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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)

**CONNECTED TRANSACTION IN RELATION TO
DEEMED DISPOSAL OF 47.168% EQUITY
INTERESTS IN DONGFANG ELECTRICAL**

INTRODUCTION

The Board is pleased to announce that, on 14 February 2025, Donghua Heavy Industry, a wholly-owned subsidiary of the Company, entered into the Capital Increase Agreement with WindSun Science & Technology and Dongfang Electrical (a non-wholly-owned subsidiary of Donghua Heavy Industry). Pursuant to the Capital Increase Agreement, WindSun Science & Technology intends to contribute RMB55.925687 million in cash to subscribe for additional registered capital of Dongfang Electrical. Among them, RMB50 million will be included in the paid-up capital, and RMB5.925687 million will be included in the capital reserve. Upon completion of the Capital Increase, WindSun Science & Technology will hold 50% of the equity interests in Dongfang Electrical and Donghua Heavy Industry will hold 47.168% of the equity interests in Dongfang Electrical. Dongfang Electrical will no longer be a subsidiary of the Company, with its financial statements no longer to be consolidated in the financial statements of the Group.

IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Shandong Energy is the controlling Shareholder of the Company, directly and indirectly holding approximately 52.83% of the issued share capital of the Company, and WindSun Science & Technology is a non-wholly-owned subsidiary of Shandong Energy. Accordingly, Shandong Energy is a connected person of the Company and WindSun Science & Technology is an associate of Shandong Energy under the Listing Rules. Donghua Heavy Industry is a wholly-owned subsidiary of the Company and Dongfang Electrical is a non-wholly-owned subsidiary of Donghua Heavy Industry. Accordingly, the Capital Increase constitutes a connected transaction of the Company

under the Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules exceed 0.1% but less than 5%, the Capital Increase shall be subject to the reporting and announcement requirements but are exempt from the circular (including independent financial advice) and Shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

According to the internal policies of the Company, the Capital Increase is subject to consideration and approval by the Company's general manager's office meeting and is not subject to consideration and approval by the Board, pursuant to which, the Company has convened the general manager's office meeting to approve the Capital Increase, and the independent Directors have expressed their independent opinions on the consideration and approval of the Capital Increase.

Mr. Li Wei, Mr. Liu Jian, Mr. Liu Qiang and Mr. Zhang Haijun, all being the Directors of the Company, are deemed to have material interests in the Capital Increase and they did not attend the general manager's office meeting. Saved as disclosed above, none of the other Directors has a material interest in the Capital Increase.

I. INTRODUCTION

The Board is pleased to announce that, on 14 February 2025, Donghua Heavy Industry, a wholly-owned subsidiary of the Company, entered into the Capital Increase Agreement with WindSun Science & Technology and Dongfang Electrical (a non-wholly-owned subsidiary of Donghua Heavy Industry). Pursuant to the Capital Increase Agreement, WindSun Science & Technology intends to contribute RMB55.925687 million in cash to subscribe for additional registered capital of Dongfang Electrical. Among them, RMB50 million will be included in the paid-up capital, and RMB5.925687 million will be included in the capital reserve. Upon completion of the Capital Increase, WindSun Science & Technology will hold 50% of the equity interests in Dongfang Electrical and Donghua Heavy Industry will hold 47.168% of the equity interests in Dongfang Electrical. Dongfang Electrical will no longer be a subsidiary of the Company, with its financial statements no longer to be consolidated in the financial statements of the Group.

II. THE CAPITAL INCREASE

Date

14 February 2025

Principal terms

(a) Parties

Donghua Heavy Industry;
WindSun Science & Technology; and
Dongfang Electrical

(b) Capital Increase

Prior to the Capital Increase, the registered capital of Dongfang Electrical amounted to RMB50 million, all being paid-up. Donghua Heavy Industry held 94.336% of equity interests in Dongfang Electrical and 23 natural person shareholders (all being independent third parties) held 5.664% of equity interests in Dongfang Electrical. Pursuant to the Capital Increase Agreement, the registered capital of Dongfang Electrical will be increased from RMB50 million to RMB100 million, with the increased amount of RMB50 million to be subscribed in cash by WindSun Science & Technology. Prior to and upon completion of the Capital Increase, the shareholding structure of Dongfang Electrical is as follows:

Name of Shareholder	Registered Capital (RMB 0'000)		Shareholding Ratio (%)	
	Prior to the Capital Increase	Upon the Capital Increase	Prior to the Capital Increase	Upon the Capital Increase
Donghua Heavy Industry	4,716.8	4,716.8	94.336	47.168
23 natural person shareholders	283.2	283.2	5.664	2.832
WindSun Science & Technology	-	5,000	-	50
Total	5,000	10,000	100	100

(c) Consideration for the Capital Increase and its basis of determination

According to the Asset Valuation Report (Huaya Zhengxin Ping Bao Zi (2024) No. A11-0004) (the “**Valuation Report**”) issued by Beijing Huaya Zhengxin Asset Appraisal Co., Ltd. (an independent qualified valuer engaged by Dongfang Electrical, the “**Independent Valuer**”) with the valuation benchmark date of 31 March 2024 (the “**Valuation Benchmark Date**”), where the entire interests of shareholders of Dongfang Electrical were appraised adopting asset-based approach (the “**Valuation**”), the book value of the total assets of Dongfang Electrical as at the Valuation Benchmark Date amounted to RMB297.4888 million, and the appraised value amounted to RMB304.5910 million, representing an appreciation of RMB7.1022 million, or an appreciation rate of 2.39%; the book value of the total liabilities amounted to RMB248.6653 million and the appraised value amounted to RMB248.6653 million, representing no increase or decrease; the book value of the net assets amounted to RMB48.8235 million and the appraised value amounted to RMB55.9257 million, representing an appreciation of RMB7.1022 million, or an appreciation rate of 14.55%. The reasons for the appraised appreciation are mainly: (i) the book value of finished products and products under construction is the procurement cost, and a certain sales profit is considered on the basis of the book cost during the Valuation, resulting in the appraised appreciation; (ii) the buildings were constructed and purchased earlier, thus witnessing the upward trend in costs and market prices, and the economic useful life is longer than the accounting depreciation life, resulting in the appraised appreciation; (iii) the appraised value is greater than the net book value as a result of the economic life of some equipment is greater

than the accounting depreciation life of the enterprise, resulting in the appraised appreciation; and (iv) the externally purchased software is appraised using the market approach, and the market price at the Valuation Benchmark Date is higher than the book value of amortized value of the enterprise, and software copyrights, invention patents, utility model patents, trademarks, etc. are off-balance assets, resulting in the appraised appreciation.

The nature and sources of the data on which the Valuation Report is based mainly include: (i) the book value of real estate is arrived based on the real estate ownership certificates and site survey records to determine the actual number of buildings, and the book value of the buildings is mainly determined on the basis of the completed final accounting contracts and the original accounting data in the extracted financial accounting certificates. The data on which the valuation of real estate is based are mainly the Notice of Shandong Province on Continuing to Implement the Charging Standards for Newly Added Construction Project Cost Consulting Services (Lu Jia Fei Fa [2007] No. 205), Shandong Province Construction Project Consumption Quota (2016), Shandong Province Installation Project Consumption Quota (2016), the Notice on Adjusting the Value-added Tax Rate for the Pricing Basis of Construction Project (Lu Jian Biao Zi [2018] No. 12), etc.; (ii) the book value of the externally purchased software is mainly based on the original purchase invoices and contracts selected by the Independent Valuer. The pricing is mainly based on the Independent Valuer's quotation records for similar externally purchased software; and (iii) off-balance-sheet assets mainly include lists of off-balance-sheet assets, intangible assets certificates, trademark registration certificates, etc. provided by the enterprise to determine the number of off-balance-sheet assets. Meanwhile, platforms like Qichacha can be used to query publicly disclosed assets of the appraised entity that are not recorded on the balance sheet to determine the quantity of off-balance-sheet assets. The pricing is mainly based on the Independent Valuer's quotation records for similar software to third parties.

Based on the Valuation Report, the capital increase price of WindSun Science & Technology in the Capital Increase is approximately RMB1.1185/share. The consideration of the Capital Increase is RMB55.925687 million, of which, RMB50 million will be included in the paid-up capital, with RMB5.925687 million to be included in the capital reserve.

The validity period of the valuation conclusion is one year from the Valuation Benchmark Date. If there are significant changes in the asset conditions and market conditions as compared with the relevant conditions of assets at the Valuation Benchmark Date, the principal shall entrust the Independent Valuer to carry out the valuation updates or revaluation. There are no restrictions on the scope of work of the Independent Valuer that might adversely affect the above appraisal conclusion.

Please refer to the following appraisal assumptions for the Valuation Report and the reasons for adoption of the asset-based approach:

Appraisal Assumptions

(I) General Assumptions

1. Transaction assumption: It is assumed that all assets to be appraised are already in the course of transaction and the Independent Valuer conducts the valuation based on such

simulated markets as the transaction conditions of the assets to be appraised;

2. Open market assumption: It is referred that assets can be traded freely in a fully competitive market, and their prices depend on the value judgment of independent buyers and sellers under the supply conditions of a certain market. An open market represents a fully competitive market with many buyers and sellers. In such market, buyers and sellers are in equal position and have opportunities and time to obtain sufficient market information. Transactions between both parties are conducted on voluntary, rational, non-mandatory or unrestricted conditions;
3. It is assumed that there are no material changes in the relevant prevailing laws, regulations and policies, and the macroeconomic conditions of the country, and that there are no material changes in the political, economic and social environment of the regions where the parties to the Capital Increase are located;
4. It is assumed that Dongfang Electrical continues as a going concern in view of the actual status of assets as at the Valuation Benchmark Date;
5. It is assumed that there are no substantial changes in such indicators as tax bases, tax rates and policy-based levies related to Dongfang Electrical after the Valuation Benchmark Date;
6. It is assumed that the management of Dongfang Electrical after the Valuation Benchmark Date is responsible, stable and capable of performing its duties;
7. It is assumed that Dongfang Electrical fully complies with all relevant laws and regulations;
8. It is assumed that there will be no force majeure and unforeseeable factors having a material adverse impact on Dongfang Electrical after the Valuation Benchmark Date;
9. It is assumed that Dongfang Electrical will continue to use the assets based on the actual status of the assets as of the Valuation Benchmark Date (including the current usage of the assets and the manner, scale, frequency, environment,

etc.), or on the basis that the Valuation Benchmark Date has begun to change.

(II) Special Assumptions

1. It is assumed that the accounting policies adopted by Dongfang Electrical after the Valuation Benchmark Date and the accounting policies adopted in the preparation of the Valuation Report are consistent in material respects;
2. It is assumed that, on the basis of the existing management style and management level, the scope and manner of operation of Dongfang Electrical after the Valuation Benchmark Date will remain the same as that at present;
3. It is assumed that all information provided by Dongfang Electrical in connection with the Valuation is true, complete, lawful and valid;
4. It is assumed that the qualifications related to operations of Dongfang Electrical can be obtained or renewed on a sustainable basis.

The appraisal conclusion of the Valuation Report is valid as of the Valuation Benchmark Date under the above assumed conditions.

Reasons for Adoption of the Asset-based Approach

According to the appraisal purpose, the appraised object, the type of values, the collection of information and other circumstances, as well as the applicable conditions of the three basic appraisal approaches, the Valuation selects the asset-based approach. The specific reasons are as follows:

1. The premises for the application of the income approach are: (1) the future expected income of the appraised assets can be predicted and measured in monetary terms; (2) the risks borne by the assets owners to obtain the expected income can be predicted and measured in monetary terms; and (3) the expected profit-making term of years of the appraised assets can be predicted.

The revenue in the principal business of Dongfang Electrical is primarily derived from the procurement activities of internal customers. However, the equipment purchased by internal customers often has a longer useful economic life and renewal cycle. In addition, the Company will be committed to reducing costs and increasing efficiency in the future, which may lead to a

further extension of the equipment renewal cycle used by internal customers. In view of this, there is greater uncertainty in the timing and quantity of equipment purchased by internal customers in the future, and it is difficult to determine that there is a relatively stable correlation between their operations and incomes in the Valuation, and it is difficult to reasonably quantify future incomes and risks, so the income approach is not applicable to the Valuation.

2. The premises for the application of the market approach are: (1) there is an active open market with relatively sufficient market data; (2) there are comparable transaction cases with reasonable comparative basis in the open market; and (3) relevant information of comparable transaction cases can be collected.

Since Dongfang Electrical is a non-listed company, the trading market for property rights of non-listed companies in the PRC is not fully developed, and there are few transaction cases and the differences between such companies and Dongfang Electrical are relatively big, with the information disclosure of comparable factors being incomplete leading to the poor comparability. There are enterprises in the same industry among the listed companies, but there are certain differences with Dongfang Electrical in many factors such as business direction, asset scale, operating results, and development stage, so it is difficult for corrections among transaction cases and listed companies or there are excessive factors for corrections, and the market approach is not applicable to the Valuation.

3. The premises for the application of the asset-based approach are: (1) the appraised object remains in the state of continued use or is assumed to remain in the state of continued use; (2) there are usable historical information; and (3) there are no assets and liabilities that have a significant impact on the value of the appraised object and cause difficulties to identify and appraise.

Using the asset-based approach to determine the enterprise value means to appraise the current fair prices of individual assets and liabilities based on the balance sheet and calculate the value of the entire equity interests of shareholders by deducting the appraised values of liabilities from the sum of appraised values of individual assets. Dongfang Electrical can provide, and the professionals of asset appraisals can also externally collect the

information required to meet the asset-based approaches, allowing a comprehensive checking and appraisal of assets and liabilities of Dongfang Electrical to be carried out, such that the asset-based appraisal is applicable to the Valuation.

In view of the above, the Directors believe that the consideration for the Capital Increase and its basis of determination are fair and reasonable, on normal commercial terms and not prejudicial to the interests of shareholders.

(d) Conditions for taking effect

The Capital Increase Agreement shall become effective upon approvals by the internal decision-making bodies of WindSun Science & Technology, Donghua Heavy Industry and Dongfang Electrical, and approvals, authorisations or consents by the competent authorities whose approvals, authorisations or consents are required.

(e) Conditions for completion

The parties agreed that Dongfang Electrical shall be determined to have satisfied the conditions for the completion of the Capital Increase (the “**Conditions for Completion**”) within 5 business days after the following conditions have been fulfilled or otherwise waived by the parties unanimously in writing:

- (i) the parties have completed their respective internal decision-making procedures to agree to the Capital Increase and the Capital Increase Agreement;
- (ii) the existing shareholders of Dongfang Electrical have approved the Capital Increase and the Capital Increase Agreement by way of passing a resolution at a shareholders’ meeting of Dongfang Electrical, while Donghua Heavy Industry has agreed to waive its right of first refusal and other similar rights in respect of the Capital Increase;
- (iii) if the Capital Increase is required to obtain approvals from governmental authorities and consents from third parties, all such approvals and consents required for the Capital Increase shall have been obtained; and
- (iv) the Capital Increase Agreement and other documents required to be signed under the Capital Increase Agreement have been legally signed and provided by the relevant parties.

Within 30 working days after the Conditions for Completion in respect of the Capital Increase have been fulfilled, Dongfang Electrical shall complete the registration (filing) procedures with the company registration authorities in relation to the Capital Increase. For the purpose of clarifying the relationship between the rights and obligations of the parties, the parties agreed and confirmed that the completion date of the Capital Increase shall be the end of the month in which the Conditions for Completion have been fulfilled (the “**Completion Date**”), and that the rights and obligations in respect of the additional registered capital of Dongfang Electrical under the Capital Increase shall be transferred to WindSun Science & Technology with effect from the Completion Date. Each party shall use its best endeavors to ensure that all of the Conditions for Completion have been fulfilled before the Completion Date.

(f) Payment

WindSun Science & Technology shall fulfill its obligation to pay 100% of the consideration for the Capital Increase, i.e. a cash contribution of RMB55.925687 million, to Dongfang Electrical before the Completion Date.

(g) Governance structure and operations of Dongfang Electrical

Dongfang Electrical shall establish a board of directors consisting of seven directors, of whom four directors shall be nominated by WindSun Science & Technology, two directors shall be nominated by Donghua Heavy Industry and one director shall be employee director. The candidates for the chairman of the board of directors shall be nominated by WindSun Science & Technology and elected by the board of directors.

Dongfang Electrical shall have a general manager. The general manager shall be appointed by WindSun Science & Technology and responsible for the daily operation and management of the company, the execution of the resolutions of the board of directors, and the overall operation of the company. The chief financial officer shall be appointed by Donghua Heavy Industry to ensure the transparency and efficiency of the company's financial management and to supervise the reasonable usage of capital in the Capital Increase. Other senior management, including deputy general manager, technical director, marketing director, etc. shall be nominated by the general manager and approved by the Board according to the operation needs of the Company.

WindSun Science & Technology undertook not to engage in similar businesses other than its existing businesses. If the businesses of other company newly established by WindSun Science & Technology compete with the existing businesses of Dongfang Electrical, the new company established by WindSun Science & Technology shall be dealt with in accordance with the requirements of Donghua Heavy Industry, including but not limited to, by way of cancellation, merger and acquisition. Otherwise, WindSun Science & Technology shall be liable for the default and compensate for the losses so suffered by Dongfang Electrical.

III. REASONS FOR AND BENEFITS OF THE CAPITAL INCREASE

Through the capital injection to Dongfang Electrical by WindSun Science & Technology, the Company can avoid competition with Shandong Energy, while Dongfang Electrical will obtain the necessary funds for business development. In addition, Dongfang Electrical will be supported by advanced energy storage technology, thus improving its weak point in the field of electrical and electronic equipment for new energy. In particular, the explosive growth of the energy storage market will provide new profit growth points for Dongfang Electrical. In addition, by leveraging the market channels and research and development strength of WindSun Science & Technology, Dongfang Electrical will be able to expand its product range more efficiently and enhance the added value of its products, thereby further strengthening its industry position in the fields of high and low-voltage switchgear equipment, explosion-proof equipment and others. Meanwhile, Dongfang Electrical will be able to capitalise on the international market resources of WindSun Science & Technology to promote the exports of its products and technologies, thereby further enhancing its global competitiveness. The Capital Increase can also

introduce the advanced electrical and electronic control technology of WindSun Science & Technology to Dongfang Electrical, thereby helping Dongfang Electrical to move forward from the traditional manufacturing of mining equipment to the field of smart control and electrical equipment with more advanced technology. Therefore, the Directors (including the independent non-executive Directors) are of the view that although the Capital Increase is not carried out in the ordinary and usual course of business of the Group, it is entered into and carried out on normal commercial terms and the terms of the Capital Increase are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IV. FINANCIAL IMPACTS OF THE CAPITAL INCREASE

Upon completion of the Capital Increase, the Company's interests in Dongfang Electrical will be reduced from 94.336% to 47.168% and Dongfang Electrical will cease to be a subsidiary of the Company and its financial statements will no longer be consolidated in the financial statements of the Group. It is expected that the Company will not record a gain or loss in respect of the Capital Increase and the Capital Increase will have no material impact on the assets and liabilities of the Group. The actual financial impacts of the Capital Increase are subject to the review by the auditor of the Company.

V. IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, Shandong Energy is the controlling Shareholder of the Company, directly and indirectly holding approximately 52.83% of the issued share capital of the Company, and WindSun Science & Technology is a non-wholly-owned subsidiary of Shandong Energy. Accordingly, Shandong Energy is a connected person of the Company and WindSun Science & Technology is an associate of Shandong Energy under the Listing Rules. Donghua Heavy Industry is a wholly-owned subsidiary of the Company and Dongfang Electrical is a non-wholly-owned subsidiary of Donghua Heavy Industry. Accordingly, the Capital Increase constitutes a connected transaction of the Company under the Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules exceed 0.1% but less than 5%, the Capital Increase shall be subject to the reporting and announcement requirements but are exempt from the circular (including independent financial advice) and Shareholders' approval requirements under Rule 14A.76 of the Listing Rules.

According to the internal policies of the Company, the Capital Increase is subject to consideration and approval by the Company's general manager's office meeting and is not subject to consideration and approval by the Board, pursuant to which, the Company has convened the general manager's office meeting to approve the Capital Increase, and the independent Directors have expressed their independent opinions on the consideration and approval of the Capital Increase.

Mr. Li Wei, Mr. Liu Jian, Mr. Liu Qiang and Mr. Zhang Haijun, all being the Directors of the Company, are deemed to have material interests in the Capital Increase and they did not attend the general manager's office meeting. Saved as disclosed above, none of the other Directors has a material interest in the Capital Increase.

VI. INFORMATION ON THE PARTIES

The Company

The Company is principally engaged in mining, high-end chemical and new materials, new energy, high-end equipment manufacturing and smart logistics business. Products of the Company are mainly thermal coals for large power plants, coking coal for metallurgical production, high-quality low-sulfur coal for pulverized coal injections and chemical products such as methanol and acetic acid, etc.

Shandong Energy

Shandong Energy is a state-controlled limited liability company, 90% equity interest of which is held directly and indirectly by Shandong Provincial People's Government State-owned Assets Supervision and Administration Commission, and the remaining 10% equity interest of which is indirectly held by the Shandong Province Finance Bureau. Shandong Energy is principally engaged in mining, high-end chemicals, electricity, high-end equipment manufacturing, new energy and materials, and modern trade and logistics. As at the date of this announcement, Shandong Energy is the controlling Shareholder of the Company, holding directly and indirectly approximately 52.83% of the issued share capital of the Company, and is hence a connected person of the Company.

Donghua Heavy Industry

Donghua Heavy Industry is a company established with limited liability in accordance with the laws of the PRC, being a wholly-owned subsidiary of the Company as at the date of this announcement. Donghua Heavy Industry is principally engaged in manufacturing of coal mining and excavating equipment.

WindSun Science & Technology

WindSun Science & Technology is a joint stock limited company established with limited liability in accordance with the laws of the PRC, the shares of which are listed on the STAR Market of the Shanghai Stock Exchange (688663.SH), being a non-wholly-owned subsidiary of Shandong Energy as at the date of this announcement, directly held by Shandong Energy as to 38.25% of the equity interests. WindSun Science & Technology is principally engaged in research and development, production, sales and services of electrical and electronic energy-saving control technology and related products.

Dongfang Electrical

Basic Information

Dongfang Electrical is a company established with limited liability in accordance with the laws of the PRC, being a non-wholly-owned subsidiary of Donghua Heavy Industry as at the date of this announcement. Dongfang Electrical is directly held by Donghua Heavy Industry as to 94.336% of equity interests and the remaining 5.664% of equity interests are held by 23 natural person shareholders (all being independent third parties). Dongfang Electrical is principally engaged in the research and development, design, manufacturing and services of the technology of general explosion-proof electrical appliances and automated product series. Dongfang Electrical possesses three major product lines, namely, high and low-voltage switchgear equipment, explosion-proof electrical equipment for mining, as well as mining automation control system, with six product mixes, including high and low voltage switchgears,

explosion-proof switching equipment, dry-type transformer (mobile substation), mining automation control system, smart power distribution equipment for mining and smart damper control.

Financial Information

The following table sets forth the audited financial information of Dongfang Electrical for the last two financial years ended 31 December 2023, prepared in accordance with the PRC Accounting Standards for Business Enterprises:

	For the financial year ended 31 December	
	2023	2022
	(RMB)	(RMB)
Net profit before tax	34,586,189.96	9,919,262.17
Net profit after tax	34,586,189.96	10,190,425.61

VII. DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors of the Company
“Capital Increase”	pursuant to the Capital Increase Agreement, WindSun Science & Technology intends to contribute RMB55.925687 million in cash to subscribe for additional registered capital of Dongfang Electrical
“Capital Increase Agreement”	the capital increase agreement dated 14 February 2025 entered into by Donghua Heavy Industry, WindSun Science & Technology and Dongfang Electrical in connection with the Capital Increase
“Company”	Yankuang Energy Group Company Limited* (兗礦能源集團股份有限公司), a joint stock limited company established under the laws of the PRC in 1997 and the H shares and A shares of which are listed on the Stock Exchange (01171.HK) and the Shanghai Stock Exchange (600188.SH), respectively
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Dongfang Electrical”	Yanzhou Dongfang Electrical Co., Ltd* (兗州東方機電有限公司), a company established with limited liability in accordance with the laws of the PRC, being a non-wholly-owned subsidiary of the Company as at the

	date of this announcement
“Donghua Heavy Industry”	Yankuang Donghua Heavy Industry Company Limited* (兗礦東華重工有限公司), a company established with limited liability in accordance with the laws of the PRC, being a wholly-owned subsidiary of the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“percentage ratio(s)”	has the meaning ascribed thereto under the Listing Rules
“PRC”	the People’s Republic of China
“PRC Accounting Standards for Business Enterprises”	Accounting Standards for Business Enterprises and the relevant regulations and explanations issued by the Ministry of Finance of the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Shandong Energy”	Shandong Energy Group Company Limited* (山東能源集團有限公司), a state-controlled limited liability company, which is the controlling Shareholder of the Company, directly and indirectly holding approximately 52.83% of the issued share capital of the Company as at the date of this announcement
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“WindSun Science & Technology”	WindSun Science & Technology Co., Ltd.* (新風光電子科技股份有限公司), a joint stock limited company established in accordance with the laws of the PRC, the shares of which are listed on the STAR Market of the Shanghai Stock Exchange (688663.SH), being a non-wholly-owned subsidiary of Shandong Energy as at the date of this announcement
“%”	per cent.

By order of the Board
Yankuang Energy Group Company Limited*

Li Wei
Chairman of the Board

Zoucheng, Shandong Province, the PRC
14 February 2025

As at the date of this announcement, the Directors of the Company are Mr. Li Wei, Mr. Liu Jian, Mr. Liu Qiang, Mr. Zhang Haijun, Mr. Su Li and Mr. Huang Xiaolong, and the independent non-executive Directors of the Company are Mr. Peng Suping, Mr. Zhu Limin, Mr. Woo Kar Tung, Raymond and Ms. Zhu Rui.

** For identification purpose only*