials and ancillary services, among others, including coal^(Note), coal mining facilities, raw materials, auxiliary materials, electricity and heat supplies, transportation, loading and unloading services, equipment maintenance and leasing, labour contracting, entrusted management, information service and others; and (2) coal export-related services including organizing product supplies, performing coal blending, coordinating logistics and transportation, provision of port related services, arranging inspection and quality verification and providing services relating to product delivery.

Note: The coal provided by the Group to the Parent Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement does not include the coal procured by the Group from the Parent Group under the 2021 Coal Supply Framework Agreement. Under the 2021 Coal Supply Framework Agreement, the Group's procurement of the coal produced by the Parent Group mainly for subsequent sales by the Group, which aims to avoid potential competition between the coal products produced by the Parent Group and the coal products produced by the Group. Under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement, the coal provided by the Group to the Parent Group is raw coal to meet the production needs of the power plants of the Parent Group.

Term and termination

The 2021 Integrated Materials and Services Mutual Provision Framework Agreement is for a term of three years commencing on 1 January 2021 and ending on 31 December 2023.

Price determination

Under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement, the prices will be based on the following pricing policy and order:

- (i) as for the bulk equipment and raw materials, the price will be arrived by bidding process in principle;
- (ii) where no bidding process is involved, the price shall be in accordance with the relevant market price; and
- (iii) where comparable market price rate is unavailable, agreed price shall be adopted. Agreed price is determined with reference to reasonable costs plus a reasonable profit margin.

LETTER FROM GRAM CAPITAL

Details of the pricings for above pricing policies are set out under the sub-section headed “Price determination” under the section headed “Introduction to the 2021 Integrated Materials and Services Mutual Provision Framework Agreement” of the Board Letter.

As the above mentioned pricing policies are generally adopted in the continuing connected transactions, we consider the pricing policies are fair and reasonable.

II. The Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement

Date

5 July 2022

Parties

The Company and the Parent

Continuing transactions

Pursuant to the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement, the Company and the Parent agree and ratify, with effect from 1 January 2022, the scope of the Parent Group under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement will be expanded to the China Coal Group and its associates (excluding the Group) and the Guoyuan Group, i.e. to the Enlarged Parent Group.

Term and termination

The Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement shall be effective from the date of signature and sealing by the legal representatives or authorised representatives of both parties and approval by the shareholders in the general meeting until 31 December 2023.

With reference to the Board Letter, the Group adopted certain procedures to ensure the transactions will be executed in compliance with the pricing principles stipulated in the Supply Transactions. Details of the procedures are set out under the section headed “Internal control measures” under the section headed “(I) PROPOSED REVISION OF THE 2021 INTEGRATED MATERIALS AND SERVICES MUTUAL PROVISION FRAMEWORK AGREEMENT AND THE ANNUAL CAPS FOR RELEVANT TRANSACTIONS THEREUNDER FOR THE TWO YEARS ENDING 31 DECEMBER 2023” of the Board Letter. As (i) the relevant department of the Group is responsible for monitoring, collecting and evaluating the market prices of relevant equipment and raw materials with the same specifications and similar functions, including but not limited to the prevailing and then market prices of the comparable services of relevant industries, on a regular basis; and (ii) the Group will hold tender review meetings to determine the tender price with reference to, among others, recent project quotations and related market information, and is subject to the final approval, we consider that the effectiveness of implementation of the procedures will ensure the fair pricing of the transactions contemplated under the Supply Transactions.

LETTER FROM GRAM CAPITAL

In respect of the annual caps monitoring, we noted from the internal procedures that the financial department and the securities affairs department of the Company is responsible for monitoring, collecting and evaluating the detailed information of the continuing connected transactions of the Group, including but not limited to the pricing terms, payment arrangements and actual transaction amount under each of the specific implementation agreements on a monthly basis to ensure no applicable caps are exceeded.

To assess the effectiveness of the implementation of the procedures, upon our further request, the Management confirmed that the Company's relevant subsidiaries (which were involved in Supply Transactions) (i) were aware of the internal procedures in respect of the Supply Transactions; and (ii) complied with the internal procedures before conducting the individual transactions contemplated under the 2021 Integrated Materials and Services Mutual Provision Framework Agreement. As part of our due diligence work, we also interviewed staffs of the relevant subsidiaries for the aforesaid matters.

Having also considered (i) the above the Management's confirmation and our interview with relevant staffs in respect of their awareness and compliance of the internal control procedures; and (ii) that the existing annual cap for the year ended 31 December 2021 was not exceeded, we consider that the procedures were effectively implemented.

The Revised Supply Caps

Set out below are (i) historical amounts of the Supply Transactions for the year ended 31 December 2021 and the four months ended 30 April 2022; (ii) the existing annual caps of the Supply Transactions for the three years ending 31 December 2023; and (iii) the revised annual caps of the Supply Transactions for the two years ending 31 December 2023 (the "**Revised Supply Cap(s)**"):

	For the year ended 31 December 2021 ("FY2021") RMB'000	For the year ending 31 December 2022 ("FY2022") RMB'000	For the year ending 31 December 2023 ("FY2023") RMB'000
Historical amounts	3,650,000	1,325,000 <i>(Note)</i>	N/A
Existing annual caps	3,800,000	4,500,000	4,500,000
Utilisation rate	96.1%	N/A	N/A
		For the year ending 31 December 2022 RMB'000	For the year ending 31 December 2023 RMB'000
Revised Supply Caps		9,800,000	9,400,000

Note: the figure was for the four months ended 30 April 2022.

LETTER FROM GRAM CAPITAL

The basis for determining the Revised Supply Caps for the two years ending 31 December 2023 are set out under section headed “Proposed Revision of Annual Caps for the Two Years Ending 31 December 2023” of the Board Letter.

As illustrated in the table above, the historical amounts of the Supply Transactions for FY2021 were almost fully utilized. The Revised Supply Cap for FY2022 represented a significant increase as compared to the existing annual cap for FY2022 and the Revised Supply Cap for FY2023 represented a slight decrease as compared to that for FY2022.

Upon our request, the Company provided a calculation in respect of the Revised Supply Caps for FY2022 and FY2023. According to the calculation, we noticed that the significant increase in Revised Supply Cap for FY2022 was mainly due to (i) the change in business model of China National Coal Development Co., Ltd. (“Development Company”), being a wholly-owned subsidiary of the Company; (ii) the possible increase in the supply of coals to the Parent Group.

To assess the fairness and reasonableness of the Revised Supply Caps, we conducted the following analyses:

- The Revised Supply Cap for FY2022 comprised (i) the original estimated amounts of the Supply Transactions; and (ii) the estimated increased amounts of the Supply Transactions.
- In respect of the original estimated amounts of the Supply Transactions (i.e. RMB4,500 million), as the historical amounts of the Supply Transactions for FY2021 were almost fully utilized, we consider that it is justifiable that the original estimated amounts of the Supply Transactions remains unchanged.
- In respect of the estimated increased amounts of the Supply Transactions (i.e. RMB5,300 million), we noted from the calculation and as explained by the Company, such amounts was mainly due to (i) the change in business model of Development Company, being a wholly-owned subsidiary of the Company; and (ii) the possible increase in the supply of coals to the Parent Group.

Upon our request, the Management advised us that members of the Parent Group procured various kinds of products (e.g. materials, equipment, etc.) previously. Currently, Development Company proposed to change its business model and will act as a procurement platform (採購平台) of the Parent Group and the Group. Under the new business model, it will increase the external bulk procurement and internal centralized sales under the new business model of centralized procurement platform (i.e. Development Company will bulk procurement various types of products (e.g. materials, equipment, etc.) from independent third parties suppliers after Development Company receiving purchase orders from the Parent Group and the Group). Therefore, the re-sale of relevant products from Development Company to members of the Parent Group constituted continuing connected transactions under the Supply Transactions (i.e. for FY2022: RMB3,070 million).

LETTER FROM GRAM CAPITAL

Upon our further request, the Management provided us a purchase list, showing the products to be procured by the members of Parent Group for FY2022. As advised by the Management, the purchase list was prepared by Development Company after discussing with members of the Parent Group and understanding their potential demands of products for FY2022.

According to the purchase list, the estimated amount of products to be purchased from the members of the Parent Group through the procurement platform was in line with (with difference of less than 5%) the total amount of demands as shown in the purchase list for FY2022.

- In respect of the possible increase in the supply of coals to the Parent Group, as advised by the Management, such coals will mainly be utilized to the coal-fired power generating units of the Parent Group in Xinjiang area. Upon our further request, we obtained detailed information of the relevant coal-fired power generating units, including its installed capacity, proposed utilization hours (利用小時), unit coal consumption of coal-fired power generation units. According to the aforesaid information, we calculated the implied quantity of coal to be consumed by the coal-fired power generating units for FY2022, which was in line with the estimated quantity of coal to be consumed by the coal-fired power generating units for FY2022 as estimated by the Management. In addition, the Management also advised us the estimated selling price of such coal. Based on the aforesaid information, we consider the estimated amounts (i.e. RMB1,203 million) for FY2022 to be justifiable.
- The Management also expected to record approximately RMB990 million for FY2022 from the Group's supply of equipment to Guoyuan Group. As advised by the Management, such amount was determined according to the discussion between the staff of business department of the Group's relevant member units and staff of Guoyuan Group's procurement department in respect of Guoyuan Group's operational equipment status, maintenance plan, etc.. As the estimated amount was determined based on the latest status of Guoyuan Group's equipment and its maintenance plan, we consider such estimated amount to be justifiable.

Based on the above factors, we consider the Revised Supply Cap for FY2022, which was close to the estimated amounts of Supply Transactions for FY2022, to be fair and reasonable. We also understood that as the equipment may not be replaced again after a very short period of time, accordingly, such amounts for FY2023 (i.e. RMB540 million) was expected to decrease as compared to that for FY2022. Having considered this assumption (which we consider are justifiable), we are of the view that the Revised Supply Cap for FY2023 to be fair and reasonable.

LETTER FROM GRAM CAPITAL

Shareholders should note that as the Revised Supply Caps are relating to future events and were estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2023, and they do not represent forecasts of revenue /income to be generated from the Supply Transactions. Consequently, we express no opinion as to how closely the actual revenue/income to be generated from the Supply Transactions will correspond with the Revised Supply Caps respectively.

B. THE COAL TRANSACTIONS

Principal terms of the Coal Transactions

Summarised below are the major terms of the Coal Transactions, details of which are set out under the section headed “Introduction to the Revised Coal Supply Framework Agreement” of the Board Letter:

I. 2021 Coal Supply Framework Agreement

Date

28 April 2020

Parties

The Company and the Parent

Continuing transactions

The Parent Group has agreed to supply the coal products produced from the mines owned by the Parent Group to the Group. The Group is entitled to procurement coal products produced by third parties once the quantity or quality of coal products provided by the Parent Group cannot satisfy the requirements of the Group.

Term and termination

The 2021 Coal Supply Framework Agreement is for a term of three years commencing on 1 January 2021 and ending on 31 December 2023.

Price determination

Under the 2021 Coal Supply Framework Agreement, the coal prices of long-term contracts shall be determined in accordance with the Bohai Bay Thermal Coal Price Index and the China Coal Price Index of China Coal Transport and Distribution Association and the China Electricity Coal Index, subject to adjustments on a monthly basis in accordance with the changes in the indexes. The spot sales prices of coal shall be determined and promptly adjusted in accordance with market prices. Details of the Bohai Bay Thermal Coal Price Index, the China Coal Price Index, the China Electricity Coal Index and the market prices are set out under the Board Letter.

LETTER FROM GRAM CAPITAL

As the coal prices of long-term contracts and spot sales prices of coal shall be determined with reference to relevant index or market prices, we consider the bases for the determination the coal prices to be reasonable.

II. Supplementary Agreement to the Coal Supply Framework Agreement

Date

5 July 2022

Parties

The Company and the Parent

Continuing transactions

Pursuant to the Supplementary Agreement to the Coal Supply Framework Agreement, with effect from 1 January 2022, the scope of the Parent Group under the 2021 Coal Supply Framework Agreement will be expanded to the China Coal Group and its associates (excluding the Group) and the Guoyuan Group, i.e. to the Enlarged Parent Group.

Term and termination

The Supplementary Agreement to the Coal Supply Framework Agreement shall be effective from the date of signature and sealing by the legal representatives or authorised representatives of both parties and approval by the shareholders in the general meeting until 31 December 2023.

With reference to the Board Letter, the Group adopted certain procedures to ensure the transactions will be executed in compliance with the pricing principles under the Coal Transactions. Details of the procedures are set out under the sub-section headed “Internal control measures” under the section headed “(II) PROPOSED REVISION OF THE 2021 COAL SUPPLY FRAMEWORK AGREEMENT AND THE ANNUAL CAPS FOR RELEVANT TRANSACTIONS THEREUNDER FOR THE TWO YEARS ENDING 31 DECEMBER 2023” of the Board Letter. As (i) the sales centre of the Company is responsible for monitoring, collecting and evaluating the market data in accordance with situation of the coal market including relevant coal price index on a weekly basis; and (ii) the sales centre of the Company is responsible for proposing the price according to relevant coal price index with the quality of the coal and different types of delivery taken into consideration, which will be reviewed by pricing committee of the Company, we consider that the effectiveness of implementation of the procedures will ensure the fair pricing of the Coal Transactions.

In respect of the annual caps monitoring, we noted from the internal procedures that the financial department and the securities affairs department of the Company is responsible for monitoring, collecting and evaluating the detailed information of the continuing connected transactions of the Group, including but not limited to the pricing terms, payment arrangements and actual transaction amount under each of the specific implementation agreements on a monthly basis to ensure no applicable caps are exceeded.

LETTER FROM GRAM CAPITAL

Upon our further request, the Management confirmed that the Company’s relevant subsidiaries (which were involved in the Coal Transactions) (i) were aware of the internal procedures in respect of the Coal Transactions; and (ii) complied with the internal procedures before conducting the individual transactions contemplated under the 2021 Coal Supply Framework Agreement. As part of our due diligence work, we also interviewed staffs of the relevant subsidiaries for the aforesaid matters.

Having also considered (i) the above the Management’s confirmation and our interview with relevant staffs in respect of their awareness and compliance of the internal control procedures; and (ii) that the existing annual cap for the year ended 31 December 2021 was not exceeded, we consider that the procedures were effectively implemented.

Revised annual caps

Set out below are (i) historical amounts of the Coal Transactions for the year ended 31 December 2021 and the four months ended 30 April 2022; (ii) the existing annual caps of the Coal Transactions for the three years ending 31 December 2023; and (iii) the revised annual caps of the Coal Transactions for the two years ending 31 December 2023 (the “**Revised Coal Cap(s)**”):

	For the year ended 31 December 2021 RMB’000	For the year ending 31 December 2022 RMB’000	For the year ending 31 December 2023 RMB’000
Historical amounts	5,972,000	6,185,000 <i>(Note)</i>	N/A
Existing annual caps	10,700,000	11,000,000	11,300,000
Utilisation rate	55.8%	N/A	N/A
		For the year ending 31 December 2022 RMB’000	For the year ending 31 December 2023 RMB’000
Revised Coal Caps		22,200,000	27,600,000

Note: the figure was for the four months ended 30 April 2022.

The basis for determining the Revised Coal Caps for the two years ending 31 December 2023 are set out under section headed “Proposed Revision of Annual Caps for the Two Years Ending 31 December 2023” of the Board Letter.

LETTER FROM GRAM CAPITAL

As illustrated in the table above, the historical amounts of the Coal Transactions for the four months ended 30 April 2022 exceeded that for FY2021. In addition, the annualised amounts based on the historical amounts for the four months ended 30 April 2022 would exceed the existing annual cap for FY2022. The Revised Coal Cap for FY2022 represent a significant increase of approximately 102% to the existing annual cap for FY2022. The Revised Coal Cap for FY2023 represent an increase of approximately 24.3% to the Revised Coal Cap for FY2022.

Upon our request, the Company provided a calculation in respect of the Revised Coal Caps for FY2022 and FY2023. According to the calculation, we noticed that the Revised Coal Cap for FY2022 were based on the estimated amounts of coal supply to the Group by the Enlarged Parent Group, which was calculated by the estimated average procurement price of the coal and its quantities.

- In respect of the estimated average procurement price of the coal, we noted that the estimated procurement price falls within the range of procurement prices of the Group's historical coal procurement prices. Accordingly, we consider the estimated procurement price for FY2022 to be justifiable.
- In respect of the estimated quantity of coal (in tonne) from the Enlarged Parent Group for the FY2022, the Management provided us a breakdown of the estimated quantity of coal (in tonne) from each relevant members of the Enlarged Parent Group. We noted that the possible increase in the quantity of coal (in tonne) from the Enlarged Parent Group for FY2022 as compared to the coal procurement quantity (in tonne) from the Parent Group was mainly due to (i) the possible procurement of coal from Guoyuan Group; (ii) the possible procurement of coal according to the implementation of national energy supply assurance requirements and additional centralised procurement by the Group, the aforesaid factors accounted for over 91% of the increase in coal procurement quantity (in tonne).
- In respect of the coal procurement quantity from Guoyuan Group, the transactions of which will be governed by the Revised Coal Supply Framework Agreement from 1 January 2022 as the Group voluntarily regulates the Group's continuing transactions with Guoyuan Group under the connected transaction regime. Pursuant to the Supplementary Agreement to the Coal Supply Framework Agreement, with effect from 1 January 2022, the scope of the Parent Group under the 2021 Coal Supply Framework Agreement will be expanded to the China Coal Group and its associates (excluding the Group) and the Guoyuan Group, i.e. to the Enlarged Parent Group.

We understood that coal to be procured by the Group from the Guoyuan Group was mainly self-produced coal, accounting for approximately 91% to 95% to the coal procurement quantity from Guoyuan Group for FY2022. Upon our further request, we obtained figures showing the production capacity of coal mines owned by the Guoyuan Group and noted that the estimated self-produced coal quantity for FY2022 is in line with the annual production capacity of the coal mines owned by Guoyuan Group. Accordingly, we consider the coal procurement quantity from the Guoyuan Group for FY2022 to be justifiable.

LETTER FROM GRAM CAPITAL

- In respect of the possible procurement of coal according to the implementation of national energy supply assurance requirements, we understood that the Group will increase its centralized procurement from some members of the Parent Group for centralized sales pursuant to the national energy supply assurance requirements. We further understood from the Management that under such arrangement, the Group (as subsidiary of the Parent) would accommodate the aforesaid tasks by the increase in the supply of coal, leading the possible increase in coal procurement quantity from such member companies of the Parent Group. Upon our request, we obtained a list showing the possible supply of coal (in quantity) by relevant members of the Parent Group for FY2022. We acknowledged that the total estimated quantity of coal is the same as the summation of expected supply quantity of coal by relevant members of the Parent Group for FY2022. As also advised by the Management that the possible increase in coal procurement quantity is expected to take place in the second half year of 2022.
- In respect of the possible procurement of coal according to the additional centralised procurement by the Group, it is mainly due to the establishment of branch in Western China by China Coal Sales and Transportation Co., Ltd. (“**China Coal Sales Company**”, a subsidiary of the Company), the amount of centralized procurement of coal products from members of the Parent Group in Xinjiang for centralized sales will increase. Upon our request, we obtained a list showing the possible supply of coal (in quantity) by relevant members of the Parent Group for FY2022. We acknowledged that the total estimated quantity of coal is the same as the summation of expected supply quantity of coal by relevant members of the Parent Group for FY2022.

Based on the above factors, we are of the view that the estimated quantity of coal (in tonne) from the Parent Group for the FY2022 to be justifiable.

Having considered the above factors, including both the estimated procurement price and estimated quantity of coal for FY2022 to be justifiable and that the Revised Coal Cap for FY2022 is close to (with difference of less than 1%) the estimated amounts of coal supply to the Group by the Enlarged Parent Group for FY2022, we are of the view that the Revised Coal Cap for FY2022 is fair and reasonable.

According to the table above, the Revised Coal Cap for FY2023 represented an increase of RMB5,400 million as compared to that for FY2022. The increase was mainly due to (i) an increase of RMB3,400 million from the possible procurement of coal according to the implementation of national energy supply assurance requirements as the estimated amounts for FY2022 is based on half year estimation and a full year estimated amount for FY2023 (there is no material difference between the annualized amount for FY2022 and full year estimated amount for FY2023); and (ii) an increase of approximately RMB1,800 million from the possible procurement of coal from Guoyuan

LETTER FROM GRAM CAPITAL

Group for FY2023 as compared to that for FY2022, which was due to the expected increase of 6% to 7% in both procurement quantity of coal and estimated price. Accordingly, we are of the view that the Revised Coal Cap for FY2023 is fair and reasonable.

Given the above, we consider that the Revised Coal Caps for the two years ending 31 December 2023 to be fair and reasonable.

Shareholders should note that as the Revised Coal Caps are relating to future events and was estimated based on assumptions which may or may not remain valid for the entire period up to 31 December 2023, and they do not represent forecasts of revenue/cost/income to be incurred from the Coal Transactions. Consequently, we express no opinion as to how closely the actual revenue/cost/income to be incurred from the Coal Transactions will correspond with the Revised Coal Caps.

Hong Kong Listing Rules implications

The Directors confirmed that the Company shall comply with the requirements of Rules 14A.53 to 14A.59 of the Hong Kong Listing Rules pursuant to which (i) the values of the Supply Transactions and the Coal Transactions must be restricted by their respective proposed annual caps for the period concerned under the relevant framework agreements; (ii) the terms of the Supply Transactions and the Coal Transactions (including their respective proposed annual caps) must be reviewed by the independent non-executive Directors annually; and (iii) details of independent non-executive Directors' annual review on the terms of the Supply Transactions and the Coal Transactions must be included in the Company's subsequent published annual reports.

Furthermore, it is also required by the Hong Kong Listing Rules that the auditors of the Company must provide a letter to the Board confirming, among other things, whether anything has come to their attention that causes them to believe that the the Supply Transactions and the Coal Transactions (i) have not been approved by the Board; (ii) were not, in all material respects, in accordance with the pricing policies of the Group if the transactions involve the provision of goods or services by the listed issuer's group; (iii) were not entered into, in all material respects, in accordance with the relevant agreement governing the transactions; and (iv) have exceeded their respective proposed annual caps.

In the event that the total amounts of the Supply Transactions and/or the Coal Transactions are anticipated to exceed their respective proposed annual caps, or that there is any proposed material amendment to the terms of the Supply Transactions and the Coal Transactions, as confirmed by the Directors, the Company shall comply with the applicable provisions of the Hong Kong Listing Rules governing continuing connected transaction.

LETTER FROM GRAM CAPITAL

Given the above stipulated requirements for continuing connected transactions pursuant to the Hong Kong Listing Rules, we are of the view that there are adequate measures in place to monitor the Supply Transactions and the Coal Transactions and thus the interest of the Independent Shareholders would be safeguarded.

RECOMMENDATION

Having taken into consideration the factors and reasons as stated above, we are of the opinion that (i) the terms of the Transactions are on normal commercial terms and are fair and reasonable; and (ii) the Transactions are conducted in the ordinary and usual course of business of the Group and are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favour of the resolution(s) to be proposed at the EGM to approve the Transactions and we recommend the Independent Shareholders to vote in favour of the resolution(s) in this regard.

Yours faithfully,
For and on behalf of
Gram Capital Limited
Graham Lam
Managing Director

* *For identification purpose only*

Note: Mr. Graham Lam is a licensed person registered with the Securities and Futures Commission and a responsible officer of Gram Capital Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. He has over 25 years of experience in investment banking industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Hong Kong Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE OFFICER

As at the Latest Practicable Date, none of the Directors, Supervisors or the chief executive officer of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the SFO), which are required to be notified to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and to the Hong Kong Stock Exchange under the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or were deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by the Directors of Listed Issuers, to be notified to the Company and the Hong Kong Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS

So far as is known to the Directors, the Supervisors and the chief executive officer of the Company, as at the Latest Practicable Date, the following persons, other than a Director, a Supervisor, or the chief executive officer of the Company, had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of divisions 2 and 3 of Part XV of the SFO, or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of shareholders	Number of shares	Class of shares	Nature of interest	Capacity	Percentage of the respective class of shares in issue (%)	Percentage of the total shares in issue (%)
China National Coal Group Corporation	7,605,207,608	A Share(s)	N/A	Beneficial owner	83.10	57.36

Name of shareholders	Number of shares	Class of shares	Nature of interest	Capacity	Percentage of the respective class of shares in issue (%)	Percentage of the total shares in issue (%)
	132,351,000	H Share(s)	Long position	Interests of controlled corporation by substantial shareholders	3.22	1.00
	7,737,558,608	-	-	-	-	58.36
Funde Sino Life Insurance Co., Ltd.	2,012,858,147	H Share(s)	Long position	Interests of controlled corporation by substantial shareholders	49.01	15.18

Notes:

- As at the Latest Practicable Date, save as Mr. Wang Shudong, Mr. Peng Yi, Mr. Zhao Rongzhe, Mr. Xu Qian, Mr. Wang Wenzhang, Mr. Zhang Shaoping, Ms. Zhang Qiaoqiao, there is no other Director or Supervisor who is a director, supervisor or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.
- China Coal Group holds 100% equity interest in China Coal Hong Kong Limited, which in turn holds 132,351,000 H Shares, representing 1.00% of the total issued share capital of the Company. Pursuant to the SFO, China Coal Group is deemed to be interested in the H Shares owned by China Coal Hong Kong Limited. Therefore, China Coal Group holds a total of 7,737,558,608 Shares of the Company directly and indirectly, accounting for 58.36% of the total shares in issue of the Company.

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors, the Supervisors and the chief executive officer of the Company, there was no other person (other than the Directors, the Supervisors or the chief executive of the Company) who had interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company under the provisions of divisions 2 and 3 of Part XV of the SFO.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors and the Supervisors were not aware of any material adverse change in the financial position or trading position of the Group since 31 December 2021, being the date to which the latest published audited financial statements of the Group were made up.

5. INTERESTS OF DIRECTORS AND SUPERVISORS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors and the Supervisors nor their respective associates was interested in any business which competed or was likely to compete, either directly or indirectly, with the business of the Group which would require disclosure under the Hong Kong Listing Rules and none of the Directors and the Supervisors nor their respective associates was materially interested in any contract or arrangement at the Latest Practicable Date which was significant to the business of the Group taken as a whole.

6. DIRECTORS' AND SUPERVISORS' INTEREST IN ASSETS OR CONTRACTS

As at the Latest Practicable Date, none of the Directors nor the Supervisors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group since 31 December 2021, being the date to which the latest published audited financial statements of the Group were made up, or were proposed to be acquired or disposed of by or leased to any member of the Group. None of the Directors nor the Supervisors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group.

7. DIRECTORS' AND SUPERVISORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors nor the Supervisors had any existing or proposed service contracts with any member of the Group which will not expire or is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

8. EXPERT'S QUALIFICATION AND CONSENT

Gram Capital, as the Independent Financial Adviser, has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter of advice and references to its names in the form and context in which it appear.

The following is the qualification of Gram Capital who has given its opinions or advices which are contained in this circular:

Name	Qualification
Gram Capital	a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activity under the SFO

9. EXPERT'S INTERESTS

As the Latest Practicable Date, Gram Capital did not have any direct or indirect interest in any asset which have been acquired, or disposed of by, or leased to any member of the Group, or which are proposed to be acquired, or disposed of by, or leased to any member of the Group, since 31 December 2021, the date to which the latest audited financial statements of the Group were made up; and has no shareholding interest in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

10. METHOD OF VOTING AT THE EGM AND H SHAREHOLDERS' CLASS MEETING

Pursuant to Rule 13.39(4) of the Hong Kong Listing Rules, any vote of shareholders at a general meeting must be taken by way of poll. Accordingly, the chairman of the EGM and H Shareholders' Class Meeting will demand a poll in relation to resolutions to be proposed at the respective meeting.

11. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Jiang Qun. Mr. Jiang Qun, by virtue of his relevant experiences, has been confirmed capable of discharging the functions of company secretary pursuant to the Rule 3.28 of the Hong Kong Listing Rules and qualified for the position of company secretary under the Hong Kong Listing Rules by the Hong Kong Stock Exchange.
- (b) The registered office of the Company is situated at No.1 Huangsidajie, Chaoyang District, Beijing, the PRC.
- (c) The H share registrar and transfer office of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited which is situated at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

12. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of Hong Kong Stock Exchange at <http://www.hkexnews.hk> and the website of the Company at <http://www.chinacoalenergy.com> on display for a period of 14 days from the date of this circular:

- (a) the Revised Integrated Materials and Services Mutual Provision Framework Agreement; and
- (b) the Revised Coal Supply Framework Agreement.

Details of the proposed amendments to the Articles of Association are as follows:

No.	Before revision	After revision
1.	<p>Article 1 The Articles of Association are formulated by China Coal Energy Company Limited (the “Company”) pursuant to the Company Law of the People’s Republic of China (“Company Law”), Securities Law of the People’s Republic of China (“Securities Law”), Special Regulations on Overseas Offerings and Listing of Shares by Joint Stock Limited Companies (“Special Regulations”), Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas (“Mandatory Provisions”), Letter of Opinions on Supplementary Amendment to Articles of Association of Companies to be Listed in Hong Kong (“Letter of Opinions”), Guide to Articles of Association of Listed Companies (amended in 2006) (“Guide to Articles of Association”), Notice of CSRC and China Banking Regulatory Commission on the Standardization of the External Guarantee for Listed Companies (“Notice on External Guarantee”) and other relevant regulations, in order to protect the legitimate rights and interests of the Company and shareholders and creditors thereof and regulate the organisation and behaviour of the Company.</p>	<p>Article 1 The Articles of Association are formulated by China Coal Energy Company Limited (the “Company”) pursuant to the Company Law of the People’s Republic of China (“Company Law”), Securities Law of the People’s Republic of China (“Securities Law”), Special Regulations on Overseas Offerings and Listing of Shares by Joint Stock Limited Companies (“Special Regulations”), Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas (“Mandatory Provisions”), <u>Guide to Articles of Association of Listed Companies (amended in 2022)</u> Letter of Opinions on Supplementary Amendment to Articles of Association of Companies to be Listed in Hong Kong (“Letter of Opinions”), Guide to Articles of Association of Listed Companies (amended in 2006) (“Guide to Articles of Association”), Notice of CSRC and China Banking Regulatory Commission on the Standardization of the External Guarantee for Listed Companies (“Notice on External Guarantee”) and other relevant regulations, in order to protect the legitimate rights and interests of the Company and shareholders and creditors thereof and regulate the organisation and behaviour of the Company.</p>
2.	<p>The first paragraph of Article 2 The Company is a joint stock company with limited liability incorporated under the Company Law, the Special Regulations and other relevant laws and administrative regulations of the PRC.</p>	<p>The first paragraph of Article 2 The Company is a joint stock company with limited liability incorporated under the Company Law, <u>the Securities Law</u>, the Special Regulations and other relevant laws and administrative regulations of the PRC.</p>

No.	Before revision	After revision
3.	<p>Article 3 Upon approval by CSRC on 19 January 2008, the Company issued 1,525,333,400 Renminbi-denominated ordinary shares through the initial public offering to the public and listed the same on the Shanghai Stock Exchange on 1 February 2008.</p>	<p>Article 3 <u>Upon approval by the CSRC in 2006, the Company initially issued 3,733,330,000 overseas listed foreign shares (H shares) to the public and listed the same on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”);</u> Upon approval by CSRC on 19 January 2008, the Company issued 1,525,333,400 Renminbi-denominated ordinary shares through the initial public offering to the public and listed the same on the Shanghai Stock Exchange on 1 February 2008.</p>
4.	<p>The third paragraph of Article 7 All capital of the Company shall be divided into shares with equal par value per share. Rights and liabilities of shareholders against the Company shall be limited to their respective shareholdings, and the Company shall cover its liability with all of its assets.</p>	<p>The third paragraph of Article 7 All capital of the Company shall be divided into shares with equal par value per share. Rights and liabilities of shareholders against the Company shall be limited to their respective shareholdings, <u>Shareholders of the Company shall undertake limited liabilities subject to their respective shares subscribed,</u> and the Company shall cover its liability with all of its assets.</p>
5.	<p>Article 9 In accordance with the Company Law and the Constitution of the Communist Party of China (the “Party”), the Company hereby set up Party organizations and related working organs, and maintain an adequate level of staffing to handle Party affairs as well as sufficient funding necessary for the activities of the Party organizations. The Party organizations play the role of the leadership core and political core in the Company.</p>	<p>Article 9 In accordance with the Company Law and the Constitution of the Communist Party of China (the “Party”), the Company hereby set up Party organizations. <u>The Party organizations shall perform the leadership functions to control the direction, manage the overall situation and ensure the implementation, discuss and study on significant matters of the Company in accordance with the regulations.</u> The Company <u>should provide necessary conditions for the activities of the Party organizations,</u> set up and related working organs, and <u>maintain an adequate level of staffing-outstanding staff</u> to handle Party affairs as well as sufficient funding necessary for the activities of the Party organizations. The Party organizations play the role of the leadership core and political core in the Company.</p>

No.	Before revision	After revision
6.	<p>The second paragraph of Article 14 The scope of business operations of the Company includes: Licensed operations including coal mining (according to respective terms of validity on the licenses for coal mines); General operations including coal wholesale operations, the investment and management of coal, railway, port and new energy projects; investment and management of coal chemicals, coal coking, coal seam gas, power generation, production of electrolytic aluminium and aluminium processing; the research and development, manufacturing and sale of coal mining machinery and equipment; engineering design, prospecting survey, construction, tender agency and consultancy services, etc.; import and export business; real estate development and operation, property management; and sale of coke products, fertilizer and chemical products (excluding hazardous chemicals and precursor chemicals in category 1). The scope of business operation of the Company shall be subject to the final approval by the relevant administrative authorities for industry and commerce.</p>	<p>The second paragraph of Article 14 The scope of business operations of the Company includes: Licensed operations including <u>Coal mining</u> (according to respective terms of validity on the licenses for coal mines); General operations including coal wholesale operations <u>sale of coal (no trading and storage of raw coal will be conducted in Beijing), coke products, fertilizer and chemical products (excluding hazardous chemicals and precursor chemicals in category 1)</u>, the investment and management of coal, railway, port and new energy projects; investment and management of coal chemicals, coal coking, coal seam gas, power generation, production of electrolytic aluminium and aluminium processing; the research and development, manufacturing and sale of coal mining machinery and equipment; engineering design, prospecting survey, construction, tender agency and consultancy services, etc.; import and export business; real estate development and operation, property management; and <u>lease of office building and commercial building. (the subject enterprise in the market shall select business items and carry out operating activities at its discretion in accordance with laws; for projects subject to approval in accordance with laws, operating activities can only be conducted upon approval by relevant authorities and to the extent authorized by such approval; it is not allowed to engage in operating activities prohibited or restricted by industrial policies of the state and the city where it is located.)</u> <u>The scope of business operation of the Company shall be subject to the scope final approved by the market regulation authorities</u>the approval of the final approval by the relevant administrative authorities for industry and commerce.</p>

No.	Before revision	After revision
7.	The third paragraph of Article 19 Foreign shares issued by the Company and listed in Hong Kong are referred to as “H shares”. H Shares are shares which have been admitted for listing on The Stock Exchange of Hong Kong Limited (“SEHK”) with a par value denominated in RMB and are subscribed and traded in Hong Kong dollars.	The third paragraph of Article 19 Foreign shares issued by the Company and listed in Hong Kong are referred to as “H shares”. H Shares are shares which have been admitted for listing on The Stock Exchange of Hong Kong Limited (“SEHK”) on the SEHK with a par value denominated in RMB and are subscribed and traded in Hong Kong dollars.

No.	Before revision	After revision
8.	<p>Article 29 Any gains from sale of shares in the Company by any director, supervisor, senior management or shareholders holding 5% or more of the shares in the Company within 6 months after their purchase of the same, and any gains from purchase of shares in the Company by any of the aforesaid parties within 6 months after sale of the same shall be disgorged and paid to the Company. The Board of Directors of the Company shall forfeit such gains from the abovementioned parties.</p> <p>Should the Board of the Company fail to comply with the requirements set out in the preceding paragraph, a shareholder shall have the right to request the Board to effect the same within 30 days. Should the Board fail to do so within the said time limit, a shareholder shall have the right to initiate proceedings in the court directly in his own name for the interests of the Company.</p> <p>Should the Board fail to comply with the requirements set out in the first paragraph, the responsible director(s) shall assume joint and several liabilities under the law.</p>	<p>Article 29 Any gains from sale of shares in the Company by any director, supervisor, senior management or shareholders holding 5% or more of the shares in the Company within 6 months after their purchase of the same, and any gains from purchase of shares <u>or any other equity securities</u> in the Company by any of the aforesaid parties within 6 months after sale of the same shall be disgorged and paid to the Company. The Board of Directors of the Company shall forfeit such gains from the abovementioned parties. <u>However, if a securities company holding more than 5% of the shares due to the purchase of the remaining shares after underwriting, and other circumstances stipulated by the CSRC are excluded.</u></p> <p><u>The shares or other equity securities held by any director, supervisor, senior management or individual shareholder as referred to in the preceding paragraph include the shares or other equity securities held by his/her spouse, parents and child and those held through any other person's account.</u></p> <p>Should the Board of the Company fail to comply with the requirements set out in the preceding first paragraph, a shareholder shall have the right to request the Board to effect the same within 30 days. Should the Board fail to do so within the said time limit, a shareholder shall have the right to initiate proceedings in the court directly in his own name for the interests of the Company.</p> <p>Should the Board fail to comply with the requirements set out in the first paragraph, the responsible director(s) shall assume joint and several liabilities under the law.</p>

No.	Before revision	After revision
9.	<p>Article 33 In the following circumstances, the Company may repurchase its issued and outstanding shares in accordance with laws, administrative regulations, department rules and the Articles of Association, subject to approval of relevant authorities of the PRC:</p> <p>(I) to cancel shares for reducing capital of the Company;</p> <p>(II) to merge with other companies which own shares in the Company;</p> <p>(III) to transfer shares to employees of the Company as incentive;</p> <p>(IV) repurchase of shares held by the shareholders who voted against proposals for merger or division in the general meeting of the Company and subsequently request the company to do so; and</p> <p>(V) other circumstances as permitted by laws and administrative regulations.</p> <p>Save as the aforesaid, the Company shall not conduct any activities to deal in the shares of the Company.</p>	<p>Article 33 In the following circumstances, the Company may repurchase its issued and outstanding shares in accordance with laws, administrative regulations, department rules and the Articles of Association, subject to approval of relevant authorities of the PRC:</p> <p>(I) to cancel shares for reducing capital of the Company;</p> <p>(II) to merge with other companies which own shares in the Company;</p> <p>(III) <u>to transfer use shares for the purpose of employee stock ownership plan or as share incentive;</u> to employees of the Company as incentive;</p> <p>(IV) repurchase of shares held by the shareholders who voted against proposals for merger or division in the general meeting of the Company and subsequently request the company to do so; and</p> <p><u>(V) Using the shares to satisfy the conversion of corporate bonds convertible into shares issued by the Company;</u></p> <p><u>(VI) Maintaining corporate value and shareholders' interests as the Company deems necessary;</u></p> <p>(VII) other circumstances as permitted by laws and administrative regulations.</p> <p>Save as the aforesaid, <u>the Company shall not repurchase</u> conduct any activities to deal in the shares of the Company <u>its own shares.</u></p>

No.	Before revision	After revision
10.	<p>Article 34 The Company may, with the approval of the relevant authorities of the PRC, repurchase its shares in any of the following manners:</p> <p>(I) to make a repurchase offer in proportion to respective shareholdings of all shareholders;</p> <p>(II) to repurchase shares through public dealings on a stock exchange;</p> <p>(III) to repurchase by an off-market agreement outside stock exchange; or</p> <p>(IV) other means approved by the relevant securities regulatory authorities.</p>	<p>Article 34 The Company may, with the approval of the relevant authorities of the PRC, repurchase its shares in any of the following manners:</p> <p>(I) to make a repurchase offer in proportion to respective shareholdings of all shareholders;</p> <p>(II) to repurchase shares through public dealings on a stock exchange;</p> <p>(III) to repurchase by an off-market agreement outside stock exchange; or</p> <p>(IV) other means approved by the relevant securities regulatory authorities.</p> <p><u>The Company may repurchase its own shares through open centralized trading or other methods recognized by laws, regulations and the regulatory authority of the jurisdiction where the shares are listed.</u></p> <p><u>Where the Company repurchases its own shares due to the reason as set out in subparagraphs (III), (V) or (VI) of the first paragraph of Article 33, the open centralized trading method shall be adopted.</u></p>

No.	Before revision	After revision
11.	<p>Article 36 The Company's purchase of its own shares for any of the reasons as mentioned in subparagraphs (I) to (III) of Article 33 shall be subject to a resolution to be passed at the general meeting. After the Company purchases its own shares pursuant to Article 33, it shall, if under the circumstance mentioned in subparagraph (I), cancel them within 10 days after the purchase; or if under either circumstance mentioned in subparagraph (II) or (IV), transfer them or cancel them within 6 months.</p> <p>The shares purchased by the Company in accordance with subparagraph (III) of Article 33 shall not exceed 5% of the total issued shares of the Company. Funding financing the share purchase shall made out of the Company's profit after tax. The shares purchased by the Company shall be transferred to its employees within 1 year.</p> <p>The amount of the Company's registered capital shall be reduced by the aggregate par value of those shares cancelled.</p>	<p>Article 36 The Company's purchase of its own shares for any of the reasons as mentioned in subparagraphs (I) to (III) of Article 33 shall be subject to a resolution to be passed at the general meeting. After the Company purchases its own shares pursuant to Article 33, it shall, if under the circumstance mentioned in subparagraph (I), cancel them within 10 days after the purchase; or if under either circumstance mentioned in subparagraph (II) or (IV), transfer them or cancel them within 6 months.</p> <p>The shares purchased by the Company in accordance with subparagraph (III) of Article 33 shall not exceed 5% of the total issued shares of the Company. Funding financing the share purchase shall made out of the Company's profit after tax. The shares purchased by the Company shall be transferred to its employees within 1 year.</p> <p><u>The Company's repurchase of its own shares for any of the reasons as mentioned in subparagraphs (I) and (II) of the first paragraph of Article 33 shall be subject to a resolution to be passed at the general meeting. The Company's repurchase of its own shares for any of the reasons as mentioned in subparagraphs (III), (V) and (VI) of the first paragraph of Article 33 shall be subject to a resolution to be passed at the Board meeting attended by more than two-thirds of the directors in accordance with provisions of the Articles of Association or the authorization of the general meeting. After the Company repurchases its own shares pursuant to the first paragraph of Article 33, it shall, if under the circumstance mentioned in subparagraph (I), cancel them within 10 days after the purchase; or if under either circumstance mentioned in subparagraph (II) or (IV), transfer them or cancel them within 6 months, or if under either circumstance mentioned in subparagraph (III), (V) or (VI), the total shares held by the Company shall not exceed 10% of its total issued shares, and shall be transferred or cancelled within three years.</u></p>

No.	Before revision	After revision
		<p>The amount of the Company's registered capital shall be reduced by the aggregate par value of those shares cancelled.</p> <p><u>Where the relevant rules of the regulatory authority and stock exchange where the shares are listed provide otherwise, such provisions shall prevail.</u></p>
12.	<p>Article 49 No registration of amendment of the register of members caused by transfer of shares shall be carried out within 30 days prior to the date of a general meeting or within 5 days before the reference date on which the Company decides to distribute dividends.</p>	<p>Article 49 <u>Where there are requirements under the laws, administrative regulations, department rules, normative documents, rules of the relevant stock exchanges or regulatory authorities of the jurisdiction where the shares of the Company are listed governing the period of closure of register of members prior to a general meeting or prior to the record date for determining the entitlement to dividends, such requirements shall prevail.</u> No registration of amendment of the register of members caused by transfer of shares shall be carried out within 30 days prior to the date of a general meeting or within 5 days before the reference date on which the Company decides to distribute dividends.</p>
13.	<p>The first paragraph of Article 59 If any director or senior management violates the laws and administrative regulations or the Articles of Association in fulfilling their duties, thereby incurring any loss of the Company, the shareholder(s) separately or jointly holding 1% or more shares of the Company for 180 or more consecutive days shall have the right to submit a written request to the Supervisory Committee to institute legal proceedings in the court; if the Supervisory Committee violates the laws and administrative regulations or the Articles of Association in fulfilling its duties, thereby incurring any loss of the Company, the shareholders shall have the right to submit a written request to the court for legal proceedings.</p>	<p>The first paragraph of Article 59 If any director or senior management violates the laws and administrative regulations or the Articles of Association in fulfilling their duties, thereby incurring any loss of the Company, the shareholder(s) separately or jointly holding 1% or more shares of the Company for 180 or more consecutive days shall have the right to submit a written request to the Supervisory Committee to institute legal proceedings in the court; if the Supervisory Committee violates the laws and administrative regulations or the Articles of Association in fulfilling its duties, thereby incurring any loss of the Company, the mentioned shareholders shall have the right to submit a written request to the court for legal proceedings.</p>

No.	Before revision	After revision
14.	<p>Article 61 Holders of ordinary shares of the Company shall assume the following obligations:</p> <p>(I) to comply with laws and administrative regulations and the Articles of Association;</p> <p>(II) to pay subscription money according to the number of shares subscribed and the method of subscription;</p> <p>(III) to take responsibility for the Company to the extent of the shares held;</p> <p>(IV) not to divest the shares except otherwise provided by laws and regulations;</p> <p>(V) not to abuse their rights as shareholders to damage the interests of the Company or other shareholders; and not to abuse the Company's independent status of legal entity or shareholders' limited liability to damage the interests of the creditors of the Company;</p> <p>A shareholder who abuses shareholder's right shall be liable for indemnification to any loss so caused to the Company or other shareholders according to law.</p> <p>A shareholder who abuses the Company's independent status of legal entity or shareholder's limited liability to evade debts thereby causing serious damage to the interests of the creditors of the Company shall bear joint liability for the Company's debts.</p> <p>(VI) other obligations imposed by laws, administrative regulations and the Articles of Association.</p> <p>Shareholders shall not be liable to make any further contributions to the share capital other than according to the terms agreed by the subscribers at the time of share subscription.</p>	<p>Article 61 Holders of ordinary shares of the Company shall assume the following obligations:</p> <p>(I) to comply with laws and administrative regulations and the Articles of Association;</p> <p>(II) to pay subscription money according to the number of shares subscribed and the method of subscription;</p> <p>(III) to take responsibility for the Company to the extent of the shares held;</p> <p>(IV) not to divest the shares except otherwise provided by laws and regulations;</p> <p>(V) not to abuse their rights as shareholders to damage the interests of the Company or other shareholders; and not to abuse the Company's independent status of legal entity or shareholders' limited liability to damage the interests of the creditors of the Company;</p> <p><u>(VI) other obligations imposed by laws, administrative regulations and the Articles of Association.</u></p> <p>A shareholder who abuses shareholder's right shall be liable for indemnification to any loss so caused to the Company or other shareholders according to law.</p> <p>A shareholder who abuses the Company's independent status of legal entity or shareholder's limited liability to evade debts thereby causing serious damage to the interests of the creditors of the Company shall bear joint liability for the Company's debts.</p> <p>Shareholders shall not be liable to make any further contributions to the share capital other than according to the terms agreed by the subscribers at the time of share subscription.</p>

No.	Before revision	After revision
15.	<p>Article 66 (IX) to resolve the merger, division, dissolution, liquidation of the Company or change of corporate form;</p> <p>.....</p> <p>(XIV) to consider and approve the provision of guarantees under Article 66 of the Articles of Association;</p> <p>(XV) to consider and approve the changes in the use of proceeds from share offerings;</p> <p>(XVI) to consider share incentive schemes; and</p> <p>(XVII) other matters which, according to the laws, administrative regulations and the Articles of Association, shall be resolved by the shareholders at general meetings.</p> <p>(XVIII) General meetings may authorize or appoint the Board to deal with such other matters apart from the aforesaid powers and functions.</p> <p>The aforesaid functions and powers of general meetings set out in subparagraphs (I) to (XVI) shall not be exercised by the Board or by other organisations and individuals on behalf of shareholders through authorization.</p>	<p>Article 66 (IX) to resolve the merger, division, dissolution, liquidation of the Company or change of corporate form;</p> <p>.....</p> <p>(XIV) to consider and approve the provision of guarantees under Article 66 of the Articles of Association;</p> <p><u>(XV) to consider the acquisition and disposal of major assets by the Company during a year which exceeds 30% of the Company's latest audited total assets;</u></p> <p>(XVI) to consider and approve the changes in the use of proceeds from share offerings;</p> <p>(XVII) to consider share incentive schemes <u>and employee shareholding scheme;</u> and</p> <p>(XVIII) other matters which, according to the laws, administrative regulations and the Articles of Association, shall be resolved by the shareholders at general meetings.</p> <p>(XIX) General meetings may authorize or appoint the Board to deal with such other matters apart from the aforesaid powers and functions.</p> <p>The aforesaid functions and powers of general meetings set out in subparagraphs (I) to (XVIII) shall not be exercised by the Board or by other organisations and individuals on behalf of shareholders through authorization.</p>

No.	Before revision	After revision
16.	<p style="text-align: center;">Article 67</p> <p>(II) any provision of guarantee, where the total amount of external guarantees provided by the Company reaches 30% or above of the latest audited total assets;</p> <p>(VI) any provision of guarantee in the amount exceeding 50% of the Company's latest audited net assets and with an absolute amount of more than RMB50 million, based on the aggregate amount of guarantees for any 12 consecutive months;</p> <p>(VII) save as specified in subparagraphs (I) to (VI), any provision of other guarantees falling into "discloseable transactions" as specified in the Listing Rules of SEHK with any of the results of the five size tests reaching 25% or above; and</p> <p>(VIII) such other guarantees as defined by laws and regulations, the stock exchange on which the shares of the Company are listed and the Articles of Association.</p>	<p style="text-align: center;">Article 67</p> <p>(II) any provision of guarantee, where the total amount of external guarantees provided by the Company reaches <u>exceeds</u> 30% or above of the latest audited total assets;</p> <p>(VI) any provision of guarantee in the amount exceeding 50% of the Company's latest audited net assets and with an absolute amount of more than RMB50 million, based on the aggregate amount of guarantees for any 12 consecutive months; <u>any provision of guarantee by the Company within one year in an amount exceeding 30% of the Company's latest audited total assets;</u></p> <p>(VII) save as specified in subparagraphs (I) to (VI), any provision of other guarantees falling into "discloseable transactions" as specified in the <u>Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules of SEHK")</u> with any of the results of the five size tests reaching 25% or above; and</p> <p>(VIII) such other guarantees as defined by laws and regulations, the stock exchange on which the shares of the Company are listed and the Articles of Association.</p> <p style="text-align: center;">.....</p> <p><u>If the directors, general manager and other senior management of the Company violate the approval authority and review procedures on the external guarantee stipulated in the Articles of Association, the relevant personnel shall be held accountable, and if the Company and the shareholders' interests are damaged, the directly responsible personnel shall assume the corresponding liability for compensation.</u></p>

No.	Before revision	After revision
17.	<p>Article 69 General meetings are divided into annual general meetings and extraordinary general meetings. General meetings shall be convened by the Board. Annual general meetings are held once a year and within 6 months from the end of the preceding fiscal year.</p> <p>Under any of the following circumstances, the Board shall convene an extraordinary general meeting within 2 months:</p> <p>(I) the number of directors is less than the quorum required by the Company Law or two-thirds of the number of directors specified in the Articles of Association;</p> <p>(II) the accrued losses of the Company amount to one-third of the total amount of its share capital;</p> <p>(III) shareholder(s) severally or jointly holding 10% or more of the Company's outstanding issued shares carrying voting rights request(s) in writing the convening of an extraordinary general meeting;</p> <p>(IV) it is deemed necessary by the Board or requested by the Supervisory Committee to convene an extraordinary general meeting; or</p> <p>(V) half or more of the independent directors propose to convene the meeting.</p>	<p>Article 69 General meetings are divided into annual general meetings and extraordinary general meetings. General meetings shall be convened by the Board. Annual general meetings are held once a year and within 6 months from the end of the preceding fiscal year.</p> <p>Under any of the following circumstances, the Board shall convene an extraordinary general meeting within 2 months:</p> <p>(I) the number of directors is less than the quorum required by the Company Law or two-thirds of the number of directors specified in the Articles of Association;</p> <p>(II) the accrued losses of the Company amount to one-third of the total amount of its paid-in share capital;</p> <p>(III) shareholder(s) severally or jointly holding 10% or more of the Company's outstanding issued shares carrying voting rights request(s) in writing the convening of an extraordinary general meeting;</p> <p>(IV) it is deemed necessary by the Board or requested by the Supervisory Committee to convene an extraordinary general meeting; or</p> <p>(V) half or more of the independent non-executive directors propose to convene the meeting.</p>

No.	Before revision	After revision
18.	<p>The second paragraph of Article 70 The general meetings shall be held onsite at the venue. The Company may also provide virtual access or any other means for its shareholders to conveniently participate in general meetings. Shareholders participating in the general meetings by any aforesaid means shall be deemed as having attended the meetings.</p>	<p>The second paragraph of Article 70 The general meetings shall be held onsite at the venue. The Company may also provide virtual access <u>to vote</u> or any other means for its shareholders to conveniently participate in general meetings. Shareholders participating in the general meetings by any aforesaid means shall be deemed as having attended the meetings.</p>
19.	<p>Article 75 Where the Supervisory Committee or shareholders decide to convene a general meeting by itself/themselves, a notice in writing shall be given to the Board and filed with the CSRC local office for the Company's domicile and the stock exchange(s).</p> <p>Prior to the announcement of the resolution of the general meeting, the shareholding of shareholders convening the meeting shall not be less than 10%.</p>	<p>Article 75 Where the Supervisory Committee or shareholders decide to convene a general meeting by itself/themselves, a notice in writing shall be given to the Board and filed with the CSRC local office for the Company's domicile and the stock exchange(s).</p> <p>Prior to the announcement of the resolution of the general meeting, the shareholding of shareholders convening the meeting shall not be less than 10%. <u>Shareholders convening the meeting shall publish an announcement no later than the issuance of notice of the general meeting, and undertake that their shareholding shall not be less than 10% during the period from the date of proposing the convening of the general meeting to the convening date of the general meeting.</u></p>

No.	Before revision	After revision
20.	<p>Article 79 When the Company convenes a general meeting, written notice of the meeting shall be given 45 days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting. Shareholders who intend to attend the meeting shall serve to the Company a written reply of their attendance 20 days before the date of the meeting.</p> <p>The period of the despatching of the notice shall exclude the date convening the meeting and the date on which the notice is despatched.</p> <p>For the purpose of this Article, the despatching date of a notice is the date on which the Company or the share registry appointed by the Company delivers the notice to the post office to post it.</p>	<p>Article 79 When the Company convenes a general meeting, written notice of the meeting shall be given 45 days before the date of the meeting to notify all shareholders whose names appear in the register of members of the matters to be considered at and the date and place of the meeting. Shareholders who intend to attend the meeting shall serve to the Company a written reply of their attendance 20 days before the date of the meeting.</p> <p>The period of the despatching of the notice shall exclude the date convening the meeting and the date on which the notice is despatched.</p> <p><u>When the Company convenes an annual general meeting, written notice of the meeting shall be given 20 days before the date of the meeting, and when the Company convenes an extraordinary general meeting, written notice of the meeting shall be given 15 days before the date of the meeting.</u></p> <p><u>The period of the despatching of the notice shall exclude the date convening the meeting. Where relevant laws, regulations and the securities regulatory authorities of the jurisdiction where the shares of the Company are listed stipulate otherwise, such provisions shall prevail.</u></p> <p>For the purpose of this Article, the despatching date of a notice is the date on which the Company or the share registry appointed by the Company delivers the notice to the post office to post it.</p>

No.	Before revision	After revision
21.	<p data-bbox="325 293 826 683">Article 80 When the Company convenes a general meeting, shareholders severally or jointly holding 3% or more of the total number of shares carrying voting rights shall have the right to propose new motions in writing to the Company and the Company shall include the matters falling within the scope of functions and powers of the general meeting into the agenda of such meeting.</p> <p data-bbox="325 736 826 842">A motion proposed at general meetings by shareholders shall be subject to and conditional upon:</p> <p data-bbox="325 895 826 1123">(I) the substance of the motion proposed shall not be in conflict with the laws and regulations, and shall fall within the scope of operation of the Company and the functions and powers of general meetings;</p> <p data-bbox="325 1176 826 1240">(II) there is a clear subject matter of discussion and a specific resolution; and</p> <p data-bbox="325 1293 826 1357">(III) the motion shall be submitted or served to the Board in writing.</p>	<p data-bbox="852 293 1353 683">Article 80 When the Company convenes a general meeting, shareholders severally or jointly holding 3% or more of the total number of shares carrying voting rights shall have the right to propose new motions in writing to the Company and the Company shall include the matters falling within the scope of functions and powers of the general meeting into the agenda of such meeting.</p> <p data-bbox="852 736 1353 842">A motion proposed at general meetings by shareholders shall be subject to and conditional upon:</p> <p data-bbox="852 895 1353 1161">(I) the substance of the motion proposed shall not be in conflict with the laws, and regulations <u>and the Articles of Association</u>, and shall fall within the scope of operation of the Company and the functions and powers of general meetings;</p> <p data-bbox="852 1215 1353 1278">(II) there is a clear subject matter of discussion and a specific resolution; and</p> <p data-bbox="852 1332 1353 1395">(III) the motion shall be submitted or served to the Board in writing.</p>

No.	Before revision	After revision
22.	<p>Article 81 The Company shall, based on the written replies received 20 days before the date of the general meeting from the shareholders, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting reaches one half or more of the Company's total voting shares, the Company may convene the general meeting; if not, the Company shall, within 5 days, notify the shareholders again by announcement of the matters to be considered at, the place and date for, the meeting. The Company may then convene the meeting after such announcement made.</p> <p>An extraordinary general meeting shall not resolve on matters not stated in the notice of meeting.</p>	<p>Article 81 The Company shall, based on the written replies received 20 days before the date of the general meeting from the shareholders, calculate the number of voting shares represented by the shareholders who intend to attend the meeting. If the number of voting shares represented by the shareholders who intend to attend the meeting reaches one half or more of the Company's total voting shares, the Company may convene the general meeting; if not, the Company shall, within 5 days, notify the shareholders again by announcement of the matters to be considered at, the place and date for, the meeting. The Company may then convene the meeting after such announcement made.</p> <p>An extraordinary general meeting shall not resolve on matters not stated in the notice of meeting.</p>
23.	<p>Article 82 A notice of a shareholders' meeting shall be subject to and conditional upon:</p> <p>(I) being served in writing;</p> <p>(II) specifying the place, the date and time of the meeting;</p> <p>(III) stating the issues to be considered at the meeting;</p> <p>(IV) specifying the record date for shareholders who are entitled to attend the general meeting;</p>	<p>Article 82 A notice of a shareholders' meeting shall be subject to and conditional upon:</p> <p>(I) being served in writing;</p> <p>(II) specifying the place, the date and time of the meeting;</p> <p>(III) stating the issues <u>and proposals</u> to be considered at the meeting;</p> <p>(IV) specifying the record date for shareholders who are entitled to attend the general meeting;</p>

No.	Before revision	After revision
	<p>(V) providing such information and explanation as are necessary for the shareholders to make an informed decision on the matters to be considered. Without limiting the generality of the foregoing, where a proposal is made (including but limited to) upon an merger of the Company, share repurchases, share capital reorganisation or reconstruction of the Company in any other way, the specific terms of the proposed transaction shall be provided in details together with copies of the proposed contracts (if any), and the cause and effect of such proposal shall be properly explained;</p> <p>(VI) containing a disclosure of the nature and extent, if any, of the material interests of any director, supervisor, president (general manager) and other senior management in the proposed transaction; and the effect of the proposed transaction on the director, supervisor, president (general manager) and other senior management in their capacity as shareholders in so far as it is different from the effect on the interests of the shareholders of the same class;</p> <p>(VII) containing the full text of a special resolution to be proposed at the meeting;</p> <p>(VIII) containing a conspicuous statement that a shareholder entitled to attend and vote may appoint one or more proxies to attend and vote instead of him and such proxy is not necessarily be a shareholder; and</p> <p>(IX) specifying the time and place for service of proxy forms for the relevant meeting;</p>	<p>(V) providing such information and explanation as are necessary for the shareholders to make an informed decision on the matters to be considered. Without limiting the generality of the foregoing, where a proposal is made (including but limited to) upon an merger of the Company, share repurchases, share capital reorganisation or reconstruction of the Company in any other way, the specific terms of the proposed transaction shall be provided in details together with copies of the proposed contracts (if any), and the cause and effect of such proposal shall be properly explained;</p> <p>(VI) containing a disclosure of the nature and extent, if any, of the material interests of any director, supervisor, president (general manager) and other senior management in the proposed transaction; and the effect of the proposed transaction on the director, supervisor, president (general manager) and other senior management in their capacity as shareholders in so far as it is different from the effect on the interests of the shareholders of the same class;</p> <p>(VII) containing the full text of a special resolution to be proposed at the meeting;</p> <p>(VIII) containing a conspicuous statement that <u>all ordinary shareholders (including preference shareholders with restored voting rights) are entitled to attend and vote at the general meeting, and a shareholder may appoint a proxy in writing to attend the meeting and vote on his/her behalf</u> a shareholder entitled to attend and vote may appoint one or more proxies to attend and vote instead of him and such proxy is not necessarily be a shareholder <u>of the Company</u>; and</p> <p>(IX) specifying the time and place for service of proxy forms for the relevant meeting;</p>

No.	Before revision	After revision
	<p>(X) specifying the name and telephone number of the contact person for the meeting.</p> <p>Where the opinions of an independent director are required for the matters to be discussed, such opinions and reasons shall be disclosed in the notices or supplementary notices of general meetings served.</p> <p>If a general meeting is held virtually or through other means, the notice of general meeting shall specify how the meeting is to be held, that is whether virtually and/or by other means, and for each of the means, the voting time and voting procedure. The time to start voting at a general meeting held over network or by other means shall not be earlier than 3:00 p.m. of the day preceding the date of the onsite general meeting or later than 9:30 a.m. of the date of the onsite general meeting, and shall not conclude earlier than 3:00 p.m. of the date of the onsite general meeting.</p> <p>The interval between shareholding recording date and the date of the meeting shall not be more than 7 days. The shareholding recording date shall not be changed once confirmed.</p>	<p>(X) specifying the name and telephone number of the contact person for the meeting;</p> <p><u>XI. Voting time and voting procedure of voting via internet or by other ways.</u></p> <p>Where the opinions of an independent <u>non-executive</u> director are required for the matters to be discussed, such opinions and reasons shall be disclosed in the notices or supplementary notices of general meetings served.</p> <p>If a general meeting is held virtually or through other means, tThe notice of general meeting <u>of the Company</u> shall specify how the meeting is to be held, that is whether virtually and/or by other means, and for each of the means, the voting time and voting procedure. The time to start voting at a general meeting held over network or by other means shall not be earlier than 3:00 p.m. of the day preceding the date of the onsite general meeting or later than 9:30 a.m. of the date of the onsite general meeting, and shall not conclude earlier than 3:00 p.m. of the date of the onsite general meeting.</p> <p>The interval between shareholding recording date and the date of the meeting shall not be more than 7 days. The shareholding recording date shall not be changed once confirmed.</p>

No.	Before revision	After revision
24.	<p>Article 83 Where the general meeting intends to deliberate on the election of directors or supervisors, the notice of meeting shall fully disclose the detailed information on the candidates of directors or supervisors, at least in the following aspects:</p> <p>(I) personal information such as educational background, working experience and other work engagements;</p> <p>(II) whether such candidate has is a connected person of the Company or its controlling shareholders or persons exercising de facto control over the Company;</p> <p>(III) the number of shares of the Company such candidate holds;</p> <p>(IV) whether such candidate has been penalised by the CSRC or any other relevant authorities, or by the stock exchange.</p> <p>In addition to the adoption of the cumulative voting mechanism to elect directors and supervisors, each candidate for directors or supervisors shall be proposed in a separate motion.</p>	<p>Article 83 Where the general meeting intends to deliberate on the election of <u>non-staff representative</u> directors or <u>shareholder representative</u> supervisors, the notice of meeting shall fully disclose the detailed information on the candidates of <u>non-staff representative</u> directors or <u>shareholder representative</u> supervisors, at least in the following aspects:</p> <p>(I) personal information such as educational background, working experience and other work engagements;</p> <p>(II) whether such candidate has is a connected person of the Company or its controlling shareholders or persons exercising de facto control over the Company;</p> <p>(III) the number of shares of the Company such candidate holds;</p> <p>(IV) whether such candidate has been penalised by the CSRC or any other relevant authorities, or by the stock exchange.</p> <p>In addition to the adoption of the cumulative voting mechanism to elect directors and supervisors, each candidate for directors or supervisors shall be proposed in a separate motion.</p>

No.	Before revision	After revision
25.	<p>The second paragraph of Article 84 The public announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the relevant securities regulatory authorities of the State Council within the period between 45 days and 50 days before the date of the meeting; after the publication of the announcement, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p>	<p>The second paragraph of Article 84 The public announcement referred to in the preceding paragraph shall be published in one or more newspapers designated by the relevant securities regulatory authorities of the State Council within the period between 45 days and 50 days before the date of the meeting; After the publication of the announcement, the holders of domestic shares shall be deemed to have received the notice of the relevant shareholders' meeting.</p>
26.	<p>The second paragraph of Article 89 For a corporate shareholder, its legal representative or a proxy appointed thereby shall attend the meeting. The legal representative attending the meeting shall produce his/her identity card or valid certificate evidencing his/her qualifications as legal representative; a proxy attending the meeting on behalf of the legal representative shall produce his/her identity card and power of attorney lawfully issued by a legal representative of the corporate shareholder.</p>	<p>The second paragraph of Article 89 For a corporate shareholder, its legal representative or a proxy appointed thereby shall attend the meeting. The legal representative attending the meeting shall produce his/her identity card or valid certificate evidencing his/her qualifications as legal representative; a proxy attending the meeting on behalf of the legal representative shall produce his/her identity card and power of attorney lawfully issued by a legal representative of the corporate shareholder. <u>The legal representative or the proxy appointed thereby attending a general meeting shall be deemed as a corporate shareholder attending the general meeting in person.</u></p>

No.	Before revision	After revision
27.	<p>Article 106 In voting at general meetings, shareholders (including their proxies) shall exercise their voting rights in accordance with the number of their voting shares. Save and except for Article 110 hereof, each share shall have one vote, except the shares of the Company held by itself.</p> <p>In reviewing and considering matters relevant to connected transactions at a general meeting, if required by the listing rules of the stock exchange on which the Company's shares are listed, the connected shareholders shall abstain from voting and the number of voting shares represented by them shall be excluded from the total effective votes. The announcement of resolutions passed at the general meeting shall contain a complete disclosure of the voting of non-connected shareholders.</p> <p>The Board, independent directors and shareholders who meet the relevant requirements may solicit the voting rights from other shareholders.</p> <p>Where any shareholder is, under the applicable laws and regulations and the listing rules of the stock exchange(s) on which the shares of the Company are listed, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.</p>	<p>Article 106 In voting at general meetings, shareholders (including their proxies) shall exercise their voting rights in accordance with the number of their voting shares. Save and except for Article 110 hereof, each share shall have one vote, except the shares of the Company held by itself, <u>which shall not be counted into the total number of voting shares of shareholders present at the general meeting.</u></p> <p><u>In reviewing and considering material matters that could affect the interest of minority investors at a general meeting, the votes of minority investors shall be counted separately. The results of such separate vote counting shall be disclosed promptly.</u></p> <p>In reviewing and considering matters relevant to connected transactions at a general meeting, if required by the listing rules of the stock exchange on which the Company's shares are listed, the connected shareholders shall abstain from voting and the number of voting shares represented by them shall be excluded from the total effective votes. The announcement of resolutions passed at the general meeting shall contain a complete disclosure of the voting of non-connected shareholders.</p> <p><u>If a shareholder buys the voting shares of the Company in violation of the first paragraph and the second paragraph of Article 63 of the Securities Law, no voting rights shall be exercised with respect to the shares exceeding the prescribed percentage within 36 months after purchase and such shares shall not be counted into the total number of voting shares of shareholders present at the general meeting.</u></p>

No.	Before revision	After revision
		<p>The Board of Directors, independent non-executive directors, the shareholder(s) who meet the relevant requirements <u>holding 1% or more of voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the requirements of the CSRC</u> may publicly solicit the voting rights from other shareholders.</p> <p>Where any shareholder is, under the applicable laws and regulations and the listing rules of the stock exchange(s) on which the shares of the Company are listed, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.</p>
28.	<p>Article 112 The following matters shall be resolved by an ordinary resolution at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) profit distribution plan and loss recovery plan formulated by the Board;</p> <p>(III) appointment or removal of members of the Board and the shareholder representative supervisors, their remuneration and manner of payment;</p> <p>(IV) annual budget and final accounts, balance sheet, income statement, and other financial statements; and</p> <p>(V) such matters other than those required to be passed by special resolutions under the laws and administrative regulations and the listing rules of the stock exchange(s) where the Company's shares are listed or the Articles of Association.</p>	<p>Article 112 The following matters shall be resolved by an ordinary resolution at a general meeting:</p> <p>(I) work reports of the Board and the Supervisory Committee;</p> <p>(II) profit distribution plan and loss recovery plan formulated by the Board;</p> <p>(III) appointment or removal of members of the Board <u>non-staff representative</u> directors and the shareholder representative supervisors, their remuneration and manner of payment;</p> <p>(IV) annual budget and final accounts, balance sheet, income statement, and other financial statements; and</p> <p>(V) such matters other than those required to be passed by special resolutions under the laws and administrative regulations and the listing rules of the stock exchange(s) where the Company's shares are listed or the Articles of Association.</p>

No.	Before revision	After revision
29.	<p>Article 113 The following matters shall be resolved by a special resolution at a general meeting:</p> <p>(I) increase or reduction in share capital, repurchase of shares, and issue of shares of any class, stock warrants or other similar securities of the Company;</p> <p>(II) the issue of debentures of the Company;</p> <p>(III) division, merger, dissolution, liquidation or change of corporate form, and major acquisition or disposal;</p> <p>(IV) amendments to the Articles of Association; and</p> <p>(V) such other matters considered by the general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company and shall be adopted by a special resolution.</p>	<p>Article 113 The following matters shall be resolved by a special resolution at a general meeting:</p> <p>(I) increase or reduction in share capital, repurchase of shares, and issue of shares of any class, stock warrants or other similar securities of the Company;</p> <p>(II) the issue of debentures of the Company;</p> <p>(III) division, spin-off, merger, dissolution, liquidation or change of corporate form, and major acquisition or disposal;</p> <p>(IV) amendments to the Articles of Association; and</p> <p>(V) such other matters considered by the general meeting, by way of an ordinary resolution, to be of a nature which may have a material impact on the Company and shall be adopted by a special resolution.</p>
30.	<p>Article 116 The Company shall make it convenient for shareholders to attend general meetings by whatever means including the use of virtual online voting platform, provided that the general meeting can be held legally and validly through such means.</p>	Delete.

No.	Before revision	After revision
31.	<p>Article 117 The list of candidates for directors and supervisors shall be submitted to shareholders for voting by way of motion.</p> <p>When a voting is made on the election of directors or supervisors at a general meeting, the cumulative voting system may be adopted in accordance with the provisions of the Articles of Association or the resolutions of the general meeting.</p> <p>The “cumulative voting system” as mentioned in the preceding paragraphs means that each share shall have the same number of votes as the number of directors or supervisors, and the voting right owned by the shareholders may be cumulatively used when the directors or supervisors are elected at the general meeting. The Board shall simultaneously provide shareholders with the biographical details and basic information about the candidates for directors and supervisors.</p>	<p>Article 1167 The list of candidates for <u>non-staff</u> representative directors and shareholder representative supervisors shall be submitted to shareholders for voting by way of motion.</p> <p>When a voting is made on the election of directors or supervisors at a general meeting, the cumulative voting system may shall be adopted in accordance with the provisions of the Articles of Association or the resolutions of the general meeting.</p> <p>The “cumulative voting system” as mentioned in the preceding paragraphs means that each share shall have the same number of votes as the number of directors or supervisors, and the voting right owned by the shareholders may be cumulatively used when the directors or supervisors are elected at the general meeting. The Board shall simultaneously provide shareholders with the biographical details and basic information about the candidates for directors and supervisors.</p> <p><u>The implementation rules for the cumulative voting system are as follows:</u></p> <p><u>(1) where a cumulative voting system is used to elect directors and supervisors, candidates for independent non-executive directors, non-independent non-executive directors and supervisors shall be divided into different proposal groups for voting at the general meeting;</u></p>

No.	Before revision	After revision
		<p><u>(2) Shareholders attending the general meeting shall have the same number of votes as the number of directors or supervisors to be elected under each proposal group for each share held in the proposal subject to the cumulative voting system;</u></p> <p><u>(3) The number of votes held by shareholders can be cumulatively cast for one candidate or several candidates. Shareholders should vote within the number of votes for each proposal group. In the event that the number of votes cast by the shareholder exceeds the number of the votes he/she holds, or the shareholder casts votes in a number exceeding the number of candidates in the competitive election, the vote on such resolution shall be deemed invalid;</u></p> <p><u>(4) Upon completion of voting, the votes will be counted cumulatively in respect of each resolution.</u></p>
32.	<p>Subparagraph (3) of the first paragraph of Article 118 the nomination of independent directors shall be made in accordance with the provisions of Article 156 hereof.</p>	<p>Subparagraph (3) of the first paragraph of Article 118⁷ the nomination of independent non-executive directors shall be made in accordance with the provisions of Article 154⁶ hereof.</p>
33.	<p>The first paragraph of Article 122 The voting at the general meeting shall be conducted in the form of open ballot. Before a resolution is voted on at a general meeting, two representatives of the shareholders shall be elected as vote counters and scrutinisers. Any shareholder who is interested in the matter to be considered and proxies of such shareholder shall not participate in vote counting or scrutinising.</p>	<p>The first paragraph of Article 121² The voting at the general meeting shall be conducted in the form of open ballot. Before a resolution is voted on at a general meeting, two representatives of the shareholders shall be elected as vote counters and scrutinisers. Any shareholder who is connected with interested in the matter to be considered and proxies of such shareholder shall not participate in vote counting or scrutinising.</p>

No.	Before revision	After revision
34.	<p>Article 133 Rights conferred on any class of shareholders may not be varied or abrogated unless approved by a special resolution of shareholders at a general meeting and by the class shareholders so affected at a separate meeting convened in accordance with Articles 136 to 139.</p> <p>Where any change in domestic and overseas laws, administrative regulations and applicable listing rules or any decision made by the domestic or overseas regulatory authorities gives rise to variation or abrogation of the rights of class shareholders, approval by a general meeting or class general meeting is unnecessary.</p> <p>The conversion of the shares in the Company held by the promoter into foreign shares as referred to in Article 132 above shall not be deemed as a proposed variation or abrogation of the rights of class shareholders.</p>	<p>Article 1323 Rights conferred on any class of shareholders may not be varied or abrogated unless approved by a special resolution of shareholders at a general meeting and by the class shareholders so affected at a separate meeting convened in accordance with Articles 1356 to 1389.</p> <p>Where any change in domestic and overseas laws, administrative regulations and applicable listing rules or any decision made by the domestic or overseas regulatory authorities gives rise to variation or abrogation of the rights of class shareholders, approval by a general meeting or class general meeting is unnecessary.</p> <p>The conversion of the shares in the Company held by the promoter into foreign shares as referred to in Article 1312 above shall not be deemed as a proposed variation or abrogation of the rights of class shareholders.</p>
35.	<p>The first paragraph of Article 135 Shareholders of the affected class, whether having the right to vote in general meeting, shall be entitled to vote in class meetings in respect of matters concerning subparagraphs (II) to (VIII), (XI) and (XII) of Article 134. However, interested shareholder(s) shall have no voting right at such class meetings.</p> <p>Paragraph (II), item (1), (2) (1) in the event that the Company makes a repurchase offer to all shareholders in the same proportion or the Company repurchases its own shares by way of public dealings on a stock exchange pursuant to Article 34 hereof, a “interested shareholder” within the meaning of Article 65 hereof</p> <p>(2) in the event that the Company repurchases its own shares by an off-market agreement on a stock exchange pursuant to Article 34 hereof, a interested shareholder to which the proposed agreement relates;</p>	<p>The first paragraph of Article 1345 Shareholders of the affected class, whether having the right to vote in general meeting, shall be entitled to vote in class meetings in respect of matters concerning subparagraphs (II) to (VIII), (XI) and (XII) of Article 1334. However, interested shareholder(s) shall have no voting right at such class meetings.</p> <p>Paragraph (II), item (1), (2) (1) in the event that the Company makes a repurchase offer to all shareholders in the same proportion or the Company repurchases its own shares by way of public dealings on a stock exchange where its shares are listed pursuant to Article 34 hereof, a “interested shareholder” within the meaning of Article 645 hereof;</p> <p>(2) in the event that the Company repurchases its own shares by an off-market agreement on a stock exchange where its shares are listed pursuant to Article 34 hereof, a interested shareholder to which the proposed agreement relates;</p>

No.	Before revision	After revision
36.	<p>Article 136 A resolution in a class meeting shall be passed by votes representing two-thirds or more of the voting rights of shareholders of that class present at the relevant meeting who are entitled to vote at the class meetings according to Article 135.</p>	<p>Article 1356 A resolution in a class meeting shall be passed by votes representing two-thirds or more of the voting rights of shareholders of that class present at the relevant meeting who are entitled to vote at the class meetings according to Article 1345.</p>
37.	<p>Article 137 A written notice convening a class meeting shall be given 45 days before its convention, to notify shareholders whose names appear in the register of members for such class shares of the matters proposed to be considered and the date and place of the meeting. Shareholders who intend to attend the meeting shall serve a written reply to the Company 20 days prior to the date of the meeting.</p> <p>In the event that the number of shares (carrying voting rights) held by shareholders who intend to attend the meeting reaches one-half or more of the total class shares with voting rights at the meeting, the Company may convene the class meeting; otherwise, the Company shall within 5 days notify the shareholders, again by way of public announcement, of the matters to be considered and the date and place of the meeting. The Company may then proceed to hold the meeting.</p>	<p>Article 1367 A written notice convening a class meeting shall be given 45 days before its convention, to notify shareholders whose names appear in the register of members for such class shares of the matters proposed to be considered and the date and place of the meeting. Shareholders who intend to attend the meeting shall serve a written reply to the Company 20 days prior to the date of the meeting.</p> <p>In the event that the number of shares (carrying voting rights) held by shareholders who intend to attend the meeting reaches one-half or more of the total class shares with voting rights at the meeting, the Company may convene the class meeting; otherwise, the Company shall within 5 days notify the shareholders, again by way of public announcement, of the matters to be considered and the date and place of the meeting. The Company may then proceed to hold the meeting.</p> <p><u>When the Company holds a class meeting, the time limit for issuing a written notice shall be the same as the time limit for the written notice of the non-class shareholders meeting to be held together with the class meeting. The written notice shall inform all shareholders of record of the class of shares of the matters to be considered at the meeting and the date and place of the meeting. Shareholders who intend to attend the meeting shall serve a written reply to the Company 20 days prior to the date of the meeting.</u></p>

No.	Before revision	After revision
38.	<p>The first paragraph of Article 141 Directors shall be elected at the general meetings for a term of office of 3 years. Upon expiration of the term of office, a director is eligible to offer himself for re-election and reappointment.</p>	<p>The first paragraph of Article 1401 Directors shall be elected at the general meetings for a term of office of 3 years. Upon expiration of the term of office, a director is eligible to offer himself for re-election and reappointment. <u>Non-staff representative directors shall be elected or replaced by the general meeting, and may be removed from their positions by the general meeting before the expiration of their term of office. Staff representative directors are democratically elected or replaced by the staff of the Company. Directors serve a three-year term and may be re-elected upon expiry of the term.</u></p>
39.	<p>The second paragraph of Article 150 The general meeting may, by ordinary resolution, remove any director before the expiration of his term of office (but without prejudice to such director's right to claim damages based on any contract) on the condition that all the relevant laws and administrative regulations are fully complied with.</p>	<p>The second paragraph of Article 14950 The general meeting may, by ordinary resolution, remove any <u>non-staff representative</u> director before the expiration of his term of office on the condition that all the relevant laws and administrative regulations are fully complied with. <u>The staff representative director of the Company may be removed after performing democratic procedures for the staff of the Company under the premise of complying with relevant laws and administrative regulations.</u> (But without prejudice to such director's right to claim damages based on any contract)</p>

No.	Before revision	After revision
40.	<p>Article 152 An independent director shall meet the following basic conditions:</p> <p>(I) qualifies as independent director of a listed company pursuant to relevant laws, administrative regulations, the listing rules of the stock exchange on which the Company's shares are listed and other relevant regulations;</p> <p>(II) being independent as specified in the listing rules of the stock exchange on which the Company's shares are listed;</p> <p>(III) having basic knowledge on operation of listed companies and proficiency in relevant laws, administrative regulations and rules;</p> <p>(IV) having at least 5 years' experience in legal, economics or in other areas required for performing the duties as independent director;</p> <p>(V) having sufficient time and energy committed for effectively performing the duties as independent director;</p> <p>(VI) other conditions specified in the Articles of Association.</p>	<p>Article 1512 An independent <u>non-executive</u> director shall meet the following basic conditions:</p> <p>(I) qualifies as independent director of a listed company pursuant to relevant laws, administrative regulations, the listing rules of the stock exchange on which the Company's shares are listed and other relevant regulations;</p> <p>(II) being independent as specified in the listing rules of the stock exchange on which the Company's shares are listed;</p> <p>(III) having basic knowledge on operation of listed companies and proficiency in relevant laws, administrative regulations and rules;</p> <p>(IV) having at least 5 years' experience in legal, economics or in other areas required for performing the duties as independent <u>non-executive</u> director;</p> <p>(V) having sufficient time and energy committed for effectively performing the duties as independent <u>non-executive</u> director;</p> <p>(VI) <u>laws and regulations</u>, other conditions specified in the Articles of Association.</p>

No.	Before revision	After revision
41.	<p>Article 153 The following persons shall not serve as independent director:</p> <p>(I) any persons employed by the Company or its subsidiaries and their immediate family members and major social connections (immediate family members shall include spouses, parents and children, and major social connections shall include siblings, parents-in-law, sons/daughters-in-law, spouses of siblings and siblings of spouses);</p> <p>(II) any natural person shareholders who directly or indirectly hold 1% or more of issued shares of the Company or who are among the top ten shareholders of the Company, and their respective immediate family members;</p> <p>(III) any persons employed by a corporate shareholder which directly or indirectly holds 5% or more of the Company's issued shares or is among the top five corporate shareholders of the Company, and their immediate family members;</p> <p>(IV) any persons falling into any of the three categories above within the preceding year;</p> <p>(V) any persons providing financial, legal or advisory services to the Company or its affiliated companies</p> <p>(VI) any other persons specified in the Article of Association;</p> <p>(VII) any other persons defined by CSRC.</p>	<p>Article 1523 The following persons shall not serve as independent <u>non-executive</u> director:</p> <p>(I) any persons employed by the Company or its subsidiaries and their immediate family members and major social connections (immediate family members shall include spouses, parents and children, and major social connections shall include siblings, parents-in-law, sons/daughters-in-law, spouses of siblings and siblings of spouses);</p> <p>(II) any natural person shareholders who directly or indirectly hold 1% or more of issued shares of the Company or who are among the top ten shareholders of the Company, and their respective immediate family members;</p> <p>(III) any persons employed by a corporate shareholder which directly or indirectly holds 5% or more of the Company's issued shares or is among the top five corporate shareholders of the Company, and their immediate family members;</p> <p>(IV) any persons falling into any of the three categories above within the preceding year;</p> <p>(V) any persons providing financial, legal or advisory services to the Company or its affiliated companies</p> <p><u>(VI) other personnel specified by laws, administrative regulations, departmental rules, etc.;</u></p> <p>(VII) any other persons specified in the Article of Association;</p> <p><u>(VIIIVH)</u> any other persons defined by CSRC.</p>

No.	Before revision	After revision
42.	<p>Subparagraph (IV) of Article 155 Before convening the general meeting for the election of independent directors, the Company shall submit the relevant information of all the nominees to the CSRC and its local office for the Company's domicile and the stock exchange on which the Company's shares are listed. To despatch a notice of general meeting for election of independent directors, the Company shall include into the public announcement a statement that the proposal for independent directors is conditional upon the absence of any objection from the Shanghai Stock Exchange, and shall submit the relevant information of candidates for independent directors (including but not limited to the representations of the nominator and the candidates and the biographical details of independent directors) to the Shanghai Stock Exchange.</p>	<p>Subparagraph (IV) of Article 1545 Before convening the general meeting for the election of independent non-executive directors, the Company shall submit the relevant information of all the nominees to the CSRC and its local office for the Company's domicile and the stock exchange on which the Company's shares are listed. To despatch a notice of general meeting for election of independent non-executive directors, the Company shall include into the public announcement a statement that the proposal for independent non-executive directors is conditional upon the absence of any objection from the Shanghai Stock Exchange, and shall submit the relevant information of candidates for independent non-executive directors (including but not limited to the representations of the nominator and the candidates and the biographical details of independent non-executive directors) to the Shanghai Stock Exchange.</p>
43.	<p>Article 156 In addition to the functions and powers provided by the Company Law, other relevant laws and regulations and the listing rules of the stock exchange on which the Company's shares are listed, independent directors shall have the following special functions and powers:</p> <p>(I) to propose to the Board the appointment or dismissal of accounting firms;</p> <p>(II) to propose to the Board the convening of extraordinary general meeting;</p> <p>(III) to propose the convening of board meetings;</p> <p>(IV) upon their unanimous consent, to independently appoint external auditors or consultants for auditing and consultancy of specific matters at the expenses of the Company.</p>	<p>Article 1556 In addition to the functions and powers provided by the Company Law, other relevant laws and regulations and the listing rules of the stock exchange on which the Company's shares are listed, independent non-executive directors shall have the following special functions and powers:</p> <p><u>(I) to approve in advance any material related party transactions by independent non-executive directors; and prior to making any judgment, appoint intermediary agencies to issue independent financial advisor report as the basis for their judgment.</u></p> <p><u>(II)</u> to propose to the Board the appointment or dismissal of accounting firms;</p> <p><u>(III)</u> to propose to the Board the convening of extraordinary general meeting;</p> <p><u>(HIV)</u> to propose the convening of board meetings;</p>

No.	Before revision	After revision
	<p>Save for subparagraph (IV), independent directors shall obtain the consent of more than half of all the independent directors in exercising any of the above functions and powers. If any of the above proposals have not been adopted or if any of the above functions and powers can not be exercised properly, the Company shall disclose the details thereof.</p>	<p><u>(V) to openly collect voting rights from shareholders before a general meeting is held;</u></p> <p>(IVVI) upon their unanimous consent, to independently appoint external auditors or consultants for auditing and consultancy of specific matters at the expenses of the Company.</p> <p>Save for subparagraph (IVVI), independent non-executive directors shall obtain the consent of more than half of all the independent non-executive directors in exercising any of the above functions and powers. If any of the above proposals have not been adopted or if any of the above functions and powers can not be exercised properly, the Company shall disclose the details thereof.</p> <p><u>Matters in items (I) and (II) shall be submitted to the Board of Directors for discussion only after more than one-half of independent non-executive directors agree.</u></p>
44.	<p>Article 157 An independent director shall not be dismissed without a justified cause before the expiration of his term. When an independent director is dismissed before expiration of his term, the Company shall disclose the dismissal as a special discloseable issue.</p> <p>In case that an independent director fails to attend the board meetings in person for 3 times in succession, the Board may file an application with the general meeting for replacement.</p>	<p>Article 1567 An independent non-executive director shall not be dismissed without a justified cause may be dismissed by a listed company through legal procedures before the expiration of his term. When an independent director is dismissed before expiration of his term, the Company shall disclose the dismissal as a special discloseable issue.</p> <p>In case that an independent non-executive director fails to attend the board meetings in person for 3 times in succession, the Board may shall file an application with the general meeting for replacement.</p>
45.	<p>Subparagraph (VI) in the first paragraph of Article 159 other matters provided for in the Articles of Association.</p>	<p>Subparagraph (VI) in the first paragraph of Article 1589 other matters provided for in the laws, administrative regulations, the CSRC and the Articles of Association.</p>

No.	Before revision	After revision
46.	<p>Article 161 The Board shall exercise the following duties and powers:</p> <p>(I) to convene the general meetings and report its work to general meetings;</p> <p>(II) to implement the resolutions passed at the general meetings;</p> <p>(III) to decide on the operational plan and investment scheme of the Company;</p> <p>(IV) to formulate the annual budget and final accounts of the Company;</p> <p>(V) to formulate profit distribution plan and loss recovery plan of the Company;</p> <p>(VI) to formulate proposals for increase or reduction of the Company's registered capital and for issue of corporate debentures;</p> <p>(VII) to draft plans for material acquisition, share repurchase, merger, division, dissolution or change in corporate form;</p> <p>(VIII) to determine the establishment of the Company's internal management structure;</p> <p>(IX) to appoint or dismiss the Company's president (general manager), chief financial officer (financial controller) and the secretary to the Board; and according to nominations of the president (general manager), to appoint or dismiss vice presidents (deputy general managers) and determine their remuneration;</p> <p>(X) to establish the Company's basic management system;</p> <p>(XI) to formulate proposals for amendments to the Articles of Association;</p> <p>(XII) to manage the information disclosure issues of the Company;</p> <p>(XIII) to determine the establishment of special committees of the Board and the appointment and removal of the relevant person-in-charge;</p>	<p>Article 1601 The Board shall exercise the following duties and powers:</p> <p>(I) to convene the general meetings and report its work to general meetings;</p> <p>(II) to implement the resolutions passed at the general meetings;</p> <p>(III) to decide on the operational plan and investment scheme of the Company;</p> <p>(IV) to formulate the annual budget and final accounts of the Company;</p> <p>(V) to formulate profit distribution plan and loss recovery plan of the Company;</p> <p>(VI) to formulate proposals for increase or reduction of the Company's registered capital and for issue of corporate debentures;</p> <p>(VII) to draft plans for material acquisition, share repurchase, merger, division, dissolution or change in corporate form;</p> <p>(VIII) to determine the establishment of the Company's internal management structure;</p> <p>(IX) to <u>decide to</u> appoint or dismiss the Company's president (general manager), chief financial officer (financial controller), the secretary to the Board <u>and other senior management, and to determine their remunerations, awards and punishments;</u> and according to nominations of the president (general manager), to <u>decide to</u> appoint or dismiss vice presidents (deputy general managers) and determine their remuneration;</p> <p><u>(X) to promote the development of the rule of law in enterprises and to supervise the management's operation in accordance with the law;</u></p> <p>(XI) to establish the Company's basic management system;</p> <p>(XII) to formulate proposals for amendments to the Articles of Association;</p>

No.	Before revision	After revision
	<p>(XIV) to propose to general meetings for the engagement or change of accounting firms;</p> <p>(XV) to receive work report submitted by the president (general manager) and to check his work;</p> <p>(XVI) to decide on external investment, acquisition and sale of assets, asset disposal, external guarantee, asset management mandate and connected transactions of the Company within the authorization by the general meeting as required by securities regulatory authorities and the listing rules of the stock exchange on which the Company's shares are listed;</p> <p>(XVII) to exercise other duties and powers as stipulated by laws, administrative regulations, department rules and relevant requirements in the listing rules or as conferred by the general meetings and the Articles of Association.</p> <p>Save and except for the resolutions of the Board in respect of the matters specified in subparagraphs (VI), (VII) and (XI) above which shall be passed by more than two-thirds of all directors, resolutions of the Board in respect of all other matters may be passed by more than half of all directors. The Board shall perform its duties in accordance with the laws and administrative regulations of the PRC, the Articles of Association and shareholders' resolutions.</p>	<p>(XIII) to manage the information disclosure issues of the Company;</p> <p>(XIV) to determine the establishment of special committees of the Board and the appointment and removal of the relevant person-in-charge;</p> <p>(XV) to propose to general meetings for the engagement or change of accounting firms;</p> <p><u>(XVI) to determine the risk management system, internal control system and compliance management system of the Company, and to monitor the implementation;</u></p> <p>(XVII) to receive work report submitted by the president (general manager) and to check his work;</p> <p>(XVIII) to decide on external investment, acquisition and sale of assets, asset disposal, external guarantee, asset management mandate, connected transactions <u>and external donations</u> of the Company within the authorization by the general meeting as required by securities regulatory authorities and the listing rules of the stock exchange on which the Company's shares are listed;</p> <p>(XIX) to exercise other duties and powers as stipulated by laws, administrative regulations, department rules and relevant requirements in the listing rules or as conferred by the general meetings and the Articles of Association.</p> <p>Save and except for the resolutions of the Board in respect of the matters specified in subparagraphs (VI), (VII) and (XII) above which shall be passed by more than two-thirds of all directors, resolutions of the Board in respect of all other matters may be passed by more than half of all directors. The Board shall perform its duties in accordance with the laws and administrative regulations of the PRC, the Articles of Association and shareholders' resolutions.</p>

No.	Before revision	After revision
47.	<p>Article 162 When making decisions on significant matters such as direction of reform and development, key objectives, and priority operational arrangements of the Company, the Board of Directors should seek advice from the Party organization. When the Board of Directors proposes to engage a management staff of the Company, the Party organization shall consider and provide their opinions on the candidate nominated by the Board of Directors or the President, or recommend relevant candidate to the Board of Directors or to the President.</p>	<p>Article 1612 When making decisions on significant matters such as direction of reform and development, key objectives, and priority operational arrangements of the Company, the Board of Directors should seek advice from the Party organization. When the Board of Directors proposes to engage a <u>senior</u> management staff of the Company, the Party organization shall consider and provide their opinions on the candidate nominated by the Board of Directors or the President, or recommend relevant candidate to the Board of Directors or to the President.</p>
48.	<p>Article 165 The Board shall set up special committees to help it fulfil the duties as authorised by the Board. The special committees under the Board are Strategic Planning Committee, Audit and Risk Management Committee, Remuneration Committee, Nomination Committee, and Safety, Health and Environment Protection Committee. The special committees shall be accountable to the Board, and shall consist of directors. In the Audit and Risk Management Committee, the Remuneration Committee and the Nomination Committee, independent directors shall be the majority and shall be chaired by one, and the Audit and Risk Management Committee shall comprise at least one accounting professional as independent director. Where necessary, the Board may also set up other committees and adjust the existing committees. The Board shall formulate terms of references for respective special committees.</p>	<p>Article 1645 The Board shall set up special committees to help it fulfil the duties as authorised by the Board. The special committees under the Board are Strategic Planning Committee, Audit and Risk Management Committee, Remuneration Committee, Nomination Committee, and Safety, Health and Environment Protection Committee. The special committees shall be accountable to the Board, <u>perform duties in accordance with the Articles of Association and the authorization of the Board, and their proposals shall be submitted to the Board for consideration and approval. Members of the special committees</u> and shall consist of directors. In the Audit and Risk Management Committee, the Remuneration Committee and the Nomination Committee, independent <u>non-executive</u> directors shall be the majority and shall be <u>chaired</u>chaired<u>convened</u> by one, and the <u>convener</u> of the Audit and Risk Management Committee shall be one accounting professional as independent director. Where necessary, the Board may also set up other committees and adjust the existing committees. The Board shall formulate terms of references for respective special committees <u>to standardize operations of the special committees.</u></p>

No.	Before revision	After revision
49.	<p>Article 168 In making decisions on external investment, asset disposal, external guarantee, asset management mandate and connected transaction, the Board shall establish strict examination and decision-making procedures; and organise relevant experts and professionals to make assessments on major investment projects, subject to approval by the general meeting.</p>	<p>Article 1678 In making decisions on external investment, asset disposal, external guarantee, asset management mandate, connected transaction and external donations, the Board shall establish strict examination and decision-making procedures; and organise relevant experts and professionals to make assessments on major investment projects, subject to approval by the general meeting.</p>
50.	<p>The first paragraph of Article 171 Meetings of the Board shall be held at least fourth times a year and convened by the Chairman of the Board. Notice of the meeting shall be served on all of the directors 10 days before the date of the meeting.</p>	<p>The first paragraph of Article 1701 Meetings of the Board shall be held at least fourth times a year and convened by the Chairman of the Board. Notice of the meeting shall be served on all of the directors 10 days before the date of the meeting.</p>
51.	<p>The first paragraph of Article 172 Notices of board meetings and extraordinary board meetings shall be despatched, either by telephone or facsimile, 14 days before the date of the meeting of the Board (an extraordinary board meeting is not subject to the notice period).</p>	<p>The first paragraph of Article 1712 Notices of board regular meetings and extraordinary board meetings shall be despatched, either by telephone or facsimile, 14 days before the date of the meeting of the Board (an extraordinary board meeting is not subject to the notice period) and notices of extraordinary board meetings shall be despatched 5 days before the date of the meeting of the Board.</p>
52.	<p>The first and second paragraph of Article 174 Save for the consideration of connected transactions by the Board as provided in Article 226 hereof, a board meeting may not be held unless more than half of all directors are present.</p> <p>Each director has a ballot for voting. Save for the consideration of connected transactions by the Board as provided in Article 226 hereof, a resolution of the Board shall be subject to approval by more than half of all the directors.</p>	<p>The first and second paragraph of Article 1734 Save for the consideration of connected transactions by the Board as provided in Article 2246 hereof, a board meeting may not be held unless more than half of all directors are present.</p> <p>Each director has a ballot for voting. Save for the consideration of connected transactions by the Board as provided in Article 2246 hereof, a resolution of the Board shall be subject to approval by more than half of all the directors.</p>
53.	<p>The first paragraph of Article 175 A director should attend board meetings in person. Where a director is unable to attend for certain reasons, he may appoint in writing another director to attend the board meeting on his behalf. The instrument of proxy shall specify the scope of authorisation.</p>	<p>The first paragraph of Article 1745 A director should attend board meetings in person. Where a director is unable to attend for certain reasons, he may appoint in writing another director to attend the board meeting on his behalf. The instrument of proxy shall specify the scope of authorisation. <u>Independent non-executive directors can only entrust independent non-executive directors to vote on their behalf.</u></p>

No.	Before revision	After revision
54.	<p>Article 181 For matters to be voted and resolved at an extraordinary board meeting, if the content of matters to be resolved has been despatched to all directors by written means (including facsimile) and the number of directors who indicated consent by signing satisfies the number of directors required to make such decision under Article 174 hereof, an effective resolution is achieved and no meeting is required to be convened by the Board.</p>	<p>Article 1801 For matters to be voted and resolved at an extraordinary board meeting, if the content of matters to be resolved has been despatched to all directors by written means (including facsimile) and the number of directors who indicated consent by signing satisfies the number of directors required to make such decision under Article 173<u>4</u> hereof, an effective resolution is achieved and no meeting is required to be convened by the Board.</p>
55.	<p>Article 189 Staff members who serve in positions other than as directors in the controlling shareholders and/or de facto controller of the Company shall not serve as senior management of the Company.</p>	<p>Article 1889 Staff members who serve in positions other than as directors or, supervisors and other administrative positions in the controlling shareholders and/or de facto controller of the Company generally shall not serve as senior management of the Company.</p> <p><u>The senior management of the Company only receive salaries from the Company and shall not be paid by the controlling shareholders on its behalf.</u></p>
56.	<p>Article 196 The president (general manager) of the Company shall, in performing duties and powers, act in good faith, with due diligence and in accordance with the laws, administrative regulations and the Articles of Association.</p>	<p>Article 1956 The president (general manager) of the Company shall, in performing duties and powers, act in good faith, with due diligence and in accordance with the laws, administrative regulations and the Articles of Association.</p> <p><u>The Company's senior management shall faithfully perform their duties and safeguard the best interests of the Company and all shareholders. If the Company's senior management fail to perform their duties faithfully or violate the duty of honesty, thereby causing damage to the interests of the Company and the public shareholders, they shall liable for indemnification in accordance with laws.</u></p>
57.	<p>Article 202 The supervisors shall ensure the information disclosed by the Company is true, accurate and complete.</p>	<p>Article 2012 The supervisors shall ensure the information disclosed by the Company is true, accurate and complete, <u>shall sign written confirmations of the periodic reports.</u></p>

No.	Before revision	After revision
58.	<p>Article 217 A person shall be disqualified from being a director, supervisor, president (general manager) or other senior management of the Company in any of the following circumstances:</p> <p>(I) the person is of civil incompetence or limited civil competence;</p> <p>(X) such other stipulations by the laws and regulations in the jurisdiction where the shares of the Company are listed.</p> <p>Staff members who serve in positions other than as directors in the controlling shareholders and de facto controllers of the Company shall not serve as senior management of the Company.</p>	<p>Article 2167 A person shall be disqualified from being a director, supervisor, president (general manager) or other senior management of the Company in any of the following circumstances:</p> <p>(I) the person is of civil incompetence or limited civil competence;</p> <p><u>(X) a person who has been given penalties of prohibition against entering the securities market from the CSRC and the term of such penalties has not expired;</u></p> <p>(X) such other stipulations by the laws and regulations in the jurisdiction where the shares of the Company are listed.</p> <p>Staff members who serve in positions other than as directors in the controlling shareholders and de facto controllers of the Company shall not serve as senior management of the Company.</p>
59.	<p>Article 230 A loan guarantee provided by the Company in breach of Article 228 shall not be enforceable against the Company, unless:</p>	<p>Article 22930 A loan guarantee provided by the Company in breach of Article 2278 shall not be enforceable against the Company, unless:</p>
60.	<p>Article 236 The Company shall prepare financial reports at the end of each fiscal year, which shall be audited by the accounting firm according to law.</p> <p>The fiscal year of the Company is Gregorian calendar year, i.e. from 1 January to 31 December every year.</p> <p>The Company shall submit its annual financial reports to CSRC and the stock exchange(s) within 4 months from the end of each fiscal year, its interim financial reports to the local office of CSRC and the stock exchange(s) within 2 months from the end of the first 6 months of each fiscal year, and its quarterly reports to the local office of CSRC and the stock exchange(s) within 1 month from the end of the first 3 and 9 months respectively of each fiscal year.</p>	<p>Article 2356 The Company shall prepare financial reports at the end of each fiscal year, which shall be audited by the accounting firm according to law.</p> <p>The fiscal year of the Company is Gregorian calendar year, i.e. from 1 January to 31 December every year.</p> <p>The Company shall submit and disclose its annual financial reports to CSRC and the stock exchange(s) within 4 months from the end of each fiscal year, and its interim financial reports to the local office of CSRC and the stock exchange(s) within 2 months from the end of the first 6 months half of each fiscal year, and its quarterly reports to the local office of CSRC and the stock exchange(s) within 1 month from the end of the first 3 and 9 months respectively of each fiscal year.</p>

No.	Before revision	After revision
61.	<p style="text-align: center;">Subparagraph (2) of Article 247</p> <p>Procedures for considering the profit distribution plan of the Company are as follows:</p> <p style="padding-left: 40px;">(2) Where the Company has no cash dividends in any particular cases as provided for in the foregoing Article 246, the Board shall explain the specific reasons for not distributing cash dividends, the exact purpose for the retained profit and the estimated investment return, submit such to the general meeting for consideration after independent Directors express their opinions thereon, and disclose the same in the designated media of the Company.</p>	<p style="text-align: center;">Subparagraph (2) of Article 2467</p> <p>Procedures for considering the profit distribution plan of the Company are as follows:</p> <p style="padding-left: 40px;">(2) Where the Company has no cash dividends in any particular cases as provided for in the foregoing Article 2465, the Board shall explain the specific reasons for not distributing cash dividends, the exact purpose for the retained profit and the estimated investment return, submit such to the general meeting for consideration after independent <u>non-executive</u> Directors express their opinions thereon, and disclose the same in the designated media of the Company.</p>
62.	<p>Article 277 Where the Company is dissolved pursuant to subparagraph (I) of the preceding article, it shall within 15 days thereof establish a liquidation committee, the members of which shall be elected by an ordinary resolution of shareholders at a general meeting.</p> <p style="padding-left: 40px;">Where the Company is dissolved pursuant to subparagraph (III) of the preceding article, the People’s Court shall establish a liquidation committee according to law comprising members from the shareholders and relevant authorities and relevant professionals to proceed with the liquidation.</p> <p style="padding-left: 40px;">Where the Company is dissolved pursuant to subparagraph (IV) of the preceding article, the relevant governing authorities shall establish a liquidation committee comprising members from the shareholders and relevant authorities and relevant professionals to proceed with the liquidation.</p>	<p>Article 2767 Where the Company is dissolved pursuant to <u>the</u> subparagraph (I) of the preceding article, it shall within 15 days thereof establish a liquidation committee, the members of which shall be elected by an ordinary resolution of shareholders at a general meeting.</p> <p style="padding-left: 40px;">Where the Company is dissolved pursuant to <u>the</u> subparagraph (III) of the preceding article, the People’s Court shall establish a liquidation committee according to law comprising members from the shareholders and relevant authorities and relevant professionals to proceed with the liquidation.</p> <p style="padding-left: 40px;">Where the Company is dissolved pursuant to <u>the</u> subparagraph (IV) of the preceding article, the relevant governing authorities shall establish a liquidation committee comprising members from the shareholders and relevant authorities and relevant professionals to proceed with the liquidation.</p>

No.	Before revision	After revision
63.	<p>The second paragraph of Article 293 Notwithstanding the aforesaid provisions herein which details the provision and/or despatch of written corporate communications to shareholders, for the purpose of the means by which the Company provides and/or despatches its corporate communications to shareholders according to the requirements under the listing rules of Hong Kong, if the Company has obtained shareholders' prior written consent or implicit consent according to the relevant laws and regulations and the listing rules of Hong Kong as amended from time to time, the Company may despatch or provide corporate communications to its shareholders by electronic means or via its website. Corporate communications include but are not limited to circulars, annual reports, interim reports, quarterly reports, notices of general meetings, and other types of corporate communications as specified in the listing rules of Hong Kong.</p>	<p>The second paragraph of Article 2923 Notwithstanding the aforesaid provisions herein which details the provision and/or despatch of written corporate communications to shareholders, for the purpose of the means by which the Company provides and/or despatches its corporate communications to shareholders according to the requirements under the <u>Listing Rules of SEHK</u> listing rules of Hong Kong, if the Company has obtained shareholders' prior written consent or implicit consent according to the relevant laws and regulations and the <u>Listing Rules of SEHK</u> listing rules of Hong Kong as amended from time to time, the Company may despatch or provide corporate communications to its shareholders by electronic means or via its website. Corporate communications include but are not limited to circulars, annual reports, interim reports, quarterly reports, notices of general meetings, and other types of corporate communications as specified in the <u>Listing Rules of SEHK</u> listing rules of Hong Kong.</p>
64.	<p>Article 69, Article 72, Article 82, Article 100, Article 106, Article 118, Article 140, Article 151, Article 152, Article 153, Article 154, Article 155, Article 156, Article 157, Article 158, Article 159, Article 165, Article 171, Article 175, Article 179, Article 247, Article 249.</p> <p>“independent directors”</p>	<p>Article 69, Article 72, Article 82, Article 100, Article 106, Article 1178, Article 13940, Article 1510, Article 1521, Article 1532, Article 1543, Article 1554, Article 1565, Article 1576, Article 1587, Article 1589, Article 1645, Article 1701, Article 1745, Article 1789, Article 2467, Article 2489.</p> <p>“independent <u>non-executive</u> directors”</p>

No.	Before revision	After revision
65.	<p>Note: For the purpose of the side notes to the Articles of Association, “Mandatory Provisions” refers to the “Mandatory Provisions for the Articles of Association of Companies to be Listed Overseas* (到境外上市公司章程必備條款)” (Zheng Wei Fa* (證委發) [1994] No. 21) jointly issued by the former State Council Securities Policy Committee* (國務院證券委) and the former State Commission for Restructuring the Economic System* (原國家體改委); “Letter of Opinions” refers to the Letter of Opinions on Supplementary Amendment to Articles of Association of Companies to be Listed in Hong Kong* (關於到香港上市公司對公司章程作補充修改的意見的函) (Zheng Jian Hai Han* (證監海函) [1995] No. 1) jointly issued by the China Securities Regulatory Commission (“CSRC”) Overseas Listing Department* (中國證監會海外上市部) and the former Production System Division of the State Commission for Restructuring the Economic System* (原國家體改委生產體制司); “Guide to Articles of Association” refers to the Guide to Articles of Association of Listed Companies (amended in 2006)* (上市公司章程指引(2006年修訂)) (Zheng Jian Gong Si Zi* (證監公司字) [2006] No. 38) issued by CSRC (中國證監會); “Rules of General Meetings” refers to the Rules of Shareholders’ General Meetings of Listed Companies* (上市公司股東大會規則) (Zheng Jian Fa* (證監發) [2006] No. 21) issued by CSRC (中國證監會); “Guidance to Independent Directors” refers to the Guidance to Establishment of Independent Director System in Listed Companies* (關於在上市公司建立獨立董事制度的指導意見) (Zheng Jian Fa* (證監發) [2001] No. 102) issued by CSRC (中國證監會); “Rules of the Board” and “Rules of Supervisory Committee” respectively refer to the Model Rules of Procedures of the Board of Directors of Listed Companies* (上市公司董事會議事示範規則) and the Model Rules of Procedures of the Supervisory Committee of Listed Companies* (上市公司監事會議事示範規則) issued by the Shanghai Stock Exchange* (上海交易所); “MB Listing Rules App 3 and 13D” refer to corresponding appendices of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (香港聯合證券交易所有限公司發佈的《證券上市規則》); and “Notice on External Guarantee” refers to the Notice of CSRC and China Banking Regulatory Commission on the Standardization of the External Guarantee for Listed Companies* (中國證券監督管理委員會、中國銀行業監督管理委員會關於規範上市公司對外擔保行為的通知).</p> <p>* English translation for illustrative purposes only</p>	Delete

Notes: The corresponding amendments to article number, page numbers and cross reference following the above amendments to the Articles of Association are no longer shown separately.

1. Main Amendments to the Rules of Procedure of the Shareholders' General Meetings of the Company

No.	Before Revision	After Revision
1.	<p>Article 1 These Rules are formulated in accordance with the laws and regulations governing the listed companies within and outside China, including Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law"), the Mandatory Provisions in the Articles of Association of Companies Listed Overseas (hereinafter referred to as the "Mandatory Provisions"), Rules Governing the Listing of Securities of The Hong Kong Stock Exchange Company Limited (hereinafter referred to as the "HKSE Listing Rules"), Rules Governing the Listing of Securities of the Shanghai Stock Exchange (hereinafter referred to as the "SSE Listing Rules"), Code of Corporate Governance for Listed Companies (hereinafter referred to as the "Code of Corporate Governance"), the Guidelines for the Articles of Association of Listed Companies, as amended in 2006 (hereinafter referred to as the "Guidelines for the Articles of Association"), the Rules for the General Assemblies of Shareholders of Listed Companies (hereinafter referred to as the "Rules for the General Assemblies of Shareholders"), together with the Articles of Association of China Coal Energy Company Limited (hereinafter referred to as the "Articles of Association") and Measures for the Management of Connected Transactions of China Coal Energy Company Limited (hereinafter referred to as the "Measures for the Management of Connected Transactions"), in order to regularize the acts of China Coal Energy Company Limited (hereinafter referred to as the "Company") and to protect the legal rights and interests of the Company and its shareholders, as well as to ensure the shareholders' general meeting to be conducted according to law.</p>	<p>Article 1 These Rules are formulated in accordance with the laws and regulations <u>regulatory rules of the place where the shares of the Company are listed</u> governing the listed companies within and outside China, including Company Law of the People's Republic of China (hereinafter referred to as the "Company Law"), Securities Law of the People's Republic of China (hereinafter referred to as the "Securities Law"), the Mandatory Provisions in the Articles of Association of Companies Listed Overseas (hereinafter referred to as the "Mandatory Provisions"), Rules Governing the Listing of Securities of The Hong Kong Stock Exchange Company Limited (hereinafter referred to as the "HKSE Listing Rules"), Rules Governing the Listing of Securities of the Shanghai Stock Exchange (hereinafter referred to as the "SSE Listing Rules"), Code of Corporate Governance for Listed Companies (hereinafter referred to as the "Code of Corporate Governance"), the Guidelines for the Articles of Association of Listed Companies, as amended in 2006 (hereinafter referred to as the "Guidelines for the Articles of Association"), the Rules for the General Assemblies of Shareholders of Listed Companies (hereinafter referred to as the "Rules for the General Assemblies of Shareholders"), together with the Articles of Association of China Coal Energy Company Limited (hereinafter referred to as the "Articles of Association") and Measures for the Management of Connected Transactions of China Coal Energy Company Limited (hereinafter referred to as the "Measures for the Management of Connected Transactions"), in order to regularize the acts of China Coal Energy Company Limited (hereinafter referred to as the "Company") and to protect the legal rights and interests of the Company and its shareholders, as well as to ensure the shareholders' general meeting to be conducted according to law.</p>

No.	Before Revision	After Revision
2.	<p data-bbox="344 263 842 453">Article 4 If the Company convenes the shareholders' general meeting, the Company shall hire a lawyer to issue legal opinions on the following issues and make an announcement:</p> <p data-bbox="344 506 842 695">(1) whether the convening of the meeting and the convening procedure comply with the law, administrative regulations, these Rules and the Articles of Association;</p> <p data-bbox="344 749 842 853">(2) whether the qualifications of persons attending the meeting and the board of directors are legal and valid;</p> <p data-bbox="344 906 842 1010">(3) whether the voting procedure of the meeting and the results of the poll are legal and valid;</p> <p data-bbox="344 1064 842 1176">(4) legal opinions issued on other related issues at the request of the Company.</p>	<p data-bbox="858 263 1362 453">Article 4 If the Company convenes the shareholders' general meeting, the Company shall hire a lawyer to issue legal opinions on the following issues and make an announcement:</p> <p data-bbox="858 506 1362 695">(1) whether the convening of the meeting and the convening procedure comply with the law, administrative regulations, these Rules and the Articles of Association <u>and these Rules</u>;</p> <p data-bbox="858 749 1362 895">(2) whether the qualifications of persons attending the meeting and the board of directors <u>convenor</u> are legal and valid;</p> <p data-bbox="858 949 1362 1053">(3) whether the voting procedure of the meeting and the results of the poll are legal and valid;</p> <p data-bbox="858 1106 1362 1219">(4) legal opinions issued on other related issues at the request of the Company.</p>

No.	Before Revision	After Revision
3.	<p>Article 10 The shareholders' general meeting shall be the power organ of the Company. It shall exercise the following functions and powers according to law:</p> <p>.....</p> <p>(14) to consider and approve the guarantees as provided in Article 66 of the Articles of Association;</p> <p>.....</p> <p>(17) to consider equity incentive schemes;</p> <p>(18) other matters (other than the above functions and powers) which may be authorized or entrusted by the shareholders' general meeting to the board of directors.</p> <p>The functions and powers of the shareholders' general meeting as stated in Items (1) to (17) above cannot be exercised by the board of directors or other institutions or individuals on its behalf by way of authorization.</p> <p>The shareholders' general meeting shall exercise its functions and powers to the extent as permitted by laws and regulations governing the Company within and outside China and the Articles of Association. It shall not interfere with shareholders in respect of their own rights.</p>	<p>Article 10 The shareholders' general meeting shall be the power organ of the Company. It shall exercise the following functions and powers according to law:</p> <p>.....</p> <p>(14) to consider and approve the guarantees as provided in Article 66<u>67</u> of the Articles of Association;</p> <p>.....</p> <p>(17) to consider equity incentive schemes and employee stock ownership schemes;</p> <p><u>(18) other matters which, according to the laws, administrative regulations and the Articles of Association, shall be resolved by the shareholders at general meetings;</u></p> <p>(18) other matters (other than the above functions and powers) which may be authorized or entrusted by the shareholders' general meeting to the board of directors.</p> <p>The functions and powers of the shareholders' general meeting as stated in Items (1) to (17) above cannot be exercised by the board of directors or other institutions or individuals on its behalf by way of authorization.</p> <p>The shareholders' general meeting shall exercise its functions and powers to the extent as permitted by the laws and regulations <u>of the place where the shares of the Company are listed</u> governing the Company within and outside China and the Articles of Association. It shall not interfere with shareholders in respect of their own rights.</p>

No.	Before Revision	After Revision
4.	<p>Article 12 In order to enhance the efficiency of the Company's daily operations, the shareholders' general meeting specifies the procedures for the decisions on the Company's investment plans, disposal of assets, external guarantees and other significant matters, and grants some of the powers to the board of directors, which are specified as follows:</p> <p>(I) Investments</p> <p>1. To approve the annual investment plans of the Company by the shareholders' general meeting.</p> <p>.....</p> <p>3. The Company applies the Company's assets to make risk investments in industries not related with the business operations of the Company (including but not limited to bonds, futures and shares). For investments exceeding 2% (excluding 2%) of the latest audited net assets of the Company, such investments shall be approved by the shareholders' general meeting, while the board of directors shall be authorized for approval of investments of not exceeding 2% (inclusive) of the latest audited net assets of the Company.</p> <p>.....</p> <p>(II) Disposal of assets</p> <p>.....</p> <p>3. Assignment and contracting. Without prejudice to item (II) in this Article, in the course of conducting other business (including but not limited to entering into, changes and termination of material contracts such as operation on trust, financing on trust, lease contracting), the amount involved or the aggregate amount within twelve months shall be used for the calculation of the five ratios in sub-item 1 of item (II) of this Article.</p> <p>(III) Indebtedness and guarantees</p>	<p>Article 12 In order to enhance the efficiency of the Company's daily operations, the shareholders' general meeting specifies the procedures for the decisions on the Company's investment plans, acquisition and disposal of assets, external guarantees and other significant matters, and grants some of the powers to the board of directors, which are specified as follows:</p> <p>(I) Investments</p> <p>1. To approve the annual investment plans of the Company by the shareholders' general meeting.</p> <p>.....</p> <p>3. The Company applies the Company's assets to make risk investments in industries not related with the business operations of the Company (including but not limited to bonds, futures and shares). For investments exceeding 2% (excluding 2%) of the latest audited net assets of the Company, such investments shall be approved by the shareholders' general meeting, while the board of directors shall be authorized for approval of individual investments of not exceeding 2% (inclusive) of the latest audited net assets of the Company.</p> <p>.....</p> <p>(II) Acquisition and Disposal of assets</p> <p>.....</p> <p>3. Assignment and contracting. Without prejudice to item (II) in this Article, in the course of conducting other business (including but not limited to entering into, changes and termination of material contracts such as operation on trust, entrusted operation, financing on trust, lease contracting), the amount involved or the aggregate amount within twelve months shall be used for the calculation of the five ratios in sub-item 1 of item (II) of this Article.</p> <p>(III) Indebtedness and guarantees</p>

No.	Before Revision	After Revision
	<p>1. Pursuant to the annual investment plan and the related rules as approved by the shareholders' general meeting, the board of directors are authorized to approve the amounts of long and short-term loans for the year.</p> <p>2. The following external guarantees shall be subject to the approval by the shareholders' general meeting:</p> <p>.....</p> <p>(2) any provision of guarantee, where the total amount of external guarantees provided by the Company reaches 30% or above of the latest audited total assets;</p> <p>.....</p> <p>The board of directors shall approve guarantees where the guarantee sum does not exceed 10% of the latest audited net assets of the Company. The Chairman of the board of directors is authorized to approve and sign external guarantee contracts where the guarantee sum does not exceed 5% of the latest audited net assets of the Company.</p> <p>External guarantees provided by controlling subsidiaries of the Company are executed with reference to the above requirements. Controlling subsidiaries of the Company shall notify the Company to perform the obligation of information disclosure after their board of directors or the shareholders' general meeting reaches a resolution.</p> <p>.....</p>	<p>1. Pursuant to the annual investment plan and the related rules as approved by the shareholders' general meeting, the board of directors are authorized to approve the plan for amounts of long and short-term loans for the year.</p> <p>2. The following external guarantees shall be subject to the approval by the shareholders' general meeting:</p> <p>.....</p> <p>(2) any provision of guarantee, where the total amount of external guarantees provided by the Company exceeds reaches 30% or above of the latest audited total assets;</p> <p>.....</p> <p><u>(6) any guarantee provided by the Company within one year of which the amount exceeds 30% of its latest audited total assets;</u></p> <p>.....</p> <p>The board of directors shall approve guarantees where the guarantee sum does not exceed 10% of the latest audited net assets of the Company. The Chairman of the board of directors is authorized to approve and sign external guarantee contracts where the guarantee sum does not exceed 5% of the latest audited net assets of the Company.</p> <p>External guarantees provided by controlling subsidiaries of the Company are executed with reference to the above requirements. Controlling subsidiaries of the Company shall notify the Company to perform the obligation of approval and information disclosure after their board of directors or the shareholders' general meeting reaches a resolution.</p> <p>.....</p>

No.	Before Revision	After Revision
	<p data-bbox="411 261 756 293">(IV) Connected transactions</p> <p data-bbox="344 336 845 1002">Connected transactions and matters requiring to be approved by the shareholders' general meeting shall be considered and approved by the shareholders' general meeting in accordance with the HKSE Listing Rules, the SSE Listing Rules, the Guidelines for the Articles of Association, the Articles of Association and the Measures for the Management of Connected Transactions of the Company. Other transactions and matters shall be approved by the board of directors and carried out in accordance with the HKSE Listing Rules, the Guidelines for the Articles of Association, the Articles of Association and the Measures for the Management of Connected Transactions of the Company.</p> <p data-bbox="344 1044 845 1285">Notwithstanding the mandate granted to the board of directors as stated in items (1) to (4) above, transactions referred to in items (1) to (4) above shall be submitted for consideration at the shareholders' general meeting when they meet the following criteria:</p> <p data-bbox="411 1342 440 1364">.....</p>	<p data-bbox="922 261 1267 293">(IV) Connected transactions</p> <p data-bbox="858 336 1359 1002">Connected transactions and matters requiring to be approved by the shareholders' general meeting shall be considered and approved by the shareholders' general meeting in accordance with the HKSE Listing Rules, the SSE Listing Rules, the Guidelines for the Articles of Association, the Articles of Association and the Measures for the Management of Connected Transactions of the Company. Other transactions and matters shall be approved by the board of directors and carried out in accordance with the HKSE Listing Rules, <u>the SSE Listing Rules</u>, the Guidelines for the Articles of Association, the Articles of Association and the Measures for the Management of Connected Transactions of the Company.</p> <p data-bbox="858 1044 1359 1427">Notwithstanding the mandate granted to the board of directors as stated in items <u>(I+)</u> to <u>(IV4)</u> above, <u>except for external guarantees and financial assistance, transactions of the Company referred to in items (I+) to (IV4) above and the transactions specified in the SSE Listing Rules</u> shall be submitted for consideration at the shareholders' general meeting when they meet the following criteria:</p> <p data-bbox="922 1485 951 1506">.....</p> <p data-bbox="858 1549 1359 1825"><u>2. The net assets of the trading subject (such as equity) (if both book value and appraised value exist, whichever is higher) represent more than 50% of the latest audited net assets of the listed company and the absolute amount exceeds RMB50 million;</u></p> <p data-bbox="922 1883 951 1904">.....</p>

No.	Before Revision	After Revision
5.	<p>Article 23 The board of directors shall give notice to all shareholders 45 days before the convening of the AGM or the extraordinary general meeting by way of an announcement, in person or by prepaid mail.</p> <p>.....</p>	<p>Article 23 <u>When the Company convenes a shareholders' general meeting, written notice of the meeting shall be given 20 days before the date of the meeting and when the Company convenes an extraordinary general meeting, written notice of the meeting shall be given 15 days before the date of the meeting.</u> The board of directors shall give notice to all shareholders 45 days before the convening of the AGM or the extraordinary general meeting by way of an announcement, in person or by prepaid mail.</p> <p><u>When calculating the time limit, the date of holding the meeting shall not be included. Where the relevant laws and regulations, the securities regulatory authorities of the place where the shares of Company are listed provide otherwise, such provisions shall prevail.</u></p> <p>.....</p>
6.	<p>Article 25 The notice of the shareholders' general meeting shall meet the following requirements:</p> <p>.....</p>	<p>Article 25 The notice of the shareholders' general meeting shall meet the following requirements:</p> <p>.....</p> <p><u>(12) state the time and procedures for voting via internet or by other ways.</u></p> <p>.....</p>

No.	Before Revision	After Revision
7.	<p>Article 26 Shareholders and proxies of shareholders who intend to attend the shareholders' general meeting shall serve a written reply on attending the meeting to the Company 20 days before the meeting is convened.</p> <p>The Company shall calculate the number of voting shares represented by the shareholders and their proxies who intend to attend the meeting based on the written replies it has received 20 days before convening the shareholders' general meeting. In the event that the number of voting shares represented by the shareholders who intend to attend the meeting is more than one-half of the total number of the voting shares of the Company, the Company may convene the shareholders' general meeting; if not, the Company shall, within 5 days, notify the shareholders again of the matters to be considered at, and the place and date for, the meeting by way of public announcement. The Company may convene the shareholders' general meeting after such an announcement is made.</p>	Deletion
8.	<p>Article 27 After giving notice of the shareholders' general meeting, the shareholders' general meeting shall not be convened in advance, delayed or cancelled without proper reasons. Motions covered in the notice of the shareholders' general meeting shall not be withdrawn. Once the meeting is delayed or cancelled, the board of directors shall make an announcement at least two working days before the original date scheduled for convening the meeting and provide reasons.</p>	<p>Article 276 After giving notice of the shareholders' general meeting, the shareholders' general meeting shall not be convened in advance, delayed or cancelled without proper reasons. Motions covered in the notice of the shareholders' general meeting shall not be withdrawn. Once the meeting is delayed or cancelled, the <u>convenor</u> board of directors shall make an announcement at least two working days before the original date scheduled for convening the meeting and provide reasons and the time for convening the meeting after it is delayed.</p>

No.	Before Revision	After Revision
9.	<p>Article 28 Shareholders may attend the shareholders’ general meeting in person or appoint a proxy to attend and vote on their behalf within the scope of authorization. All directors, supervisors, secretary of the board shall present at such meeting. The president (manager), vice president executive (deputy manager), the chief financial officer (person in charge of finance) and other senior management of the Company and other persons being invited by the board of directors may also present at such meeting.</p> <p>.....</p>	<p>Article 287 Shareholders may attend the shareholders’ general meeting in person or appoint a proxy to attend and vote on their behalf within the scope of authorization. All directors, supervisors, secretary of the board shall present at such meeting. The president (manager), vice president executive (deputy manager), the chief financial officer (person in charge of finance) and other senior management of the Company and other persons being invited by the board of directors shall may also present at such meeting.</p> <p>.....</p>
10.	<p>Article 29 The board of directors and the lawyer shall jointly verify the validity of the qualifications of shareholders in accordance with the register of shareholders provided by the securities registration and settlement institution and shall register the names of shareholders and the number of voting shares held by them. Before the board of directors announces the number of shareholders and proxies attending the meeting on site and the total number of voting shares held by them, registration at the meeting shall be terminated.</p>	<p>Article 298 The convenor board of directors and the lawyer shall jointly verify the validity of the qualifications of shareholders in accordance with the register of shareholders provided by the securities registration and settlement institution and shall register the names of shareholders and the number of voting shares held by them. Before the board of directors presider of the meeting announces the number of shareholders and proxies attending the meeting on site and the total number of voting shares held by them, registration at the meeting shall be terminated.</p>
11.	<p>Article 30 Shareholders shall appoint their proxies in writing. The content of such written proxy form shall state the following:</p> <p>.....</p> <p>(7) signature (or seal) of the principal or its proxy who is appointed in writing and, where the principal is a legal person, the official stamp of such legal person or the signature of its director or its duly appointed agent. The proxy form shall expressly state that the proxy entrusted by the shareholders may cast vote at its own discretion in the absence of any specific instruction from the shareholder</p>	<p>Article 3029 Shareholders shall appoint their proxies in writing. The content of such written proxy form shall state the following:</p> <p>.....</p> <p>(7) signature (or seal) of the principal or its proxy who is appointed in writing and, where the principal is a legal person, the official stamp of such legal person or the signature of its director or its duly appointed agent. The proxy form shall expressly state whether the proxy entrusted by the shareholders may cast vote at its own discretion in the absence of any specific instruction from the shareholder</p>

No.	Before Revision	After Revision
12.	<p>Article 39 If the supervisory committee or shareholders decides to convene the shareholders' general meeting on their own, they shall notify the board of directors in writing, and shall register for the record with the local agencies of CSRC and the stock exchange at the place of domicile of the Company.</p> <p>Before the announcement of the resolution of the shareholders' general meeting, the shareholding of the proposing shareholder(s) shall not be less than 10%.</p> <p>When issuing the notice of the shareholders' general meeting and making an announcement on the resolution of the shareholders' general meeting, the supervisory committee and the proposing shareholder(s) shall submit the relevant supporting documents to the local agencies of CSRC and the stock exchange at the place of domicile of the Company.</p>	<p>Article 398 If the supervisory committee or shareholders decides to convene the shareholders' general meeting on their own, they shall notify the board of directors in writing, and shall register for the record with the local agencies of CSRC and the stock exchange <u>on which the Company's shares are listed</u> at the place of domicile of the Company.</p> <p>Before the announcement of the resolution of the shareholders' general meeting, the shareholding of the proposing shareholder(s) shall not be less than 10%. <u>The convening shareholders shall disclose the announcement no later than the issuance of the notice of the shareholders' general meeting, and undertake that their shareholding shall not be less than 10% of the total share capital of the Company during the period from the date of proposing to convene shareholders' general meeting to the date of convening shareholders' general meeting.</u></p> <p>When issuing the notice of the shareholders' general meeting and making an announcement on the resolution of the shareholders' general meeting, the supervisory committee and the proposing shareholder(s) shall submit the relevant supporting documents to the local agencies of CSRC and the stock exchange <u>on which the Company's shares are listed</u> at the place of domicile of the Company.</p>

No.	Before Revision	After Revision
13.	<p data-bbox="411 263 580 293">Article 42</p> <p data-bbox="344 342 847 774">The shareholders' general meeting shall set up the meeting place and convene the meeting in the form of spot meeting. The Company can make use of a safe, economic, convenient network or other methods to offer convenience to shareholders attending the shareholders' general meeting. Shareholders who attend the shareholders' general meeting through the above methods are deemed as being present at the meeting.</p> <p data-bbox="344 825 847 1093">If the shareholders' general meeting of the Company makes use of a network or other methods, it shall state clearly the voting time and the voting procedure for the network or other methods in the notice of the shareholders' general meeting.</p> <p data-bbox="411 1157 443 1178">.....</p>	<p data-bbox="922 263 1107 293">Article 421</p> <p data-bbox="858 342 1361 932">The shareholders' general meeting shall set up the meeting place and convene the meeting in the form of spot meeting. The Company shallcan make use of a safe, economic, convenient network or other methods to offer convenience to shareholders attending the shareholders' general meeting <u>in accordance with the law, administrative regulations and the provision of the CSRC or the Articles of Association.</u> Shareholders who attend the shareholders' general meeting through the above methods are deemed as being present at the meeting.</p> <p data-bbox="858 987 1361 1251">If the shareholders' general meeting of the Company makes use of a network or other methods, it<u>The Company</u> shall state clearly the voting time and the voting procedure for the network or other methods in the notice of the shareholders' general meeting.</p> <p data-bbox="922 1315 957 1336">.....</p>

No.	Before Revision	After Revision
14.	<p>Article 51 Matters not covered in the notice of an extraordinary shareholders' general meeting shall not be resolved upon at the meeting, In the course of considering the content of the motions as set out in the notice of extraordinary general meeting, no alteration shall be made to motions relating to the following issues:</p> <p>(1) an increase or reduction of the registered capital;</p> <p>(2) the issuance of corporate bonds;</p> <p>(3) division, merger, dissolution or liquidation of the Company;</p> <p>(4) amendments to the Articles of Association;</p> <p>(5) plans for profit distribution and for making up losses of the Company;</p> <p>(6) appointment or removal of the members of the board of directors and supervisory committee;</p> <p>(7) changes in the use of proceeds from share offerings;</p> <p>(8) connected transactions which are subject to being considered during the shareholders' general meeting;</p> <p>(9) matters relating to the acquisition or sale of assets which are subject to being considered during the shareholders' general meeting;</p> <p>(10) changing of the accounting firm. Any change of the above contents of motions shall be deemed to be a new motion, which shall not be voted at the then shareholders' general meeting.</p> <p>.....</p>	<p>Article 510 Matters not covered in the notice of an extraordinary shareholders' general meeting shall not be resolved upon at the meeting, In the course of considering the content of the motions as set out in the notice of extraordinary <u>shareholders'</u> general meeting, no alteration to the motions shall be allowed. Otherwise, the relevant alteration should be deemed to be a new motion, no alteration shall be made to motions relating to the following issues:</p> <p>(1) an increase or reduction of the registered capital;</p> <p>(2) the issuance of corporate bonds;</p> <p>(3) division, merger, dissolution or liquidation of the Company;</p> <p>(4) amendments to the Articles of Association;</p> <p>(5) plans for profit distribution and for making up losses of the Company;</p> <p>(6) appointment or removal of the members of the board of directors and supervisory committee;</p> <p>(7) changes in the use of proceeds from share offerings;</p> <p>(8) connected transactions which are subject to being considered during the shareholders' general meeting;</p> <p>(9) matters relating to the acquisition or sale of assets which are subject to being considered during the shareholders' general meeting;</p> <p>(10) changing of the accounting firm.</p> <p>Any change of the above contents of motions shall be deemed to be a new motion, which shall not be voted at the then shareholders' general meeting.</p> <p>.....</p>

No.	Before Revision	After Revision
15.	<p>Article 55 Resolutions of the shareholders' general meeting shall be classified as ordinary resolutions and special resolutions.</p> <p>(1) Ordinary resolutions</p> <p>.....</p> <p>2. The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:</p> <p>.....</p> <p>(3) matters relating to methods of appointment and removal of the members of the board of directors and the shareholder representative supervisor and the methods for paying their remuneration;</p> <p>.....</p> <p>(5) matters other than those required by law, administrative regulations or the Articles of Association to be adopted by special resolutions; and</p> <p>.....</p> <p>(2) Special resolutions</p> <p>.....</p> <p>2. The following matters shall be resolved by a special resolution at a shareholders' general meeting:</p> <p>(1) an increase or reduction of the share capital of the Company and the issue of any class of shares, warrants and other similar securities;</p> <p>(3) division, merger, dissolution or liquidation of the Company, changing the form of the Company and material acquisition or disposal;</p> <p>.....</p>	<p>Article 554 Resolutions of the shareholders' general meeting shall be classified as ordinary resolutions and special resolutions.</p> <p>(1) Ordinary resolutions</p> <p>.....</p> <p>2. The following matters shall be resolved by an ordinary resolution at a shareholders' general meeting:</p> <p>.....</p> <p>(3) matters relating to methods of election<u>appointment</u> and removal of the members of the board of directors non-employee representative directors and the shareholder representative supervisor as well as their remuneration and the methods for paying their remuneration;</p> <p>.....</p> <p>(5) matters other than those required by law, administrative regulations, regulatory requirements of the place where the shares of the Company are listed or the Articles of Association to be adopted by special resolutions; and</p> <p>.....</p> <p>(2) Special resolutions</p> <p>.....</p> <p>2. The following matters shall be resolved by a special resolution at a shareholders' general meeting:</p> <p>(1) an increase or reduction of the share capital of the Company, the repurchase of the shares of the Company and the issue of any class of shares, warrants and other similar securities;</p> <p>(3) division, spin-off, merger, dissolution or liquidation of the Company, changing the form of the Company and material acquisition or disposal;</p> <p>.....</p>

No.	Before Revision	After Revision
16.	<p>Article 58 In the course of considering matters relating to the connected transactions at a shareholders' general meeting, the connected shareholders shall abstain from voting. The voting rights represented by the number of shares of such shareholders shall be excluded from the total number of valid votes. The voting result of the non-connected shareholders shall be fully disclosed in the announcement of the resolution of the shareholders' general meeting.</p> <p>Shares held by the Company do not have voting rights and this portion of shares shall not be counted in the total number of voting shares at the shareholders' general meeting.</p>	<p>Article 587 In the course of considering matters relating to the connected transactions at a shareholders' general meeting, the connected shareholders shall abstain from voting. The voting rights represented by the number of shares of such shareholders shall be excluded from the total number of valid votes. The voting result of the non-connected shareholders shall be fully disclosed in the announcement of the resolution of the shareholders' general meeting.</p> <p><u>When the shareholders' general meeting considers material matters that could affect the interest of minority investors, the votes by minority investors shall be counted separately. The results of such separate vote counting shall be disclosed promptly.</u></p> <p>Shares held by the Company do not have voting rights and this portion of shares shall not be counted in the total number of voting shares at the shareholders' general meeting.</p> <p><u>If a shareholder purchases the voting shares of the Company in violation of the provisions of paragraphs 1 and 2 of the Article 63 of the Securities Law, the shareholder shall not exercise the voting rights in respect of exceeding part of regulated proportion in the following 36 months after purchase and the excess shall not be counted in the total number of voting shares at the shareholders' general meeting.</u></p>

No.	Before Revision	After Revision
		<p><u>The board of directors, independent non-executive directors, the shareholder(s) holding 1% or more of voting shares, or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC may solicit votes from shareholders publicly. While soliciting votes of shareholders, sufficient disclosure of information such as the specific voting reference shall be made to the shareholders from whom voting rights are being solicited. No consideration or other form of de facto consideration shall be involved in the solicitation of voting rights from shareholders. The Company shall not impose any limitation related to the minimum shareholding ratio on the solicitation of voting rights.</u></p>

No.	Before Revision	After Revision
17.	<p>Article 70 The number of shareholders or their authorized proxies attending the meeting, the total number of voting shares held by such shareholders or represented by such proxies and the proportion thereof to the total number of voting shares of the Company, the voting method, the results of the polls for every motion and the details regarding the passing of all motions, and other contents as required by the listing rules of the stock exchanges where the shares of the Company are listed shall be stated clearly in the announcement of the resolutions of the shareholders' general meeting. For resolutions of a motion proposed by a shareholder, the name and the shareholding of the proposing shareholder together with the contents of the motion shall be specified.</p> <p>.....</p>	<p>Article 7069 The number of shareholders or their authorized proxies attending the meeting, the total number of voting shares held by such shareholders or represented by such proxies and the proportion thereof to the total number of voting shares of the Company, the voting method, the results of the polls for every motion and the details regarding the passing of all motions, <u>attendance rate of the directors at the shareholders' general meetings</u> and other contents as required by the listing rules of the stock exchanges where the shares of the Company are listed shall be stated clearly in the announcement of the resolutions of the shareholders' general meeting. For resolutions of a motion proposed by a shareholder, the name and the shareholding of the proposing shareholder together with the contents of the motion shall be specified.</p> <p>.....</p>

No.	Before Revision	After Revision
18.	<p>Article 76 In the event that any matter is not covered herein or these Rules contradict to or are inconsistent with the provisions and requirements of laws, administrative regulations, other relevant regulatory documents, HKSE Listing Rules, SSE Listing Rules, Articles of Association and the relevant regulatory authorities as promulgated from time to time, the provisions and requirements of such laws, administrative regulations, other relevant regulatory documents, HKSE Listing Rules, SSE Listing Rules, Articles of Association and the relevant regulatory authorities shall prevail.</p>	<p>Article 76 Article 765 In the event that any matter is not covered herein or these Rules contradict to or are inconsistent with the provisions and requirements of laws, administrative regulations, other relevant regulatory documents, HKSE Listing Rules, SSE Listing Rules, Articles of Association and the relevant regulatory authorities as promulgated from time to time, the provisions and requirements of such laws, administrative regulations, other relevant regulatory documents, HKSE Listing Rules, SSE Listing Rules, Articles of Association and the relevant regulatory authorities shall prevail. <u>Matters not covered herein shall be carried out in accordance with the relevant national laws and regulations, the listing rules of the stock exchanges on which the shares of the Company are listed and the Articles of Association. In the event that these Rules contradict to the laws, regulations promulgated by the State in the future, the listing rules of the stock exchanges on which the shares of the Company are listed and the duly and legally amended Articles of Association, the relevant national laws and regulations, the listing rules of the stock exchanges on which the shares of the Company are listed and the Articles of Association shall prevail.</u></p>

Notes:

1. Some of the formatting and textual amendments are not shown separately above.
2. Please refer to the Company's circulars dated 20 July 2007, 29 April 2010 and 5 April 2012 for the full text and previous amendments to the Rules of Procedures for Shareholders' General Meeting.

2. Main Amendments to the Rules of Procedure of the Board of Directors of the Company

No.	Before Revision	After Revision
1.	<p>Article 2 The board of directors shall seek advice from the Party organization before deciding on significant issues of the Company including, among others, the reform and development direction, primary objectives and targets and key work arrangements. For the appointment of officers of the Company by the board of directors, the Party organization shall consider and provide advice and suggestions on the candidates proposed by the board of directors or the president, or recommend candidates to the board of directors or the president.</p>	<p>Article 2 The board of directors shall seek advice from the Party organization before deciding on significant issues of the Company including, among others, the reform and development direction, primary objectives and targets and key work arrangements. For the appointment of senior officers of the Company by the board of directors, the Party organization shall consider and provide advice and suggestions on the candidates proposed by the board of directors or the president (general manager), or recommend candidates to the board of directors or the president (general manager).</p>

No.	Before Revision	After Revision
2.	<p>Article 3 The Board shall be responsible to the shareholders' general meeting and exercise the following functions and powers:</p> <p>.....</p> <p>(IX) to appoint or dismiss the Company's president (general manager), chief financial officer (chief executive officer) and secretary of the Board; to appoint or dismiss the Company's vice president (vice general manager) as nominated by the president (general manager) and determine their remunerations;</p> <p>.....</p> <p>(XVI) with the authority granted by the shareholders' general meeting, to determine the Company's external investment, acquisition of sale assets, disposal of assets, external guarantees, entrusted asset management, and connected transactions, and handled the same in accordance with the listing rules of the security regulatory authorities and the stock exchange located in the place that the company list the stock;</p> <p>(XVII) to exercise other functions and powers as stipulated by laws, regulations and the listing rules of the place on which the shares of the Company are listed or conferred by the general meetings and the Articles of Association.</p>	<p>Article 3 The Board shall be responsible to the shareholders' general meeting and exercise the following functions and powers:</p> <p>.....</p> <p>(IX) to <u>decide to</u> appoint or dismiss the Company's president (general manager), chief financial officer (chief executive officer) and secretary of the Board <u>and other senior officers, and decide on their rewards and penalties;</u> to <u>decide to</u> appoint or dismiss the Company's vice president (vice general manager) as nominated by the president (general manager) and determine their remunerations;</p> <p><u>(X) to promote the rule of law in enterprises and supervise the management of enterprises in accordance with the law;</u></p> <p>.....</p> <p><u>(XVI) to decide on the Company's risk management system, internal control system and compliance management system, and supervise the implementation;</u></p> <p>.....</p> <p>(XVIII) with the authority granted by the shareholders' general meeting, to determine the Company's external investment, acquisition of sale assets, disposal of assets, external guarantees, entrusted asset management, connected transactions and <u>external donations</u>, and handled the same in accordance with the listing rules of the security regulatory authorities and the stock exchange located in the place that the company list the stock;</p>

No.	Before Revision	After Revision
		(XIX) to exercise other functions and powers as stipulated by laws, administrative regulations, department rules and the listing rules of the place on which the shares of the Company are listed or conferred by the general meetings and the Articles of Association.
3.	<p>Article 6 The Board shall deliberate and resolve on matters which, in accordance with the provisions of the laws, administrative regulations, rules of competent departments and the Articles of Association, require approval by the general meetings as proposed by the Board. The Board of Director should act strictly under the authorization of the Shareholders' General Meeting and the Articles of Association and it shall not pass any resolution beyond such authorization.</p> <p>The Board shall deliberate provisional proposals proposed by shareholders severally or jointly holding more than 3% of the Company's voting shares at annual general meetings in accordance with Rules of Procedure for Shareholders' General Meeting, and decide whether to submit the said proposals to the annual general meetings for deliberation.</p>	<p>Article 6 The Board shall deliberate and resolve on matters which, in accordance with the provisions of the laws, administrative regulations, rules of competent departments and the listing rules of the place where the shares of the Company are listed and the Articles of Association, require approval by the general meetings as proposed by the Board. The Board of Director should act strictly under the authorization of the Shareholders' General Meeting and the Articles of Association and it shall not pass any resolution beyond such authorization.</p> <p>The Board shall deliberate provisional proposals proposed by shareholders severally or jointly holding more than 3% of the Company's total voting shares at annual general meetings in accordance with Rules of Procedure for Shareholders' General Meeting, and decide whether to submit the said proposals to the annual general meetings for deliberation.</p>

No.	Before Revision	After Revision
4.	<p>Article 9 Powers and authorization to decide on investment:</p> <p>(I) The Board shall be responsible for reviewing the medium/long-term development plans and annual investment plans of the Company and submit the same to the general meetings for approval.</p> <p>(II) The Board may adjust no more than 15% (inclusive) of the annual capital expenditure amount approved by the general meeting for the year and authorize the Chairman to adjust no more than 10% (inclusive) of the annual capital expenditure amount approved by the general meeting.</p> <p>(III) The Board may examine and approve a single investment project (including but not limited to exploration and development, fixed assets and external equity investment) whose amount is no greater than 15% (inclusive) of the latest audited net asset value of the Company, and authorize the Chairman to examine and approve a single investment project whose amount is no greater than 10% of the latest audited net asset value of the Company.</p> <p>(IV) The Board may examine and approve a single venture investment project (including but not limited to bonds, futures and stock) which uses the assets of the Company but is unrelated to the business of the Company and the amount of which is no greater than 2% (inclusive) of the latest audited net asset value of the Company, and authorize the Chairman to examine and approve a single investment project whose amount is no greater than 1% (inclusive) of the latest audited net asset value of the Company.</p>	<p>Article 9 Powers and authorization to decide on investment:</p> <p>(I) The Board shall be responsible for reviewing the medium/long-term development plans and annual investment plans of the Company and submit the same to the general meetings for approval.</p> <p>(II) The Board may adjust no more than 15% (inclusive) of the annual capital expenditure amount approved by the general meeting for the year and authorize the Chairman president (general manager) to convene the work meeting of the presidents to adjust no more than 10% (inclusive) of the annual capital expenditure amount approved by the general meeting.</p> <p>(III) The Board may examine and approve a single investment project (including but not limited to exploration and development, fixed assets and external equity investment) whose amount is no greater than 15% (inclusive) of the latest audited net asset value of the Company, and authorize the Chairman president (general manager) to convene the work meeting of the presidents to examine and approve a single investment project whose amount is no greater less than 10% of the latest audited net asset value of the Company.</p> <p>(IV) The Board may examine and approve a single venture investment project (including but not limited to bonds, futures and stock) which uses the assets of the Company but is unrelated to the business of the Company and the amount of which is no greater than 2% (inclusive) of the latest audited net asset value of the Company, and authorize the Chairman president (general manager) to convene the work meeting of the presidents to examine and approve a single investment project whose amount is no greater than 1% (inclusive) of the latest audited net asset value of the Company.</p>

No.	Before Revision	After Revision
	<p>(V) Right of selection of new business opportunities and preemptive rights of new business. Only independent non-executive directors have the right to vote on decisions made by the Board concerning avoidance of intra-industry competition, including selection of new business opportunities and preemptive rights of new businesses of China National Coal Group Corporation.</p> <p>(VI) The rights and authorization of the Chairman relating to the aforesaid investments all cover investments within the scope of main business of the Company. Investments outside the scope of mainline business of the Company and exceeding 5% of the annual investment amount of the Company shall be subject to examination and approval of the Board, while investments not exceeding 5% of the annual investment of the Company shall be subject to the approval by the Chairman.</p> <p>(VII) If the aforesaid investment rights and authorization involve “transactions to be disclosed” as specified in the Stock Exchange Listing Rules and any of the results of the five scale tests is greater than 25%, examination and approval of the shareholders’ general meeting are required.</p>	<p>(V) Right of selection of new business opportunities and preemptive rights of new business. Only independent non-executive directors have the right to vote on decisions made by the Board concerning avoidance of intra-industry competition, including selection of new business opportunities and preemptive rights of new businesses of China National Coal Group Corporation.</p> <p>(VI) The rights and authorization of the Chairman president (general manager) relating to the aforesaid investments all cover investments within the scope of main business of the Company. Investments outside the scope of mainline business of the Company and exceeding 5% of the annual investment amount of the Company shall be subject to examination and approval of the Board, while investments not exceeding 5% of the annual investment of the Company shall be subject to the approval by the Chairman president (general manager) on the work meeting of the presidents.</p> <p>(VII) If the aforesaid investment rights and authorization involve “transactions to be disclosed” as specified in the Stock Exchange Listing Rules and any of the results of the five scale tests is greater than 25%, examination and approval of the shareholders’ general meeting are required.</p>

No.	Before Revision	After Revision
5.	<p data-bbox="344 274 842 342">Article 10 Powers and authorization to decide on asset disposal:</p> <p data-bbox="344 391 842 719">(I) In conducting “transactions to be disclosed” (including but not limited to purchase and sale of equity, tangible assets and other property rights) as specified in the Listing Rules, the Company shall calculate the following five test indices (“the five ratios”) as judgment standards as provided for in the Stock Exchange Listing Rules:</p> <p data-bbox="408 778 440 800">.....</p> <p data-bbox="344 849 842 1517">(II) Subject to Clause (I) of this article, the Board shall examine and approve disposal of fixed assets if the sum of the expected value of the fixed assets to be disposed of and the value derived from the disposal of fixed assets within 4 months before such proposal of the fixed assets is not greater than 33% (inclusive) of the value of fixed assets as shown on the balance sheet most recently considered and approved by the general meeting; or authorize the Chairman to examine and approve if the percentage is not greater than 10% (inclusive). Disposals of the fixed assets under this Clause include transfer of some asset interests, but do not include guarantee provided by pledge of fixed assets.</p> <p data-bbox="408 1576 440 1598">.....</p> <p data-bbox="344 1647 842 1898">Subject to Clause (I) of this article, the Board shall examine and approve projects whose any of the aforesaid ratios is not greater than 5% (inclusive) or authorize the Chairman to examine and approve projects whose any of the aforesaid ratios is no greater than 1%.</p>	<p data-bbox="858 274 1356 342">Article 10 Powers and authorization to decide on asset <u>purchase and</u> disposal:</p> <p data-bbox="858 391 1356 757">(I) In conducting “transactions to be disclosed” (including but not limited to purchase and sale of equity, tangible assets and other property rights) as specified in the Listing Rules, the Company shall calculate the following five test indices (“the five ratios”) as judgment standards as provided for in the Stock Exchange Listing Rules:</p> <p data-bbox="922 817 954 838">.....</p> <p data-bbox="858 887 1356 1670">(II) Subject to Clause (I) of this article, the Board shall examine and approve disposal of fixed assets if the sum of the expected value of the fixed assets to be disposed of and the value derived from the disposal of fixed assets within 4 months before such proposal of the fixed assets is not greater than 33% (inclusive) of the value of fixed assets as shown on the balance sheet most recently considered and approved by the general meeting; or authorize the Chairman president (general manager) to convene the work meeting of the presidents to examine and approve if the percentage is not greater than 10% (inclusive). Disposals of the fixed assets under this Clause include transfer of some asset interests, but do not include guarantee provided by pledge of fixed assets.</p> <p data-bbox="922 1730 954 1751">.....</p>

No.	Before Revision	After Revision
	<p>(IV) The rights and authorization relating to the aforesaid disposal of investments all cover disposal of assets within the scope of mainline business of the Company. Disposal of assets outside the scope of business of the Company and exceeding 5% of the annual investment amount of the Company shall be subject to examination and approval of the Board and those not exceeding 5% of the annual investment amount of the company shall be considered and approved by the Chairman of the Board.</p>	<p><u>Except for connected transactions, Subject to Clause (I) of this article, the Board shall examine and approve projects whose any of the aforesaid ratios is not greater than 5% (inclusive) or authorize the Chairman president (general manager) to convene the work meeting of the presidents</u> to examine and approve projects whose any of the aforesaid ratios is no greater than 1%.</p> <p>(IV) The rights and authorization relating to the aforesaid disposal of investments all cover disposal of assets within the scope of mainline business of the Company. Disposal of assets outside the scope of business of the Company and exceeding 5% of the annual investment amount of the Company shall be subject to examination and approval of the Board and those not exceeding 5% of the annual investment amount of the company shall be considered and approved by the <u>Chairman president (general manager) on the work meeting of the presidents</u> of the Board.</p>

No.	Before Revision	After Revision
6.	<p>Article 11 Powers and authorization to decide on debts and guarantees:</p> <p>(I) The Board examines and approves the long-term or short-term loan plan of the year according to the annual investment plan approved by the general meeting; authorizes the Chairman to make no more than 20% adjustment of the long-term or short-term loan plan of the year approved by the Board; authorizes the Chairman to examine and approve a single loan no more than RMB1,000,000,000 within the long-term or short-term loan plan of the year approved by the Board;</p> <p>(II) The following external guarantees shall be subject to approval by shareholders' general meeting:</p> <p>.....</p> <p>(6) The cumulative guarantee amount for 12 consecutive months accounting for 50% of the latest audited net assets of the Company and exceeding RMB50 million;</p> <p>.....</p>	<p>Article 11 Powers and authorization to decide on debts and guarantees:</p> <p>(I) The Board examines and approves the long-term or short-term loan plan of the year according to the annual investment plan approved by the general meeting; authorizes the Chairmanpresident (general manager) <u>to convene the work meeting of the presidents</u> to make no more than 20% adjustment of the long-term or short-term loan plan of the year approved by the Board; authorizes the Chairmanpresident (general manager) <u>to convene the work meeting of the presidents</u> to examine and approve a single loan no more than RMB1,000,000,000 within the long-term or short-term loan plan of the year approved by the Board;</p> <p>(II) The following external guarantees shall be subject to approval by shareholders' general meeting:</p> <p>.....</p> <p><u>6. (6) Any external guarantee to be given by the Company within one year, the amount of which exceeds 30% of the latest audited total assets;</u></p> <p>.....</p>
7.	<p>Article 12 If the institutions as determined with the various aforesaid relevant standards for examining and approving any of the aforesaid investment, asset disposal and external guarantee include both the Board and the Chairman, submission shall be made to the highest authority for approval.</p>	<p>Article 12 If the institutions as determined with the various aforesaid relevant standards for examining and approving any of the aforesaid investment, asset disposal and external guarantee include both the Board and the Chairmanpresident (general manager), submission shall be made to the highest authority for approval.</p>

No.	Before Revision	After Revision
8.	<p>Article 13 Powers and authorization to decide on connected transactions:</p> <p>In accordance with the provisions in the Stock Exchange Listing Rules concerning connected transactions, only non-continuing and continuing connected transactions whose all five scale test results are higher than 0.1% but lower than 5%, or whose total consideration is higher than HK\$1 million and less than HK\$10,000,000 and whose all five scale test results higher than 5% and less than 25% shall be decided by the Board. Other non-continuing and continuing connected transactions whose all five scale test results are higher than 5%, or whose total consideration is higher than HK\$10,000,000 and five scale test results are higher than 25% shall be subject to approval by independent shareholders.</p> <p>If the transaction involves a transaction with a related party at the level of a subsidiary of the Company, it shall be governed by paragraph 14A.33 (3) of the Listing Rules of the Stock Exchange.</p>	<p>Article 13 Powers and authorization to decide on connected transactions:</p> <p>In accordance with the provisions in the Stock Exchange Listing Rules concerning connected transactions, only non-continuing and continuing connected transactions whose all five scale test results are higher than 0.1% (1% if it is a connected transaction only involving connected person(s) at the subsidiary level) but <u>all</u> lower than 5%, or whose total consideration is higher than HK\$1 million and less than HK\$10,000,000 and whose all five scale test results higher than 5% and less than 25% shall be decided by the Board. Other non-continuing and continuing connected transactions whose all five scale test results are higher than 5%, or whose total consideration is higher than HK\$10,000,000 and five scale test results are higher than 25% shall be subject to approval by independent shareholders.</p> <p>If the transaction involves a transaction with a related party at the level of a subsidiary of the Company, it shall be governed by paragraph 14A.33 (3) of the Listing Rules of the Stock Exchange.</p>
9.	<p>Article 16</p> <p>The special committees shall all consist of directors. In the Audit and Risk Management Committee, Remuneration Committee and Nomination Committee, independent directors shall be the majority and shall act as conveners, and the Audit and Risk Management Committee shall include at least one professional accountant as independent director.</p>	<p>Article 16</p> <p>The <u>members of</u> special committees shall all consist of directors. In the Audit and Risk Management Committee, Remuneration Committee and Nomination Committee, independent non-executive directors shall be the majority and shall act as conveners/<u>Chairman</u>, and the conveners/Chairman of the Audit and Risk Management Committee shall be include at least one professional accountant as independent director.</p>

No.	Before Revision	After Revision
10.	<p>Article 17 The main duties of the Audit and Risk Management Committee are:</p> <p>(I) to advise the Board on the appointment and supervise the work of independent auditors;</p> <p>(II) reviewing the Company's annual and interim financial statements, earnings releases, major accounting policies and practices used to prepare financial statements, alternative treatments of financial information, the effectiveness of disclosure controls and procedures and important trends and developments in financial reporting practices and requirements;</p> <p>(III) to review the internal audit plans and personnel arrangement, the composition, responsibilities, plans, performance, budget and personnel arrangement of the internal audit team, and the quality and effectiveness of internal control of the Company;</p> <p>(IV) to review the risk assessment and management policies of the Company;</p> <p>(V) to establish the procedure for handling complaints (about matters relating to accounting, internal accounting control and audit, potential illegal acts, and potential dubious accounting or audit matters) against the Company;</p>	<p>Article 17 The main duties of the Audit and Risk Management Committee are:</p> <p><u>(I) to supervise and review the financial management, risk management and internal control, and to advise the Board on the above matters;</u></p> <p>(II) to advise the Board on the appointment and supervise the work of independent auditors;</p> <p>(HIII) reviewing the <u>completeness of</u> Company's annual and interim financial statements, earnings releases, <u>financial statements, annual reports and accounts, interim reports and quarterly reports, and to review the financial reporting opinion contained in the statements and reports, and to review financial,</u> major accounting policies and practices used to prepare financial statements, alternative treatments of financial information, the effectiveness of disclosure controls and procedures and important trends and developments in financial reporting practices and requirements;</p> <p>(HHIV) to review the internal audit plans and personnel arrangement, the composition, responsibilities, plans, performance, budget and personnel arrangement of the internal audit team, and the quality and effectiveness of internal control <u>system</u> of the Company;</p> <p>(IVV) to review the risk assessment and management policies of the Company, <u>and to assess the nature and level of the risks that the Company is willing to take in order to achieve its strategic objectives and to make sure the effective risk management system is established;</u></p>

No.	Before Revision	After Revision
	(VI) to exercise other functions and powers conferred by the Board.	<p>(VI) to establish the procedure for handling complaints (about matters relating to accounting, internal accounting control and audit, potential illegal acts, and potential dubious accounting or audit matters) against the Company;</p> <p>(VII) to exercise other functions and powers conferred by the Board.</p>
11.	<p>Article 18 The main duties of the Remuneration Committee are:</p> <p>.....</p> <p>(IV) to manage and regularly review the long-term remuneration and bonus plan or equity incentive plans for directors, employees and senior management, and make proposals to the Board;</p> <p>.....</p> <p>(VII) to ensure that none of the directors or any associates shall determine their own remunerations;</p> <p>(VIII) to exercise other functions and powers conferred by the Board.</p>	<p>Article 18 The main duties of the Remuneration Committee are:</p> <p>.....</p> <p>(IV) <u>Considering the remuneration paid by similar companies, the hours and responsibilities required and the conditions of employment of other positions in the Company, the corporate policy and objectives set by the board of directors,</u> to manage and regularly review the long-term remuneration and bonus plan or equity incentive plans for directors, employees and senior management, and make proposals to the Board;</p> <p>.....</p> <p>(VII) to ensure that none of the directors or any associates shall <u>participant in determineing their own</u> remunerations;</p> <p>(VIII) to exercise other functions and powers conferred by the Board.</p>

No.	Before Revision	After Revision
12.	<p>Article 19 The main duties of the Nomination Committee are:</p> <p>.....</p> <p>(III) to review and make proposals on the candidates of directors and senior management;</p> <p>.....</p>	<p>Article 19 The main duties of the Nomination Committee are:</p> <p>.....</p> <p><u>(III) to select qualified candidate of directors or senior management;</u> to review and make proposals on the candidates of directors and senior management;</p> <p>.....</p>
13.	<p>Article 21 The main duties of the Safety, Health and Environmental Protection Committee are:</p> <p>(I) to supervise the implementation of the security, health and environmental plans of the Company, and to supervise the Company's potential liabilities, changes of regulations and technological upgrading relating to security, health and environmental issues;</p> <p>(II) to make proposals to the Board concerning important issues affecting the health, security and environmental sectors of the Company;</p> <p>(III) to make inquiries about serious accidents of operation, property, staff or other facilities of the Company and the liabilities for such accidents, and to inspect and supervise handling of the accidents;</p> <p>(IV) to exercise other functions and powers conferred by the Board.</p>	<p>Article 21 The main duties of the Safety, Health and Environmental Protection Committee are:</p> <p>(I) to supervise the implementation of the security, health and environmental plans of the Company, and to supervise the Company's potential liabilities, changes of regulations and technological upgrading relating to security, health and environmental issues;</p> <p>(II) to make proposals to the Board concerning important issues affecting the health, security and environmental sectors of the Company;</p> <p>(III) to make inquiries about serious accidents of operation, property, staff or other facilities of the Company and the liabilities for such accidents, and to inspect and supervise handling of the accidents;</p> <p><u>(IV) to review and monitor the Company's ESG performance, including but not limited to reviewing the Company's annual ESG report;</u></p> <p><u>(V) to research on the formulation and implementation of ESG policy, strategies, priority and objects and provide advice;</u></p>

No.	Before Revision	After Revision
		<p><u>(VI) to research on the risk and internal control system of ESG and provide advice;</u></p> <p><u>(VII)</u> to exercise other functions and powers conferred by the Board.</p>
14.	<p>Article 23 The Company shall have a secretary of the Board.</p> <p>The main duties of the secretary of the Board are to make preparations for shareholders' general meetings and Board meetings, keeping of files and shareholders' information, handling matters relating to information disclosure of the Company, and keeping the chops of the Board and Board secretariat.</p> <p>The secretary of the Board shall comply with the laws, administrative regulations, departmental rules and regulations, the Articles of Association and the relevant requirements of these Rules.</p>	<p>Article 23 The Company shall have a secretary of the Board.</p> <p>The main duties of the secretary of the Board are to make preparations for shareholders' general meetings and Board meetings, keeping of files and shareholders' information, handling matters relating to information disclosure of the Company, and keeping the chops of the Board and Board secretariat <u>the Securities Affairs Department.</u></p> <p>The secretary of the Board shall comply with the laws, administrative regulations, departmental rules and regulations, the Articles of Association and the relevant requirements of these Rules.</p>
15.	<p>Article 24 The main duties of the secretary of the Board are:</p> <p>.....</p> <p>(V) to attend Board meetings and prepare and sign the minutes of the meetings;</p>	<p>Article 24 The main duties of the secretary of the Board are:</p> <p>.....</p> <p>(V) to attend Board meetings and prepare and sign the minutes of the meetings; <u>to actively promote the establishment of a comprehensive internal control system for the Company; to actively promote the avoidance of competition among companies in the same industry, to standardize the management of related party transactions; to actively promote the establishment of a comprehensive incentive and restraint mechanism for the Company; to actively promote the assumption of social responsibilities by the Company;</u></p>

No.	Before Revision	After Revision
	<p>(VI) to be responsible for confidentiality issues relating to information disclosure of the Company, formulate confidentiality measures, procure the directors, supervisors, president (general manager) and other senior management and related informed persons to keep confidential all information before disclosure thereof, make prompt responsive remedies in the event of divulgence of inside information and report to the stock exchange;</p> <p>(VII) to be responsible for keeping shareholders' register, directors' register, data about shareholdings of major shareholders, directors, supervisors, president (general manager) and other senior management, and documents and minutes of the shareholders' general meeting and Board meetings, to ensure the Company has complete organizational documents and records, and to ensure the persons with right of access to relevant records and documents of the Company can have the said records and documents in time;</p>	<p>(VI) to be responsible for confidentiality issues relating to information disclosure of the Company, formulate confidentiality measures, procure the directors, supervisors, president (general manager) and other senior management and related informed persons to keep confidential all information before disclosure thereof, make prompt responsive remedies in the event of divulgence of inside information and report to the stock exchange <u>where the Company's shares are listed; to pay attention to media reports, taking initiative to clarify with the Company and the relevant information disclosure obligor, supervise and procure immediate disclosure or clarification made by the board of directors;</u></p> <p>(VII) to be responsible for keeping shareholders' register, directors' register, data about shareholdings of major shareholders, directors, supervisors, president (general manager) and other senior management, and documents and minutes of the shareholders' general meeting and Board meetings, to ensure the Company has complete organizational documents and records, and to ensure the persons with right of access to relevant records and documents of the Company can have the said records and documents in time; <u>to be responsible for matters in relation to the restricted shares of the Company, supervising directors, supervisors and senior management and other personnel of the Company to comply with the relevant requirements in relation to dealings in the shares of the Company and other matters in relation to the equity management of the Company;</u></p>

No.	Before Revision	After Revision
	<p>(VIII) to help directors, supervisors, president (general manager) and other senior management learn about information disclosure related laws, regulations, rules, listing rules and other rules of the stock exchange, and the Articles of Association, and the provisions in the listing agreements concerning their legal liabilities;</p> <p>(IX) to procure the Board to exercise functions and powers in accordance with law; to remind the attending directors where the resolutions to be made by the Board do not comply with the relevant laws, regulations, rules, listing rules of the stock exchange, and other provisions or the Articles of Association, and request the supervisors present at meeting as observers to express their opinions; to record the opinions of relevant supervisors and persons in the minutes if the Board insists on making the aforesaid resolutions, and report to the stock exchange;</p> <p>(X) to fulfill other duties specified in the applicable laws, regulations, rules, listing rules of the stock exchange, and the Articles of Association.</p>	<p>(VIII) to help directors, supervisors, president (general manager) and other senior management learn about information disclosure related laws, regulations, rules, listing rules and other rules of the stock exchange <u>where the Company's shares are listed</u>, and the Articles of Association, and the provisions in the listing agreements concerning their legal liabilities <u>between the Company and the stock exchange where the Company's shares are listed</u>;</p> <p>(IX) to procure the Board to exercise functions and powers in accordance with law; to remind the attending directors where the resolutions to be made by the Board do not comply with the relevant laws, regulations, rules, listing rules of the stock exchange <u>where the Company's shares are listed</u>, and other provisions or the Articles of Association, and request the supervisors present at meeting as observers to express their opinions; to record the opinions of relevant supervisors and persons in the minutes if the Board insists on making the aforesaid resolutions, and report to the stock exchange;</p> <p><u>(X) to assist the board of directors in formulating development strategies of the Company in the capital markets and to assist in planning or implementing relevant matters of refinancing and merger and acquisition, to confirm the approval procedures and finish the information disclosure;</u></p> <p><u>(XI) to be responsible for training matters for standard operation, to organize directors, supervisors and senior management and other personnel to participate in the trainings on legal matters and normative documents;</u></p>

No.	Before Revision	After Revision
		<p><u>(XII) to remind the Company's directors, supervisors and senior management to perform their duties of loyalty and diligence. If becoming aware that the Company's directors, supervisors or senior management personnel has violated any laws, regulations, other regulatory documents and the Articles, or that the Company has made or may make any decision which violates the relevant rules, the secretary to the board of directors shall provide a warning and immediately report to the securities exchange where the Company's shares are listed;</u></p> <p>(XIII) to fulfill other duties specified in the applicable laws, regulations, rules, listing rules of the stock exchange <u>place where the shares of the Company are listed</u>, and the Articles of Association.</p>
16.	<p>Article 26 The Company shall formulate the rules of work for the secretary of the Board, which shall be responsible for information disclosure and investors' relations. The said rules shall take effect upon approval of the Board.</p> <p>The Company shall set up a secretariat as the daily office where the secretary of the Board fulfills the duties thereof.</p>	<p>Article 26 The Company shall formulate the rules of work for the secretary of the Board, which shall be responsible for information disclosure and investors' relations. The said rules shall take effect upon approval of the Board.</p> <p>The Company shall set up a secretariat <u>Securities Affairs Department</u> as the daily office where the secretary of the Board fulfills the duties thereof.</p>
17.	<p>Article 28 Regular meetings shall include the following:</p> <p>.....</p> <p>(II) Year-end review meetings Such meetings shall be convened in December of each year or January of the next year and shall hear and review the president's (general manager's) annual working report for the year and the work arrangements for the following year.</p>	<p>Article 28 Regular meetings shall include the following:</p> <p>.....</p> <p>(H) Year-end review meetings Such meetings shall be convened in December of each year or January of the next year and shall hear and review the president's (general manager's) annual working report for the year and the work arrangements for the following year.</p>

No.	Before Revision	After Revision
18.	<p>Article 29 In any of the following circumstances, the Chairman of the Board shall issue a notice to convene an extraordinary meeting within seven days:</p> <p>(I) jointly proposed by more than one-third of the directors;</p> <p>(II) proposed by the supervisory committee;</p> <p>(III) jointly proposed by more than half of the independent directors;</p> <p>(IV) deemed necessary by the Chairman of the Board;</p> <p>(V) proposed by shareholders representing more than 10% of the voting rights;</p> <p>(VI) proposed by the president (general manager);</p> <p>(VII) requested by the securities regulatory authorities;</p> <p>(VIII) other circumstances required by the Articles of Association.</p>	<p>Article 29 In any of the following circumstances, the Chairman of the Board shall issue a notice to convene an extraordinary meeting within <u>ten days</u> seven days:</p> <p>(I) jointly proposed by more than one-third of the directors;</p> <p>(II) proposed by the supervisory committee;</p> <p>(III) jointly proposed by more than half of the independent directors;</p> <p>(IV) deemed necessary by the Chairman of the Board;</p> <p>(V) proposed by shareholders representing more than 10% of the voting rights;</p> <p>(VI) proposed by the president (general manager);</p> <p>(VII) requested by the securities regulatory authorities;</p> <p>(VIII) other circumstances required by the Articles of Association.</p>

No.	Before Revision	After Revision
19.	<p>Article 32 Submission of proposals</p> <p>In respect of proposals for regular meetings, the Board secretariat shall fully solicit opinions of the directors before issue of the notice to convene the regular Board meeting, and after the initial formation of proposals, to submit to the Chairman for decision. Prior to the decision by the Chairman, opinions from the manager and other senior management are deemed to be required.</p> <p>In respect of proposals for provisional meetings, individuals or institutions proposing to convene provisional meetings shall submit proposals in writing and signed (chopped) by the proposer through the Board secretariat or directly to the Chairman. The written proposal shall set out the following:</p> <ol style="list-style-type: none"> (1) name(s) of the proposer(s); (2) reasons of the proposal or objective reasons as the basis of the proposal; (3) time or time limit, venue and way of meeting proposed to be convened; (4) clear and specific proposals; (5) way of contact of the proposer and date the proposal is served. <p>Contents of the proposal shall fall within the scope of duties of the Board as required in the Articles of Association, and should be submitted along with information relating with the proposal.</p> <p>Upon receipt of the above written proposal and relevant information, the Board secretariat shall forward the same to the Chairman on the same day. If the Chairman considers that the contents of the proposal are not clear, not specific or insufficient, the proposer may be requested to make amendments or supplements.</p>	<p>Article 32 Submission of proposals</p> <p>In respect of proposals for regular meetings, the Board secretariat the Securities Affairs Department shall fully solicit opinions of the directors before issue of the notice to convene the regular Board meeting, and after the initial formation of proposals, to submit to the Chairman for decision. Prior to the decision by the Chairman, opinions from the manager and other senior management are deemed to be required.</p> <p>In respect of proposals for provisional meetings, individuals or institutions proposing to convene provisional meetings shall submit proposals in writing and signed (chopped) by the proposer through the Board secretariat the Securities Affairs Department or directly to the Chairman. The written proposal shall set out the following:</p> <ol style="list-style-type: none"> (1) name(s) of the proposer(s); (2) reasons of the proposal or objective reasons as the basis of the proposal; (3) time or time limit, venue and way of meeting proposed to be convened; (4) clear and specific proposals; (5) way of contact of the proposer and date the proposal is served. <p>Contents of the proposal shall fall within the scope of duties of the Board as required in the Articles of Association, and should be submitted along with information relating with the proposal.</p> <p>Upon receipt of the above written proposal and relevant information, the Board secretariat the Securities Affairs Department shall forward the same to the Chairman on the same day. If the Chairman considers that the contents of the proposal are not clear, not specific or insufficient, the proposer may be requested to make amendments or supplements.</p>

No.	Before Revision	After Revision
20.	<p data-bbox="411 278 772 306">Article 34 Notice of meeting</p> <p data-bbox="411 357 443 378">.....</p> <p data-bbox="347 421 842 519">(II) Board meetings shall be notified in accordance with the following:</p> <p data-bbox="347 561 842 1029">When convening regular Board meetings and provisional meetings, the written notice sealed with the chop of the Board secretariat shall be served at least 10 days and five days in advance respectively to all directors, supervisors, president (general manager), the secretary of the Board and other non-voting attendants by hand, facsimile, e-mail, courier, telex, telegram or other ways. Where delivery is made indirectly, telephone confirmation shall be followed and corresponding records made.</p> <p data-bbox="411 1081 443 1102">.....</p>	<p data-bbox="925 278 1286 306">Article 34 Notice of meeting</p> <p data-bbox="925 357 957 378">.....</p> <p data-bbox="861 421 1356 519">(II) Board meetings shall be notified in accordance with the following:</p> <p data-bbox="861 561 1356 1093">When convening regular Board meetings and provisional meetings, the written notice sealed with the chop of the Securities Affairs Department the Board secretariat shall be served at least 10 days and five days in advance respectively to all directors, supervisors, president (general manager), the Securities Affairs Department the Board secretariat and other non-voting attendants by hand, facsimile, e-mail, courier, telex, telegram or other ways. Where delivery is made indirectly, telephone confirmation shall be followed and corresponding records made.</p> <p data-bbox="925 1157 957 1178">.....</p>
21.	<p data-bbox="411 1183 842 1210">Article 36 Attendance on meetings</p> <p data-bbox="347 1253 842 1498">Directors shall in principle attend Board meetings in person. If any director cannot attend the meeting in person for any reason, he should review the meeting information in advance to form a definite opinion, and authorize in writing another director to attend on his behalf.</p> <p data-bbox="411 1549 443 1570">.....</p> <p data-bbox="347 1613 842 1796">If any independent director fails to attend Board meetings in person for three consecutive times, the Board shall propose to the shareholders' general meeting to replace the said director.</p> <p data-bbox="411 1847 443 1868">.....</p>	<p data-bbox="925 1183 1356 1210">Article 36 Attendance on meetings</p> <p data-bbox="861 1253 1356 1498">Directors shall in principle attend Board meetings in person. If any director cannot attend the meeting in person for any reason, he should review the meeting information in advance to form a definite opinion, and authorize in writing another director to attend on his behalf.</p> <p data-bbox="925 1549 957 1570">.....</p> <p data-bbox="861 1613 1356 1817">If any independent non-executive director fails to attend Board meetings in person for three consecutive times, the Board may shall propose to the shareholders' general meeting to replace the said director.</p> <p data-bbox="925 1881 957 1902">.....</p>

No.	Before Revision	After Revision
22.	<p>Article 39 Independent directors shall provide the Board with independent opinions on the following matters:</p> <p>(I) nomination, appointment and dismissal of directors;</p> <p>(II) appointment or dismissal of president (general manager), vice president (deputy general manager), chief financial officer and secretary of the Board;</p> <p>(III) remunerations of directors, president (general manager), vice president (deputy general manager), chief financial officer and secretary of the Board;</p> <p>(IV) loans or other fund operations equal to or exceeding the standards for material connected transactions (as determined according to standards issued from time to time by the competent regulatory authorities or the stock exchange where the Company is listed) between the shareholders, actual controllers and connected enterprises thereof and the Company, which material connected transactions must be discussed at Board meetings or the shareholders' general meeting according to law, and whether the Company shall take effective measures to recover the outstanding receivables;</p> <p>.....</p>	<p>Article 39 Independent non-executive directors shall provide the Board with independent opinions on the following matters:</p> <p>(I) nomination, appointment and dismissal of directors;</p> <p>(II) appointment or dismissal of president (general manager), vice president (deputy general manager), chief financial officer (financial manager) and secretary of the Board;</p> <p>(III) remunerations of directors, president (general manager), vice president (deputy general manager), chief financial officer (financial manager) and secretary of the Board;</p> <p>(IV) <u>the current or new loans or other fund operations exceeding RMB3 million or more than 5% of the Company's latest audited net asset value, and whether the Company shall take effective measures to recover the outstanding receivables;</u> loans or other fund operations equal to or exceeding the standards for material connected transactions (as determined according to standards issued from time to time by the competent regulatory authorities or the stock exchange where the Company is listed) between the shareholders, actual controllers and connected enterprises thereof and the Company, which material connected transactions must be discussed at Board meetings or the shareholders' general meeting according to law, and whether the Company shall take effective measures to recover the outstanding receivables;</p> <p>.....</p>

No.	Before Revision	After Revision
23.	<p>Article 41 Counting of voting results</p> <p>After completion of voting by directors, the relevant personnel of the Board secretariat shall collect the votes of the directors in a timely manner, to be counted by the secretary of the Board under the supervision of one supervisor or independent director.</p> <p>.....</p>	<p>Article 41 Counting of voting results</p> <p>After completion of voting by directors, the relevant personnel of <u>the Securities Affairs Department</u>—the Board secretariat shall collect the votes of the directors in a timely manner, to be counted by the secretary of the Board under the supervision of one supervisor or independent <u>non-executive</u> director.</p> <p>.....</p>
24.	<p>Article 49 Minutes of meetings</p> <p>The minutes of the Board meeting, which are the formal evidence for the resolutions of the Board, shall be recorded in detail. The secretary of the Board shall arrange the personnel of the Board secretariat to keep proper minutes of Board meetings. The minutes of a Board meeting shall specify:</p> <p>.....</p> <p>(VI) the directors’ signatures.</p> <p>In addition to the minutes of meetings, the secretary of the Board may also arrange the personnel of the Board secretariat to make summaries of the minutes if necessary, and make individual minute of the resolutions adopted based on the statistics on the voting results.</p>	<p>Article 49 Minutes of meetings</p> <p>The minutes of the Board meeting, which are the formal evidence for the resolutions of the Board, shall be recorded in detail. The secretary of the Board shall arrange the personnel of the Board secretariat<u>Securities Affairs Department</u> to keep proper minutes of Board meetings. The minutes of a Board meeting shall specify:</p> <p>.....</p> <p>(VI) the directors’ signatures.</p> <p>In addition to the minutes of meetings, the secretary of the Board<u>Securities Affairs Department</u> may also arrange the personnel of the Board secretariat to make summaries of the minutes if necessary, and make individual minute of the resolutions adopted based on the statistics on the voting results.</p>

No.	Before Revision	After Revision
25.	<p>Article 55 The following matters shall, after examination and approval by Board meetings, be submitted to general meetings for approval and then executed:</p> <p>(I) formulation of the Company's annual budgets and final accounts;</p> <p>(II) formulation of the Company's profit distribution scheme and loss recovery scheme;</p> <p>(III) formulation of the plan for increase or reduction of the Company's registered capital, the plan for issue of the Company's bonds and other securities, and the plan of listing and repurchase of the Company's shares;</p> <p>(IV) resolution on the merger, division, dissolution and liquidation of the Company;</p> <p>(V) formulation of the proposal for any amendment to the Articles of Association;</p> <p>(VI) proposal to the general meeting to appoint or replace the accounting firm which audits the Company's accounts;</p> <p>(VII) election and replacement of directors who are not the employee representatives and decision on matters relating to remuneration and equity incentive for the directors;</p> <p>(VIII) election and replacement of supervisors who are shareholders' representatives and decision on matters relating to the remuneration of supervisors;</p> <p>(IX) consideration and approval of the reports of the Board;</p> <p>(X) consideration and approval of the reports of the Supervisory Committee;</p>	<p>Article 55 The following matters shall, after examination and approval by Board meetings, be submitted to general meetings for approval and then executed.:</p> <p><u>The functions and powers exercised by the general meeting under the law</u></p> <p>(I) formulation of the Company's annual budgets and final accounts;</p> <p>(II) formulation of the Company's profit distribution scheme and loss recovery scheme;</p> <p>(III) formulation of the plan for increase or reduction of the Company's registered capital, the plan for issue of the Company's bonds and other securities, and the plan of listing and repurchase of the Company's shares;</p> <p>(IV) resolution on the merger, division, dissolution and liquidation of the Company;</p> <p>(V) formulation of the proposal for any amendment to the Articles of Association;</p> <p>(VI) proposal to the general meeting to appoint or replace the accounting firm which audits the Company's accounts;</p> <p>(VII) election and replacement of directors who are not the employee representatives and decision on matters relating to remuneration and equity incentive for the directors;</p> <p>(VIII) election and replacement of supervisors who are shareholders' representatives and decision on matters relating to the remuneration of supervisors;</p> <p>(IX) consideration and approval of the reports of the Board;</p> <p>(X) consideration and approval of the reports of the Supervisory Committee;</p>

No.	Before Revision	After Revision
26.	<p>Article 60 Where any matter is not covered herein or where these Rules conflict with the laws, administrative regulations, and other relevant regulatory documents, the latter shall prevail.</p>	<p>Article 60 Where any matter is not covered herein or where these Rules conflict with the laws, administrative regulations, and other relevant regulatory documents, the latter shall prevail.</p> <p><u>Matters not covered herein shall be implemented in accordance with the relevant laws and regulations of the state, the listing rules of the place where the shares of the Company are listed and the Articles of Association. If these Rules are in conflict with the laws and regulations promulgated by the state in the future, the listing rules of the place where the shares of the Company are listed and the Articles of Association revised through legal procedures, they shall be implemented in accordance with the relevant laws and regulations of the state, the listing rules of the place where the shares of the Company are listed and the Articles of Association.</u></p>
27.	<p>Article 61 The phrases “more than” and “less than” as mentioned in these Rules are inclusive while “exceeding” is exclusive.</p>	<p>Article 61 The phrases “more than” and “less than” as mentioned in these Rules are inclusive while “exceeding” and “not exceeding” isare exclusive.</p>
28.	<p>Article 64 In the event of any discrepancy between these Rules and the Listing Rules of place of listing, the Company Law and the Articles of Association, the latter shall prevail.</p>	<p>Article 64 In the event of any discrepancy between these Rules and the Listing Rules of place of listing, the Company Law and the Articles of Association, the latter shall prevail.</p>

Notes:

1. Some of the formatting and textual amendments are not shown separately above.
2. Please refer to the Company’s circulars dated 20 July 2007, 29 April 2010, 5 April 2012 and 3 November 2017 for the full text and previous amendments to the Rules of Procedures for the Board of Directors.

3. Main Amendments to the Regulations Governing Connected Transactions of the Company

No.	Before Revision	After Revision
1.	<p>Article 1 These measures are formulated in order to regulate the connected transactions of China Coal Energy Company Limited (hereinafter referred to as “the Company”); to protect the legal interests of the Company, shareholders, and creditors; and to ensure the fairness of the decision-making actions of the Company relating to connected transactions. These Measures are drawn up in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), Enterprise Accounting Standard – Disclosure of Connected Parties, The Listing Rules of Shanghai Stock Exchange (hereinafter referred to as “the Shanghai Stock Exchange Listing Rules”), and the Articles of Association of the Company.</p>	<p>Article 1 These measures are formulated in order to <u>strengthen the management of</u> regulate the connected transactions of China Coal Energy Company Limited (hereinafter referred to as “the Company”) <u>and its subsidiaries</u>; to protect the legal interests of the Company, and its shareholders, and creditors <u>and other stakeholders</u>; and to ensure the fairness of the decision-making actions of the Company relating to connected transactions. These Measures are drawn up in accordance with the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), Enterprise Accounting Standard – Disclosure of Connected Parties, The Listing Rules of Shanghai Stock Exchange (hereinafter referred to as “the Shanghai Stock Exchange Listing Rules”), <u>the Guidelines No. 5 for the Self-regulation of Listed Companies on the Shanghai Stock Exchange – Transactions and Connected Transactions, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“the Stock Exchange Listing Rules”) and other laws, regulations and regulatory documents as well as the Articles of Association of China Coal Energy Company Limited (the “Articles of Association”)</u> and based on the actual conditions of the Company and the Articles of Association of the Company. <u>In these Measures, connected transactions include connected/related-party transactions, and connected persons include connected/related persons.</u></p>

No.	Before Revision	After Revision
2.	<p>Article 2 The Company shall follow and implement the following principles in the recognition and handling of relationships with connected persons and connected transactions:</p> <p>.....</p> <p>(3) must comply with the general commercial principles of “fairness, righteousness, openness, and valuable consideration” in determining the price of any connected transaction, and relevant provisions shall be made for that in the form of agreement.</p>	<p>Article 2 The Company shall follow and implement the following principles in the recognition and handling of relationships with connected persons and connected transactions:</p> <p>.....</p> <p>(3) (3III) must comply with the general commercial principles of “fairness, righteousness, openness, and valuable consideration” in determining the price terms of any connected transaction, <u>which shall not be less favorable than those with independent third parties,</u> and relevant provisions shall be made for that in the form of agreement.</p>
3.	<p>Article 5 Under the leadership of the Secretary to the Board of Directors of the Company, the Finance Department, Legal Affairs Department and the Board Secretariat, shall jointly deal with the daily transactions and businesses of the Company. The relevant responsible persons have the responsibilities and duties to carry out investigation on the detailed background of counter-parties of transactions, and review the name list of connected persons in detail to determine in a prudent manner whether transactions constitute connected transactions, and to update the name list of connected parties at any time.</p>	<p>Article 5 Under the leadership of the Secretary to the Board of Directors of the Company, the Finance Department, <u>Legal and Compliance Department and Securities</u> Affairs Department and the Board Secretariat, shall jointly deal with the daily transactions and businesses of the Company. The relevant responsible persons have the responsibilities and duties to carry out investigation on the detailed background of counter-parties of transactions, and review the name list of connected persons in detail to determine in a prudent manner whether transactions constitute connected transactions, <u>and the approval and disclosure procedures to be performed in respect of the transaction,</u> and to update the name list of connected parties at any time.</p>

No.	Before Revision	After Revision
4.	<p>Article 6 When the Company enters into the following transactions or dealings with connected parties, they are deemed as connected transactions between connected persons and the Company, including but are not limited to:</p> <p>(1) purchase or sales of goods;</p> <p>(2) purchase or sales of other assets other than goods;</p> <p>(3) provision and acceptance of services;</p> <p>(4) guarantee;</p> <p>(5) provision of funds (credit or equity investments)</p> <p>(6) leasing;</p> <p>(7) agency;</p> <p>(8) transfer of research and development projects;</p> <p>(9) licensing agreement;</p> <p>(10) settlement of debts on behalf of the Company or by the Company on behalf of the other party;</p> <p>(11) remuneration of key management personnel.</p>	<p>Article 6 When the Company enters into the following transactions or dealings with connected parties, they are deemed as connected transactions between connected persons and the Company, <u>regardless of whether the transaction is conducted in the ordinary business of the Company,</u> including but are not limited to:</p> <p>(1)(I) purchase or sales of <u>assets</u>goods;</p> <p>(2) purchase or sales of other assets other than goods;</p> <p>(3) provision and acceptance of services;</p> <p>(4) guarantee;</p> <p>(5) provision of funds (credit or equity investments)</p> <p>(6) leasing;</p> <p>(7) agency;</p> <p>(8) transfer of research and development projects;</p> <p>(9) licensing agreement;</p> <p>(10) settlement of debts on behalf of the Company or by the Company on behalf of the other party;</p> <p>(11) remuneration of key management personnel.</p> <p>(2)(II) external investments <u>(including entrusted wealth management, etc.);</u></p> <p>(3)(III) provision of indemnity, or to provide or accept financial assistance <u>(including granting loan facilities, lending, or providing an indemnity against obligations under a loan, or guaranteeing or providing mortgage for a loan, interest-bearing or interest-free loans, entrusted loans, etc.);</u></p> <p>(4)(IV) provision of guarantees;</p> <p>(5)(V) lease-in or lease-out of <u>assets;</u></p>

No.	Before Revision	After Revision
		<p><u>(6)(VI) entrusted or contracted asset and business management;</u></p> <p><u>(7)(VII) granting or being granted of assets;</u></p> <p><u>(8)(VIII) creditor's right or debt restructuring;</u></p> <p><u>(9)(IX) entering into of licensing agreement;</u></p> <p><u>(10)(X) transfer-out or transfer-in of research and development projects;</u></p> <p><u>(11)(XI) waiver of rights (including waiver of pre-emptive rights, pre-emptive rights to contribute, etc.);</u></p> <p><u>(12)(XII) purchase or provision of raw materials, fuel and power, semi-finished products and/or finished goods;</u></p> <p><u>(13)(XIII) sale of products and merchandise;</u></p> <p><u>(14)(XIV) provision or receipt of labor or services;</u></p> <p><u>(15)(XV) entrusted or contracted sale;</u></p> <p><u>(16)(XVI) deposit and loan business;</u></p> <p><u>(17)(XVII) joint investment with connected persons;</u></p> <p><u>(18)(XVIII) settlement of debts on behalf of the Company or by the Company on behalf of the other party;</u></p> <p><u>(19)(XIX) remuneration of key management personnel;</u></p> <p><u>(20)(XX) involving the Company and its subsidiaries granting, accepting, exercising, transferring or terminating or deciding not to exercise an option to purchase or sell assets, or to subscribe for securities;</u></p> <p><u>(21)(XXI) entering into or terminating finance leases or operating leases or sub-leases;</u></p>

No.	Before Revision	After Revision
		<p>(22)(XXII) entering into an agreement or arrangement to set up a joint venture in any form (e.g. a partnership or a company), or any other form of joint arrangement;</p> <p>(23)(XXIII) issuing new securities of the Company and its subsidiaries including underwriting or sub-underwriting an issue of securities;</p> <p>(24)(XXIV) providing, receiving or sharing services;or</p> <p>(25)(XXV) other matters that may result in the transfer of resources or obligations by agreement.</p>
5.	<p>Article 8 During the course of business operations, when all relevant departments of the Company and its subsidiaries come across transactions between the Company and connected persons confirmed as connected transactions according to the rules in Chapter Two of these Measures, the relevant department shall submit a written report on the relevant connected transaction to the Board Secretariat, the finance department, the Legal Affairs Department and other relevant departments of the Company.</p> <p>The written report shall include the following contents:</p> <p>(1) the names and addresses of the connected parties;</p> <p>(2) specific details of the relevant connected transaction and the transaction amount;</p> <p>(3) the principle on which to determine the price of connected transactions and the basis of price determination;</p> <p>(4) other matters that need to be recorded.</p>	<p>Article 8 During the course of business operations, when all relevant departments of the Company and its subsidiaries come across transactions between the Company and connected persons confirmed as connected transactions according to the rules in Chapter Two of these Measures, the relevant department shall submit a written report on the relevant connected transaction to the Board SecretariatSecurities Affairs Department, the finance department, the Legal Affairs —and Compliance Department and other relevant departments of the Company.</p> <p>The written report shall include the following contents:</p> <p>(1)(I) the <u>connected relations</u>, names and addresses of the connected parties;</p> <p>(2)(II) specific details of the relevant connected transaction and the transaction amount;</p> <p>(3)(III) the principle on which to determine the price of connected transactions and the basis of price determination;</p> <p>(4)(IV) other matters that need to be recorded.</p>

No.	Before Revision	After Revision
6.	<p>Article 9 The Board Secretariat shall be responsible for assisting the Legal Affairs Department in completing a compliance review of connected transactions, keeping in touch with legal advisors, regulatory authorities, and stock exchanges, cooperating with legal advisors to submit various announcements relating to connected transactions to the regulatory authorities, arranging for the board meeting and the general meeting to examine and approve matters relating to connected transactions, and arranging for public announcement of connected transactions which are to be announced to the public.</p>	<p>Article 9 The Board Secretariat <u>Securities Affairs Department</u> shall be responsible for assisting the Legal Affairs and Compliance Department in completing a compliance review of connected transactions, keeping in touch with legal <u>advisors</u>, regulatory authorities, and <u>stock exchanges</u>; and legal advisors cooperating with legal advisors <u>to submit various announcements relating to connected transactions to the regulatory authorities</u>, arranging for the board meeting and the general meeting to examine and approve matters relating to connected transactions, and arranging for <u>publishing</u> public announcement of connected transactions which are to be announced to the public disclosed.</p>
7.	<p>Article 10 The finance department shall be responsible for designing specialized forms to record continuing connected transactions and to include them in the monthly financial express news reporting system, to compile monthly statistics on the amount of continuing connected transactions of subsidiary enterprises, and to carry out relevant procedures according to the requirements of these Measures.</p>	<p>Article 10 The finance department shall be responsible for designing specialized forms <u>the relevant data statistics of the forecast and actual amounts of annual caps</u> to record continuing connected transactions and to include them in the monthly financial express news reporting system, to compile monthly statistics on the amount of continuing connected transactions of its subsidiaries <u>enterprises</u>, and to carry out relevant procedures according to the requirements of these Measures, the laws and regulations of the place where the shares of the Company are listed, the listing rules of the stock exchange.</p>

No.	Before Revision	After Revision
8.	<p>Article 11 For non-continuing connected transactions, the Legal Affairs Department shall be responsible for confirming at any time whether a transaction is a connected transaction when reviewing commercial contracts of the Company and its subsidiaries. A contract involving any connected transaction shall not be signed immediately and shall be notified to the Board Secretariat to complete relevant approval procedures as required.</p>	<p>Article 11 For non-continuing connected transactions, the Legal <u>and Compliance</u> Affairs Department, <u>together with the Securities Affairs Department</u> shall be responsible for <u>judging</u> confirming at any time whether a transaction is a connected transaction when reviewing commercial contracts of the Company and <u>its subsidiaries</u>. A contract involving any connected transaction shall not be signed immediately and shall be notified to the <u>Securities Affairs Department</u> Board Secretariat to complete relevant approval procedures as required.</p>
9.	<p>Article 12 Upon receipt of reports from relevant responsible departments, the Company's Board of Directors shall issue a notice to all the Directors to convene a Board Meeting.</p>	<p>Article 12 Upon receipt of reports from relevant responsible departments, the <u>Securities Affairs Department</u> Company's Board of Directors shall issue a notice to all the Directors to convene a Board Meeting <u>and the relevant materials where the transaction shall be subject to the approval of the Board of Directors.</u></p>
10.	<p>Article 13 If the connected transaction is entered into with a Company's Director or an individual or other enterprises with which such Director has an interest, when the Company convenes a Board Meeting to deliberate on the relevant connected transaction, the convener of the meeting shall remind the relevant connected director to avoid from taking part in voting for the resolution before the voting takes place. When the connected director does not take the initiative to make a declaration and abstain from voting for the resolution, directors who have knowledge of the situation shall request the connected director to avoid from taking part in voting for the resolution.</p>	<p>Article 13 <u>If the Company's Directors have material interests in a connected transaction, or If</u>—the connected transaction is entered into with a Company's Director or an individual or other enterprises with which such Director has an interest, when the Company convenes a Board Meeting to deliberate on <u>the relevant</u> connected transaction, the convener of the <u>Board</u> meeting shall remind the relevant connected director to avoid from taking part in voting for the resolution before the voting takes place. When the connected director does not take the initiative to make a declaration and abstain from voting for the resolution, directors who have knowledge of the situation shall request the connected director to avoid from taking part in voting for the resolution.</p>

No.	Before Revision	After Revision
11.	<p>Article 15 When deliberating on connected transactions, the Board of Directors shall:</p> <p>(1) gain a detailed understanding of the actual conditions of the object of the transaction, including its operating condition and earning power; whether any defect in rights such as mortgage or freeze on the property exists; or whether legal disputes such as litigation or arbitration exists;</p> <p>(2) gain a detailed understanding of the credit history of the counter-party, its credit status and ability to perform etc., and to select counter-party of transaction prudently;</p> <p>(3) ascertain the transaction price based on an adequate basis for price fixing;</p> <p>(4) comply with the Shanghai Stock Exchange Listing Rules and when the Company considers it necessary, intermediaries can be engaged to carry out audit or assessment of the object of the transaction.</p> <p>The Board of Directors shall not deliberate and make decision on connected transactions for which the condition of the object is not clear, the transaction price has not yet been confirmed, or where the conditions of the counter-party to the transaction is unclear.</p>	<p>Article 15 When deliberating on connected transactions, the Board of Directors shall:</p> <p>(I) gain a detailed understanding of the actual conditions of the object of the transaction, including its operating condition and earning power; whether any defect in rights such as mortgage or freeze on the property exists; or whether legal disputes such as litigation or arbitration exists;</p> <p>(2II) gain a detailed understanding of the credit history of the counter-party, its credit status, <u>and</u> ability to perform and ultimate beneficial owner, etc., and to select counter-party of transaction prudently;</p> <p>(3III) ascertain the transaction price based on an adequate basis for price fixing;</p> <p>(4IV) comply with the <u>requirements under the laws and regulations and the listing rules of the stock exchange of the place where the shares of the Company are listed</u> Shanghai Stock Exchange Listing Rules and when the Company considers it necessary, intermediaries can be engaged to carry out audit or assessment of the object of the transaction;</p> <p>The Board of Directors shall not deliberate and make decision on connected transactions for which the condition of the object is not clear, the transaction price has not yet been confirmed, or where the conditions of the counter-party to the transaction is unclear.</p>

No.	Before Revision	After Revision
12.	<p>Article 16 When the Board of Directors of the Company examines relevant connected transactions and resolves to submit it to Shareholders' General Meetings for deliberation, the Board of Directors shall issue notice to convene a Shareholders' General Meeting pursuant to the time limit and procedures prescribed in the Company Law and the Company's Articles of Association.</p> <p>Connected transactions that are required to be submitted to Shareholders' General Meetings for deliberation under the Shanghai Stock Exchange Listing Rules must be submitted by the Board of Directors to a Shareholders' General Meeting for deliberation.</p>	<p>Article 16 When the Board of Directors of the Company examines relevant connected transactions and resolves to submit it to Shareholders' General Meetings for deliberation, the Board of Directors shall issue notice to convene a Shareholders' General Meeting <u>and the relevant materials of the place where the shares of the Company are listed.</u></p> <p><u>For a connected transaction that shall be required to be submitted to the general meeting for deliberation, the audit and risk management committee shall be established and independent financial advisors shall be appointed in accordance with relevant provisions.</u></p> <p>Connected transactions that are required to be submitted to Shareholders' General Meetings for deliberation under the Shanghai Stock Exchange Listing Rules must be submitted by the Board of Directors to a Shareholders' General Meeting for deliberation.</p>

No.	Before Revision	After Revision
13.	<p>Article 17 Shareholders' General Meeting shall deliberate and vote on relevant connected transactions submitted by the Board of Directors. At the time of voting, the Board of Directors of the Company and the witnessing lawyer shall, before the shareholders cast their votes, remind the connected shareholder(s) to abstain from voting. The connected shareholder(s) shall abstain from voting in accordance with the Company Law and the Articles of Association of the Company, and the voting rights represented by his/their shareholding shall be excluded from the total number of valid votes. Both the Independent Directors and Supervisors present at the Meeting shall express fair opinions on the relevant connected transactions.</p>	<p>Article 17 Shareholders' General Meeting shall deliberate and vote on relevant connected transactions submitted by the Board of Directors. At the time of voting, the Board of Directors of the Company and the witnessing lawyer shall, before the shareholders cast their votes, remind the connected shareholder(s) to abstain from voting. The connected shareholder(s) <u>and any shareholder(s) who are materially interested in the relevant connected transactions</u> shall abstain from voting in accordance with the Company Law, <u>and the Articles of Association of the Company and the listing rules of the stock exchange of the place where the shares of the Company are listed,</u> and the voting rights represented by his/their shareholding shall be excluded from the total number of valid votes <u>and shall not exercise voting rights on behalf of other shareholders.</u> Both the Independent <u>Non-executive</u> Directors and Supervisors present at the Meeting shall express fair opinions on the relevant connected transactions.</p>

No.	Before Revision	After Revision
14.	<p>Article 19 Once the conditions of connected transactions, especially conditions on price and terms of payment, are confirmed, various departments of the Company shall execute transactions strictly in compliance with the approved conditions for transaction. The operational management of the Company shall not change the conditions of transaction on their own during the course of executing the transaction. If an agreement or a contract of connected transaction must be terminated or amended due to changes in production and operating conditions, parties to the contract can sign a supplementary agreement (or contract) to terminate or amend the original contract.</p>	<p>Article 19 Once the conditions of connected transactions, especially conditions on price and terms of payment, are confirmed, various departments of the Company shall execute transactions strictly in compliance with the approved conditions for transaction. The operational management of the Company shall not change the conditions of transaction on their own during the course of executing the transaction. If an agreement or a contract of connected transaction must be terminated or amended due to changes in production and operating conditions, parties to the contract can sign a supplementary agreement (or contract) to terminate or amend the original contract <u>on the condition that the relevant approval and disclosure procedures under the listing rules of the stock exchange of the place where the shares of the Company are listed are satisfied.</u></p>

No.	Before Revision	After Revision
15.	<p>Article 20 Connected transactions that meet the following standards of the Shanghai Stock Exchange Listing Rules shall be disclosed on a timely basis:</p> <p>(1) any connected transaction between the Company and a connected natural person involving an amount of Rmb300,000 or more (except where the Company provides guarantee);</p> <p>(2) any connected transaction between the Company and a connected legal person involving an amount of Rmb3,000,000 or more and representing 0.5% or more of the absolute value of the latest audited net assets of the Company;</p> <p>Where the Company provides guarantees for connected parties, such guarantees, irrespective of the amount involved, shall be disclosed on a timely basis after they are considered and approved by the Board of Directors.</p>	<p>Article 20 Connected transactions that meet the following standards of the Shanghai Stock Exchange Listing Rules shall be disclosed on a timely basis:</p> <p>(I) any connected transaction between the Company and a connected natural person involving an amount of Rmb300,000 or more (except where the Company provides guarantee);</p> <p>(2II) any connected transaction between the Company and a connected legal person involving an amount of Rmb3,000,000 or more and representing 0.5% or more of the absolute value of the latest audited net assets of the Company <u>(except where the Company provides guarantee);</u></p> <p>(3III) Wwhere the Company provides guarantees for connected parties, such guarantees, irrespective of the amount involved, shall be disclosed on a timely basis after they are considered and approved by the Board of Directors.</p>
16.	-	<p>Article 21 <u>The relevant size test shall be conducted for the connected transactions to determine the procedures of the approval and disclosure pursuant to the Listing Rules of the Stock Exchange.</u></p>
17.	<p>Article 26 Connected transactions between the Company and subsidiaries, joint venture companies and associated companies are exempted from submission for the examination and consideration by the Board of Directors and deliberation by a Shareholders' General Meeting as required herein.</p> <p>Connected transactions between subsidiaries of the Company and other connected persons are deemed connected transactions between the Company and connected persons.</p>	<p>Article 27Connected transactions between the Company and subsidiaries, joint venture companies and associated companies are exempted from submission for the examination and consideration by the Board of Directors and deliberation by a Shareholders' General Meeting as required herein.</p> <p>Connected transactions between the controlling subsidiaries of the Company and other connected persons are deemed connected transactions between the Company and connected persons.</p>

No.	Before Revision	After Revision
18.	<p>Article 27 Besides complying with the regulations contained in these Measures, the Company must also strictly comply with relevant regulations on connected transactions in the Listing Rules of Hong Kong Stock Exchange.</p>	-
19.	<p>Article 28 After being examined and adopted by a shareholders' general meeting, these Measures shall become effective from the date on which the Company's Renminbi-denominated common shares are listed. These Measures shall be binding on the Company, the board of directors, directors, the supervisory committee, supervisors, chief executive officer (manager) and other senior management personnel. The Company shall implement these Measures before shares of the Company are listed.</p>	<p>Article 28 After being examined and adopted by a shareholders' general meeting, these Measures shall become effective from the date on which the Company's Renminbi-denominated common shares are listed. These Measures shall be binding on the Company, the board of directors, directors, the supervisory committee, supervisors, chief executive officer (manager) and other senior management personnel. The Company shall implement these Measures before shares of the Company are listed.</p>

No.	Before Revision	After Revision
20.	<p>Article 29 Matters not addressed in these Measures shall be handled in accordance with relevant provisions of the country's laws, regulations and the Articles of Association of the Company. In case of conflict between provisions of these Measures and the national laws and regulations to be promulgated from time to time in future and any duly and legally amended Articles of Association of the Company, the provisions of such laws, regulations, and the Articles of Association of the Company shall prevail and the Measures shall be amended promptly and submitted to the general meeting of shareholders for approval.</p>	<p>Article 29 Matters not addressed in these Measures shall be handled in accordance with relevant provisions of the country's laws, regulations, <u>the listing rules of the stock exchange of the place where the shares of the Company are listed</u> and the Articles of Association of the Company. In case of conflict between provisions of these Measures and the national laws and regulations to be promulgated from time to time in future <u>and the listing rules of the stock exchange of the place where the shares of the Company are listed</u> and any duly and legally amended Articles of Association of the Company, the provisions of such laws, regulations, <u>the listing rules of the stock exchange of the place where the shares of the Company are listed</u> and the Articles of Association of the Company shall prevail and the Measures shall be amended promptly and submitted to the general meeting of shareholders for approval.</p>
21.	<p>Article 30 The Board of Directors is responsible for the formulation, amendment and interpretation of these Measures.</p>	<p>Article 30 The Board of Directors is responsible for the formulation, amendment and interpretation of these Measures, <u>which shall be effective from the date of consideration and approval at the general meeting, and the original Regulations on Connected Transactions of China Coal Energy Company Limited (Zhong Mei Gu Fen Zheng [2022] No. 2) shall be abolished at the same time.</u></p>

Notes:

1. Some of the formatting and textual amendments are not shown separately.
2. Please refer to the Company's circular dated 20 July 2007 for the full text of the Regulations on Connected Transactions of Company.

4. Main Proposed Amendments to the Working Procedures of Independent Non-Executive Directors of the Company

No.	Before Revision	After Revision
1.	<p>Article 1 To further strengthen the corporate governance structure of China Coal Energy Company Limited (hereinafter referred to as “the Company”), to promote the Company’s operation in accordance with relevant regulations, to ensure that Independent Directors perform their duties, this System is formulated in accordance with relevant provisions of the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), the “Guidance Opinions on the establishment of the system of Independent Directors in Listed Companies” (hereinafter referred to as “the Guidance Opinions”), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (hereinafter referred to as the “Shanghai Listing Rules”), “Standards of Corporate Governance of Listed Companies” and the “Articles of Association of China Coal Energy Company Limited (hereinafter referred to as the “Articles of Association of the Company”).</p>	<p>Article 1 To further strengthen the corporate governance structure of China Coal Energy Company Limited (hereinafter referred to as “the Company”), to promote the Company’s operation in accordance with relevant regulations, to ensure that Independent <u>Non-executive</u> Directors perform their duties, this System is <u>these Articles are</u> formulated in accordance with relevant provisions of the Company Law of the People’s Republic of China (hereinafter referred to as “the Company Law”), <u>“the Rules for the Independent Directors of Listed Companies”</u> “Guidance Opinions on the establishment of the system of Independent Directors in Listed Companies” (hereinafter referred to as <u>“the Rules for Independent Directors the Guidance Opinions”</u>), the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Hong Kong Listing Rules”), the Rules Governing the Listing of Securities on the Shanghai Stock Exchange (hereinafter referred to as the “Shanghai Listing Rules”), “Standards of Corporate Governance of Listed Companies”, <u>“Guidelines No. 1 for the Self-regulation of Listed Companies on the Shanghai Stock Exchange – Standardized Operation”</u> and the “Articles of Association of China Coal Energy Company Limited (hereinafter referred to as the “Articles of Association of the Company”).</p>

No.	Before Revision	After Revision
2.	<p>Chapter Two Qualifications for Independent Directors</p> <p>Article 4 To become an Independent Director, the following basic qualifications are required:</p> <p>.....</p> <p>(2) possess the independency required by the Guidance Opinions, the Shanghai Listing Rules and the Hong Kong Listing Rules;</p> <p>.....</p>	<p>Chapter Two Qualifications for Independent Non-executive Directors</p> <p>Article 4 To become an Independent Non-executive Director, the following basic qualifications are required:</p> <p>.....</p> <p>(2) possess the independency required by the Rules for Independent Directors Guidance Opinions, the Shanghai Listing Rules and the Hong Kong Listing Rules;</p> <p>.....</p>
3.	<p>Article 5 At least one third of the members of the company's Board of Directors shall be independent directors, and the number of independent non-executive directors shall not be less than three, of which at least one must be an accounting professional. The accounting professional referred to in this article means a professional with senior title or certified public accountant qualification.</p>	<p>Article 5 At least one third of the members of the company's Board of Directors shall be independent non-executive directors, and the number of independent non-executive directors shall not be less than three, of which at least one must be an accounting professional.</p> <p>The accounting professional referred to in this article means those who have relatively extensive and professional knowledge and experience in accounting, through experience as a public accountant or auditor or as a chief financial officer, controller or principal accounting officer of a public company or through performance of similar functions, experiences with internal controls and in preparing or auditing comparable financial statements or experience reviewing or analyzing audited financial statements of public companies, and meet at least one of the following: a professional with senior title or certified public accountant qualification.</p>

No.	Before Revision	After Revision
		<p><u>(1) with qualification as a certified public accountant;</u></p> <p><u>(2) with a senior professional title, associate professor title or doctoral degree majored in accounting, auditing or financial management;</u></p> <p><u>(3) with a senior professional title in economic management with over 5 years of full-time working experience at a professional position in accounting, auditing or financial management.</u></p>
4.	<p>Chapter Three The Independence of Independent Directors</p> <p>Article 7 Independent Directors must possess independence, complying with the requirement for independence of Independent Directors in the Guidance Opinions, and the requirements for independence of Independent Non-Executive Directors in the Hong Kong Listing Rules, Shanghai Listing Rules, and by the Hong Kong Stock Exchange and the Shanghai Stock Exchange. The following persons are not allowed to become Independent Directors:</p> <p>(1) persons employed by the Company or its affiliated company (excluding Independent Directors); immediate families; main social relations (immediate families refer to spouses, parents, sons and daughters, etc.; main social relations refer to brothers, sisters, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, spouses of brothers or sisters, brothers or sisters of spouses, etc.);</p> <p>(2) persons directly or indirectly holding 1% or more than 1% of the shares of the Company or the company's top ten natural person shareholders and their immediate families;</p>	<p>Chapter Three The Independence of Independent Non-executive Directors</p> <p>Article 7 Independent non-executive Directors must possess independence, complying with the requirement for independence of Independent Non-executive Directors in <u>the Rules for Independent Directors</u> the Guidance Opinions, and the requirements for independence of Independent Non-Executive Directors in the Hong Kong Listing Rules, Shanghai Listing Rules, and by the Hong Kong Stock Exchange and the Shanghai Stock Exchange (referred to as the “Shanghai Stock Exchange”).</p> <p><u>According to the requirements of the Hong Kong Stock Exchange, each independent non-executive director shall notify the Hong Kong Stock Exchange as soon as practicable if there are any changes that may affect his/her independence, and confirm his/her independence to the Company each year.</u></p> <p><u>In the event of the following circumstances, it is necessary to further confirm with the Hong Kong Stock Exchange whether it complies with the requirements on the independence of non-executive directors under the Hong Kong Listing Rules:</u></p>

No.	Before Revision	After Revision
	<p>(3) persons employed by Shareholders holding 5% or more than 5% of the Shares of the Company or the top five shareholders of the Company as well as those persons' immediate families;</p> <p>(4) persons who fall in any of the above three situations set forth above during the most recent year;</p> <p>(5) The directors, partners, principals or employees of professional consultants who have provided services to the following persons within the last year or are currently serving:</p> <p>1. the Company and its controlling shareholders or their respective subsidiaries or connected persons;</p> <p>2. Any person who is a controlling shareholder of the Company or (if the Company has no controlling shareholder) any person who is the chief executive or director (other than an independent non-executive director) of the Company or any of their contact person within one year before the date of the proposed appointment of such person as an independent non-executive director;</p> <p>(6) obtaining any securities interests of the Company in the form of gifts or other financial assistance from a connected person or the Company itself, unless the aggregate interest in securities acquired does not exceed 1% and is acquired as part of a director's remuneration or based on a share option plan;</p>	<p><u>(I) The director, partner, principal or employee who is a professional consultant who provides financial, legal, consulting and other services to the following persons within the last two years or is participating in relevant services:</u></p> <p><u>1. the Company and its controlling shareholders or their respective subsidiaries or core connected persons;</u></p> <p><u>2. controlling shareholders of the Company or any of their close associate within two years prior to the date of the proposed appointment of such person as an independent non-executive director.;</u></p> <p><u>(II) the director has obtained any securities interest of the Company in the form of gifts or other financial assistance from a connected person or the Company itself, unless the aggregate interest in securities acquired does not exceed 1% and is acquired as part of a director's remuneration or based on a share option plan;</u></p> <p><u>(III) the director, currently or within one year prior to the date of his/her proposed appointment as an independent non-executive director, has or had material interests in any major business activities of the Company, controlling shareholders or their respective subsidiaries; or is or was involved in major commercial transactions with the Company, controlling shareholders or their respective subsidiaries or with any connected persons of the Company;</u></p>

No.	Before Revision	After Revision
	<p>(7) having material interests in any major business activities of the Company, controlling shareholders or their respective subsidiaries; or involving major commercial transactions with the Company, controlling shareholders or their respective subsidiaries or with any connected persons of the Company;</p> <p>(8) the purpose of the director serving as a member of the board of directors is to protect an entity whose interests are different from those of the shareholders as a whole;</p> <p>(9) the director has, at that time or within two years prior to the date of his proposed appointment as an independent non-executive director, was connected with a director, chief executive or substantial shareholder of the listed issuer;</p> <p>(10) the director was an executive or director (other than an independent director) of the Company, the holding company or its respective subsidiaries or connected persons of the Company at that time;</p> <p>(11) The director is financially dependent on the Company, the controlling shareholder or their respective subsidiaries or connected persons of the Company.</p> <p>(12) other persons specified in the Articles of Association;</p> <p>(13) other persons presumed by the China Securities Regulatory Commission, the Hong Kong Stock Exchange and/or the Hong Kong Listing Rules, and the Shanghai Listing Rules.</p>	<p><u>(IV) the purpose of the director serving as a member of the Board of Directors is to protect an entity whose interests are different from those of the shareholders as a whole;</u></p> <p><u>(V) the director, at that time or within two years prior to the date of his/her proposed appointment as an independent non-executive director, was connected with a director, chief executive or substantial shareholder of the listed issuer;</u></p> <p><u>(VI) the director was (or had been within two years prior to the date of his/her proposed appointment as a director) an executive or director (other than an independent non-executive director) of the Company, the holding company or their respective subsidiaries or connected persons of the Company at that time;</u></p> <p><u>(VII) the director is financially dependent on the Company, the controlling shareholder or their respective subsidiaries or connected persons of the Company.</u></p> <p><u>According to the requirements of the Shanghai Stock Exchange, The following persons are not allowed to become Independent <u>Non-executive</u> Directors:</u></p> <p>(1) persons employed by the Company or <u>the Company's</u> its affiliated companies <u>companies</u> (excluding Independent Directors); immediate families; main social relations (immediate families refer to spouses, parents, sons and daughters, etc.; main social relations refer to brothers, sisters, fathers-in-law, mothers-in-law <u>parents-in-law</u>, daughters-in-law, sons-in-law <u>children-in-law</u>, spouses of brothers or sisters, brothers or sisters of spouses, etc.);</p>

No.	Before Revision	After Revision
		<p>(2) persons directly or indirectly holding 1% or more than 1% of the shares of the Company or the company’s top ten natural person shareholders and their immediate families;</p> <p>(3) persons employed by Shareholders holding 5% or more than 5% of the Shares of the Company or the top five shareholders of the Company as well as those persons’ immediate families;</p> <p><u>(4) persons employed by the de facto controller of the Company and its subsidiaries;</u></p> <p><u>(5) persons who provide financial, legal, consultancy or other services to the Company and the controlling shareholders of the Company or their respective subsidiaries, including all members of the project team, reviewers at all levels, persons who sign the reports, partners and main responsible persons of the intermediary institutions that provide services;</u></p> <p><u>(6) a person who serves as a director, supervisor or senior management in an entity that has material business dealings with the Company and the controlling shareholders of the Company or their respective subsidiaries, or a person who serves as a director, supervisor or senior management in the controlling shareholders of such entity;</u></p> <p>(7) persons who fall in any of the above six three situations set forth above during the most recent year;</p> <p>(5) The directors, partners, principals or employees of professional consultants who have provided services to the following persons within the last year or are currently serving:</p>

No.	Before Revision	After Revision
		<p data-bbox="858 274 1359 385">1. the Company and its controlling shareholders or their respective subsidiaries or connected persons;</p> <p data-bbox="858 438 1359 825">2. Any person who is a controlling shareholder of the Company or (if the Company has no controlling shareholder) any person who is the chief executive or director (other than an independent non-executive director) of the Company or any of their contact person within one year before the date of the proposed appointment of such person as an independent non-executive director;</p> <p data-bbox="858 878 1359 1225">(6) obtaining any securities interests of the Company in the form of gifts or other financial assistance from a connected person or the Company itself, unless the aggregate interest in securities acquired does not exceed 1% and is acquired as part of a director's remuneration or based on a share option plan;</p> <p data-bbox="858 1278 1359 1625">(7) having material interests in any major business activities of the Company, controlling shareholders or their respective subsidiaries; or involving major commercial transactions with the Company, controlling shareholders or their respective subsidiaries or with any connected persons of the Company;</p> <p data-bbox="858 1678 1359 1857">(8) the purpose of the director serving as a member of the board of directors is to protect an entity whose interests are different from those of the shareholders as a whole;</p>

No.	Before Revision	After Revision
		<p data-bbox="858 278 1359 544">(9) the director has, at that time or within two years prior to the date of his proposed appointment as an independent non-executive director, was connected with a director, chief executive or substantial shareholder of the listed issuer;</p> <p data-bbox="858 597 1359 821">(10) the director was an executive or director (other than an independent director) of the Company, the holding company or its respective subsidiaries or connected persons of the Company at that time;</p> <p data-bbox="858 874 1359 1066">(11) The director is financially dependent on the Company, the controlling shareholder or their respective subsidiaries or connected persons of the Company.</p> <p data-bbox="858 1119 1359 1183">(8+2) other persons specified in the Articles of Association;</p> <p data-bbox="858 1236 1359 1342"><u>(9) other persons as required by laws, administrative regulations and departmental rules;</u></p> <p data-bbox="858 1395 1359 1661"><u>(103) other persons who shall not serve as independent directors</u> presumed by the China Securities Regulatory Commission, the Hong Kong Stock Exchange and/or the Hong Kong Listing Rules, and the Shanghai Listing Rules.</p>

No.	Before Revision	After Revision
5.	<p>Article 10 Before convening Shareholders' General Meetings for the election of Independent Directors, the Company shall submit relevant information on all the nominees to the Stock Exchange and/or the China Securities Regulatory Commission. When there is any dissent from the Company's Board of Directors concerning the nominee's information, the Board shall submit its written opinion as well.</p> <p>Nominees dissented by the Stock Exchange is eligible as a candidate for director of the Company but not eligible as a candidate for Independent Director. During the election of Independent Directors at a Shareholder's General Meeting, the Company's Board of Directors shall make a statement on whether the Stock Exchange has expressed dissents on any candidates for independent directorship.</p>	<p>Article 10 TheBefore convening Shareholders' General Meetings for the election of Independent Directors, the Company shall submit relevant information on all the nominees, <u>including but not limited to statements of nominees and candidates, biographies of Independent Directors,</u> to the sStock eExchange <u>of the place where the shares of the Company are listed, no later than the publication of announcement on the notice of convening Shareholders' General Meetings for the election of Independent Non-Executive Directors</u> and/or the China Securities Regulatory Commission. When there is any dissent from the Company's Board of Directors concerning the nominee's information, the Board shall submit its written opinion as well.</p> <p>Nominees dissented by the Stock Exchange is eligible as a candidate for director of the Company but not eligible as a candidate for Independent Director. During the election of Independent Directors <u>of the Company</u> at a Shareholder's General Meeting, the Company's Board of Directors <u>shall</u> make a statement on whether the sStock eExchange <u>of the place where the shares of the Company are listed</u> has expressed dissents on any candidates for independent <u>non-executive</u> directorship. <u>The Company shall not elect the nominees, on whom the stock exchange of the place where the shares of the Company are listed has expressed dissents, as Independent Non-Executive Directors, and shall delay or cancel such Shareholders' General Meeting, or cancel the relevant proposals of the meeting.</u></p>

No.	Before Revision	After Revision
6.	<p>Article 12 If an Independent Director abstains from attending Board Meetings in person for three times in succession, the Board of Directors shall propose a replacement of the director to Shareholders' General Meeting.</p> <p>Except for the conditions mentioned above and the situations in which a person shall not act as director under the Company Law, the office of an Independent Director cannot be terminated without any reason before expiration. In case of termination of a Director's office prior to expiration, it shall be disclosed as a special issue by the Company. If the Independent Director whose office is terminated before expiration considers that the reason for termination is not proper, he or she can make a public declaration.</p>	<p>Article 12 If an Independent <u>Non-Executive</u> Director abstains from attending Board Meetings in person for three times in succession, the Board of Directors shall propose a replacement of the director to Shareholders' General Meeting.</p> <p><u>The Company may remove an Independent Non-Executive Director following the statutory procedure before the expiry of his/her term of office.</u> Except for the conditions mentioned above and the situations in which a person shall not act as director under the Company Law, the office of an Independent Director cannot be terminated without any reason before expiration. In case of a removal termination of a Director's office prior to expiration, it shall be disclosed as a special issue by the Company. If the Independent Director whose office is terminated before expiration considers that the reason for termination is not proper, he or she can make a public declaration.</p>

No.	Before Revision	After Revision
7.	<p>Article 13 An Independent Director may tender resignation before expiration of the term of office by submitting a written resignation application to the Board of Directors; providing an explanation of any conditions which are related to his or her resignation or which is considered by him/her as necessary to draw the attention of shareholders and creditors of the Company. The Independent Director should continue performing his or her duty before obtaining approval from the Board of Directors for his resignation. An Independent Director shall immediately submit his latest contact to the Hong Kong Stock Exchange after his resignation.</p> <p>If the proportion of Independent Directors in the Board of Directors is lower than the number required by the Guidance Opinions due to the resignation of the Independent Director, the resignation report of this Independent Director shall only come into effect when the next Independent Director fill his vacancy.</p> <p>.....</p>	<p>Article 13 An Independent <u>Non-Executive</u> Director may tender resignation before expiration of the term of office by submitting a written resignation application to the Board of Directors; providing an explanation of any conditions which are related to his or her resignation or which is considered by him/her as necessary to draw the attention of shareholders and creditors of the Company. The Independent <u>Non-Executive</u> Director should continue performing his or her duty before obtaining approval from the Board of Directors for his resignation.—An Independent Director shall immediately submit his latest contact to the Hong Kong Stock Exchange after his resignation. <u>During three years from an Independent Non-Executive Director ceasing to be a Director, in case of any change in his/her contact information, he/she shall reasonably inform the Hong Kong Stock Exchange as soon as possible but in any event not later than 28 days since such change occurred.</u></p> <p>If the proportion of Independent <u>Non-Executive</u> Directors in the Board of Directors is lower than the number required by the <u>Rules for Independent Directors</u>Guidance Opinions due to the resignation of the Independent <u>Non-Executive</u> Director, the resignation report of this Independent <u>Non-Executive</u> Director shall only come into effect when the next Independent <u>Non-Executive</u> Director fill his vacancy.</p> <p>.....</p>

No.	Before Revision	After Revision
8.	<p>Article 14 If an Independent Director does not meet the independence qualification or there is other circumstance which render him or her unsuitable to perform the duties of an Independent Director, so as to result in the number of Independent Directors of the Company falling below that required by the Guidance Opinions and/or the Hong Kong Listing Rules, the Company shall make up the numbers of Independent Directors according to relevant regulations.</p> <p>.....</p>	<p>Article 14 If an Independent <u>Non-Executive</u> Director does not meet the independence qualification or there is <u>are other</u> circumstances which render him or her unsuitable to perform the duties of an Independent <u>Non-Executive</u> Director, so as to result in the number of Independent <u>Non-Executive</u> Directors of the Company falling below that required by the <u>Rules for Independent Directors</u> Guidance Opinions and/or the Hong Kong Listing Rules, <u>and the Shanghai Listing Rules</u>, the Company shall make up the numbers of Independent <u>Non-Executive</u> Directors according to relevant regulations.</p> <p>.....</p>
9.	<p>Chapter Five Duties and Authority of Independent Directors</p> <p>Article 15 In order to bring Independent Directors' functions into full play, besides the duties and authorities endowed by the Company Law, the Hong Kong Listing Rules, the Shanghai Listing Rules and other relevant laws and regulations, the Company shall delegate the following specific authorities to Independent Directors:</p> <p>(1) Significant connected transactions shall be submitted to the Board of Directors for discussion after confirmation by Independent Directors.</p> <p>Independent Directors engage an intermediary to issue an independent financial advisor's report as the basis of their judgment.</p>	<p>Chapter Five Duties and Authority of Independent <u>Non-Executive</u> Directors</p> <p>Article 15 In order to bring Independent <u>Non-Executive</u> Directors' functions into full play, besides the duties and authorities endowed by the Company Law, the Hong Kong Listing Rules, the Shanghai Listing Rules and <u>other</u> relevant laws and regulations, the Company shall delegate the following specific authorities to Independent <u>Non-Executive</u> Directors:</p> <p>(1) Significant connected transactions shall be <u>confirmed</u> submitted to the Board of Directors for discussion after confirmation by Independent Directors <u>in advance</u>;-</p> <p>Independent <u>Non-Executive</u> Directors engage an intermediary to issue an independent financial advisor's report as the basis of their judgment.</p>

No.	Before Revision	After Revision
	<p>(2) Make proposals to the Board of Directors for the appointment or dismissal of accounting firms;</p> <p>(3) Make proposals to the Board of Directors to hold Shareholders' Meeting;</p> <p>(4) Make proposals to hold Board Meetings;</p> <p>(5) Appoint an external auditor or consultancy firms independently;</p> <p>(6) collect voting rights from shareholders in public before the convening of Shareholders' General Meeting;</p> <p>(7) other responsibilities stipulated in laws, administrative regulations, rules or the Articles of Association.</p> <p>Significant connection transactions, the appointment or dismissal of accounting firms should be submitted to the Board of Directors for discussion only after they have been agreed by at least half of the Independent Directors. Before Independent Directors make proposals to the Board of Directors to hold Shareholders' General Meeting, Directors' Meetings and collect voting rights from shareholders in public before the convening of Shareholders' General Meeting, the consent of more than half of the Independent Directors should be obtained. With the consensus of all Independent Directors, the Independent Directors can appoint external audit firms and consultancies to carry out audits and provide consultancy on specific issues, the Company shall bear all related expenses.</p> <p>If the above proposals are not adopted or the above authorities cannot be exercised normally, the company should disclose relevant circumstances.</p>	<p>(2) Make proposals to the Board of Directors for the appointment or dismissal of accounting firms;</p> <p>(3) Make proposals to the Board of Directors to hold Shareholders' Meeting;</p> <p>(4) Make proposals to hold Board Meetings;</p> <p>(5) collect voting rights from shareholders in public before the convening of Shareholders' General Meeting;</p> <p>(6) Appoint an external auditor or consultancy firms independently;</p> <p>(7) other responsibilities stipulated in laws, administrative regulations, rules or the Articles of Association.</p> <p>Significant connection transactions, the appointment or dismissal of accounting firms should be submitted to the Board of Directors for discussion only after they have been agreed by at least half of the Independent Non-Executive Directors. Before If Independent <u>Non-Executive</u> Directors exercise the authorities as set out in the previous paragraphs from item (1) to (5) make proposals to the Board of Directors to hold Shareholders' General Meeting, Directors' Meetings and collect voting rights from shareholders in public before the convening of Shareholders' General Meeting, the consent of more than half of the Independent Non-Executive Directors should be obtained. With the consensus of all Independent Non-Executive Directors, the Independent Non-Executive Directors can appoint external audit firms and consultancies to carry out audits and provide consultancy on specific issues, the Company shall bear all related expenses.</p>

No.	Before Revision	After Revision
	<p>The proportion of Independent Directors in the Remuneration, Audit and Nomination Committees set up under the Board of Directors of Company should be more than 1/2.</p>	<p><u>The matters set out in item (1) and (2) of the first paragraph in this Article shall be submitted to the Board of Directors for discussion with the consent of more than half of the Independent Directors.</u></p> <p>If the above proposals <u>set out in the first paragraph of this Article</u> are not adopted or the above authorities cannot be exercised normally, the company should disclose relevant circumstances.</p> <p>The proportion of Independent <u>Non-Executive</u> Directors in the Remuneration <u>Committee</u>, Audit <u>and Risk Management Committee</u> and Nomination Committees set up under the Board of Directors of Company should be more than 1/2, <u>and the chairmen of Audit and Risk Management Committee and Nomination Committee shall be an Independent Non-Executive Director.</u></p>
10.	<p>Article 16 Independent Directors should perform the above duties and responsibilities as well as various duties stipulated in Appendix 14A 6.2 of the Hong Kong Listing Rules and Shanghai Listing Rules. In addition, they should express independent opinions to the Board of Directors and Shareholders' General Meeting on the following issues:</p> <p>.....(6) other issues stipulated in the Articles of Association, the Hong Kong Listing Rules and Shanghai Listing Rules</p>	<p>Article 16 Independent <u>Non-Executive</u> Directors should perform the above duties and responsibilities as well as various duties stipulated in Appendix 14A 6.2 of the Hong Kong Listing Rules and Shanghai Listing Rules. In addition, they should express independent opinions to the Board of Directors and Shareholders' General Meeting on the following issues:</p> <p>.....(6) other issues stipulated in <u>by laws, administrative regulations, the CSRC and</u> the Articles of Association, the Hong Kong Listing Rules and Shanghai Listing Rules</p>

No.	Before Revision	After Revision
11.	<p>Chapter VI Obligations of Independent Directors</p> <p>Article 20 Independent Directors owe the duty of faithfulness and diligence to the Company and the shareholders as a whole. Independent Directors should perform their responsibilities according to requirements of relevant laws, rules, the Guidance Opinions, the Hong Kong Listing Rules, the Shanghai Listing Rules and the Articles of Association, perform their duties earnestly, protect the interest of the Company as a whole and, in particular, attention to ensure that legal rights and interests of small or medium shareholders shall not be harmed.</p>	<p>Chapter VI Obligations of Independent <u>Non-Executive</u> Directors</p> <p>Article 20 Independent <u>Non-Executive</u> Directors owe the duty of faithfulness and diligence to the Company and the shareholders as a whole. Independent <u>Non-Executive</u> Directors should perform their responsibilities according to requirements of relevant laws, rules, the Rules for Independent Directors Guidance Opinions, the Hong Kong Listing Rules, the Shanghai Listing Rules and the Articles of Association, perform their duties earnestly, protect the interest of the Company as a whole and, in particular, attention to ensure that legal rights and interests of small or medium shareholders shall not be harmed.</p>
12.	<p>Article 24 The Company should provide necessary working conditions for Independent Directors to discharge their duties. The Secretary of the Board of Directors should assist Independent Directors to discharge their duties, such as providing information or supplying documents, etc. If any announcement is required to be made in respect of any independent opinions, proposals and written statements of Independent Directors, the secretary of the Board of the Company shall promptly so through the matters relating to the announcement with the stock exchange.</p>	<p>Article 24 <u>To ensure Independent Non-Executive Directors exercise his/her duties and authorities effectively, the</u> The Company should provide necessary working conditions for Independent <u>Non-Executive</u> Directors to discharge their duties. The Secretary of the Board of Directors should assist Independent <u>Non-Executive</u> Directors to discharge their duties, such as providing information or supplying documents, etc., <u>regularly report the operations of the Company, and if necessary, arrange site inspection for Independent Non-Executive Directors.</u> If any announcement is required to be made in respect of any independent opinions, proposals and written statements of Independent <u>Non-Executive</u> Directors, the secretary of the Board of the Company shall promptly <u>assist them with such</u> so through the matters relating to the announcement with the stock exchange.</p>

No.	Before Revision	After Revision
13.	<p>Article 31 In case of conflict between this System and the laws and regulations of the place of listing, performance shall be in accordance with the laws and regulations of the place of listing.</p>	<p>Article 31 In case of conflict between this System and the laws and regulations of the place of listing, performance shall be in accordance with the laws and regulations of the place of listing. <u>In the event that there is any matter not covered in these Articles, relevant laws and regulations of the State, the listing rules of the place where the shares of the Company are listed and provisions of the Articles of Association shall be implemented. In case of any conflict between these Articles and the laws and regulations of the State to be promulgated in future, the listing rules of the place where the shares of the Company are listed and the legally amended Articles of Association, relevant laws and regulations of the State, the listing rules of the place where the shares of the Company are listed and provisions of the Articles of Association shall prevail.</u></p>
14.	<p>Article 32 The Board of Directors is responsible for the formulation and interpretation of this System. Upon approval of the Shareholders' General Meeting, this System will become effective on the date of listing of the domestic shares issued by the Company on the Stock Exchange.</p>	<p>Article 32 The Board of Directors is responsible for the formulation and interpretation of <u>these Articles</u>. Upon approval of the Shareholders' General Meeting, this System <u>which will become effective</u> be implemented from the date of listing of the domestic shares issued by the Company on the Stock Exchange <u>on which it is considered and approved by the Board of Directors.</u></p>

No.	Before Revision	After Revision
15.	<p>Article 33 In the event that there is any matter not covered in these detailed working rules, performance shall be in accordance with relevant provisions of the laws and regulations of the State, the Hong Kong Listing Rules, the Shanghai Listing Rules and the Articles of Association of the Company. In case of conflict between provisions of these detailed working rules and the laws and regulations of the State to be promulgated in future, any duly and legally amended “Articles of Association of the Company”, the Shanghai Listing Rules and the Hong Kong Listing Rules, performance shall be in accordance with the relevant laws and regulations of the State, the Shanghai Listing Rules and the Hong Kong Listing Rules while immediate amendments shall be submitted to the Board of the Company for deliberation and the passing of a resolution.</p>	<p>Article 33 In the event that there is any matter not covered in these detailed working rules, performance shall be in accordance with relevant provisions of the laws and regulations of the State, the Hong Kong Listing Rules, the Shanghai Listing Rules and the Articles of Association of the Company. In case of conflict between provisions of these detailed working rules and the laws and regulations of the State to be promulgated in future, any duly and legally amended “Articles of Association of the Company”, the Shanghai Listing Rules and the Hong Kong Listing Rules, performance shall be in accordance with the relevant laws and regulations of the State, the Shanghai Listing Rules and the Hong Kong Listing Rules while immediate amendments shall be submitted to the Board of the Company for deliberation and the passing of a resolution.</p>

Notes:

1. Some of the formatting and textual amendments are not shown separately above.
2. Please refer to the Company’s circular dated 20 July 2007 and the announcement dated 27 March 2012 for the full text and previous amendments to the Working Procedures of the Independent Non-executive Directors.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.



CHINA COAL ENERGY COMPANY LIMITED*

中國中煤能源股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 01898)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2022 first extraordinary general meeting (the “**EGM**”) of China Coal Energy Company Limited (the “**Company**”) will be held at 3:00 p.m. on Thursday, 25 August 2022 at China Coal Building, No. 1 Huangsidajie, Chaoyang District, Beijing, the People’s Republic of China (the “**PRC**”), for the purpose of passing the following resolutions:

1. To consider and, if thought fit, to approve the revision of two continuing connected transaction framework agreements and the relevant annual caps for the transactions thereunder:
 - 1.01 To consider and, if thought fit, to approve, ratify and confirm the Supplementary Agreement to the Integrated Materials and Services Mutual Provision Framework Agreement between the Company and China National Coal Group Corporation (“**China Coal Group**”) and the revision of the annual caps for the provision of the materials and ancillary services and of the exclusive coal export-related services by the Company and its subsidiaries (the “**Group**”) contemplated under the relevant agreement for the two years ending 31 December 2023;
 - 1.02 To consider and, if thought fit, to approve, ratify and confirm the Supplementary Agreement to the Coal Supply Framework Agreement between the Company and China Coal Group and the revision of the annual caps for the procurement of coal products by the Group contemplated under the relevant agreement for the two years ending 31 December 2023.

NOTICE OF EXTRAORDINARY GENERAL MEETING

2. To consider and, if thought fit, to approve the amendments to the Articles of Association of China Coal Energy Company Limited (details of which are set out in the circular of the Company dated 11 July 2022).
3. To consider and, if thought fit, to approve the amendments to several internal procedures of the Company (details of which are set out in the circular of the Company dated 11 July 2022):
 - 3.01 To consider and, if thought fit, to approve the amendments to the Rules of Procedures of the Shareholders' General Meeting of China Coal Energy Company Limited;
 - 3.02 To consider and, if thought fit, to approve the amendments to the Rules of Procedures of the Board of Directors of China Coal Energy Company Limited;
 - 3.03 To consider and, if thought fit, to approve the amendments to the Regulations on the Connected Transactions of China Coal Energy Company Limited;
 - 3.04 To consider and, if thought fit, to approve the amendments to the Working Procedures of the Independent Non-executive Directors of China Coal Energy Company Limited.

The above resolutions No. 1.01, No. 1.02, No. 3.03 and No. 3.04 are ordinary resolutions; the above resolutions No. 2, No. 3.01 and No. 3.02 are special resolutions.

By order of the Board
China Coal Energy Company Limited
Chairman of the Board, Executive Director
Wang Shudong

Beijing, the PRC
11 July 2022

As at the date of this notice, the Company's executive directors are Wang Shudong and Peng Yi; non-executive directors are Zhao Rongzhe and Xu Qian; independent non-executive directors are Zhang Ke, Zhang Chengjie, and Leung Chong Shun.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. ELIGIBILITY FOR ATTENDING THE EGM

Holders of H shares of the Company whose names appear on the register of members of the Company maintained by Computershare Hong Kong Investor Services Limited, the H Share registrar and transfer office of the Company in Hong Kong, on Tuesday, 26 July 2022 shall be entitled to attend the EGM.

To qualify for attendance and vote at the EGM to be held on Thursday, 25 August 2022, all transfers of H shares of the Company accompanied by the relevant share certificate must be lodged with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 25 July 2022.

2. PROXY

- (1) Shareholders entitled to attend and vote at the EGM may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. The proxy need not be a shareholder of the Company.
- (2) A proxy shall be appointed by a shareholder by a written instrument signed by the appointor or his attorney duly authorised in writing. In case of a corporation, the same must be either under its common seal or under hand of its director(s) or duly authorised attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorisation of such attorney shall be notarised.
- (3) To be valid, the notarised power of attorney or other document(s) of authorisation (if any) and the form of proxy shall be delivered to (i) the registered office address of the Company for holders of A shares of the Company; and (ii) Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, for holders of H shares of the Company, no less than 24 hours before the time fixed for convening the EGM or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so desires.
- (4) If a shareholder appoints more than one proxy, such proxies shall only exercise their voting rights by a poll.

3. REGISTRATION PROCEDURES FOR ATTENDING THE EGM

- (1) A shareholder or his proxy shall produce his identification document when attending the EGM. Where a shareholder is a legal person, the legal representative of that shareholder or the person authorised by its board of directors or other governing body shall produce a copy of the resolutions of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Holders of H shares of the Company intending to attend the EGM shall return to Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong the reply slip stating their attendance on or before Friday, 5 August 2022.
- (3) Holders of A shares of the Company intending to attend the EGM shall return the reply slip to the registered office of the Company at No. 1 Huangsidajie, Chaoyang District, Beijing, 100120, the PRC stating their attendance.
- (4) A shareholder may return the above reply slip in person, by post or by facsimile to the Company.

4. CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Tuesday, 26 July 2022 to Thursday, 25 August 2022 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attendance and vote at the EGM to be held on Thursday, 25 August 2022, all transfers of H shares of the Company accompanied by the relevant share certificate must be lodged with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 25 July 2022.

NOTICE OF EXTRAORDINARY GENERAL MEETING

5. METHOD OF VOTING AT THE EGM

Pursuant to Rule 13.39 (4) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting of the Company must be taken by way of poll. Accordingly, the chairman of the EGM will demand a poll in relation to the resolutions to be proposed at the EGM.

6. MISCELLANEOUS

- (1) The EGM of the Company is expected to be held for less than half a day. Shareholders attending the EGM shall be responsible for their own travelling and accommodation expenses.
- (2) The address of Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong is situated at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (3) The registered office and the contact details of the Company are:

No. 1 Huangsidajie
Chaoyang District
Beijing, 100120
the PRC
Telephone: (+8610) 8223 6028
Fax: (+8610) 8225 6479

NOTICE OF H SHAREHOLDERS' CLASS MEETING

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CHINA COAL ENERGY COMPANY LIMITED*

中國中煤能源股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 01898)

NOTICE OF H SHAREHOLDERS' CLASS MEETING

NOTICE IS HEREBY GIVEN that the 2022 first class meeting of the holders of H shares (the "**H Shareholders' Class Meeting**") of China Coal Energy Company Limited (the "**Company**") will be held at 3:30 p.m on Thursday, 25 August 2022 at China Coal Building, No. 1 Huangsidajie, Chaoyang District, Beijing, the People's Republic of China (the "**PRC**"), for the purpose of passing the following resolution:

AS SPECIAL RESOLUTION

1. To consider and, if thought fit, to approve the amendments to the provisions of the Articles of Association of China Coal Energy Company Limited in relation to shareholders' class meetings.

By order of the Board
China Coal Energy Company Limited
Chairman of the Board, Executive Director
Wang Shudong

Beijing, the PRC
11 July 2022

As at the date of this notice, the Company's executive directors are Wang Shudong and Peng Yi; non-executive directors are Zhao Rongzhe and Xu Qian; independent non-executive directors are Zhang Ke, Zhang Chengjie, and Leung Chong Shun.

NOTICE OF H SHAREHOLDERS' CLASS MEETING

Notes:

1. ELIGIBILITY FOR ATTENDING THE H SHAREHOLDERS' CLASS MEETING

Holders of H shares of the Company whose names appear on the register of members of the Company maintained by Computershare Hong Kong Investor Services Limited, the H Share registrar and transfer office of the Company in Hong Kong, on Tuesday, 26 July 2022 shall be entitled to attend the H Shareholders' Class Meeting.

To qualify for attendance and vote at the H Shareholders' Class Meeting to be held on Thursday, 25 August 2022, all transfers of H shares of the Company accompanied by the relevant share certificate must be lodged with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 25 July 2022.

2. PROXY

- (1) Shareholders entitled to attend and vote at the H Shareholders' Class Meeting may appoint one or more proxies in writing to attend and vote at the meeting on his behalf. The proxy need not be a shareholder of the Company.
- (2) A proxy shall be appointed by a shareholder by a written instrument signed by the appointor or his attorney duly authorised in writing. In case of a corporation, the same must be either under its common seal or under hand of its director(s) or duly authorised attorney(s). If the written instrument is signed by an attorney of the appointor, the power of attorney or other documents of authorisation of such attorney shall be notarised.
- (3) To be valid, the notarised power of attorney or other document(s) of authorisation (if any) and the form of proxy shall be delivered to Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, no less than 24 hours before the time fixed for convening the H Shareholders' Class Meeting or any adjournment thereof (as the case may be). Completion and return of a form of proxy will not preclude a shareholder from attending and voting in person at the meeting if he so desires.
- (4) If a shareholder appoints more than one proxy, such proxies shall only exercise their voting rights by a poll.

3. REGISTRATION PROCEDURES FOR ATTENDING THE H SHAREHOLDERS' CLASS MEETING

- (1) A shareholder or his proxy shall produce his identification document when attending the H Shareholders' Class Meeting. Where a shareholder is a legal person, the legal representative of that shareholder or the person authorised by its board of directors or other governing body shall produce a copy of the resolutions of the board of directors or other governing body of such shareholder appointing such person to attend the meeting.
- (2) Holders of H shares of the Company intending to attend the H Shareholders' Class Meeting shall return to Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong the reply slip stating their attendance on or before Friday, 5 August 2022.
- (3) A shareholder may return the above reply slip in person, by post or by facsimile to the Company.

NOTICE OF H SHAREHOLDERS' CLASS MEETING

4. CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Tuesday, 26 July 2022 to Thursday, 25 August 2022 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attendance and vote at the H Shareholders' Class Meeting to be held on Thursday, 25 August 2022, all transfers of H shares of the Company accompanied by the relevant share certificate must be lodged with Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 25 July 2022.

5. METHOD OF VOTING AT THE H SHAREHOLDERS' CLASS MEETING

Pursuant to Rule 13.39 (4) of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting of the Company must be taken by way of poll. Accordingly, the chairman of the H Shareholders' Class Meeting will demand a poll in relation to the resolutions to be proposed at the H Shareholders' Class Meeting.

6. MISCELLANEOUS

- (1) The H Shareholders' Class Meeting of the Company is expected to be held for less than half a day. Shareholders attending the H Shareholders' Class Meeting shall be responsible for their own travelling and accommodation expenses.
- (2) The address of Computershare Hong Kong Investor Services Limited, the H share registrar and transfer office of the Company in Hong Kong is situated at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (3) The registered office and the contact details of the Company are:

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