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兗礦能源集團股份有限公司
YANKUANG ENERGY GROUP COMPANY LIMITED*
(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 01171)

**ANNOUNCEMENT ON THE MAJOR OPERATIONAL DATA FOR THE
FOURTH QUARTER OF 2023; AND
SUPPLEMENTAL INFORMATION ON CONTINUING CONNECTED
TRANSACTIONS**

I. Announcement on the Major Operational Data for the Fourth Quarter of 2023

This is a voluntary announcement made by Yankuang Energy Group Company Limited* (the “Company”).

According to the internal statistics compilation of the Company, the major operational data of the coal business and the coal chemicals business of the Company and its subsidiaries for the fourth quarter of 2023 (the “Reporting Period”) is set out in the table below:

Unit: Ten kiloton

	For the fourth quarter of			For the first quarter to the fourth quarter of		
	2023	2022	Increase / decrease (%)	2023	2022	Increase / decrease (%)
I. Coal Business^②						
(i) Production volume of saleable coal	3,489	3,151	10.72	13,218	13,131	0.67
(ii) Sales volume of saleable coal	3,763	3,714	1.30	13,679	13,835	-1.12
<i>Among which: sales volume of self-produced coal</i>	3,245	3,071	5.63	12,075	12,257	-1.49
II. Coal Chemicals Business						
1. Methanol						
(i) Production volume	98.23	106.54	-7.80	401.63	378.86	6.01
(ii) Sales volume	94.11	103.32	-8.91	395.46	378.94	4.36
2. Glycol ^③						
(i) Production volume	11.18	7.06	58.38	36.01	31.08	15.87
(ii) Sales volume	11.73	6.75	73.95	39.08	32.07	21.87
3. Acetic acid						
(i) Production volume	28.51	28.61	-0.36	113.94	103.58	10.00

	For the fourth quarter of			For the first quarter to the fourth quarter of		
	2023	2022	Increase / decrease (%)	2023	2022	Increase / decrease (%)
(ii) Sales volume	19.59	18.77	4.39	73.84	71.16	3.77
4. Ethyl acetate						
(i) Production volume	10.54	10.38	1.63	42.33	36.80	15.04
(ii) Sales volume	10.61	10.04	5.66	42.59	36.35	17.14
5. Caprolactam						
(i) Production volume	6.92	7.32	-5.52	29.68	27.29	8.76
(ii) Sales volume	7.31	7.27	0.57	29.70	27.32	8.72
6. Polyformaldehyde						
(i) Production volume	1.89	1.79	5.78	7.38	7.39	-0.09
(ii) Sales volume	1.93	2.08	-7.38	7.39	7.38	0.16
7. Crude liquid wax ^④						
(i) Production volume	9.73	-	-	16.97	24.17	-29.79
(ii) Sales volume	9.46	-	-	15.37	25.22	-39.03
8. Diesel ^④						
(i) Production volume	-	11.79	-	27.71	15.76	75.78
(ii) Sales volume	-	12.04	-	26.91	15.37	75.03
9. Naphtha ^④						
(i) Production volume	7.15	6.52	9.74	25.57	8.39	204.74
(ii) Sales volume	7.05	6.59	7.06	25.40	8.08	214.44
10. Urea						
(i) Production volume	16.62	16.56	0.37	59.12	65.79	-10.14
(ii) Sales volume	16.85	16.73	0.72	61.55	63.27	-2.72

Notes:

- The Company consolidated the financial statements of Shandong Energy Group Luxi Mining Co., Ltd. and Yankuang Xinjiang Energy & Chemical Co., Ltd. with effect from 30 September 2023. In accordance with PRC Accounting Standards, the above constitutes business combinations involving enterprises under common control and the Company has made retrospective adjustments to the relevant operating data of previous periods.*
- Saleable coal in the table above includes thermal coal, PCI coal and coking coal.*
- Inner Mongolia Rongxin Chemicals Co., Ltd. was in normal production during the Reporting Period and conducted the system maintenance in the same period of the previous year, which caused a year-on-year increase of the production and sales of glycol in the fourth quarter of 2023.*
- Shaanxi Future Energy Chemicals Company Limited has actively responded to changes in the market environment, carried out flexible production and continuously optimized its product structure, which affected changes in the production and sales of its chemical products, causing changes in year-on-year increase/decrease in production and sales of crude liquid wax, diesel, naphtha and other products.*
- The production and sales volume set out in the table above were rounded, but the increase or decrease is calculated according to the original data before rounding.*

As the operational data is influenced by various factors (including but not limited to the adjustment of the macroeconomic policy of the state, changes in domestic and overseas market conditions, seasonality, bad weather and disasters, equipment maintenance and safety inspection), the operational data for each quarter may differ substantially. The data contained in this announcement were prepared in accordance with Accounting Standards for Business Enterprises and the relevant regulations and explanations issued by the Ministry of Finance of the PRC and there are

discrepancies in the interpretation of the interim reports and annual reports prepared in accordance with the International Financial Reporting Standards. The operational data disclosed in periodical reports shall prevail if there is any discrepancy. **Investors should be aware of the investment risks associated therewith.**

II. Supplemental Information on Continuing Connected Transactions

Reference is made to the announcement of the Company dated 15 January 2024 (the “**Announcement**”) in relation to the Glencore Coal Sales Framework Agreement, the Glencore Coal Purchase Framework Agreement, and the HVO Sales Agreement (“**Framework Agreements**”) and the transactions contemplated thereunder. Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The purpose of this announcement is to provide additional information on the internal control measures in relation to the Framework Agreements. In order to safeguard the interest of the Company and its Shareholders as a whole, the Company has adopted the following internal control measures to regulate the Framework Agreements and the transactions contemplated thereunder, and the management team will follow the following methods and procedures to determine the price and terms of the transactions contemplated under the Framework Agreements:

- (1) The Framework Agreements are entered into by the Company’s subsidiary, Yancoal Australia, whose shares are also listed on the Stock Exchange. Therefore, the pricing policies and annual caps are determined by the management team of Yancoal Australia in compliance with the connected transaction requirements under the Listing Rules, and are subject to further review by the Company. Prior to entering into the Framework Agreements, Yancoal Australia will go through an application procedure in accordance with the Company’s internal management system, whereby the necessity, reasonableness, fairness and compliance of the transactions will be reviewed by the Company’s relevant departments which are responsible for compliance under the listing rules, financial management, audit and risk management.
- (2) In respect of the Glencore Coal Sales Framework Agreement and the Glencore Coal Purchase Framework Agreement, the management team of Yancoal Australia will, considering the nature of coal, determine the sale price with reference to the prevailing market price for the relevant type of coal, taking into account (i) the industry index prices, depending on the quality of coal, typically being GCNewC, API5 and Platts Semi-Soft Coking Coal Index, (ii) coal quality characteristics and (iii) market alternatives to optimise value for Yancoal Australia. Yancoal Australia will take into account relevant industry benchmarks and indices when determining the market price. The management team of Yancoal Australia will have regard to the prevailing fair market value at the time, taking into account the specific needs of Yancoal Australia’s business on a case-by-case basis when determining the reasonable consideration of any transaction under Framework Agreements.
- (3) Yancoal Australia will continue to track the statistics on the amounts of the continuing connected transactions and report to the Company on a biannual basis in order to identify any transactions that may be at risk of exceeding the annual cap.
- (4) Yancoal Australia will report to its board of directors (which includes the directors nominated by the Company) on a biannual basis on continuing connected transactions, including the management methods and procedures and their implementation.
- (5) The audit and risk department of the Company will conduct an annual internal audit of Yancoal Australia’s economic operations, including whether connected transactions comply with the Listing Rules requirements and the Company’s internal management system.

- (6) The financial sharing center of the Company will continue to review on a regular basis the implementation and the effectiveness of the internal control measures of the Group.
- (7) The auditor and the independent non-executive Directors of the Company will conduct an annual review of the transactions under the Framework Agreements and will confirm in the Company's annual report that the transactions have been entered into in accordance with the terms and conditions of the Framework Agreements and the pricing policies contemplated thereunder, which are on normal commercial terms or better in the ordinary and usual course of business of the Group, are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

Saved as disclosed above, all other information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes. This announcement is supplemental to and should be read in conjunction with the Announcement.

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

Zoucheng, Shandong Province, the PRC
23 January 2024

As at the date of this announcement, the Directors of the Company are Mr. Li Wei, Mr. Xiao Yaomeng, Mr. Liu Jian, Mr. Liu Qiang, Mr. Zhang Haijun, Mr. Su Li and Mr. Huang Xiaolong, and the independent non-executive Directors of the Company are Mr. Peng Suping, Mr. Zhu Limin, Mr. Woo Kar Tung, Raymond and Ms. Zhu Rui.

** For identification purpose only*