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If you are in any doubt about any of the contents of this circular or as to what action to take in relation to this circular, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Yanzhou Coal Mining Company Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, or a licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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兗州煤業股份有限公司

YANZHOU COAL MINING COMPANY LIMITED

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

(Stock Code: 1171)

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The notice convening the EGM to be held at the headquarters of the Company at 298 South Fushan Road, Zoucheng, Shandong Province 273500, the PRC at 8:30 a.m. on Wednesday, 30 September 2020 was published on 14 September 2020.

Whether or not you are able to attend the meeting in person, you are strongly advised to complete and sign the form of proxy in accordance with the instructions printed thereon. The form of proxy shall be lodged with the Company's H Share Registrar, Hong Kong Registrars Limited at 17M/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) or the Office of the Secretary to the Board at 298 South Fushan Road, Zoucheng, Shandong Province 273500, the PRC (for holders of A Shares) as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the relevant meeting or any adjourned meeting (as the case may be).

Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

15 September 2020

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DEFINITIONS

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

“Articles of Association”	the articles of association of the Company;
“A Share(s)”	domestic shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and fully paid in RMB and are listed on the Shanghai Stock Exchange;
“Board”	the board of Directors of the Company;
“Company”	兗州煤業股份有限公司, Yanzhou Coal Mining Company Limited, a joint stock limited company incorporated in the PRC and the H Shares and A Shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange, respectively;
“Director(s)”	the directors of the Company;
“EGM”	the 2020 first extraordinary general meeting of the Company to be held at the headquarters of the Company at 298 South Fushan Road, Zhoucheng, Shandong Province 273500, the PRC at 8:30 a.m. on Wednesday, 30 September 2020;
“H Share(s)”	overseas-listed foreign-invested shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, which are listed on the Hong Kong Stock Exchange;
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as revised from time to time;
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Lastest Practicable Date”	14 September 2020, being the latest practicable date of ascertaining certain information contained in this circular before the issuing of this circular;
“PRC”	The People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;

DEFINITIONS

“Shareholder(s)”	the shareholder(s) of the Company;
“subsidiary(ies)”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“%”	per cent.

* *For identification purposes only.*

LETTER FROM THE BOARD



兗州煤業股份有限公司

YANZHOU COAL MINING COMPANY LIMITED

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

(Stock Code: 1171)

Directors:

Li Xiyong
Wu Xiangqian
Liu Jian
Zhao Qingchun
He Jing
Wang Ruolin

Registered office:

298 South Fushan Road
Zoucheng
Shandong Province
PRC
Postal Code: 273500

Independent non-executive Directors:

Tian Hui
Zhu Limin
Cai Chang
Poon Chiu Kwok

Principal place of business

in Hong Kong:
40th Floor, Sunlight Tower
248 Queen's Road East
Wanchai
Hong Kong

15 September 2020

To the Shareholders

Dear Sir or Madam,

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

I. INTRODUCTION

The purpose of this circular is to provide you with information relating to the proposed amendments to the Articles of Association.

II. PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

This proposal is hereby submitted to the Shareholders for approval at the EGM by way of special resolution.

Reference is made to the announcement of the Company dated 14 September 2020 in relation to the proposed amendments to the Articles of Association.

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To improve its market capitalization, the Company repurchased 52,016,000 H shares in May 2020 and completed their cancellation. Considering the share repurchase and the operational needs of the Company, the Company proposed to amend articles in relation to the registered capital, number of shares and provision of external guarantee in the Articles of Association. The fourth meeting of the eighth session of the Board of the Company approved the proposal in relation to the proposed amendments to the Articles of Association and agreed to submit the same to the EGM for review and approval. Details of the proposed amendments are set out as follow:

1. The original Article 19 of the Articles of Association

“Article 19 Subject to the approval of the companies approving department authorised by the State Council, the Company has issued a total of 4,912,016,000 ordinary shares, of which 1,670,000,000 ordinary shares were issued to the promoters at the time of establishment.”

The above paragraph is proposed to be amended as follows:

“Article 19 Subject to the approval of the companies approving department authorised by the State Council, the Company has issued a total of 4,860,000,000 ordinary shares, of which 1,670,000,000 ordinary shares were issued to the promoters at the time of establishment.”

2. The original Article 20 of the Articles of Association

“Article 20 The share capital structure of the Company is as follows: 4,912,016,000 ordinary shares, of which (a) 2,960,000,000 shares, which represent 60.26% of the Company’s share capital, are held by Yankuang (Group) Corporation Ltd. as domestic legal person shares; (b) 1,952,016,000 shares, which represent 39.74% of the Company’s share capital, are held by the H Shares shareholders.”

The above paragraph is proposed to be amended as follows:

“Article 20 The share capital structure of the Company is as follows: 4,860,000,000 ordinary shares, of which (a) 2,960,000,000 shares, which represent 60.91% of the Company’s share capital, are held by Yankuang (Group) Corporation Ltd. as domestic legal person shares; (b) 1,900,000,000 shares, which represent 39.09% of the Company’s share capital, are held by the H Shares shareholders.”

3. The original Article 23 of the Articles of Association

“Article 23 The registered capital of the Company shall be RMB4,912,016,000. The Company shall register its registered capital with the state industry and commerce department and make the necessary filings with the companies approving department authorised by the State Council and the State Council’s securities authorities.”

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The above paragraph is proposed to be amended as follows:

“Article 23 The registered capital of the Company shall be **RMB4,860,000,000**. The Company shall register its registered capital with the state industry and commerce department and make the necessary filings with the companies approving department authorised by the State Council and the State Council’s securities authorities.”

4. The original Article 68 of the Articles of Association

“Article 68 The provision of guarantees by the Company to its shareholders, persons in actual control of the Company and their associates shall be considered and approved by the shareholders in a general meeting.

The provision of guarantee by the Company to its subsidiaries shall be subject to consideration and approval by the shareholders in a general meeting if:

- (1) the provision of any guarantee where the amount of the external guarantee by the Company and its subsidiaries reaches or exceeds 50% of the latest audited net assets;
- (2) the provision of any guarantee where the amount of the external guarantee by the Company reaches or exceeds more than 30% of the latest audited net assets;
- (3) the provision of any single guarantee in which the amount exceeds 10% of the latest audited net assets.
- (4) Provision of guarantee to any guaranteed party with an assets to liabilities ratio exceeding 70%.

The Company shall not provide guarantee to any natural person, legal person, institutions and other entities not referred to in (1) and (2) above.”

The above paragraphs are proposed to be amended as follows:

“Article 68 The provision of guarantees by the Company to its shareholders, persons in actual control of the Company and their associates shall be considered and approved by the shareholders in a general meeting.

The provision of guarantee by the Company to its subsidiaries **or invested companies** shall be subject to consideration and approval by the shareholders in a general meeting if:

- (1) the provision of any guarantee where the amount of the external guarantee by the Company and its subsidiaries reaches or exceeds 50% of the latest audited net assets;

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- (2) the provision of any guarantee where the amount of the external guarantee by the Company reaches or exceeds more than 30% of the latest audited net assets;
- (3) the provision of any single guarantee in which the amount exceeds 10% of the latest audited net assets.
- (4) Provision of guarantee to any guaranteed party with an assets to liabilities ratio exceeding 70%.

The provision of guarantee by the Company shall comply with relevant regulations of supervision of state-owned assets.

The Company shall not provide guarantee to any natural person, legal person, institutions and other entities not referred to in (1) and (2) above.”

III. EGM

The notice convening the EGM was published on 14 September 2020.

The following resolution will be proposed to the Shareholders at the EGM:

As special resolution:

1. To consider and approve the proposal in relation to the amendments to the Articles of Association of Yanzhou Coal Mining Company Limited.

Whether or not you are able to attend the respective meetings in person, you are strongly advised to complete and sign the form of proxy dated 14 September 2020 in accordance with the instructions printed thereon. For holders of H Shares of the Company, the proxy form shall be lodged with the Company’s H Share Registrar, Hong Kong Registrars Limited at 17M, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong. For holders of A Shares of the Company, the proxy form shall be lodged at the Office of the Secretary to the Board at 298 South Fushan Road, Zoucheng, Shandong Province 273500, the PRC as soon as possible but in any event not later than 24 hours before the time appointed for the holding of the relevant meeting(s) or any adjourned meeting(s) (as the case may be). Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting(s) or any adjourned meeting(s) should you so wish.

IV. RECORD DATE

For determining the entitlement to attend and vote at the EGM or any adjournment thereof, the record date is fixed on Monday, 28 September 2020. Shareholders whose names appear on the register of members of the Company at the close of business on the record date will be entitled to attend and vote at the EGM. In order to be entitled to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must

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be lodged for registration with the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Monday, 28 September 2020 for registration.

V. RECOMMENDATION OF THE BOARD

The Directors believe that the resolution set out in the notice of the EGM is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders to vote in favour of the resolution to be proposed at the EGM.

VI. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the other sections in this circular.

VII. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.

By order of the board of directors
Yanzhou Coal Mining Company Limited
Li Xiyong
Chairman