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YANZHOU COAL MINING COMPANY LIMITED

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

(Stock Code: 01171)

RESULTS REPORT FOR THE FIRST QUARTER OF 2020

IMPORTANT NOTICE

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance and the disclosure requirement under Rule 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**HKSE**").

The board (the "**Board**") of directors (the "**Directors**"), the supervisory committee, the Directors, the Supervisors, and the senior management of Yanzhou Coal Mining Company Limited ("**Yanzhou Coal**" or "**the Company**" or "**Company**") confirm that this report does not contain any misrepresentations, misleading statements or material omissions and jointly and severally accept all responsibilities for the authenticity, accuracy and completeness of the information contained in this report.

The report for the results of the first quarter of 2020 of the Company (the "**Report**") was considered and approved by the thirty-fourth meeting of the seventh session of the Board and all the 11 Directors of the Board who were supposed to attend the meeting were present.

The financial statements in this Report have not been audited.

"Reporting Period" means the period from 1 January 2020 to 31 March 2020.

"The Group" means the Company and its subsidiaries.

The Chairman of the Board, Mr. Li Xiyong, the Chief Financial Officer, Mr. Zhao Qingchun and the head of the Accounting Management Department, Mr. Xu Jian, hereby declare the authenticity, accuracy and completeness of the financial statements in this Report.

Summary of the unaudited results of the Group for the third quarter ended 31 March 2020 is set out as follows:

- This Report is prepared in accordance with the relevant regulations on Disclosure of Information in Quarterly Reports for Listed Companies promulgated by the China Securities Regulatory Commission (the “CSRC”).
- All financial information contained in this Report is prepared in accordance with the relevant requirements and interpretations under the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance of the PRC. Shareholders of the Company (the “Shareholders”) and public investors are reminded of the different reporting standards adopted in this Report, the interim report and the annual report of the Company when trading in the shares of the Company.
- Unless otherwise specified, the recording currency used in this Report is Renminbi (“RMB”).
- For the first quarter of 2020, the operating income of the Group was RMB45.605 billion, representing a decrease of RMB2.639 billion or 5.5% as compared with the corresponding period of last year. Net profit attributable to the shareholders of listed company was RMB1.528 billion, representing a decrease of RMB781 million or 33.98% as compared with the corresponding period of last year.
- The content of the Report is consistent with the announcement published on the Shanghai Stock Exchange. This announcement is published simultaneously in the PRC and overseas.

1. General Information of the Group

1.1 Major Accounting Data and Financial Indicators

Unit: RMB'000

| | As at the end of the Reporting Period | As at the end of previous year | Increase/decrease for the Reporting Period as compared with the end of previous year (%) |
|--|---|---|--|
| Total assets | 216,887,452 | 207,821,363 | 4.36 |
| Net assets attributable to the shareholders of listed company | 62,240,931 | 63,291,840 | -1.66 |
| | From the beginning of the year to the end of the Reporting Period | From the beginning of previous year till the end of the Reporting Period of previous year | Increase/decrease as compared with the corresponding period of previous year (%) |
| Net cash flows from operating activities | 1,336,342 | 4,424,475 | -69.80 |
| Operating income | 45,604,524 | 48,243,536 | -5.47 |
| Net profit attributable to the shareholders of listed company | 1,527,504 | 2,308,395 | -33.83 |
| Net profit attributable to the shareholders of listed company after deducting extraordinary profits and losses | 1,454,167 | 2,229,570 | -34.78 |
| Weighted average return on net assets (%) | 2.37 | 3.70 | Decreased by 1.33 percentage point |
| Basic earnings per share (RMB) | 0.3110 | 0.4699 | -33.82 |
| Diluted earnings per share (RMB) | 0.3110 | 0.4699 | -33.82 |

Note: During the Reporting Period, the Company newly merged the financial statements of Qingdao Duanxin Asset Management Co., Ltd. and Yankuang Smart Ecology Co., Ltd.

Extraordinary profit and loss items and amounts

Unit: RMB'000

| Items | Amount for the Reporting Period |
|---|---------------------------------|
| Government grants recognized as current gains or loss, except those grants which are closely related to the Company's business operations and in line with national policies and can be continuously enjoyed according to certain standard quota or quantities | 23,851 |
| Except effective hedging businesses that relate to the Company's ordinary operating operations, gain or loss from fair value changes on transactional financial assets, derivative financial assets, transactional financial liabilities and derivative financial liabilities, and investment income from disposal of transactional financial assets, derivative financial assets, transactional financial liabilities, derivative financial liabilities and other creditor's investment. | 3,371 |
| Refund of provision for impairment of individual payables for impairment test and contract asset | 8,694 |
| Other non-operating income and expenses excluding the abovementioned items | 78,611 |
| Effect of the equity of minority shareholders (after tax) | -6,619 |
| Effect of income tax | -34,571 |
| Total | 73,337 |

1.2 Total number of Shareholders at the end of the Reporting Period, the top ten Shareholders and the top ten Shareholders holding tradable shares of the Company which are not subject to trading moratorium

Unit: share

| Total number of Shareholders | | | | 81,301 | | |
|--|--|---|---|--------------------------|------------------|--------------------------|
| Shareholdings of the top ten Shareholders | | | | | | |
| Name of Shareholders (Full name) | Number of shares held at the end of the Reporting Period | Percentage holding of the total share capital (%) | Number of shares held subject to trading moratorium | Pledged or locked shares | | Nature of Shareholders |
| | | | | Status of shares | Number of shares | |
| Yankuang Group Co., LTD. ("Yankuang Group") | 2,267,169,423 | 46.16 | 0 | No | 0 | State-owned legal person |
| Hong Kong Securities Clearing Company (Nominees) Limited | 1,948,105,203 | 39.66 | 0 | Unknown | - | Overseas legal person |
| Hong Kong Securities Clearing Company Limited | 27,319,659 | 0.56 | 0 | No | 0 | Overseas legal person |

| | | | | | | |
|--|------------|------|---|----|---|--------------------------|
| New China Life Insurance Co., Ltd.- Dividend-Individual dividend- 018L-FH002 Shanghai | 21,957,897 | 0.45 | 0 | No | 0 | Others |
| Central Huijin Assets Management Co., Ltd. | 19,355,100 | 0.39 | 0 | No | 0 | State-owned legal person |
| Abu Dhabi Investment Authority | 18,656,209 | 0.38 | 0 | No | 0 | Others |
| Bank of China Co., Ltd.-Fuguo China Securities SOE “Belt and Road” Initiative Trading Open Index Securities Investment Fund | 12,833,051 | 0.26 | 0 | No | 0 | Others |
| New China Life Insurance Co., Ltd.- Dividend-Group dividend- 018L-FH001Shanghai | 12,793,698 | 0.26 | 0 | No | 0 | Others |
| China Construction Bank Corporation-Yifangda China Securities SOE “Belt and Road” Initiative Trading Open Index Securities Investment Fund | 10,168,227 | 0.21 | 0 | No | 0 | Others |
| National Social Security Fund 412 Combination | 7,679,907 | 0.16 | 0 | No | 0 | Others |

Top ten Shareholders holding tradable shares not subject to trading moratorium

| Name of Shareholders | Number of tradable shares held not subject to trading moratorium at the end of the Reporting Period | Class and number of shares held | |
|---|---|---------------------------------|------------------|
| | | Class of shares | Number of shares |
| Yankuang Group Co., LTD | 2,267,169,423 | A Shares | 2,267,169,423 |
| Hong Kong Securities Clearing Company (Nominees) Limited | 1,948,105,203 | H Shares | 1,948,105,203 |
| Hong Kong Securities Clearing Company Limited | 27,319,659 | A Shares | 27,319,659 |
| New China Life Insurance Co., Ltd.- Dividend-Individual dividend- 018L-FH002 Shanghai | 21,957,897 | A Shares | 21,957,897 |
| Central Huijin Assets Management Co., Ltd. | 19,355,100 | A Shares | 19,355,100 |
| Abu Dhabi Investment Authority | 18,656,209 | A Shares | 18,656,209 |

| | | | |
|--|--|----------|------------|
| Bank of China Co., Ltd.-Fuguo China Securities SOE “Belt and Road” Initiative Trading Open Index Securities Investment Fund | 12,833,051 | A Shares | 12,833,051 |
| New China Life Insurance Co., Ltd.-Dividend-Group dividend-018L-FH001Shanghai | 12,793,698 | A Shares | 12,793,698 |
| China Construction Bank Corporation-Yifangda China Securities SOE “Belt and Road” Initiative Trading Open Index Securities Investment Fund | 10,168,227 | A Shares | 10,168,227 |
| National Social Security Fund 412 Combination | 7,679,907 | A Shares | 7,679,907 |
| Connected relationship or actions in concert among the above Shareholders | Yankuang Group Hong Kong Company Limited (“Yankuang Hong Kong”), a wholly-owned subsidiary of Yankuang Group incorporated in Hong Kong held 375,000,000 H shares through Hong Kong Securities Clearing Company (Nominees) Limited. New China Life Insurance Co., Ltd.-Dividend-Individual dividend-018LFH002 Shanghai and New China Life Insurance Co., Ltd.-Dividend- Group dividend-018L-FH001Shanghai are both managed by New China Life Insurance Co., Ltd. Apart from the disclosure above, it is unknown whether other shareholders are connected with one another or whether any of these shareholders fall within the meaning of parties acting in concert. | | |
| Illustration of preferred shareholders with restored voting rights and the number of shares held by them | Not applicable. | | |

Notes:

1. All the information above, including “Total number of Shareholders” and “The top ten Shareholders and the top ten Shareholders holding tradable shares of the Company which are not subject to trading moratorium at the end of the Reporting Period”, is prepared in accordance with the registers of the Shareholders provided by the Shanghai Branch of China Securities Depository and Clearing Co., Ltd. and Computershare Hong Kong Investor Services Limited.
2. As the clearing and settlement agent for the Company’s H shares, Hong Kong Securities Clearing Company (Nominees) Limited holds the Company’s H shares in the capacity of a nominee. Hong Kong Securities Clearing Company (Nominees) Limited is the nominal shareholder of the Company’s Shanghai Stock Connect Program.
3. As at 31 March 2020, Yankuang Group held a total of 2,267,169,423 A shares of the Company, including 1,875,662,151 A shares held by its own account, and 391,507,272 A shares held by the guarantees and trust account opened by CITIC Securities Co., Ltd. and itself. The aforementioned guarantees and trust account provide guarantees for the exchangeable corporate bonds issued by Yankuang Group; 374,989,000 H Shares of the Company held by Yankuang Group were through

Yankuang Group Hong Kong Co., Ltd. Yankuang Group directly and indirectly held 53.79% of the Company's shares.

Substantial Shareholders' Interests and/or Short Positions in the Shares and/or Underlying Shares of the Company

As far as the Directors are aware, save as disclosed below, as at 31 March 2020, other than the Directors, Supervisors or chief executives of the Company, there were no other persons who were substantial shareholders of the Company or had interests or short positions in the shares or underlying shares of the Company, which should (i) be disclosed pursuant to Sections 2 and 3 under Part XV of the Securities and Futures Ordinance (“SFO”); (ii) be recorded in the register to be kept pursuant to Section 336 of the SFO; or (iii) notify the Company and the HKSE in other ways.

| Name of Substantial Shareholders | Class of Shares | Capacity | Number of Shares Held (shares) | Nature of Interest | Percentage in the H Share Capital of the Company | Percentage in Total Share Capital of the Company |
|------------------------------------|--|-------------------------------------|--------------------------------|--------------------|--|--|
| Yankuang Group | A Shares (State-owned legal person shares) | Beneficial owner | 2,267,169,423 | Long position | - | 46.16% |
| | | Beneficial owner | 391,507,272 | Short position | - | 7.97% |
| Yankuang Group ^① | H Shares | Interest of controlled corporations | 374,989,000 | Long position | 19.21% | 7.63% |
| BNP Paribas Investment Partners SA | H Shares | Investment manager | 117,641,207 | Long position | 6.03% | 2.39% |

Note:

- ① Yankuang Group's controlled subsidiary incorporated in Hong Kong holds such H Shares in the capacity of beneficial owner.
- ② The percentage figures above have been rounded off to the nearest second decimal place.
- ③ Information disclosed herein is based on the information available on the website of the HKSE at www.hkexnews.hk and information provided by China Securities Depository and Clearing Corporation Limited Shanghai Branch.

1.3 Total number of preferred Shareholders, the top ten Shareholders holding preferred shares and the top ten Shareholders holding preferred shares not subject to trading moratorium at the end of the Reporting Period

Not applicable.

2 Significant Matters

2.1 General Operating Performance of the Group

2.1.1 Major operating data of main products and services

| Item | The first quarter | | |
|---|-------------------|--------|------------------------------|
| | 2020 | 2019 | Increase/ Decrease (%) |
| 1.Coal business (kiloton) | | | |
| Saleable coal production | 24,215 | 23,192 | 4.41 |
| Sales volume of saleable coal | 33,245 | 26,441 | 25.73 |
| 2.Railway Transportation Business (kiloton) | | | |
| Transportation volume | 5,070 | 5,600 | -9.46 |
| 3.Coal Chemicals Business (kiloton) | | | |
| Methanol production | 474 | 457 | 3.69 |
| Methanol sales volume | 475 | 461 | 3.15 |
| 4. Power business (10,000kWh) | | | |
| Power generation | 70,602 | 68,355 | 3.29 |
| Power sold | 44,023 | 43,250 | 1.79 |

Note: There are significant differences in the amounts of power generation and sales volume of power business in the above table, which were mainly due to that the power produced by the Group was to be sold externally after satisfying self-use demand.

2.1.2 Operating performance of the principal businesses of the Group by segment

1. Coal business

1) Coal production

During the first quarter of 2020, the Group produced saleable coal of 24.21 million tons, representing an increase of 1.02 million tons or 4.4% as compared with the corresponding period of last year.

The following table sets out the saleable coal production volume of the Group for the first quarter of 2020:

Unit: kiloton

| Item | The first quarter | | |
|------------------------------|-------------------|-------|---------------------------|
| | 2020 | 2019 | Increase/ Decrease (%) |
| The Company | 8,000 | 7,919 | 1.03 |
| Shanxi Neng Hua ^① | 305 | 400 | -23.73 |
| Heze Neng Hua ^② | 817 | 605 | 34.88 |
| Ordos Neng Hua ^③ | 3,120 | 3,600 | -13.33 |

| | | | |
|------------------------------------|--------|--------|--------|
| Haosheng Company ^④ | 1,481 | 441 | 235.84 |
| Yancoal Australia ^⑤ | 9,149 | 8,818 | 3.75 |
| Yancoal International ^⑥ | 1,343 | 1,409 | -4.68 |
| Total | 24,215 | 23,192 | 4.41 |

Note:

- ① “Shanxi Neng Hua” means Yanzhou Coal Shanxi Neng Hua Company Limited.
- ② “Heze Neng Hua” means Yanmei Heze Neng Hua Company Limited.
- ③ “Ordos Neng Hua” means Yanzhou Coal Ordos Neng Hua Company Limited.
- ④ “Haosheng Company” means Inner Mongolia Haosheng Coal Mining Company Limited. In the first quarter of 2020, the production of saleable coal of Haosheng Company increased as compared with that of the previous year, mainly due to: because of the impact of safe and environmental protection policies, coal production in the Shilawusu Coal Mine in the first quarter of 2019 was restricted.
- ⑤ “Yancoal Australia” means Yancoal Australia Limited.
- ⑥ “Yancoal International” means Yancoal International (Holding) Company Limited.

2) Coal price and sales

During the first quarter of 2020, the Group’s sales volume of saleable coal was 33.24 million tons, representing an increase of 6.80 million tons or 25.7% as compared with the corresponding period of the previous year, mainly due to: the traded coal had an increase of 5.96 million tons.

The following table sets out the Group’s production and sales of saleable coal by coal types for the first quarter of 2020:

| | The first quarter of 2020 | | | The first quarter of 2019 | | |
|-------------------------|---------------------------|--------------|-------------|---------------------------|--------------|-------------|
| | Production | Sales volume | Sales price | Production | Sales volume | Sales price |
| | (kiloton) | (kiloton) | (RMB/ton) | (kiloton) | (kiloton) | (RMB/ton) |
| 1.The Company | 8,000 | 8,003 | 556.65 | 7,919 | 7,872 | 624.69 |
| No.1 clean coal | 209 | 198 | 802.56 | 302 | 341 | 940.10 |
| No.2 clean coal | 2,151 | 2,334 | 746.21 | 2,412 | 2,271 | 889.74 |
| No.3 clean coal | 846 | 749 | 581.12 | 724 | 515 | 661.82 |
| Lump coal | 500 | 630 | 617.71 | 602 | 665 | 722.63 |
| Sub-total of clean coal | 3,706 | 3,912 | 696.76 | 4,040 | 3,792 | 833.99 |
| Screened raw coal | 4,295 | 4,092 | 422.71 | 3,879 | 4,080 | 430.12 |
| II. Shanxi Neng Hua | 305 | 292 | 306.23 | 400 | 398 | 322.78 |
| Screened raw coal | 305 | 292 | 306.23 | 400 | 398 | 322.78 |
| III. Heze | 817 | 821 | 908.48 | 605 | 468 | 1,138.13 |

| | | | | | | |
|----------------------------|--------|--------|--------|--------|--------|----------|
| Neng Hua | | | | | | |
| No.2 clean coal | 624 | 705 | 995.86 | 518 | 468 | 1,138.13 |
| Screened raw coal | 193 | 117 | 379.91 | 87 | - | - |
| IV. Ordos Neng Hua | 3,120 | 2,354 | 242.80 | 3,600 | 3,149 | 270.39 |
| Screened raw coal | 3,120 | 2,354 | 242.80 | 3,600 | 3,149 | 270.39 |
| V. Haosheng Company | 1,481 | 1,397 | 297.80 | 441 | 450 | 322.72 |
| Screened raw coal | 1,481 | 1,397 | 297.80 | 441 | 450 | 322.72 |
| VI. Yancoal Australia | 9,149 | 8,592 | 468.34 | 8,818 | 8,376 | 647.30 |
| Semi-hard coking coal | 58 | 55 | 743.42 | 28 | 27 | 1,075.44 |
| Semi-soft coking coal | 401 | 377 | 716.93 | 688 | 654 | 908.13 |
| PCI coal | 575 | 540 | 691.65 | 755 | 718 | 931.48 |
| Thermal coal | 8,115 | 7,620 | 438.24 | 7,347 | 6,977 | 592.02 |
| VII. Yancoal International | 1,343 | 1,415 | 338.62 | 1,409 | 1,318 | 388.82 |
| Thermal coal | 1,343 | 1,415 | 338.62 | 1,409 | 1,318 | 388.82 |
| VIII. Traded coal | - | 10,369 | 603.37 | - | 4,410 | 734.80 |
| IX. Total for the Group | 24,215 | 33,245 | 512.51 | 23,192 | 26,441 | 595.67 |

3) Sales cost of coal

The Group's sales cost of coal for the first quarter of 2020 was RMB12.20 billion, representing an increase of RMB3.440 billion or 39.3% as compared with the corresponding period of the previous year.

| Items | Unit | The first quarters | | | |
|-------------|-----------------------|--------------------|--------|------------------------------|-------|
| | | 2020 | 2019 | Increase/ decrease (%) | |
| The Company | Total cost of sales | RMB million | 2,282 | 2,027 | 12.54 |
| | Cost of sales per ton | RMB/ | 284.41 | 255.16 | 11.46 |

| | | | | | |
|-----------------------|-----------------------|-------------|--------|--------|--------|
| | | ton | | | |
| Shanxi Neng Hua | Total cost of sales | RMB million | 65 | 88 | -26.10 |
| | Cost of sales per ton | RMB/ton | 221.39 | 219.95 | 0.65 |
| Heze Neng Hua | Total cost of sales | RMB million | 390 | 259 | 50.83 |
| | Cost of sales per ton | RMB/ton | 435.89 | 489.30 | -10.92 |
| Ordos Neng Hua | Total cost of sales | RMB million | 352 | 536 | -34.37 |
| | Cost of sales per ton | RMB/ton | 142.95 | 170.13 | -15.98 |
| Haosheng Company | Total cost of sales | RMB million | 244 | 133 | 83.37 |
| | Cost of sales per ton | RMB/ton | 174.98 | 296.35 | -40.95 |
| Yancoal Australia | Total cost of sales | RMB million | 2,527 | 2,406 | 5.01 |
| | Cost of sales per ton | RMB/ton | 294.06 | 287.25 | 2.37 |
| Yancoal International | Total cost of sales | RMB million | 361 | 298 | 20.88 |
| | Cost of sales per ton | RMB/ton | 254.94 | 226.45 | 12.58 |
| Traded Coal | Total cost of sales | RMB million | 6,081 | 3,138 | 93.81 |
| | Cost of sales per ton | RMB/ton | 586.46 | 711.42 | -17.57 |

Changes of sales cost per ton of Haosheng Company were mainly due to the increase of saleable coal's sales volume as compared with the corresponding period of last year resulting in the decrease of sales cost per ton.

2. Railway transportation business

For the first quarter of 2020, the transportation volume of the Group's Railway Assets was 5.07 million tons, representing a decrease of 530 thousand tons or 9.5% as compared with the corresponding period of the previous year. As a result, the income from railway transportation services of the Company was RMB98.738 million for the first quarter of 2020, representing a decrease of RMB10.194 million or 9.4% as compared with the corresponding period of the previous year. The cost of railway transportation business was RMB38.925 million, representing an increase of RMB1.904 million or 5.1% as compared with the corresponding period of the previous year.

3. Coal chemicals business

The following tables set out the operation of methanol business of the Group for the first quarter of 2020:

| | Methanol production (kiloton) | | | Methanol sales volume (kiloton) | | |
|----------------------------------|-------------------------------|---------------------------|-----------------------|---------------------------------|---------------------------|-----------------------|
| | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) |
| 1.Yulin Neng Hua ^{Note} | 197 | 189 | 4.26 | 194 | 201 | -3.46 |
| 2.Ordos Neng Hua | 277 | 268 | 3.28 | 281 | 260 | 8.26 |

Note: “Yulin Neng Hua” means Yanzhou Coal Yulin Neng Hua Company Limited.

| | Sales income (RMB'000) | | | Sales cost (RMB'000) | | |
|------------------|---------------------------|---------------------------|-----------------------|---------------------------|---------------------------|-----------------------|
| | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) |
| 1.Yulin Neng Hua | 274,865 | 343,332 | -19.94 | 213,119 | 269,293 | -20.86 |
| 2.Ordos Neng Hua | 394,277 | 436,244 | -9.62 | 239,624 | 285,945 | -16.20 |

4. Power business

The following tables set out the operation of the Group's power business for the first quarter of 2020:

| | Power Generation (10,000kWh) | | | Power sales volume (10,000kWh) | | |
|-------------------------------|------------------------------|---------------------------|-----------------------|--------------------------------|---------------------------|-----------------------|
| | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) |
| 1.Hua Ju Energy ^① | 19,785 | 19,612 | 0.88 | 6,215 | 5,868 | 5.91 |
| 2.Yulin Neng Hua ^② | 7,694 | 7,638 | 0.73 | 86 | 485 | -82.27 |
| 3.Heze Neng Hua | 43,122 | 41,105 | 4.91 | 37,722 | 36,898 | 2.23 |

| | Sales income (RMB'000) | | | Sales cost (RMB'000) | | |
|------------------|---------------------------|---------------------------|-----------------------|---------------------------|---------------------------|-----------------------|
| | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) | The first quarter of 2020 | The first quarter of 2019 | Increase/decrease (%) |
| 1.Hua Ju Energy | 26,258 | 25,358 | 3.55 | 18,045 | 18,458 | -2.24 |
| 2.Yulin Neng Hua | 167 | 912 | -81.69 | 312 | 1,778 | -82.45 |
| 3.Heze Neng Hua | 131,538 | 126,650 | 3.86 | 84,011 | 106,024 | -20.76 |

Note:

② “Hua Ju Energy” means Shandong Hua Ju Energy Company Limited.

② During the Reporting Period, the sales volume, revenue, and cost of power affiliated to Yulin Neng Hua decreased substantially, mainly due to: the decrease in external sales of power as compared with that of the previous year.

5. Heat business

Hua Ju Energy generated heat energy of 560 thousand steam tons and sold 200 thousand steam tons for the first quarter of 2020, realizing the sales income of RMB20.683 million, with the sales cost of RMB12.539 million.

6. Electrical and Mechanical Equipment Manufacturing Business

For the first quarter of 2020, the Group’s electrical and mechanical equipment manufacturing business realized sales income of RMB2.951 million, with sales cost of RMB2.686 million.

7. Non-coal trading business

For the first quarter of 2020, the Group’s non-coal trading business realized sales income of RMB26.325 billion, with sales cost of RMB26.214 billion.

8. Equity Investment Business

For the first quarter of 2020, the Group’s equity investment business realized income RMB322 million.

2.1.3 The operation of Yankuang Finance Company Limited (“Yankuang Finance Company”) during the Reporting Period

Unit: RMB million

| | The first quarters of 2020 | The first quarters of 2019 | Increase/ decrease (%) |
|------------------|----------------------------|----------------------------|------------------------|
| Operating income | 125 | 118 | 5.89 |
| Net profit | 49 | 56 | -12.65 |
| | 31 March 2020 | 31 December 2019 | Increase/ decrease (%) |
| Net assets | 3,198 | 3,149 | 1.54 |
| Total assets | 24,928 | 24,694 | 0.95 |

2.2 Significant movements of the accounting items and financial indicators of the Company and the reasons thereof

2.2.1 Significant movements of items in balance sheet and the reasons thereof

| | 31 March 2020 | | 31 December 2019 | | Increase/decrease (%) |
|--|---------------|--------------------------------|------------------|--------------------------------|-----------------------|
| | (RMB million) | Percentage of total assets (%) | (RMB million) | Percentage of total assets (%) | |
| | | | | | |

| | | | | | |
|----------------------------|--------|-------|--------|-------|-------|
| Account receivables | 8,262 | 3.81 | 4,495 | 2.16 | 83.79 |
| Prepayments | 5,725 | 2.64 | 3,484 | 1.68 | 64.30 |
| Short-term borrowings | 12,362 | 5.70 | 8,748 | 4.21 | 41.32 |
| Contract liabilities | 3,565 | 1.64 | 2,717 | 1.31 | 31.20 |
| Other current liabilities | 4,499 | 2.07 | 2,999 | 1.44 | 50.04 |
| Bond payables | 19,584 | 9.03 | 14,567 | 7.01 | 34.44 |
| Other comprehensive income | -9,650 | -4.45 | -6,810 | -3.28 | / |

Explanations for changes in account receivables: ①the account receivables of the Company increased by RMB559 million; ②the account receivables of Yancoal International increased by RMB1,776 million; ③the account receivables of Shandong Zhongyin International Trade Co., Ltd increased by RMB253 million; ④ the account receivables of Qingdao Vast Lucky International Trade Co., Ltd. (“Qingdao Vast Lucky”) increased by RMB821 million.

Explanations for changes in prepayments: ①the prepayment of the Company increased by RMB195 million; ②the prepayment of Yulin Neng Hua increased by RMB206 million; ③The prepayments of Yankuang (Hainan) Intelligent Logistics Science Technology Co., Ltd (“Intelligent Logistics”) increased by RMB1,192 million.

Explanations for changes in short-term borrowings: ①the short-term borrowings of the Company increased by RMB1,300 million; ②the short-term borrowings of Qingdao Zhongyan Trading Co., Ltd. (“Qingdao Zhongyan”) increased by RMB401 million; ③the short-term borrowings of Yancoal International increased by RMB1,470 million.

Explanation for changes in contract liabilities: ①the contract liabilities of Qingdao Zhongyan increased by RMB124 million; ②the contract liabilities of Qingdao Vast Lucky increased by RMB395 million; ③the contract liabilities of Intelligent Logistics increased by RMB167 million.

Explanation for changes in other current liabilities: The Company issued the first tranche of super short-term bonds of 2020, which caused an increase of RMB1,500 million in current liabilities.

Explanation for changes in bond payables: The Company issued Yanzhou Coal 2020 corporate bond (the first tranche), which caused an increase of RMB5,000 million in bond payables.

Explanation for changes in other comprehensive income: the fluctuation of exchange rate caused decrease in converted difference of the financial statements prepared in foreign currency.

2.2.2 Significant movements of items in income statement and the reasons thereof

| | First quarter of 2020 (RMB million) | First quarter of 2019 (RMB million) | Increase/ decrease (%) | Major reasons for those changes |
|-----------------------------|--|--|------------------------------|--|
| Financial expense | 259 | 811 | -68.06 | The exchange gains increased due to the fluctuation of exchange rate. |
| Net exposure hedging income | -285 | - | / | The hedging gains and losses in Yancoal Australia’s accounting method was reclassified as the net exposure hedging income from operating income. |
| Income tax | 624 | 898 | -30.51 | The Group’s income tax payable decreased as |

| | | | | |
|--|--|--|--|---|
| | | | | compared with that of the same period of the previous year. |
|--|--|--|--|---|

2.2.3 Significant movements of items in cash flow statement and the reasons thereof

| | First Quarter of 2020 (RMB million) | First quarter of 2019 (RMB million) | Increase/ decrease (%) | Major reasons for those changes |
|---|---|---|------------------------------|--|
| Net cash flows from operating activities | 1,336 | 4,424 | -69.80 | ①The cash received from sales of products and provision of labor services decreased by RMB7,362 million as compared with that of the corresponding period of the previous year; ②The cash paid for purchase of products and labor services decreased by RMB6,023 million as compared with that of the corresponding period of the previous year; ③The cash paid relation to other operating activities increased by RMB1,762 million as compared with that of the corresponding period of the previous year. |
| Net cash flows from investing activities | -2,217 | -2,711 | -18.21 | ①The cash received from recover of investment decreased by RMB857 million; ② The cash paid for purchasing fixed assets, intangible assets and other long-term assets decreased by RMB1,118 million as compared with that of the corresponding period of the previous year. |
| Net cash flows from financing activities | 5,861 | -8,157 | / | ① The cash received from borrowings increased by RMB8,441 million as compared with that of the corresponding period of the previous year; ②The cash for repayment of liabilities decreased by RMB5,891 million as compared with the corresponding period of the previous year. |
| Net increase in cash and cash equivalents | 4,868 | -6,660 | / | - |

2.3 Progress and impact of significant events and analysis of resolutions

2.3.1 Significant litigation and arbitration events

Progress in litigation and arbitration events during the Reporting Period

1. Weihai Commercial Bank Co., Ltd. (“Weihai Commercial Bank”) sued against Yanzhou Coal for financial borrowings contract dispute.

In October 2015, citing the borrowings facility contract dispute, Weihai Commercial Bank filed a case in Jining Intermediate People’s Court (“Jining Intermediate Court”) against 8 defendants including Hengfeng and Yanzhou Coal, requiring Hengfeng Company to repay the loan principal of RMB99.119 million and corresponding interests. Because Hengfeng Company made a pledge to the plaintiff through its account receivables of RMB103.42 million by Yanzhou Coal (suspect of counterfeit), Weihai Commercial Bank required Yanzhou Coal bear the liability of repayment within the amount of the pledged account receivables.

In October 2018, the Company received the first instance judgement and lost the case. The Company lodged an appeal to Shandong Higher People’s Court (“Shandong High Court”).

In May 2019, it was the ruling of the second instance of the Shandong High Court that the case shall be reheard in Jining Intermediate Court.

In January 2020, Jining Intermediate Court rejudged and rejected the lawsuit of Weihai Commercial Bank at the first instance of retrial. Then, Weihai Commercial Bank appealed to Shandong High Court. Currently, Shandong High Court has made no ruling yet.

Since the case is going through the retrial of the second instance, it’s unable for the Company to estimate the impact of the litigation on its future profit currently.

For details, please refer to 2019 Annual Report of Yanzhou Coal, which was posted on the websites of the Shanghai Stock Exchange, the HKSE, the Company.

2. China Construction Bank Jining Guhuailu Branch (“CCB Jining Guhuailu Branch”) sue against Yanzhou Coal for financial borrowings contract dispute

In June 2017, CCB Jining Guhuailu Branch, as the plaintiff, sued against 8 defendants including Jining Liaoyuan and Yanzhou Coal to Jining Intermediate Court, requiring Jining Liaoyuan to repay the borrowing principal of RMB95.8596 million and corresponding interest. Since Jining Liaoyuan pledged its account receivables of RMB90.52 million by Yanzhou Coal (suspect of counterfeit) to CCB Jining Guhuailu Branch, CCB Jining Guhuailu Branch required the Company to make repayment in an amount equivalent to the pledged account receivables.

In January 2018, Jining Intermediate Court heard the case. The Company applied for judicial authentication of the seals and signatures in relevant evidences at the court. The judicial authentication verified that the signatures are real and the seals are forged.

In November 2018, the Company lost the suit at the first trial and the Company lodged an appeal to Shandong High Court.

In August 2019, Shandong High Court ruled the case to be reheard by Jining Intermediate Court.

In April 2020, Jining Intermediate Court rejected the plaintiff's appeal against the Company and ruled that the Company was exempted from the liability.

The case is currently in the appeal period, it is impossible to estimate the impact of the judgement of the lawsuit on the Company's future profit.

For details, please refer to 2019 Annual Report of Yanzhou Coal, which was posted on the websites of the Shanghai Stock Exchange, the HKSE and the Company.

3. Shandong Zikuang Coal Transport and Marketing Company ("Zikuang Transport and Marketing Company") sued against Yanzhou Coal for sales contract dispute

In May 2019, citing the sales contract dispute, Zikuang Transport and Marketing Company sued against Yanzhou Coal to Jining Intermediate Court, requiring Yanzhou Coal to repay RMB25.478 million of coal prepayment, RMB7.042 million of interest loss, RMB0.936 million of the loss of anticipated benefits and RMB0.5 million of expense of realization of credit, adding up to RMB33.956 million.

In October 2019, Jining Intermediate Court ruled to reject the appeal of Zikuang Transport and Marketing Company, and Yanzhou Coal won the lawsuit. Zikuang Transport and Marketing Company appealed to Shandong High Court.

In March 2020, Shandong High Court ruled the Company won the lawsuit in the second instance.

The case was settled. This lawsuit will not impact the Company's future profit.

For details, please refer to 2019 Annual Report of Yanzhou Coal, which was posted on the websites of the Shanghai Stock Exchange, the HKSE and the Company.

4. Xiamen Xinda Co., Ltd ("Xiamen Xinda") sued against Yanzhou Coal for sales contract dispute

In March 2020, citing the sales contract dispute, Xiamen Xinda sued against Shandong Zhongyin Logistics Trade Co., Ltd. ("Zhongyin Logistics") and Yanzhou Coal to Xiamen Intermediate Court, requiring Zhongyin Logistics to return goods principals and corresponding interest totaling RMB233 million and requiring the Company to bear joint liability.

Currently, Xiamen Intermediate Court has not ruled yet.

Since the case is going through procedures of the first instance, the Company is unable to estimate the impact of the litigation on its future profit currently.

For details, please refer to 2019 Annual Report of Yanzhou Coal, which was posted on the websites of the Shanghai Stock Exchange, the HKSE and the Company.

2.3.2 Major connected transactions

1. Continuing connected/related transactions of house lease

As considered and approved at the thirty-first meeting of the seventh session of the Board dated 7 February 2020, Shanghai Dongjiang Real Estate Development Co., Ltd, a wholly-owned subsidiary of the Company, entered into the Lease Agreement in relation to Shanghai Dongjiang Pearl Square with Shanghai Yankuang Xinda Hotel Co., Ltd., a subsidiary of Yankuang Group.

For details, please refer to the announcements dated 7 February 2020 in relation to resolutions at the thirty-first meeting of the seventh session of the Board, the relevant continuing connected/related transactions and the house lease agreement , which were posted on the websites of the Shanghai Stock Exchange, the HKSE and the Company, and/or on China Securities Journal and Shanghai Securities News and Securities Times in the PRC.

2. Connected/related transaction in relation to acquiring 10% equity interests of Moolarben Coal Joint Venture

As considered and reviewed at the thirty-second meeting of the seventh session of the Board dated 27 March 2020, the Moolarben Coal Joint Venture Interest Sale Deed was entered into between Yancoal Australia and its wholly-owned subsidiary, Yancoal Moolarben Pty Ltd (“Yancoal Moolarben”) with Sojitz Moolarben Resources Pty Ltd (“Sojitz”), a wholly-owned subsidiary of Sojitz Corporation. Yancoal purchased 10% equity interests of Moolarben Coal Joint Venture held by Sojitz at a consideration of AUD300 million through Yancoal Moolarben.

As of the date of this report, Yancoal Moolarben and Sojitz have completed the 10% equity interest transfer in relation to Moolarben Coal Joint Venture.

For details, please refer to the announcements dated 27 March 2020 in relation to resolutions passed at the thirty-second meeting of the seventh session of the Board and the connected/related transaction in relation to acquisition of equity interests, and the updating announcement dated 31 March 2020 in relation to acquisition of equity interest, which were posted on the websites of the Shanghai Stock Exchange, the HKEX and the Company, and/or on China Securities Journal and Shanghai Securities News and Securities Times in the PRC.

3. Connected/related transaction of disposal of 100% equity interests of non-coal trading companies

As considered and reviewed at the thirty-second meeting of the seventh session of the Board dated

27 March 2020, an equity purchase agreement was entered into between Yancoal International and Yankuang Aluminum (Hong Kong) Company (“Aluminum Hong Kong Company”), a wholly-owned subsidiary of Yankuang Group. Yancoal International sold the 100% equity interests of Yancoal International Trade Co., Ltd and Yancoal International (Singapore) Co., Ltd fully held by Yancoal International at a transaction price of RMB150.6712 million.

For details, please refer to the announcements dated 27 March 2020 in relation to resolutions passed at the thirty-second meeting of the seventh session of the Board and the connected/related transaction announcement of sale of equity interest, which were posted on the websites of the Shanghai Stock Exchange, the HKEX and the Company, and/or on China Securities Journal, Shanghai Securities News and Securities Times in the PRC.

2.3.3 Other significant events

1. Cancellation of Xinyinlian Co., Ltd.

As reviewed and approved at the general manager work meeting of the Company held on 19 January 2020, Xinyinlian Co., Ltd, a controlled subsidiary of the Company performed liquidation procedures in accordance with local laws of Singapore and its Articles of Association. As at the date of this report, Xinyinlian Co., Ltd. has completed the liquidation and cancellation procedures.

2. Changes of the Board of Directors and the Supervisory Committee

As considered at the thirty-second meeting of the seventh session of the Board held on 27 March 2020, Mr. Li Xiyong, Mr. Li Wei, Mr. Wu Xiangqian, Mr. Li Jian, Mr. Zhao Qingchun and Mr. He Jing were nominated as candidates of non-independent Directors of the eighth session of the Board; Mr. Tian Hui, Mr. Cai Chang, Mr. Poon Chiu Kwok and Mr. Zhu Limin were nominated as candidates of independent Directors of the eighth session of the Board.

As considered at the eighteenth meeting of the seventh session of the board of Supervisors held on 27 March 2020, Mr. Gu Shisheng, Mr. Zhou Hong, Mr. Li Shipeng and Mr. Qin Yanbo were nominated as candidates of non-employee representative supervisors of the eighth session of the board of Supervisors.

The aforesaid changes of the Board of Directors and the board of Supervisors still need to be submitted to the general meeting of the Company for consideration and approval.

For details, please refer to the announcements dated 27 March 2020 in relation to the resolutions passed at the thirty-second meeting of the seventh session of the Board, the resolutions passed at the eighteenth meeting of the seventh session of the board of Supervisors, and the proposed change of Directors and Supervisors, which were posted on the websites of the Shanghai Stock Exchange, the HKEX and the Company, and/or on China Securities Journal, Shanghai Securities News and Securities Times in the PRC.

3. Appointment of Chief Investment Officer of the Company

As considered and approved at the thirty-second meeting of the seventh session of the Board held on 27 March 2020, Mr. Zhang Lei was appointed as the chief investment officer of the Company, whose term is the same as that of other senior managements appointed by the seventh session of the Board.

For details, please refer to the announcement dated 27 March 2020 in relation to the resolutions passed at the thirty-second meeting of the seventh session of the Board, which was posted on the websites of the Shanghai Stock Exchange, the HKEX and the Company, and/or on China Securities Journal, Shanghai Securities News and Securities Times in the PRC.

4. Appointment of General Manager of the Company

As considered and approved at the thirty-third meeting of the seventh session of the Board held on 22 April 2020, Mr. Liu Jian was appointed as the general manager of the Company, whose term is the same as that of other senior managements appointed by the seventh session of the Board. On the same day, Mr. Wu Xiangqian ceased to be the general manager of the Company.

For details, please refer to the announcements dated 22 April 2020 in relation to the resolutions passed at the thirty-third meeting of the seventh session of the Board and the change of the general manager, which were posted on the websites of Shanghai Stock Exchange, the HKEX and the Company and/or on China Securities Journal, Shanghai Securities News and Securities Times in the PRC.

5. Appointment of Deputy General Manager and Chief Engineer of the Company

As considered and approved at the thirty-third meeting of the seventh session of the Board held on 22 April 2020, Mr. Xiao Yaomeng, Mr. Zhang Chuanchang and Mr. Wang Peng were appointed as deputy general managers of the Company and Mr. Wang Chunyao was appointed as the chief engineer of the Company. The terms of the above personnel are the same as the terms of other senior managements appointed by the seventh session of the Board. On the same day, Mr. Zhao Honggang ceased to be the deputy general manager of the Company, and Mr. Wang Fuqi ceased to be the chief engineer of the Company.

For details, please refer to the announcement dated 22 April 2020 in relation to the resolutions passed at the thirty-third meeting of the seventh session of the Board, which was posted on the websites of the Shanghai Stock Exchange, the HKEX and the Company and/or on China Securities Journal, Shanghai Securities News and Securities Times in the PRC.

2.4 Commitments that have not been fulfilled during the Reporting Period

Not applicable.

2.5 Statements on the warnings and reasons for the expected accumulated net profit may be negative from the beginning of 2020 till the end of the next Reporting Period or there might be significant changes to accumulated net profit as compared with the corresponding period of last year.

Not applicable.

3. Directors

As at the date of this announcement, the directors of the Company are Mr. Li Xiyong, Mr. Li Wei, Mr. Wu Xiangqian, Mr. Liu Jian, Mr. Guo Dechun, Mr. Zhao Qingchun and Mr. Guo Jun, while the independent non-executive directors of the Company are Mr. Kong Xiangguo, Mr. Cai Chang, Mr. Poon Chiu Kwok and Mr. Qi Anbang.

Yanzhou Coal Mining Company Limited
Li Xiyong
Chairman of the Board
28 April, 2020

4. Appendices

4.1 Financial statements

Consolidated Balance Sheet

31 March 2020

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000

Unaudited

| Items | 31 March 2020 | 31 December 2019 |
|---|-------------------|-------------------|
| Current assets: | | |
| Money funds | 33,572,693 | 27,273,606 |
| Clearing settlement funds | | |
| Lending to banks and other financial institutions | | |
| Tradable financial assets | 153,911 | 156,652 |
| Derivative financial assets | | |
| Notes receivables | | |
| Accounts receivable | 8,262,159 | 4,495,398 |
| Receivable financing | 2,969,372 | 3,102,766 |
| Prepayments | 5,724,513 | 3,484,269 |
| Premium receivable | | |
| Reinsurance accounts receivable | | |
| Reserve for reinsurance contract receivable | | |
| Other receivables | 3,279,698 | 3,042,851 |
| Including: Interest receivable | 172,781 | 119,093 |
| Dividend receivable | | |
| Purchase of resold financial assets | | |
| Inventories | 8,200,869 | 7,299,985 |
| Contract assets | | |
| Held-to-sale assets | 194,411 | 217,644 |
| Non-current assets due within one year | 1,232,469 | 1,336,643 |
| Other current assets | 14,017,033 | 13,152,322 |
| TOTAL CURRENT ASSETS | 77,607,128 | 63,562,136 |
| NON-CURRENT ASSETS: | | |
| Disbursement of loans and advances | | |
| Debt investment | 61,912 | 69,357 |
| Other debt investments | | |
| Long-term accounts receivable | 6,911,544 | 7,694,889 |
| Long-term equity investments | 17,937,683 | 17,634,395 |
| Other equity instruments investments | 4,584 | 4,624 |
| Other non-current financial assets | 1,064,812 | 1,174,648 |
| Investment properties | 598 | 610 |

| | | |
|---|--------------------|--------------------|
| Fixed assets | 41,986,785 | 43,915,901 |
| Construction in progress | 18,148,223 | 18,359,368 |
| Productive biological assets | | |
| Oil gas assets | | |
| Usufruct assets | 332,942 | 406,528 |
| Intangible assets | 46,668,081 | 49,313,882 |
| Development expenditure | | |
| Goodwill | 296,681 | 329,513 |
| Long-term deferred expenses | 22,893 | 23,616 |
| Deferred income tax assets | 2,636,222 | 2,355,820 |
| Other non-current assets | 3,207,364 | 2,976,076 |
| TOTAL NON-CURRENT ASSETS | 139,280,324 | 144,259,227 |
| TOTAL ASSETS | 216,887,452 | 207,821,363 |
| CURRENT LIABILITIES: | | |
| Short-term borrowings | 12,361,677 | 8,747,590 |
| Borrowings from central bank | | |
| Borrowing from banks and other financial institutions | | |
| Tradable financial liabilities | 150,941 | 148,554 |
| Derivative financial liability | | |
| Notes payable | 10,154,958 | 9,092,258 |
| Accounts payable | 12,983,071 | 10,462,137 |
| Advances from customers | | |
| Contract liabilities | 3,565,389 | 2,717,475 |
| Amounts from sale of repurchased financial assets | | |
| Deposits from customers and interbank | | |
| Funds received as agent of stock exchange | | |
| Funds received as stock underwrite | | |
| Salaries and wages payable | 1,326,244 | 1,453,978 |
| Taxes payable | 1,044,409 | 1,116,487 |
| Other payables | 21,247,401 | 24,401,865 |
| Including: Interest payable | 464,796 | 462,144 |
| Dividend payable | 96,407 | 1,919,666 |
| Service charges and commissions payable | | |
| Reinsurance accounts payable | | |
| Held-to-sale liabilities | | |
| Non-current liabilities due within one year | 12,849,805 | 12,180,754 |
| Other current liabilities | 4,499,400 | 2,998,800 |
| TOTAL CURRENT LIABILITIES | 80,183,295 | 73,319,898 |
| NON-CURRENT LIABILITIES: | | |
| Reserve for insurance contract | | |

| | | |
|--|--------------------|--------------------|
| Long-term borrowings | 26,934,230 | 26,133,626 |
| Bonds payable | 19,583,539 | 14,567,273 |
| Including: preferred shares | | |
| perpetual bonds | | |
| Lease liabilities | 196,285 | 328,072 |
| Long-term payable | 2,340,367 | 2,331,559 |
| Long-term salaries and wages payable | 375,476 | 439,946 |
| Estimated liabilities | 2,774,770 | 2,643,476 |
| Deferred income | 135,121 | 133,508 |
| Deferred income tax liabilities | 3,284,604 | 3,301,414 |
| Other non-current liabilities | 104,893 | 1,098,469 |
| TOTAL NON-CURRENT LIABILITIES | 55,729,285 | 50,977,343 |
| TOTAL LIABILITIES | 135,912,580 | 124,297,241 |
| OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY) : | | |
| Paid-in capital (or share capital) | 4,912,016 | 4,912,016 |
| Other equity instruments | 10,159,486 | 10,311,611 |
| Including: preferred shares | | |
| perpetual bonds | 10,159,486 | 10,311,611 |
| Capital reserves | 482,980 | 482,980 |
| Less: treasury stock | | |
| Other comprehensive income | -9,650,109 | -6,810,265 |
| Special reserves | 4,471,873 | 4,078,521 |
| Surplus reserves | 6,804,799 | 6,804,799 |
| Provision for general risk | | |
| Undistributed earnings | 45,059,886 | 43,512,178 |
| Total owners' equity (or shareholders' equity) attributable to parent company | 62,240,931 | 63,291,840 |
| Minority interest | 18,733,941 | 20,232,282 |
| TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY) | 80,974,872 | 83,524,122 |
| TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY) | 216,887,452 | 207,821,363 |

Legal Representative of the Company: Li Xiyong
Head of Accounting Department: Xu Jian

Chief Financial Officer: Zhao Qingchun

Balance Sheet of the Parent Company

31 March 2020

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000

Unaudited

| Items | 31 March 2020 | 31 December 2019 |
|--|-------------------|-------------------|
| CURRENT ASSETS: | | |
| Money Funds | 8,718,796 | 5,520,882 |
| Tradable financial assets | | |
| Derivative financial assets | | |
| Notes receivables | | |
| Accounts receivable | 1,666,542 | 1,107,572 |
| Accounts receivable financing | 2,793,956 | 2,647,131 |
| Prepayments | 277,328 | 82,773 |
| Other receivables | 42,967,713 | 42,154,385 |
| Including: Interest receivable | 1,803,754 | 1,768,263 |
| Dividend receivable | | |
| Inventories | 558,270 | 630,263 |
| Contract assets | | |
| Held-to-sale assets | | |
| Non-current assets due within one year | | |
| Other current assets | 1,107,643 | 1,182,207 |
| TOTAL CURRENT ASSETS | 58,090,248 | 53,325,213 |
| NON-CURRENT ASSETS: | | |
| Creditors' investment | | |
| Other creditors' investment | | |
| Long-term accounts receivable | | |
| Long-term equity investments | 75,204,034 | 74,811,707 |
| Other equity instruments investments | 4,584 | 4,623 |
| Other non-current financial assets | | |
| Investment property | | |
| Fixed assets | 6,465,448 | 6,710,439 |
| Construction in progress | 533,427 | 526,431 |
| Productive biological assets | | |
| Oil and gas assets | | |
| Usufruct assets | 3,856,129 | 3,980,984 |
| Intangible assets | 1,164,451 | 1,210,137 |
| Development expenditure | | |
| Goodwill | | |
| Long-term deferred expenses | 5 | 7 |
| Deferred income tax assets | 1,275,282 | 1,233,628 |
| Other non-current assets | 117,926 | 117,926 |
| TOTAL NON-CURRENT ASSETS | 88,621,286 | 88,595,882 |

| | | |
|--|--------------------|--------------------|
| TOTAL ASSETS | 146,711,534 | 141,921,095 |
| CURRENT LIABILITIES: | | |
| Short-term borrowings | 11,550,000 | 10,250,000 |
| Tradable financial liabilities | 85,598 | 85,598 |
| Derivative financial liabilities | | |
| Notes payable | 2,082,373 | 1,661,009 |
| Accounts payable | 2,351,260 | 3,022,321 |
| Advances from customers | | |
| Liabilities of contract | 532,365 | 635,148 |
| Salary payable | 679,959 | 688,201 |
| Taxes and surcharges payable | 537,466 | 638,389 |
| Other payables | 15,737,095 | 18,111,788 |
| Including: Interest payable | 860,091 | 823,427 |
| Dividend payable | | 1,874,302 |
| Liabilities classified as held for sale | | |
| Non-current liabilities due within one year | 3,170,365 | 3,450,996 |
| Other current liabilities | 4,499,400 | 2,998,800 |
| TOTAL CURRENT LIABILITIES | 41,225,881 | 41,542,250 |
| NON-CURRENT LIABILITIES: | | |
| Long-term borrowings | 20,301,678 | 20,896,720 |
| Bonds payable | 16,487,342 | 11,518,667 |
| Including: preferred shares | | |
| Perpetual bonds | | |
| Lease liabilities | 3,436,491 | 3,671,227 |
| Long-term payable | 55,063 | 60,755 |
| Long-term employee salary payable | | |
| Accrued liabilities | | |
| Deferred income | 96,028 | 98,887 |
| Deferred income tax liabilities | 55 | 65 |
| Other non-current liabilities | | |
| TOTAL NON-CURRENT LIABILITIES | 40,376,657 | 36,246,321 |
| TOTAL LIABILITIES | 81,602,538 | 77,788,571 |
| OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY): | | |
| Share capital | 4,912,016 | 4,912,016 |
| Other equity instruments | 10,159,486 | 10,311,611 |
| Including: preferred shares | | |
| perpetual bonds | 10,159,486 | 10,311,611 |
| Capital reserve | 1,424,005 | 1,424,005 |
| Less: treasury shares | | |
| Other comprehensive income | 94,902 | 69,422 |
| Special reserve | 3,382,732 | 3,107,508 |

| | | |
|---|--------------------|--------------------|
| Surplus reserve | 6,759,689 | 6,759,689 |
| Undistributed profit | 38,376,166 | 37,548,273 |
| TOTAL OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY) | 65,108,996 | 64,132,524 |
| TOTAL LIABILITIES AND OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY) | 146,711,534 | 141,921,095 |

Legal Representative of the Company: Li Xiyong
Head of Accounting Department: Xu Jian

Chief Financial Officer: Zhao Qingchu

Consolidated Income Statements

From January to March 2020

Prepared by: Yanzhou Coal Mining Company Limited

Unit: RMB'000

Unaudited

| Items | From January to March 2020 | From January to March 2019 |
|--|-------------------------------|-------------------------------|
| I. Total Operating Revenue | 45,604,524 | 48,243,536 |
| Including: Operating revenue | 45,604,524 | 48,243,536 |
| Interest income | | |
| Premium earned | | |
| Service charges and commission income | | |
| II. Total Operating Costs | 43,272,681 | 44,691,093 |
| Including: Operating costs | 40,228,315 | 40,725,459 |
| Interest expenses | | |
| Service charge and commission expenses | | |
| Surrender value | | |
| Net claim settlement expenses | | |
| Net insurance liability reserve | | |
| Policy dividend expenses | | |
| Reinsurance expenses | | |
| Taxes and surcharges | 479,195 | 530,670 |
| Selling expenses | 1,236,843 | 1,475,076 |
| Administrative expenses | 1,035,027 | 1,118,353 |
| Research and development expenses | 34,403 | 30,877 |
| Financial expenses | 258,898 | 810,658 |
| Including: Interest expense | 761,274 | 766,198 |
| Interest income | 253,172 | 195,350 |
| Add: Other income | 18,706 | 7,381 |
| Investment income ("-" for loss) | 322,323 | 295,772 |
| Including: Investment income from associates and joint ventures | 319,924 | 287,299 |
| Termination recognition income from financial assets measured at amortized costs | | |
| Exchange earning ("-" for loss) | | |
| Net exposure hedging income ("-" for loss) | -284,894 | |
| Gains from fair value changes ("-" for loss) | -15 | 3,859 |
| Loss from credit impairment ("-" for loss) | -7,760 | -7,987 |

| | | |
|---|-------------------|------------------|
| Loss from asset devaluation ("-" for loss) | 20,378 | 7,168 |
| Gains on disposal of assets ("-" for loss) | 83 | 388 |
| III. Operating profit ("-" for loss) | 2,400,664 | 3,859,024 |
| Add: Non-operating income | 102,429 | 99,484 |
| Less: Non-operating expenses | 18,004 | 43,071 |
| IV. Total Profit ("-" for the total loss) | 2,485,089 | 3,915,437 |
| Less: Income tax expenses | 624,019 | 898,000 |
| V. Net profit ("-" for the net loss) | 1,861,070 | 3,017,437 |
| (I) By business continuity: | | |
| Net profit from continuous operation ("-" for the net loss) | 1,861,070 | 3,017,437 |
| Net profit from terminated operation ("-" for the net loss) | | |
| (II) By ownership: | | |
| 1. Net profit attributable to parent company ("-" for the net loss) | 1,527,504 | 2,308,395 |
| 2. Net profit attributable to holders of other equity instruments of the parent company | 147,875 | 141,184 |
| 3. Attributable to minority shareholders ("-" for the net loss) | 185,691 | 567,858 |
| VI. Net after tax from other comprehensive income | -4,673,745 | -76,631 |
| (I) Net after tax from other comprehensive income attributable to the owners of parent company | -3,023,452 | 39,756 |
| 1. Other comprehensive income not be reclassified as profit or loss later | -30 | 182 |
| ⊕ Changes in remeasurement of defined benefit plans | | |
| ⊗ Portion of other comprehensive income of investees not to be reclassified as profit or loss under equity method | | |
| ⊘ Changes in fair value of investments in other equity instruments | -30 | 182 |
| ⊙ Changes in the fair value of the enterprise's own credit risk | | |
| 2. Other comprehensive income to be reclassified as profit or loss | -3,023,422 | 39,574 |

| | | |
|---|-------------------|------------------|
| ① Portion of other comprehensive income of investees to be reclassified as profit or loss under equity method | 25,509 | 13,913 |
| ② Changes in fair value of investments in other equity instruments | | |
| ③ Financial assets reclassified to other comprehensive income | | |
| ④ Provision for Impairment of Credit for Investment of Other Creditor Rights | | |
| ⑤ Cash flow hedging reserve | -488,654 | 66,472 |
| ⑥ Exchange differences on translation of financial statements recorded in foreign currency | -2,560,277 | -40,811 |
| ⑦ others | | |
| (II) Net after tax from other comprehensive income attributable to the minority shareholder | -1,650,293 | -116,387 |
| VII. Total comprehensive income | -2,812,675 | 2,940,806 |
| (I) Attributable to parent company | -1,495,948 | 2,348,151 |
| (II) Attributable to holders of other equity instruments of the parent company | 147,875 | 141,184 |
| (III) Attributable to minority shareholders | -1,464,602 | 451,471 |
| VIII. Earnings per share | | |
| (I) Basic earnings per share (RMB/share) | 0.3110 | 0.4699 |
| (II) Diluted earnings per share (RMB/share) | 0.3110 | 0.4699 |

Legal Representative of the Company: Li Xiyong
Head of Accounting Department: Xu Jian

Chief Financial Officer: Zhao Qingchun

Income Statements of the Parent Company

From January to March 2020

Prepared by: Yanzhou Coal Mining Company Limited Unit: RMB'000 Unaudited

| Items | From January to March 2020 | From January to March 2019 |
|--|-------------------------------|-------------------------------|
| I. Operating revenue | 5,472,263 | 6,161,595 |
| Less: Operating costs | 3,419,691 | 3,221,579 |
| Taxes and surcharges | 258,931 | 305,255 |
| Selling expenses | 109,827 | 82,782 |
| Administrative expenses | 478,553 | 464,592 |
| Research and development expenses | 13,352 | 16,536 |
| Financial expenses | 164,263 | 810,161 |
| Including: Interest expense | 698,854 | 792,090 |
| Interest income | 573,720 | 53,099 |
| Add: Other income | 2,909 | 1,470 |
| Investment income ("- " for loss) | 231,817 | 575,252 |
| Including: Investment income from associates and joint ventures | 231,817 | 149,206 |
| Termination recognition income from financial assets measured at amortized costs | | |
| Net exposure hedging income ("- " for loss) | -7,326 | |
| Gains from fair value changes ("- " for loss) | | 3,859 |
| Loss from credit impairment ("- " for loss) | | |
| Loss from asset devaluation ("- " for loss) | | |
| Gains on disposal of assets ("- " for loss) | 82 | 21 |
| II. Operating profit ("- " for loss) | 1,255,128 | 1,841,292 |
| Add: Non-operating income | 56,162 | 71,401 |
| Less: Non-operating expenses | 1,609 | 24,492 |
| III. Total Profit ("- " for the total loss) | 1,309,681 | 1,888,201 |
| Less: Income tax expenses | 333,913 | 374,959 |
| IV. Net profit ("- " for the net loss) | 975,768 | 1,513,242 |
| 1. Net profit from continuous operation ("- " for the loss) | 975,768 | 1,513,242 |
| 2. Net profit from terminated operation ("- " for the net loss) | | |
| By ownership: | | |
| 1. Net profit attributable to the | 827,893 | 1,372,057 |

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| shareholders of the parent company | | |
| 2. Net profit attributable to holders of other equity instruments of the parent company | 147,875 | 141,185 |
| V. Net other comprehensive income after tax | 25,479 | 14,095 |
| (I) Other comprehensive income not be reclassified as profit or loss | -30 | 182 |
| 1. Changes in remeasurement of defined benefit plans | | |
| 2. Portion of other comprehensive income of investees not to be reclassified as profit or loss on equity basis | | |
| 3. Changes in fair value of investments in other equity instruments | -30 | 182 |
| 4. Changes in the fair value of the enterprise's own credit risk | | |
| (II) Other comprehensive income to be reclassified as profit or loss | 25,509 | 13,913 |
| 1. Portion of other comprehensive income of investees to be reclassified as profit or loss on equity basis | 25,509 | 13,913 |
| 2. Changes in fair value of other debt investment | | |
| 3. Financial assets reclassified to other comprehensive income | | |
| 4. Provision for impairment of credit for investment of other creditor rights | | |
| 5. Cash flow hedging reserve | | |
| 6. Exchange differences on translation of financial statements recorded in foreign currency | | |
| 7. Others | | |
| VI. Total comprehensive income | 1,001,247 | 1,527,337 |
| Total comprehensive income attributable to parent company | 853,372 | 1,386,152 |
| Total comprehensive income attributable to holders of other equity instruments of the parent company | 147,875 | 141,185 |
| VII. Earnings per share | | |
| (I) Basic earnings per share (RMB/share) | 0.1685 | 0.2793 |
| (II) Diluted earnings per share (RMB/share) | 0.1685 | 0.2793 |

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Legal Representative of the Company: Li Xiyong
Head of Accounting Department: Xu Jian

Chief Financial Officer: Zhao Qingchun

Consolidated Cash Flow Statement

From January to March 2020

Prepared by: Yanzhou Coal Mining Company Limited Unit: RMB'000 Unaudited

| Items | From January to March 2020 | From January to March 2019 |
|---|-------------------------------|-------------------------------|
| 1.CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Cash received from sales of goods or rendering of services | 45,396,514 | 52,758,824 |
| Net increase in customer's deposit and deposit of interbank | | |
| Net increase in borrowings from the Central Bank | | |
| Net increase in borrowings from other financial institutions | | |
| Cash received from the original insurance contract premium | | |
| Net cash received from the reinsurance businesses | | |
| Net increase in insured savings and investment funds | | |
| Cash received from interest, charges and commissions | | |
| Net increase in funds from other banks and other financial institutions | | |
| Net increase in funds in repurchase business | | |
| Net cash received from agent in buying and selling securities | | |
| Tax and charges refunded | 187,998 | 169,364 |
| Cash received from other operating activities | 2,136,494 | 2,416,147 |
| Sub-total of cash inflows | 47,721,006 | 55,344,335 |
| Cash paid for goods and services purchased | 37,104,508 | 43,127,799 |
| Net increase in customer loans and advance | | |
| Net increase in deposits of central bank and interbank | | |
| Cash paid for the indemnity under original insurance contract | | |
| Net increase in lendings | | |
| Cash paid for interest, charges and commissions | | |

| | | |
|---|------------|------------|
| Cash paid for policy dividend | | |
| Cash paid to and on behalf of employees | 2,934,397 | 2,811,341 |
| Payments for taxes and surcharges | 2,144,468 | 2,541,869 |
| Cash paid for other operating activities | 4,201,291 | 2,438,851 |
| Sub-total of cash outflows from operating activities | 46,384,664 | 50,919,860 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 1,336,342 | 4,424,475 |
| 2.NET CASH FLOW FROM INVESTMENT ACTIVITIES | | |
| Cash received from recovery of investments | 371,622 | 1,228,917 |
| Cash received from investments return | 26,380 | 204,718 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 219 | 4,194 |
| Net cash amount received from disposal of subsidiaries and other business units | | |
| Cash received from other investment activities | | |
| Sub-total of cash inflows from investment activities | 398,221 | 1,437,829 |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 2,252,048 | 3,370,360 |
| Cash paid for investments | 95,656 | |
| Net increase in pledged loans | | |
| Net cash paid for acquisition of subsidiaries and other business units | 267,484 | |
| Other cash paid relating to investment activities | | 777,992 |
| Sub-total of cash outflows from investment activities | 2,615,188 | 4,148,352 |
| NET CASH FLOW FROM INVESTMENT ACTIVITIES | -2,216,967 | -2,710,523 |
| 3. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Cash received from investors | | |
| Including: Cash received from | | |

| | | |
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| investment of minority shareholders of subsidiaries | | |
| Cash received from borrowings | 14,888,240 | 6,447,082 |
| Cash received from other financing activities | | |
| Sub-total of cash inflows from financing activities | 14,888,240 | 6,447,082 |
| Repayments of borrowings and debts | 6,030,465 | 11,921,962 |
| Cash paid for distribution of dividends, profits, or cash paid for interest expenses | 2,996,431 | 2,081,734 |
| Including: cash paid for distribution of dividends or profits by subsidiaries to minority shareholders | | 124,000 |
| Other cash paid relating to financing activities | | 600,000 |
| Sub-total of cash outflows from financing activities | 9,026,896 | 14,603,696 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | 5,861,344 | -8,156,614 |
| 4. IMPACT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | -112,531 | -217,348 |
| 5. NET INCREASE IN CASH AND CASH EQUIVALENTS | 4,868,188 | -6,660,010 |
| Add: Cash and cash equivalents (opening) | 22,822,624 | 27,396,126 |
| 6. Cash and cash equivalents (closing) | 27,690,812 | 20,736,116 |

Legal Representative of the Company: Li Xiyong
Head of Accounting Department: Xu Jian

Chief Financial Officer: Zhao Qingchun

Cash Flow Statement of the Parent Company

From January to March 2020

Prepared by: Yanzhou Coal Mining Company Limited Unit: RMB'000 Unaudited

| Items | From January to March 2020 | From January to March 2019 |
|---|-------------------------------|-------------------------------|
| 1. CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Cash received from sales of goods and rendering of services | 5,411,018 | 6,707,688 |
| Tax refunds | | |
| Cash received from other operating activities | 102,189 | 136,252 |
| Sub-total of cash inflows | 5,513,207 | 6,843,940 |
| Cash paid for goods and services | 1,212,940 | 1,824,970 |
| Cash paid to and on behalf of employees | 1,327,472 | 1,320,709 |
| Taxes payments | 1,357,687 | 1,547,802 |
| Cash paid for other operating activities | 354,905 | 138,977 |
| Sub-total of cash outflows | 4,253,004 | 4,832,458 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 1,260,203 | 2,011,482 |
| 2. CASH FLOW FROM INVESTMENT ACTIVITIES: | | |
| Cash received from investment recovery | | 550,000 |
| Cash received from investment income | | 159,318 |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 2 | 1,778 |
| Net cash amount received from the disposal of subsidiaries and other business units | | |
| Cash received from other investment activities | 2,652,063 | 398,653 |
| Sub-total of cash inflows | 2,652,065 | 1,109,749 |
| Cash paid to acquire fixed assets, intangible assets and other long-term assets | 7,434 | 4,726 |
| Cash paid for investments | 135,000 | |
| Net cash paid for the acquisition of subsidiaries and other business | | |

| | | |
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| units | | |
| Other cash paid relating to investment activities | 2,294,215 | 1,317,339 |
| Sub-total of cash outflows | 2,436,649 | 1,322,065 |
| NET CASH FLOW FROM INVESTMENT ACTIVITIES | 215,416 | -212,316 |
| 3. CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Cash received from investors | | |
| Cash received from borrowings | 11,505,225 | 5,908,240 |
| Cash received relating to other financing activities | | |
| Sub-total of cash inflows from financing activities | 11,505,225 | 5,908,240 |
| Repayments of liabilities | 4,671,575 | 9,041,994 |
| Cash paid for distribution of dividends or profits, or cash paid for interest expenses | 2,766,290 | 1,302,897 |
| Cash paid for other financing activities | 2,616,235 | 2,732,594 |
| Sub-total of cash outflows from financing activities | 10,054,100 | 13,077,485 |
| NET CASH FLOW FROM FINANCING ACTIVITIES | 1,451,125 | -7,169,245 |
| 4. IMPACT OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS | 8,266 | 268 |
| 5. NET INCREASE ON CASH AND CASH EQUIVALENTS | 2,935,010 | -5,369,811 |
| Add: Cash and cash equivalents (opening) | 4,588,561 | 13,653,633 |
| 6. Cash and cash equivalents (closing) | 7,523,571 | 8,283,822 |

Legal Representative of the Company: Li Xiyong
Head of Accounting Department: Xu Jian

Chief Financial Officer: Zhao Qingchun

4.2 The adjustments of the relevant items of the financial statements at the beginning of the year due to the first implementation of new income standards and new leasing standards since 2020.

Not applicable.

4.3 The explanation on the retrospective adjustment of comparative data previous reporting period due to the first implementation of new income standards and new lease standards since 2020.

Not applicable.

4.4 Audit report

Not applicable.