



兖矿能源集团股份有限公司

YANKUANG ENERGY GROUP COMPANY LIMITED

Corporate Presentation on
Productive and Operational Communication Meeting





Disclaimer

The information contained in this presentation is intended solely for your reference only. In addition, such information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on assumptions subject to various risks. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected. Past track record cannot be used as guidance for future performances.

Agenda

- 1 Operation Review
- 2 Market Analysis of Key Products
- 3 Q4 Outlook

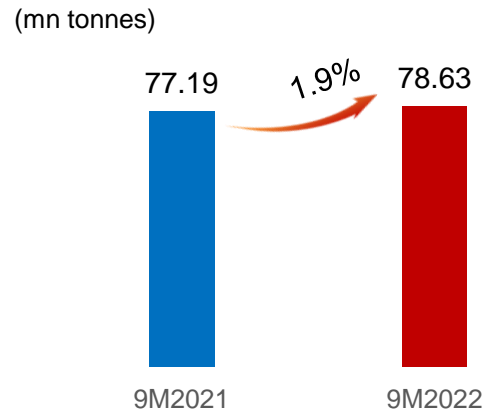
Part 1 Operation Review

-  **Operating results reach new highs**
-  **Intelligent marketing boosts revenue**
-  **Lean management remains effective**
-  **Solid progress on strategic transformation**

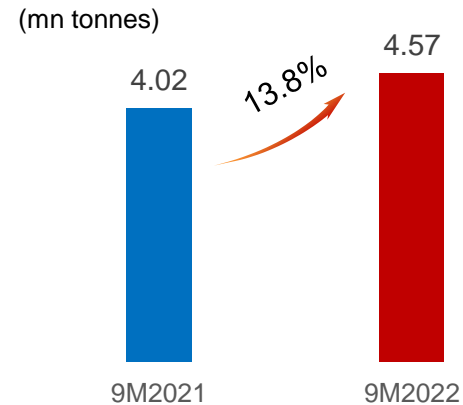
Operating results reach new highs

(Prepared in accordance with Chinese Accounting Standards)

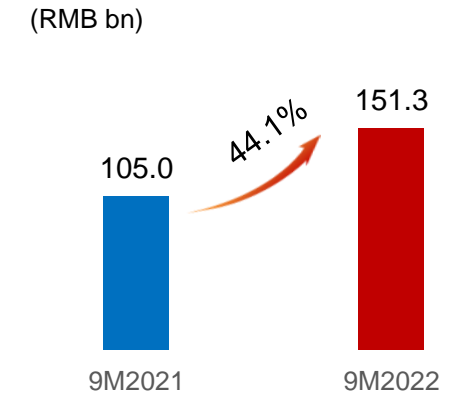
Sales volume of salable coal:
78.63mn tonnes



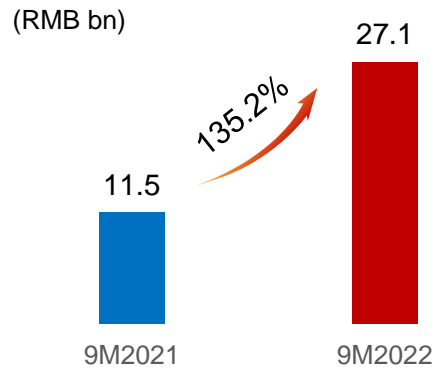
Sales volume of coal chemicals:
4.57mn tonnes



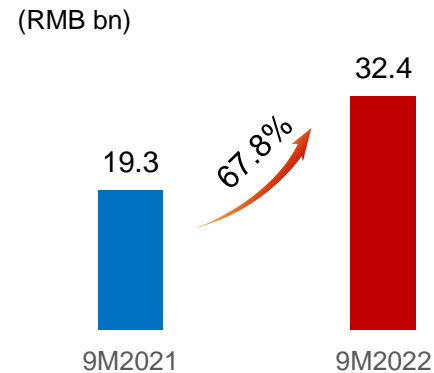
Operating Income: RMB151.3bn



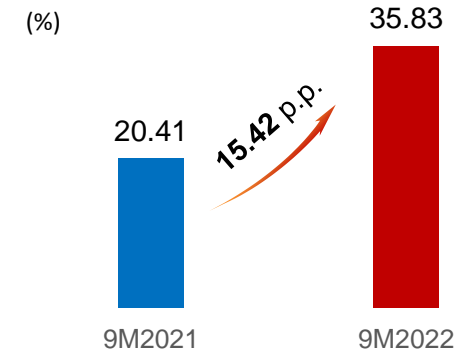
Net profit attributable to shareholders of listed company: RMB27.1bn



Net Operating Cash Flow: RMB32.4bn



Weighted average return on net assets: 35.83%



Intelligent marketing boosts revenue

Mining

- Maintain our position as the largest clean coal producer and supplier in the Eastern China

Sales Breakdown of Self-produced Coal by Business Entity

(Prepared in accordance with Chinese Accounting Standards)

(000'tonnes; RMB/tonne)

	Volume		Y-o-Y Change (%)	Price		Y-o-Y Change (%)
	9M2022	9M2021		9M2022	9M2021	
The Company	19,118	16,468	16.09	1,155	777	48.74
Heze Neng Hua	1,170	1,386	-15.58	1,980	1,323	49.60
Shanxi Neng Hua	849	943	-9.92	603	416	45.13
Future Energy	8,352	9,659	-13.53	762	625	22.04
Ordos Company	7,838	6,101	28.47	595	468	27.18
Haosheng Company	2,656	2,665	-0.33	737	550	34.01
Inner Mongolia Mining	3,258	549	492.98	643	385	66.97
Yancoal Australia	22,387	27,381	-18.24	1,561	567	175.53
Yancoal International	3,657	3,896	-6.12	1,042	478	117.96
Total	69,286	69,049	0.34	1,137	622	82.70

Intelligent marketing boosts revenue

Sales Breakdown of Major Coal Chemical Products

(Prepared in accordance with Chinese Accounting Standards)

(000'tonnes; RMB/tonne)

	Volume		Y-o-Y Change (%)	Price		Y-o-Y Change (%)
	9M2022	9M2021		9M2022	9M2021	
Lunan Chemicals	1,255	1,301	-3.47	6,625	6,645	-0.31
– Acetic acid	524	564	-7.12	3,705	5,493	-32.55
– Ethyl acetate	263	298	-11.72	6,542	7,489	-12.65
– Polyformaldehyde	53	53	0.06	17,029	12,830	32.73
– Caprolactam	200	-	-	11,567	-	-
Future Energy	597	643	-7.16	6,302	4,092	53.99
– Crude liquid wax	252	324	-22.08	6,781	4,417	53.51
– Stabilized light hydrocarbons	141	165	-14.57	6,018	3,802	58.28
Yulin Neng Hua	951	501	89.89	2,023	1,808	11.92
– Methanol	951	501	89.89	2,023	1,808	11.92
Ordos Company	1,759	1,563	12.54	2,313	2,134	8.39
– Methanol	1,505	1,344	11.97	2,022	1,822	10.93
– Glycol	253	218	16.06	4,046	4,054	-0.20
Fine Chemicals	9	10	-4.57	2,579	1,810	42.51
Total	4,571	4,017	13.80	-	-	-

Lean management remains effective

Unit Cost & GP Margin of Major Products

(Prepared in accordance with Chinese Accounting Standards)

RMB/tonne

		9M2022	9M2021	Y-o-Y Change (%)
Self-produced coal	Unit Cost	306.24	304.19	0.67
	GP Margin (%)	73.06	51.11	+21.95 p.p.
Methanol	Unit Cost	1,988.77	1,228.46	61.89
	GP Margin (%)	1.65	32.44	-30.79 p.p.
Acetic acid	Unit Cost	2,556.47	2,337.54	9.37
	GP Margin (%)	31.00	57.44	-26.45 p.p.
Polyformaldehyde	Unit Cost	8,897.16	8,884.37	0.14
	GP Margin (%)	47.75	30.76	+17.00 p.p.
Crude liquid wax	Unit Cost	2,635.75	2,607.99	1.06
	GP Margin (%)	61.13	40.96	+20.17 p.p.
Stabilized light hydrocarbons	Unit Cost	3,039.92	2,918.32	4.17
	GP Margin (%)	49.49	23.25	+26.24 p.p.

Solid progress on strategic transformation

Mining



- Sped up the application procedures for key coal mines
- Upgraded and revamped the intelligent demonstration mines

High-end chemicals and new materials



- Pressed ahead with the enhancement, extension and supplementation of the industry value chain
- Promoted the cluster development of the industry value chains of coal-based and amino-based new materials

New energy



- Built up the momentum
- Scaled up and adopted the intensive development approach

High-end equipment manufacturing






- Accelerated the construction of the intelligent manufacturing park with the aim of putting it into operation in the 1H 2023

Smart logistics



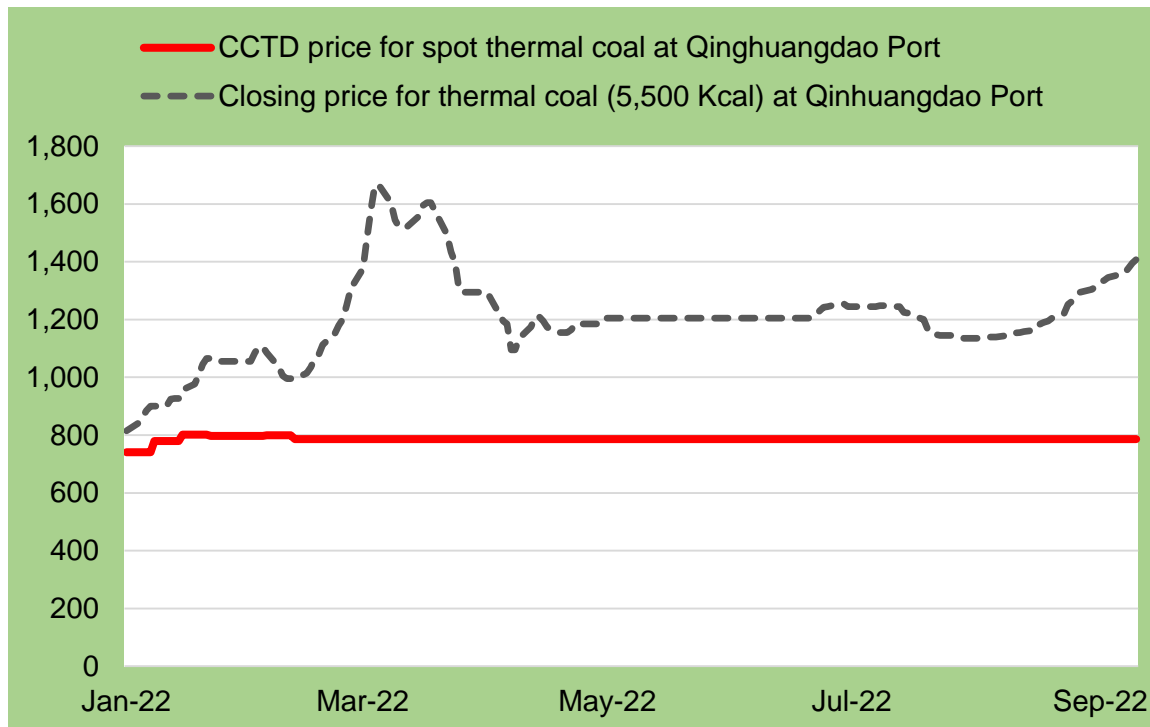
- Forged ahead with the construction of a "five-in-one" modern logistics system that integrates railway transportation, road transportation, waterway transportation, industrial parks and platforms

Part 2 Market Analysis of Key Products

-  **Analysis of domestic coal market**
-  **Analysis of overseas coal market**
-  **Analysis of coal chemical market**

Analysis of domestic coal market

Coal price remained in mid to high range in the first 3Q of 2022



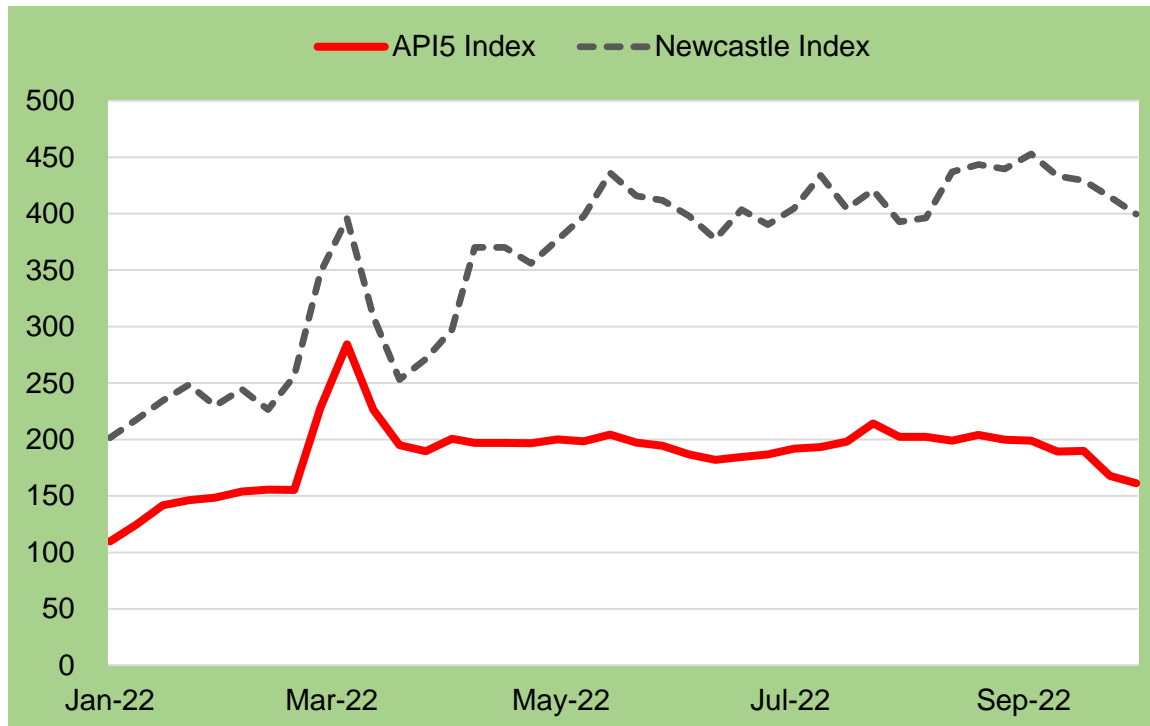
Source: Wind

Coal prices are expected to remain stable in Q4 22

- **Limited supply increase in domestic market**
- **Import volume unlikely to rise**
- **Bolstered by the implementation of policies to stabilize the economy**
- **Impact of national guiding policies**

Analysis of overseas coal market

**Coal price hit record high
in the first 3Q of 2022**



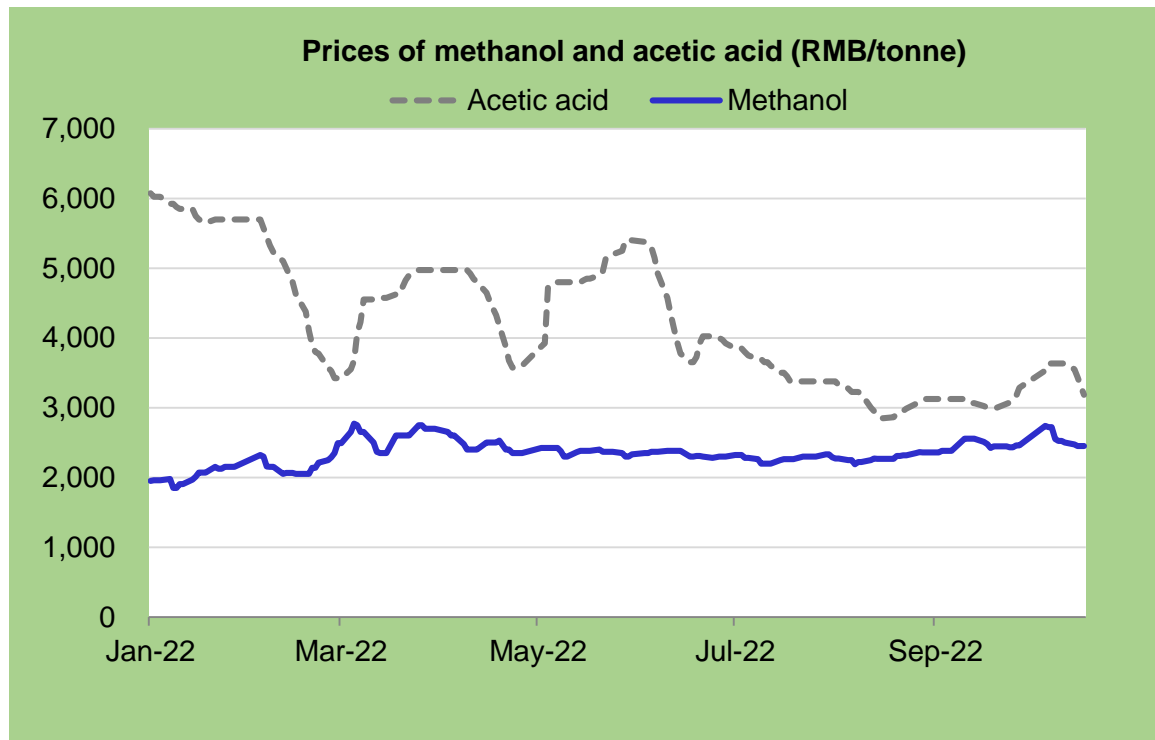
**Coal prices are expected to
fluctuate at high levels in Q4 22**

- **Coal supply from Australia and Indonesia are affected by heavy rain**
- **Growing global demand for coal**
- **Natural gas shortage in Europe and sanctions on Russian coal**

Analysis of coal chemical market

Prices of key chemicals fluctuated in the first 3Q of 2022

Prices of methanol are expected to rise slightly, prices of acetic acid down in Q4 22



Methanol:

- Demand recovers steadily
- Prices are expected to rise slightly

Acetic acid:

- Supply exceeds demand in general
- Prices are expected to decrease slightly

Source: ICIS website

Part 3 Q4 Outlook

 **Outlook for Q4 2022**

 **Dividend forecast for 2022**

Outlook for Q4 2022



Coal

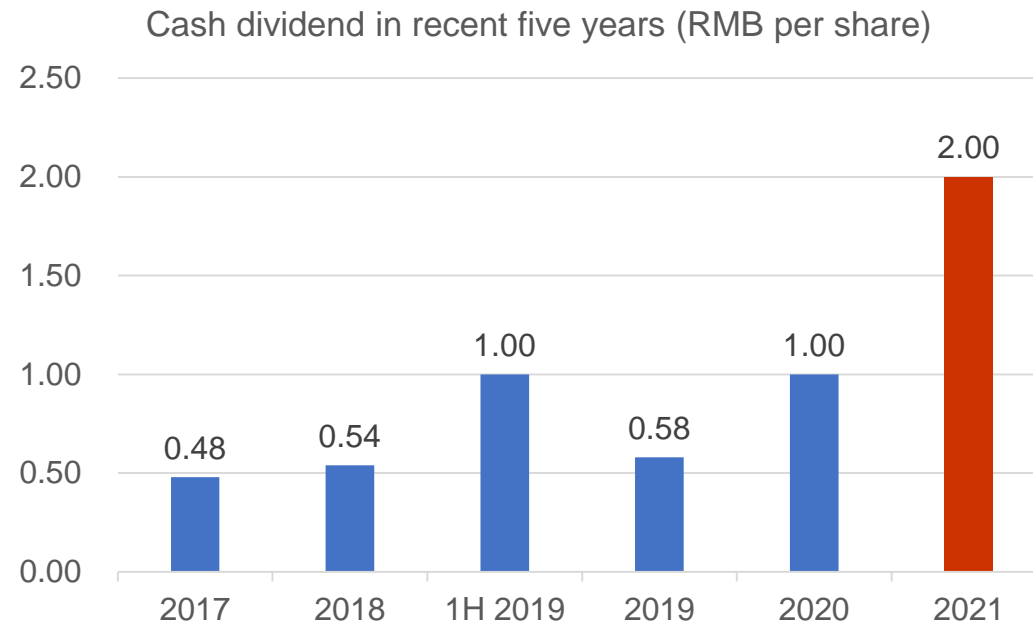
- Production Volume: expected to rise steadily
- Price: expected to remain in mid to high range at home and abroad



Coal chemicals

- Production Volume: expected to increase continuously
- Price: expected to experience different levels of volatility

Dividend forecast for 2022



Our dividend policy for FY2020~2024:
The total cash dividends in each financial year shall account for ~50% of the Company's net profit after deducting statutory reserves for that year, and the cash dividend per share shall not be less than RMB0.50





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Thank You