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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)

**PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION AND RELEVANT RULES OF PROCEDURE**

The twenty-first meeting of the eighth session of the board of directors (the “**Board**”) of Yankuang Energy Group Company Limited* (the “**Company**”) considered and approved the Resolution in Relation to the Amendments to the Articles of Association and Related Rules of Procedure (the “**Proposed Amendments**”). The Board agreed to submit the same to the 2021 annual general meeting of the Company for discussion and consideration.

In accordance with the latest amendments on the Guidelines on the Articles of Association of Listed Companies (Revision 2022) (CSRC Announcement [2022] No. 2)* (《上市公司章程指引（2022年修訂）》（證監會公告[2022]2號）) issued by the China Securities Regulatory Commission (the “**CSRC**”), the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange (January 2022 Amendment) (Shang zheng fa [2022] No. 1)* (《上海證券交易所股票上市規則（2022年1月修訂）》（上證發〔2022〕1號）) and other relevant regulations, and taking into consideration the actual operational needs of the Company, it is proposed to amend the corresponding provisions of the Articles of Association of the Company (the “**Articles of Association**”), the Rules of Procedure for Shareholders’ General Meeting of the Company (the “**Rules of Procedure for Shareholders’ General Meeting**”), as well as

the Rules of Procedure of the Board of Directors of the Company (the “**Rules of Procedure of the Board**”). Details on the Proposed Amendments are set out as follows:

I. Amendments to the Articles of Association

Original	Amendments
<p>Article 12 The Company’s scope of business shall be consistent with and subject to the scope of business approved by the authority responsible for the registration of the Company.</p> <p>The business scope of the Company includes:</p> <p>Permitted items: coal mining, public railway transportation, road goods transportation (excluding hazardous goods), port operation, installation, upgrading and maintenance of special equipment, real estate development and operation, catering services, accommodation services, import and export of cargoes and techniques, sewage water treatment and recycling, heat generation and supply, inspection and detection services, inspection and detection for safety production, various projects construction, labour dispatching services (pre-license).</p> <p>.....</p>	<p>Article 12 The Company’s scope of business shall be consistent with and subject to the scope of business approved by the authority responsible for the registration of the Company.</p> <p>The business scope of the Company includes:</p> <p>Permitted items: coal mining, public railway transportation, road goods transportation (excluding hazardous goods), port operation, installation, upgrading and maintenance of special equipment, real estate development and operation, catering services, accommodation services, import and export of cargoes and techniques, sewage water treatment and recycling, heat generation and supply, inspection and detection services, inspection and detection for safety production, various projects construction, labour dispatching services, <u>class I value-added</u></p>

	<p><u>telecommunications services, class II value-added telecommunications services, information system integration services, information system operation and maintenance services, industrial Internet data services, industrial automatic control system device sales, digital video surveillance system sales and Internet equipment sales</u> (pre-license).</p> <p>.....</p>
<p>Article 19 Subject to the approval of the companies approving department authorised by the State Council, the Company has issued a total of <u>4,860,000,000 ordinary shares</u>, of which 1,670,000,000 ordinary shares were issued to the promoters at the time of establishment.</p>	<p>Article 19 Subject to the approval of the companies approving department authorised by the State Council, the Company has issued a total of <u>4,948,703,640 ordinary shares</u>, of which 1,670,000,000 ordinary shares were issued to the promoters at the time of establishment.</p>
<p>Article 20 The share capital structure of the Company is as follows: <u>4,860,000,000 ordinary shares</u>, of which (a) <u>2,960,000,000 shares</u>, which represent <u>60.91%</u> of the Company’s share capital, are held by Shandong Energy Group Co., LTD as domestic legal person shares; (b) 1,900,000,000 shares, which represent <u>39.09%</u> of the Company’s share capital, are held by the H Shares shareholders.</p>	<p>Article 20 The share capital structure of the Company is as follows: <u>4,948,703,640 ordinary shares</u>, of which (a) <u>3,048,703,640 shares</u>, which represent <u>61.61%</u> of the Company’s share capital, are held by Shandong Energy Group Co., LTD as domestic legal person shares; (b) 1,900,000,000 shares, which represent <u>38.39%</u> of the Company’s share capital, are held by the H Shares shareholders.</p>
<p>Article 23 The registered capital of the Company shall be <u>RMB4,860,000,000</u>. The Company shall register its registered</p>	<p>Article 23 The registered capital of the Company shall be <u>RMB4,948,703,640</u>. The Company shall register its registered</p>

<p>capital with the state market supervision department and make the necessary filings with the companies approving department authorised by the State Council and the State Council’s securities authorities.</p>	<p>capital with the state market supervision department and make the necessary filings with the companies approving department authorised by the State Council and the State Council’s securities authorities.</p>
<p>Article 26 The Directors, Supervisors and Senior Officers of the Company shall declare to the Company their holdings in the Company’s shares and inform the same if there are any changes in their holdings subsequently. During their terms of office, shares being transferred every year must not exceed 25% of their holdings in the Company’s shares. <u>No transfer of their holdings shall be made within one year after the Company’s shares were listed. No transfer of their holdings in the Company’s shares shall be made within six months after they cease to hold their respective offices.</u></p>	<p>Article 26 The Directors, Supervisors and Senior Officers of the Company shall declare to the Company their holdings in the Company’s shares and inform the same if there are any changes in their holdings subsequently. During their terms of office, shares being transferred every year must not exceed 25% of their holdings in the Company’s shares.</p> <p><u>The shares of the Company held by Directors, Supervisors and Senior Officers shall not be transferred under the following circumstances:</u></p> <p><u>(1) within one year from the date of listing and trading of the shares of the Company held by them;</u></p> <p><u>(2) within six months after leaving office;</u></p> <p><u>(3) undertaking not to transfer within a certain period and within that period;</u></p> <p><u>(4) other circumstances as stipulated by laws, regulations and stock exchanges.</u></p>
<p>Article 27 When Directors, Supervisors or Senior Officers of the Company or</p>	<p>Article 27 When Directors, Supervisors or Senior Officers of the Company or</p>

<p>shareholders holding more than 5% of the shares of the Company sell their shares within six months after they are acquired or purchase shares within six months after they are disposed of, the board of directors shall repatriate any profits derived from such dealings and the profits derived shall belong to the Company. However, for securities companies which have acquired shares underwritten and become shareholders having more than 5% of the shares of the Company shall not be restricted by the six-month restriction mentioned above when they sell their shares.</p> <p>.....</p>	<p>shareholders holding more than 5% of the shares of the Company sell their shares <u>or other securities with equity nature</u> within six months after they are acquired or purchase shares within six months after they are disposed of, the board of directors shall repatriate any profits derived from such dealings and the profits derived shall belong to the Company. However, for securities companies which have acquired shares underwritten and become shareholders having more than 5% of the shares of the Company, <u>and other circumstances specified by the CSRC are excluded.</u></p> <p><u>Directors, Supervisors, Senior Officers, natural person shareholders referred to in the preceding paragraph who hold shares or other securities of an equity nature, including those held by their spouses, parents, children and using the accounts of others to hold shares or other securities of an equity nature.</u></p> <p>.....</p>
<p>Article 31 The Company may, in accordance with the procedures set out in these Articles of Association and with the approval of the relevant governing authority of the State, repurchase its issued shares under the following circumstances:</p> <p>(1) cancellation of shares for the purposes</p>	<p><u>Article 31 The Company may not purchase its own shares except under the following circumstances:</u></p> <p>(1) cancellation of shares for the purposes of reducing its capital;</p> <p>(2) merging with another company that holds shares in the Company;</p>

<p>of reducing its capital;</p> <p>(2) merging with another company that holds shares in the Company;</p> <p>(3) to grant the shares as incentives to the Company's staff;</p> <p>(4) shareholders who disagree with the resolutions for the merger and separation of the Company made in a general meeting may demand the Company to purchase their shares;</p> <p>(5) other circumstances permitted by laws and administrative regulations.</p> <p>Apart from the above, the Company is not allowed to engage in trading of its own shares.</p>	<p>(3) to grant the shares as incentives to the Company's staff;</p> <p>(4) shareholders who disagree with the resolutions for the merger and separation of the Company made in a general meeting may demand the Company to purchase their shares;</p> <p>(5) other circumstances permitted by laws and administrative regulations.</p>
<p>Article 67 The shareholders' general meeting shall have the following functions and powers:</p> <p>.....</p> <p>(13) to consider and approve issues of guarantee as provided in Article 66;</p> <p>.....</p> <p>(17) to consider share incentive schemes;</p> <p>.....</p>	<p>Article 67 The shareholders' general meeting shall have the following functions and powers:</p> <p>.....</p> <p>(13) to consider and approve issues of guarantee as provided in Article 66 <u>and issues of financial assistance as provided in Article 69;</u></p> <p>.....</p> <p>(17) to consider share incentive schemes <u>and employee stock ownership plan;</u></p> <p>.....</p>
<p>Article 68 The provision of guarantees by the Company to its shareholders, persons in actual control of the Company and their</p>	<p>Article 68 The provision of guarantees by the Company to its shareholders, persons in actual control of the Company</p>

<p>associates shall be considered and approved by the shareholders in a general meeting.</p> <p>The provision of guarantee by the Company to its controlled subsidiaries or joint stock subsidiaries shall be subject to consideration and approval by the shareholders in a general meeting if:</p> <p>(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;</p> <p>(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;</p> <p>(3) the provision of any single guarantee in which the amount exceeds 10% of the latest audited net assets.</p> <p>(4) Provision of guarantee to any guaranteed party with an assets to liabilities ratio exceeding 70%.</p> <p>The Company shall provide guarantee in accordance with the regulations on state-owned asset supervision and regulation.</p> <p>The Company shall not provide guarantee</p>	<p>and their associates shall be considered and approved by the shareholders in a general meeting.</p> <p>The provision of guarantee by the Company to its controlled subsidiaries or joint stock subsidiaries shall be subject to consideration and approval by the shareholders in a general meeting if:</p> <p>(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;</p> <p>(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;</p> <p><u>(3) In accordance with the principle of cumulative calculation of the guarantee amount within 12 consecutive months, the guarantee that exceeds 30% of the Company's latest audited total assets.</u></p> <p>(4) Provision of guarantee to any guaranteed party with an assets to liabilities ratio exceeding 70%.</p> <p>The Company shall provide guarantee in accordance with the regulations on state-owned asset supervision and regulation.</p>
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<p>to any natural person, legal person, institutions and other entities not referred to in (1) and (2) above.</p>	<p>The Company shall not provide guarantee to any natural person, legal person, institutions and other entities not referred to in (1) and (2) above.</p>
<p>—</p>	<p><u>Article 69 Financial assistance matters shall be submitted to the shareholders' general meeting for consideration after consideration and approval by the board of directors if they fall under one of the following circumstances:</u></p> <p><u>(1) the amount of a single financial assistance exceeds 10% of the Company's latest audited net assets;</u></p> <p><u>(2) financial assistance provided to the guarantee whose gearing ratio exceeds 70%;</u></p> <p><u>(3) the cumulative amount of financial assistance within the last 12 months exceeds 10% of the latest audited net assets of the Company;</u></p> <p><u>(4) other circumstances as stipulated in the Articles of Association.</u></p> <p><u>If the target of financial assistance is a holding subsidiary within the scope of consolidated statement of the Company, and the other shareholders of such holding subsidiary do not include the controlling shareholders, actual controllers and their associates of the</u></p>

	<p><u>Company, the approval procedures of the board of directors and shareholders' general meetings may be exempted.</u></p>
<p><u>Article 78</u> If the Supervisory Committee or the shareholders decides/decide to convene the shareholders' general meeting by itself/themselves, a written notice shall be given to the board of directors and in the meantime report shall be made to the local representative office of the competent securities authorities under the State Council and the stock exchange for record.</p> <p>Before publishing the resolutions of the shareholders' general meeting, shares held by the convening shareholder(s) shall not be less than 10%.</p> <p>The convening shareholder(s) shall submit the relevant documents to the local representative office of the competent securities authorities under the State Council and the stock exchange before issuing the notice for convening of the shareholders' general meeting and the announcement on resolution proposed to the shareholders' general meeting.</p>	<p><u>Article 79</u> If the Supervisory Committee or the shareholders decides/decide to convene the shareholders' general meeting by itself/themselves, a written notice shall be given to the board of directors and in the meantime report shall be made to the stock exchange for record.</p> <p>Before publishing the resolutions of the shareholders' general meeting, shares held by the convening shareholder(s) shall not be less than 10%.</p> <p>The <u>Supervisory Committee or</u> the convening shareholder(s) shall submit the relevant documents the stock exchange before issuing the notice for convening of the shareholders' general meeting and the announcement on resolution proposed to the shareholders' general meeting.</p>
<p><u>Article 86</u> A notice of a meeting of the shareholders of the Company shall satisfy the following criterion:</p> <p>.....</p> <p>(10) State the name and telephone number</p>	<p><u>Article 87</u> A notice of a meeting of the shareholders of the Company shall satisfy the following criterion:</p> <p>.....</p> <p>(10) State the name and telephone number</p>

<p>of the contact person for the meeting.</p>	<p>of the contact person for the meeting. <u>(11) Voting time and voting procedures by Internet or other means.</u></p>
<p><u>Article 108</u> The following matters shall be resolved by a special resolution at a shareholders' general meeting: (3) the division, merger, dissolution and liquidation of the Company, as well as the alteration of the form of the Company;</p>	<p><u>Article 109</u> The following matters shall be resolved by a special resolution at a shareholders' general meeting: (3) the division, <u>spin-off</u>, merger, dissolution and liquidation of the Company, as well as the alteration of the form of the Company;</p>
<p><u>Article 110</u> A shareholder (including a proxy), when voting at a shareholders' general meeting, may exercise such voting rights as are attached to the number of voting shares which he represents. Each share shall have one (1) vote The Board of Directors, independent directors, and <u>shareholders who meet the relevant requirements</u> may openly solicit voting rights from other shareholders. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. The Company shall not impose any minimum shareholding limitation for soliciting voting rights.</p>	<p><u>Article 111</u> A shareholder (including a proxy), when voting at a shareholders' general meeting, may exercise such voting rights as are attached to the number of voting shares which he represents. Each share shall have one (1) vote <u>If a shareholder buys shares of the Company with voting rights in violation of Paragraph 1 and Paragraph 2 of Article 63 of the Securities Law, such shares in excess of the prescribed proportion shall not be allowed to exercise voting rights for a period of thirty-six months after the purchase, and shall not be counted as the total number of shares with voting rights present at the shareholders' general meeting.</u></p>

	<p>The Board of Directors, independent directors, and <u>shareholders holding more than 1% of the voting shares or investor protection institutions established in accordance with laws, administrative regulations or the provisions of the CSRC</u> may openly solicit voting rights from other shareholders. Information including the specific voting intention shall be fully disclosed to the shareholders from whom voting rights are being solicited. Consideration or de facto consideration for soliciting shareholders' voting rights is prohibited. <u>Otherwise stipulated by laws,</u> the Company shall not impose any minimum shareholding limitation for soliciting voting rights.</p>
<p><u>Article 167</u> The board of directors is accountable to the shareholders in general meeting and exercises the following functions and powers:</p> <p>.....</p> <p>(12) to decide on matters relating to foreign investment, purchase or sale of assets, mortgage of assets, provision of guarantees, entrusted assets management and connected transactions by the Company within the scope of authority conferred by the general meeting;</p> <p>.....</p> <p>to approve an aggregate amount of provision for impairment of assets not more than 10% of the latest audited</p>	<p><u>Article 168</u> The board of directors is accountable to the shareholders in general meeting and exercises the following functions and powers:</p> <p>.....</p> <p>(12) to decide on matters relating to foreign investment, purchase or sale of assets, mortgage of assets, provision of guarantees, entrusted assets management, connected transactions and <u>external donations</u> by the Company within the scope of authority conferred by the general meeting;</p> <p>.....</p> <p>to approve an aggregate amount of provision for impairment of assets <u>more</u></p>

<p>consolidated net asset value of the Company, to clear an amount of provision for impairment of assets not more than 5% of the latest audited consolidated net asset value of the Company, and to execute in compliance with the relevant regulations on connected transaction if any provision and clearance of impairment of assets involves any connected transactions;</p>	<p><u>than 10% of the absolute value of the latest audited net profit</u> of the Company, to clear an amount of provision for impairment of assets <u>more than 10% of the absolute value of the latest audited net profit</u> of the Company, and to execute in compliance with the relevant regulations on connected transaction if any provision and clearance of impairment of assets involves any connected transactions;</p>
<p><u>Article 168</u> The board of directors shall lay down strict procedures to inspect and decide on the approval limit for foreign investment, purchase or sale of assets, mortgage of assets, provision of guarantees, entrusted assets management and connected transactions. For major investment projects, the board of directors shall organize the relevant experts and professional officers to conduct assessment for approval of the shareholders in a general meeting.</p>	<p><u>Article 168</u> The board of directors shall lay down strict procedures to inspect and decide on the approval limit for foreign investment, purchase or sale of assets, mortgage of assets, provision of guarantees, entrusted assets management, connected transactions and <u>external donations</u>. For major investment projects, the board of directors shall organize the relevant experts and professional officers to conduct assessment for approval of the shareholders in a general meeting.</p>
<p><u>Article 169</u> With the approval of over two-thirds of all directors, the board of directors may make decisions on the following matters:</p> <p>(1) transactions falling within the following limit (whichever is stricter) with respect to purchase or sale of assets, <u>external investment (including entrusted financial management and entrusted</u></p>	<p><u>Article 170</u> With the approval of over two-thirds of all directors, the board of directors may make decisions on the following matters:</p> <p>(1) transactions falling within the following limit (whichever is stricter) with respect to purchase or sale of assets, <u>external investment (including entrusted financial management),</u></p>

<p>loans, etc.), provision of financial assistance. leasing of assets as lessor or lessee, restructuring of claims or debts, giving or receiving assets as a gift, entrusted or trusted asset or business management, entering of licence agreement, transferring or accepting the transfer of research and development projects:</p> <p>1. the aggregated assets value (where book value and assessed value are available, whichever is higher) involved in a single transaction with amount more than 10% and below 50% of the Company's latest audited total asset value prepared in accordance with the PRC Generally Accepted Accounting Principles (GAAP); or more than 5% and less than 25% of the Company's latest published total assets value prepared in accordance with the International Financial Reporting Standards;</p> <p>2. a single transaction of which the completion consideration (including liabilities and expenses) accounts for more than 10% and below 50% of the Company's latest audited net asset value prepared in accordance with the PRC GAAP; or more than 5% and less than 25% of the total market capitalization of the Company (which is calculated by the respective average closing price of the</p>	<p>leasing of assets as lessor or lessee, restructuring of claims or debts, giving or receiving assets as a gift, entrusted or trusted asset or business management, entering of licence agreement, transferring or accepting the transfer of research and development projects:</p> <p>1. the aggregated assets value (where book value and assessed value are available, whichever is higher) involved in a single transaction with amount more than 10% and below 50% of the Company's latest audited total asset value prepared in accordance with the PRC Generally Accepted Accounting Principles (GAAP); or more than 5% and less than 25% of the Company's latest published total assets value prepared in accordance with the International Financial Reporting Standards;</p> <p><u>2. the net assets (where book value and assessed value are available, whichever is higher) involved in the subject of a single transaction (e.g. equity interest) represent more than 10% and less than 50% of the Company's latest audited net assets; or more than 5% and less than 25% of the total market value of the Company (which is calculated by the respective average closing price of the Company's relevant class shares for the five business days immediately</u></p>
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<p>Company's relevant class shares for the five business days immediately preceding the date of the transaction);</p> <p>3. the latest annual income from principal operations of the subject of a single transaction accounted for more than 10% and less than 50% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the PRC GAAP; or more than 5% and less than 25% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the International Financial Reporting Standards;</p> <p>4. the latest annual net profit of the subject of a single transaction accounted for more than 10% and less than 50% of the Company's latest audited net profit for the latest financial year prepared in accordance with the PRC GAAP; or more than 5% and less than 25% of the Company's latest audited net profit for the latest financial year prepared in accordance with the International Financial Reporting Standards;</p> <p>The above transactions which involve public offer of securities that requires the approval of the China Securities Regulatory Commission shall be subject to</p>	<p><u>preceding the date of the transaction);</u></p> <p>3. the latest annual income from principal operations of the subject of a single transaction accounted for more than 10% and less than 50% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the PRC GAAP; or more than 5% and less than 25% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the International Financial Reporting Standards;</p> <p><u>4. the profit arising from the transaction represents more than 10% and less than 50% of the Company's audited net profit for the latest financial year prepared in accordance with the PRC GAAP; or more than 5% and less than 25% of the Company's audited net profit for the latest financial year prepared in accordance with International Financial Reporting Standards;</u></p> <p>5. the latest annual income from principal operations of the subject of a single transaction (<u>e.g. equity interest</u>) accounted for more than 10% and less than 50% of the Company's latest audited income from principal operations for the</p>
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<p>approval of the shareholders' general meeting;</p> <p>(2) a single loan of more than 10% and less than 25% of the Company's latest audited net asset value and the debt ratio to the Company's assets remains under 80% after such financing;</p> <p>the mutual provision of loans among overseas subsidiaries of the Company, where the accumulative amount of such mutual loans in 12 consecutive months account for more than 25% and less than 50% of the latest audited net asset value of the Company calculated on the basis of PRC accounting standards, provided that such mutual loans are in compliance with laws, rules and relevant regulations of the relevant place(s) of incorporation of such overseas subsidiaries;</p> <p>(3) mortgages or pledges of assets the cumulative outstanding amount of which is less than 30% of the Company's most recently audited net asset value;</p> <p>(4) external guarantees not within the approval limit of the shareholders' general meeting as provided in the Articles of Association;</p> <p>(5) transactions involving connected transactions, which have to be conducted in</p>	<p>latest financial year prepared in accordance with the PRC GAAP; or more than 5% and less than 25% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the International Financial Reporting Standards;</p> <p>6. the latest annual net profit of the subject of a single transaction (<u>e.g. equity interest</u>) accounted for more than 10% and less than 50% of the Company's latest audited net profit for the latest financial year prepared in accordance with the PRC GAAP; or more than 5% and less than 25% of the Company's latest audited net profit for the latest financial year prepared in accordance with the International Financial Reporting Standards;</p> <p>The above transactions which involve public offer of securities that requires the approval of the China Securities Regulatory Commission shall be subject to approval of the shareholders' general meeting;</p> <p>(2) a single loan of more than 10% and less than 25% of the Company's latest audited net asset value and the debt ratio to the Company's assets remains under 80% after such financing;</p>
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<p>accordance with the relevant regulations of competent securities authorities and the listing rules of the stock exchanges.</p> <p>The transactions referred to in (1) of the first paragraph involving the provision of financial assistance and entrusted financial management, shall be calculated on accrued basis for twelve consecutive months according to the transaction categories and applicable approval limit proportion of the board of directors. When the Company conducts other transactions apart from the provision of financial assistance and entrusted financial management, applicable approval limit proportion of the board of directors regarding each transaction which is under the same category shall be calculated on the principle of accrued basis for twelve consecutive months. Transactions already approved by the Company in accordance with the principle of accrued basis shall not be included in the scope of accrual calculation.</p> <p>Provision of regulatory authorities the Company is subject to within and outside the PRC that is of a stricter standard than this Article of Association shall apply accordingly.</p>	<p>the mutual provision of loans among overseas subsidiaries of the Company, where the accumulative amount of such mutual loans in 12 consecutive months account for more than 25% and less than 50% of the latest audited net asset value of the Company calculated on the basis of PRC accounting standards, provided that such mutual loans are in compliance with laws, rules and relevant regulations of the relevant place(s) of incorporation of such overseas subsidiaries;</p> <p>(3) mortgages or pledges of assets the cumulative outstanding amount of which is less than 30% of the Company's most recently audited net asset value;</p> <p>(4) external guarantees <u>and financial assistance</u> not within the approval limit of the shareholders' general meeting as provided in the Articles of Association;</p> <p>(5) transactions involving connected transactions, which have to be conducted in accordance with the relevant regulations of competent securities authorities and the listing rules of the stock exchanges.</p> <p>When the Company conducts other transactions apart from the provision of <u>guarantee and</u> financial assistance and entrusted financial management,</p>
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	<p>applicable approval limit proportion of the board of directors regarding each transaction which is under the same category shall be calculated on the principle of accrued basis for twelve consecutive months. Transactions already approved by the Company in accordance with the principle of accrued basis shall not be included in the scope of accrual calculation.</p> <p>Provision of regulatory authorities the Company is subject to within and outside the PRC that is of a stricter standard than this Article of Association shall apply accordingly.</p>
<p><u>Article 186</u> The Company shall have a general manager who shall be appointed or dismissed by the board of directors. The Company shall have six to ten deputy general managers who will assist the general manager in his work, a financial controller and a chief engineer.</p> <p>.....</p> <p>The Senior Officers shall serve for a term of three (3) years. The term is renewable upon re-election.</p> <p>.....</p>	<p><u>Article 187</u> The Company shall have a general manager who shall be appointed or dismissed by the board of directors. The Company shall have six to ten deputy general managers who will assist the general manager in his work, a financial controller and a chief engineer.</p> <p>.....</p> <p><u>Senior Officers are paid only by the Company rather than by the controlling shareholder</u></p> <p>The Senior Officers shall serve for a term of three (3) years. The term is renewable upon re-election.</p> <p>.....</p>
<p><u>Article 188</u> The general manager may, by</p>	<p><u>Article 189</u> The general manager may, by</p>

<p>means such as through the manager’s meeting of the Company, make decisions on the following operational matters:</p> <p>(1) transactions falling within the following limit (whichever is stricter) with respect to purchase or sale of assets, <u>external investment (including entrusted financial management and entrusted loans, etc.), provision of financial assistance</u>, leasing of assets as lessor or lessee, restructuring of claims or debts, giving or receiving assets as a gift, entrusted or trusted asset or business management, entering of licence agreement, transferring or accepting the transfer of research and development projects:</p> <p>1. the aggregate assets value (where book value and assessed value are available, whichever is higher) involved in a single transaction with amount below 10% of the Company’s latest audited total asset value prepared in accordance with the PRC GAAP; or less than 5% of the Company’s latest published total asset prepared in accordance with the International Financial Reporting Standard;</p> <p>2. a single transaction of which the completion consideration (including liabilities and expenses) accounts for less than 10% of the Company’s latest audited net asset value prepared in accordance with</p>	<p>means such as through the manager’s meeting of the Company, make decisions on the following operational matters:</p> <p>(1) transactions falling within the following limit (whichever is stricter) with respect to purchase or sale of assets, <u>external investment (including entrusted financial management)</u>, leasing of assets as lessor or lessee, restructuring of claims or debts, giving or receiving assets as a gift, entrusted or trusted asset or business management, entering of licence agreement, transferring or accepting the transfer of research and development projects:</p> <p>1. the aggregate assets value (where book value and assessed value are available, whichever is higher) involved in a single transaction with amount below 10% of the Company’s latest audited total asset value prepared in accordance with the PRC GAAP; or less than 5% of the Company’s latest published total asset prepared in accordance with the International Financial Reporting Standard;</p> <p><u>2. the net assets (where book value and assessed value are available, whichever is higher) of the subject of a single transaction (e.g. equity interest) represent less than 10% of the Company’s latest audited net assets; or</u></p>
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<p>the PRC GAAP; or less than 5% of the total market capitalization of the Company (which is calculated by the respective average closing price of the Company's relevant class shares for the five business days immediately preceding the date of the transaction);</p> <p>3. the latest annual income from principal operations of the subject of a single transaction accounts for less than 10% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the PRC GAAP; or less than 5% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the International Financial Reporting Standards;</p> <p>4. the latest annual net profit of the subject of a single transaction accounted for less than 10% of the Company's latest audited net profit for the latest financial year prepared in accordance with the PRC GAAP; or less than 5% of the Company's latest audited net profit for the latest financial year prepared in accordance with the International Financial Reporting Standards.</p> <p>The transactions referred to in (1) of the first paragraph involving the provision</p>	<p><u>less than 5% of the Company's total market value (which is calculated by the respective average closing price of the Company's relevant class shares for the five business days immediately preceding the date of the transaction);</u></p> <p>3. a single transaction of which the completion consideration (including liabilities and expenses) accounts for less than 10% of the Company's latest audited net asset value prepared in accordance with the PRC GAAP; or less than 5% of the total market capitalization of the Company (which is calculated by the respective average closing price of the Company's relevant class shares for the five business days immediately preceding the date of the transaction);</p> <p><u>4. the profit arising from the transaction represents less than 10% of the Company's audited net profit for the latest financial year calculated in accordance with PRC GAAP; or less than 5% of the Company's audited net profit for the latest financial year calculated in accordance with International Financial Reporting Standards;</u></p> <p>5. the latest annual income from principal operations of the subject of a single transaction (<u>e.g. equity interest</u>) accounts</p>
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<p>of financial assistance and entrusted financial management, shall be calculated on accrued basis for twelve consecutive months according to the transaction categories and applicable approval limit proportion of the board of directors. When the Company conducts other transactions apart from the provision of financial assistance and entrusted financial management, applicable approval limit proportion of the board of directors regarding each transaction which is under the same category shall be calculated on the principle of accrued basis for twelve consecutive months. Transactions already approved by the Company in accordance with the principle of accrued basis shall not be included in the scope of accrual calculation.</p> <p>.....</p>	<p>for less than 10% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the PRC GAAP; or less than 5% of the Company's latest audited income from principal operations for the latest financial year prepared in accordance with the International Financial Reporting Standards;</p> <p>6. the latest annual net profit of the subject of a single transaction (<u>e.g. equity interest</u>) accounted for less than 10% of the Company's latest audited net profit for the latest financial year prepared in accordance with the PRC GAAP; or less than 5% of the Company's latest audited net profit for the latest financial year prepared in accordance with the International Financial Reporting Standards.</p> <p>.....</p>
<p><u>Article 194</u> The general manager and deputy general managers, in performing their functions and powers, shall act honestly and diligently and in accordance with laws, administrative regulations and these Articles of Association.</p>	<p><u>Article 195</u> The Senior Officers shall act <u>faithfully to perform their duties and safeguard the best interests of the Company and all shareholders. If the Senior Officers of the Company fails to perform their duties faithfully or violates their obligations of integrity and causes damage to the interests of the Company and the public shareholders, they shall be liable for compensation in accordance with laws.</u></p>
<p><u>Article 201</u> The supervisors of the</p>	<p><u>Article 202</u> The supervisors of the</p>

<p>Company shall ensure that the information disclosed by the Company is true, accurate and complete.</p>	<p>Company shall ensure that the information disclosed by the Company is true, accurate and complete, <u>and sign the written confirmation for the periodic reports.</u></p>
<p><u>Article 240</u> The Company shall submit its annual financial reports, interim financial report and quarterly financial report to the competent securities authorities under the State Council and relevant stock exchange within four months after the expiration of each fiscal year, within two months after the expiration of the first six months of each fiscal year and within one month after the expiration of the first three (3) months and the first nine (9) months of each fiscal year, respectively.</p> <p>The above financial reports shall be prepared and announced in accordance with the provisions of the law, administrative regulations and <u>departmental rules.</u></p>	<p><u>Article 241</u> The Company shall submit its annual financial reports, interim financial report and quarterly financial report to relevant stock exchange within four months after the expiration of each fiscal year, within two months after the expiration of the first six months of each fiscal year and within one month after the expiration of the first three (3) months and the first nine (9) months of each fiscal year, respectively.</p> <p>The above financial reports shall be prepared and announced in accordance with the provisions of the law, administrative regulations and <u>rules of CSRC and stock exchanges.</u></p>
<p><u>Article 256</u> The Company shall appoint an independent firm of accountants <u>which is qualified under the relevant regulations of the State with relevant qualifications in securities affairs</u> to audit the Company's annual report and review the Company's other financial reports.</p> <p>.....</p>	<p><u>Article 257</u> The Company shall appoint an independent firm of accountants <u>which is in compliance with the Securities Law</u> to audit the Company's annual report and review the Company's other financial reports.</p> <p>.....</p>

The Proposed Amendments are finally subject to the change of registration by the municipal registration authority of Jining City, Shandong Province, and the other terms of the Articles of Association remain unchanged except the amendments above.

II. Amendments to Rules of Procedure of the Shareholders' General Meeting

In accordance with the Proposed Amendments, the relevant contents of the Rules of Procedure of the Shareholders' General Meeting shall be amended accordingly.

III. Amendments to Rules of Procedure of the Board

In accordance with the Proposed Amendments, the relevant contents of the Rules of Procedure of the Board shall be amended accordingly.

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

Zoucheng, Shandong Province, the PRC
30 March 2022

As at the date of this announcement, the Directors of the Company are Mr. Li Wei, Mr. Liu Jian, Mr. Xiao Yaomeng, Mr. Zhu Qingrui, Mr. Zhao Qingchun, Mr. Wang Ruolin and Mr. Huang Xiaolong, and the independent non-executive Directors of the Company are Mr. Tian Hui, Mr. Zhu Limin, Mr. Cai Chang, and Mr. Poon Chiu Kwok.

** For identification purpose only*