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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)

**INDICATIVE ANNOUNCEMENT ON THE PROGRESS OF THE
CONTROLLING SHAREHOLDER'S SHAREHOLDING INCREASE
PLAN AND CHANGES IN EQUITY**

Reference is made to the announcements of Yankuang Energy Group Company Limited* (the “**Company**”) dated 29 November 2023 (the “**Announcement**”), 22 January 2024, 31 January 2024 and 28 May 2024 regarding the plan of Shandong Energy Group Company Limited* (“**Shandong Energy**”), the controlling shareholder of the Company, to increase its shareholding in the Company (the “**Shareholding Increase Plan**”) and the progress of the Shareholding Increase Plan. Unless the context herein defines otherwise, capitalized terms used in this announcement shall have the same meanings as defined in the Announcement.

Main contents of the Shareholding Increase Plan

In order to consolidate Shandong Energy’s controlling position, increase Shandong Energy’s shareholding ratio, convey a positive message to the market, boost investors’ confidence, and demonstrate the recognition by the major shareholders of the long-term development and value positioning of the Company, Shandong Energy plans to increase its shareholding of A shares and H shares of the Company by means of centralized bidding, block trading or on-market transaction through the trading systems of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited within 12 months from the date of this announcement. The entity to increase the shareholding of A shares is Shandong Energy and its concert parties and the cumulative amount for the shareholding increase of A shares shall be not less than RMB100 million and not more than RMB200 million; the entity to increase the shareholding of H shares is Yankuang Hong Kong and its concert parties, and the cumulative amount for the shareholding increase of H shares shall be not less than RMB200 million and not more than RMB400 million.

Prior to the implementation of the Shareholding Increase Plan, Shandong Energy holds a total of 3,385,986,710 A shares of the Company, of which, 3,214,570,932 shares are held through its own account, 171,415,778 shares through exchangeable corporate bonds in special pledged account; and 682,483,500 H shares through Yankuang Hong Kong. Shandong Energy directly and indirectly holds 4,068,470,210 shares of the Company, representing 54.6884% of the total issued share capital of the Company. Shandong Energy had not disclosed any plan to increase its shareholding in the twelve months prior to the Announcement.

Completion status of the Shareholding Increase Plan

The Company received a notification from Shandong Energy on 19 July 2024 that as at 19 July 2024, the amount of A shares of the Company cumulatively increased by Shandong Energy amounted to RMB 100,086,567.70, and the amount of H shares of the Company cumulatively increased by Shandong Energy amounted to RMB 154,832,989.83. The increase in H shares was made in Hong Kong dollars, and the exchange rate of Hong Kong dollar to Renminbi was determined at the mid-market exchange rate of Hong Kong dollar to Renminbi announced by the People's Bank of China on the day of such increase.

From 22 January 2024 to 19 July 2024, Shandong Energy has cumulatively increased its shareholding in aggregate of 22,719,380 A shares and H shares of the Company by means of centralized bidding through the trading systems of the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited, representing approximately 0.2497% of the total share capital of the Company, with an amount of RMB 254,919,557.53, details of which are as follows:

Shandong Energy increased its shareholding of 6,187,380 A shares of the Company, representing approximately 0.0680% of the total share capital of the Company, with an amount of RMB 100,086,567.70;

Shandong Energy increased its shareholding of 16,532,000 H shares of the Company, representing approximately 0.1817% of the total share capital of the Company, with an amount of RMB 154,832,989.83.

As at the date of this announcement, Shandong Energy holds a total of 4,395,142,871 A shares of the Company, of which, 4,185,339,592 shares are held through its own account, 209,803,279 shares through exchangeable corporate bonds in special pledged account; and 699,015,500 H shares through Yankuang Hong Kong. Shandong Energy directly and indirectly holds 5,094,158,371 shares of the Company, representing 55.9837% of the total issued share capital of the Company. Implementation of the Shareholding Increase Plan has yet to be completed.

Explanation of change of shareholding other than shareholding increase during the implementation period of the Shareholding Increase Plan:

(I) Shandong Energy 2022 non-publicly offered exchangeable corporate bonds (Phase I) to professional investors were exchanged for a total of 10,028,640 A shares, resulting in a decrease in the number of A shares of the Company held by Shandong Energy by 10,028,640 shares.

(II) Pursuant to the 2021 A share restricted share incentive plan, the Company repurchased and cancelled 1,401,180 A restricted shares granted to 22 incentive participants but not yet lifted the restriction period conditions, resulting in a decrease in the total share capital of the Company by 1,401,180 shares.

(III) The Company completed the placing of 285,000,000 H shares to specific investors, resulting in an increase in the total share capital of the Company by 285,000,000 shares. As such, the percentage of shares of the Company held by Shandong Energy decreased from 54.5732% to 52.5593%. Please refer to the announcement of the Company dated 12 June 2024 on the completion of placing of new H shares under general mandate for details.

(IV) Pursuant to the 2023 profit distribution plan of the Company, the Company made a bonus issue of three bonus shares for every ten shares. As at the date of this announcement, the A share bonus shares have been distributed and the H share bonus shares have not been distributed.

Risks may exist that the implementation of the Shareholding Increase Plan may fail to be completed as expected due to changes in the conditions of the capital market or other unforeseeable risk factors. The Company will fulfil its information disclosure obligations in a timely manner if any of the above risks occurs during the implementation of the Shareholding Increase Plan.

The implementation of the Shareholding Increase Plan by Shandong Energy will not lead to changes in the controlling shareholder and the de facto controller of the Company. The Company will continue to monitor the implementation of the Shareholding Increase Plan and will fulfil its information disclosure obligations in a timely manner in accordance with the relevant regulations.

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

Zoucheng City, Shandong Province, the PRC
19 July 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*