中煤

CHINA COAL ENERGY COMPANY LIMITED*

中國中煤能源股份有限公司

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

(Stock Code: 01898)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

FINANCIAL HIGHLIGHTS:

- Revenue of the Group in the first half of 2023 was RMB109.357 billion, representing a decrease of RMB8.682 billion (or 7.4%) as compared with the same period of 2022.

- Profit attributable to the equity holders of the Company in the first half of 2023 was RMB12.732 billion, representing a decrease of RMB1.797 billion (or 12.4%) as compared with the same period of 2022.

- Basic earnings per share of the Company in the first half of 2023 amounted to RMB0.96, representing a decrease of RMB0.14 as compared with the same period of 2022.

- EBITDA in the first half of 2023 was RMB26.377 billion, representing a decrease of RMB2.699 billion (or 9.3%) as compared with the same period of 2022.

- The Company does not distribute interim dividends for 2023.

The Board announces the interim results of the Group for the six months ended 30 June 2023 prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting". The Group's interim results have not been audited, but have been reviewed by the Company's auditor, Ernst & Young.

* *For identification purpose only*

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2023

		Six months ended 30 June	
		2023	2022
	Notes	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
			(Restated)
Revenue		**109,356,726**	118,038,729
Cost of sales			
Materials used and goods traded		**(60,375,719)**	(66,063,741)
Staff costs		**(3,912,743)**	(3,555,123)
Depreciation and amortisation		**(5,391,492)**	(4,940,537)
Repairs and maintenance		**(1,176,778)**	(1,225,537)
Transportation costs and port expenses		**(5,504,323)**	(5,317,233)
Sales taxes and surcharges		**(3,608,459)**	(3,613,622)
Others		**(5,434,334)**	(4,739,902)
		(85,403,848)	(89,455,695)
Gross profit		**23,952,878**	28,583,034
Selling expenses		**(455,731)**	(371,682)
General and administrative expenses		**(2,866,095)**	(2,540,014)
Other income, gains and losses, net		**113,062**	(1,790,521)
Impairment losses under expected credit loss model, net of reversal		**(37,468)**	(10,369)
Profit from operations		**20,706,646**	23,870,448
Finance income	*4*	**35,814**	25,056
Finance costs	*4*	**(1,609,051)**	(2,061,040)
Share of profits of associates and joint ventures		**2,059,027**	3,156,453
Profit before income tax		**21,192,436**	24,990,917
Income tax expense	*5*	**(4,477,837)**	(5,185,835)
Profit for the period		**16,714,599**	19,805,082

	Notes	Six months ended 30 June **2023** ***RMB'000*** **(Unaudited)**	2022 *RMB'000* (Unaudited) (Restated)
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Share of other comprehensive income of associates, net of related income tax		**(485)**	–
Fair value changes on equity instruments at fair value through other comprehensive income, net of tax		**137,549**	149,545
Items that may be reclassified subsequently to profit or loss			
Fair value changes on debt instruments at fair value through other comprehensive income, net of tax		**3,555**	10,405
Reversal of impairment loss for debt instruments at fair value through other comprehensive income included in profit or loss		**(6,176)**	(758)
Exchange differences arising on translation of foreign operations		**4,510**	(6,587)
Other comprehensive income for the period, net of tax		**138,953**	152,605
Total comprehensive income for the period		**16,853,552**	19,957,687
Profit for the period attributable to:			
Equity holders of the Company		**12,731,596**	14,528,913
Non-controlling interests		**3,983,003**	5,276,169
		16,714,599	19,805,082
Total comprehensive income for the period attributable to:			
Equity holders of the Company		**12,871,672**	14,682,355
Non-controlling interests		**3,981,880**	5,275,332
		16,853,552	19,957,687
Basic and diluted earnings per share for the profit attributable to equity holders of the Company *(RMB)*	*7*	**0.96**	1.10

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 June 2023

	Notes	**30 June 2023** *RMB'000* **(Unaudited)**	31 December 2022 *RMB'000* (Audited) (Restated)
Non-current assets			
Property, plant and equipment		**124,401,873**	126,445,836
Right-of-use assets		**560,559**	362,754
Investment properties		**67,132**	69,089
Mining rights		**41,824,433**	39,484,920
Intangible assets		**1,853,621**	1,895,222
Land use rights		**6,708,932**	6,788,002
Goodwill		**6,084**	6,084
Interests in associates		**26,757,064**	25,240,148
Interests in joint ventures		**3,806,111**	4,508,156
Equity instruments at fair value through other comprehensive income		**3,584,185**	3,410,938
Deferred income tax assets		**2,048,860**	2,356,158
Long-term receivables		**300,559**	406,200
Other non-current assets		**7,297,511**	4,845,680
Total non-current assets		**219,216,924**	215,819,187
Current assets			
Inventories		**10,080,677**	9,350,026
Trade receivables and notes receivables	*8*	**10,610,373**	8,747,383
Debt instruments at fair value through other comprehensive income	*8*	**4,430,023**	5,881,285
Contract assets		**2,114,860**	1,972,141
Prepayments and other receivables		**7,367,414**	6,934,687
Restricted bank deposits		**9,951,052**	9,175,006
Term deposits with initial terms of over three months		**51,989,904**	51,852,476
Cash and cash equivalents		**30,790,709**	29,998,038
Total current assets		**127,335,012**	123,911,042
TOTAL ASSETS		**346,551,936**	339,730,229

	Notes	**30 June 2023** *RMB'000* **(Unaudited)**	31 December 2022 *RMB'000* (Audited) (Restated)
Current liabilities			
Trade and notes payables	*9*	**25,800,405**	25,420,854
Contract liabilities		**4,132,700**	6,236,819
Accruals, advances and other payables		**43,456,048**	37,285,929
Taxes payable		**1,970,648**	3,207,822
Lease liabilities		**84,252**	73,291
Short-term borrowings		**225,400**	281,390
Current portion of long-term borrowings		**21,464,731**	30,891,551
Current portion of long-term bonds		**1,129,141**	1,561,811
Current portion of provision for closedown, restoration and environmental costs		**87,056**	38,723
Total current liabilities		**98,350,381**	104,998,190
Non-current liabilities			
Long-term borrowings		**43,724,335**	40,333,864
Long-term bonds		**12,980,046**	12,977,222
Deferred income tax liabilities		**4,148,773**	4,416,997
Lease liabilities		**563,729**	372,460
Provision		**2,533**	16,800
Provision for employee benefits		**91,886**	89,605
Provision for closedown, restoration and environmental costs		**5,174,187**	5,141,213
Deferred revenue		**2,182,909**	2,235,906
Other long-term liabilities		**5,557,971**	4,259,184
Total non-current liabilities		**74,426,369**	69,843,251
Total liabilities		**172,776,750**	174,841,441
Equity			
Share capital		**13,258,663**	13,258,663
Reserves		**53,764,170**	52,551,361
Retained earnings		**70,987,115**	64,804,080
Equity attributable to the equity holders of the Company		**138,009,948**	130,614,104
Non-controlling interests		**35,765,238**	34,274,684
Total equity		**173,775,186**	164,888,788
TOTAL EQUITY AND LIABILITIES		**346,551,936**	339,730,229

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023

1. GENERAL INFORMATION

China Coal Energy Company Limited (the "Company") was established in the People's Republic of China (the "PRC") on 22 August 2006 as a joint stock company with limited liability under the Company Law of the PRC as a result of a group restructuring China National Coal Group Corporation ("China Coal Group" or the "Parent Company") in preparing for the listing of the Company's shares on The Main Board of The Stock Exchange of Hong Kong Limited (the "Restructuring"). China Coal Group is a subordinate enterprise of State-owned Assets Supervision and Administration Commission established in China. The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in mining and coal processing, sales of coal and coal chemical, manufacturing and sales of coal mining equipment and finance services. The address of the Company's registered office is No.1 Huangsidajie, Chaoyang District, Beijing, the PRC.

The H shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since December 2006 while its A shares have been listed on the Shanghai Stock Exchange since February 2008.

These condensed consolidated financial statements are presented in thousands of Renminbi ("RMB"), which is also the functional currency of the Company.

The interim condensed consolidated financial statements have not been audited.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2023 has been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34"), issued by the International Accounting Standards Board ("IASB") as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

2.2 CHANGE IN ACCOUNTING POLICIES

The interim condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of the following new and revised International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*
Amendments to IAS 8	*Definition of Accounting Estimates*
Amendments to IAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to IAS 12	*International Tax Reform – Pillar Two Model Rules*

The nature and impact of the new and revised IFRSs are described below:

(a) Amendments to IAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to IFRS Practice Statement 2 provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has applied the amendments since 1 January 2023. The amendments did not have any impact on the Group's interim condensed consolidated financial information but are expected to affect the accounting policy disclosures in the Group's annual consolidated financial statements.

(b) Amendments to IAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The Group has applied the amendments to changes in accounting policies and changes in accounting estimates that occur on or after 1 January 2023. Since the Group's policy of determining accounting estimates aligns with the amendments, the amendments did not have any impact on the financial position or performance of the Group.

(c) Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in IAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions. The Group is deemed to have applied the amendments on temporary differences related to leases and decommissioning obligations as at 1 January 2022, with any cumulative effect recognised as an adjustment to the balance of retained profits or other component of equity as appropriate at that date. In addition, the Group has applied the amendments retrospectively to transactions other than leases and decommissioning obligations that occurred on or after 1 January 2022, if any.

    Prior to the initial application of these amendments, the Group applied the initial recognition exception and did not recognise a deferred tax asset and a deferred tax liability for temporary differences for transactions related to leases. Upon initial application of these amendments, the Group recognised (i) a deferred tax asset for all deductible temporary differences associated with lease liabilities (provided that sufficient taxable profit is available), and (ii) a deferred tax liability for all taxable temporary differences associated with right-of use assets as at 1 January 2022. The quantitative impact on the financial information is summarised below.

Impact on the interim condensed consolidated statement of financial position:

	Note	Before the application of Amendments to IAS 12 As at 1 January 2022 *RMB'000*	Effect of Application of Amendments to IAS 12 *RMB'000*	After the application of Amendments to IAS 12 As at 1 January 2022 *RMB'000*
Deferred income tax assets		2,376,648	89,459	2,466,107
Total non-current assets		216,792,564	89,459	216,882,023
TOTAL ASSETS		322,200,920	89,459	322,290,379
Deferred income tax liabilities	*(i)*	5,597,260	822	5,598,082
Total non-current liabilities		91,428,853	822	91,429,675
Total liabilities		179,368,456	822	179,369,278
Retained earnings		51,599,022	81,799	51,680,821
Non-controlling interests		28,722,990	6,838	28,729,828
Total equity		142,832,464	88,637	142,921,101
TOTAL EQUITY AND LIABILITIES		322,200,920	89,459	322,290,379

	Note	Before the application of Amendments to IAS 12 As at 31 December 2022 *RMB'000*	Effect of Application of Amendments to IAS 12 *RMB'000*	After the application of Amendments to IAS 12 As at 31 December 2022 *RMB'000*
Deferred income tax assets		2,242,247	113,911	2,356,158
Total non-current assets		215,705,276	113,911	215,819,187
TOTAL ASSETS		339,616,318	113,911	339,730,229
Deferred income tax liabilities	*(i)*	4,412,709	4,288	4,416,997
Total non-current liabilities		69,838,963	4,288	69,843,251
Total liabilities		174,837,153	4,288	174,841,441
Retained earnings		64,703,761	100,319	64,804,080
Non-controlling interests		34,265,380	9,304	34,274,684
Total equity		164,779,165	109,623	164,888,788
TOTAL EQUITY AND LIABILITIES		339,616,318	113,911	339,730,229

Note (i): The deferred tax asset and the deferred tax liability arising from lease contracts of the same subsidiary have been offset in the statement of financial position for presentation purposes.

Impact on the interim condensed consolidated statement of profit or loss

	Before the application of Amendments to IAS 12 For the six months ended 30 June 2022	Effect of Application of Amendments to IAS 12	After the application of Amendments to IAS 12 For the six months ended 30 June 2022
	RMB'000	*RMB'000*	*RMB'000*
Income tax expense	(5,184,216)	(1,619)	(5,185,835)
Profit for the period	19,806,701	(1,619)	19,805,082
Total comprehensive income for the period	19,959,306	(1,619)	19,957,687

The adoption of amendments to HKAS 12 did not have significant impact on the basic and diluted earnings per share attributable to ordinary equity holders of the parent, other comprehensive income and the interim condensed consolidated statements of cash flows.

(d) Amendments to IAS 12 *International Tax Reform – Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. Entities are required to disclose the information relating to their exposure to Pillar Two income taxes in annual periods beginning on or after 1 January 2023, but are not required to disclose such information for any interim periods ending on or before 31 December 2023. The Group has applied the amendments retrospectively. After evaluation, the amendments did not have significant impact to the Group.

3. SEGMENTS INFORMATION

3.1 General information

(a) Factors that management used to identify the Group's operating and reportable segments

The chief operating decision maker ("CODM") has been identified as the Management Office (管理處).

The Group's operating and reportable segments are entities or groups of entities that offer different products and services. The following reportable segments are presented in a manner consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. They are managed according to the nature of products and services, production process and environment in which they operate. Most of these entities engage in just one single business under one operating segment, except for a few entities dealing with a variety of operations. Financial information of entities operating in more than one segment has been separately presented as discrete segment information for CODM's review.

(b) Operating and reportable segments

The Group's operating and reportable segments mainly include coal segment, coal chemical segment, coal mining equipment segment and finance segment.

- Coal – Production and sales of coal;
- Coal chemical – Production and sales of coal-chemical products;
- Coal mining equipment – Manufacturing and sales of coal mining equipment; and
- Finance – Providing deposits-taking, loans, bills acceptance and discount and other financial services to entities within the Group and China Coal Group.

In addition, segments relating to electricity generation, aluminium, equipment trading agency services, tendering services and other insignificant manufacturing businesses which are not reported are combined and disclosed in the category of "Others" segment.

3.2 Information about operating and reportable segments' profit or loss, assets and liabilities

(a) Measurement of operating and reportable segments' profit or loss, assets and liabilities

The CODM evaluates performance on the basis of profit or loss before income tax expense. The Group accounts for inter-segment sales and transfers as if the sales or transfers were made to third parties, i.e. at current market prices. The amounts of segment information are denominated in RMB, which is consistent with the amounts in the reports used by the CODM.

Segment assets and liabilities are those operating assets and liabilities that are employed by a segment in its operating activities and that either are directly attributable to the segment or can be allocated to the segment on a reasonable basis. Segment assets and liabilities exclude deferred income tax assets, deferred income tax liabilities, taxes payable or tax advanced payment and assets and liabilities of head office.

(b) Operating and reportable segments' profit or loss, assets and liabilities

	For the six months ended 30 June 2023 and as at 30 June 2023 (Unaudited)								
	Coal *RMB'000*	Coal chemical *RMB'000*	Coal mining equipment *RMB'000*	Finance *RMB'000*	Others *RMB'000*	Total segment *RMB'000*	Unallocated *RMB'000*	Inter-segment elimination *RMB'000*	Total *RMB'000*
Segment revenue:									
Total revenue	93,523,044	11,224,675	6,139,066	1,167,205	4,031,627	116,085,617	–	(6,728,891)	109,356,726
Inter-segment revenue	(4,832,077)	(559,518)	(626,176)	(239,154)	(471,966)	(6,728,891)	–	6,728,891	–
Revenue from external customers	88,690,967	10,665,157	5,512,890	928,051	3,559,661	109,356,726	–	–	109,356,726
Segment results									
Profit/(loss) from operations	17,793,920	1,415,221	445,374	621,493	453,498	20,729,506	(106,259)	83,399	20,706,646
Profit/(loss) before income tax	18,433,213	1,788,863	440,147	621,153	432,357	21,715,733	(491,856)	(31,441)	21,192,436
Interest income	200,720	33,086	14,045	–	48,931	296,782	290,661	(551,629)	35,814
Interest expenses	(803,214)	(297,164)	(38,855)	–	(112,784)	(1,252,017)	(817,051)	465,976	(1,603,092)
Depreciation and amortisation	(3,518,555)	(1,698,868)	(202,509)	(837)	(240,225)	(5,660,994)	(9,763)	–	(5,670,757)
Share of profits of associates and joint ventures	1,260,757	638,037	17,339	–	1,838	1,917,971	141,056	–	2,059,027
Income tax expense	(3,961,479)	(210,404)	(74,504)	(163,800)	(69,233)	(4,479,420)	–	1,583	(4,477,837)
Other material non-cash items									
Provision for impairment of property, plant and equipment	(15,761)	–	–	–	–	(15,761)	–	–	(15,761)
(Provision)/reversal of impairment of other assets	(9,686)	(23)	(14,187)	559	(4,970)	(28,307)	(153)	(9,008)	(37,468)
Addition to non-current assets	6,148,219	116,491	96,489	43	13,682	6,374,924	426,761	–	6,801,685
Segment assets and liabilities									
Total assets	198,515,024	65,228,987	20,868,125	95,980,997	15,410,579	396,003,712	13,205,393	(62,657,169)	346,551,936
Including: interests in associates and joint ventures	9,561,705	15,370,593	623,295	–	237,204	25,792,797	4,770,378	–	30,563,175
Total liabilities	100,242,243	24,880,253	11,683,975	90,245,226	9,495,573	236,547,270	60,910,083	(124,680,603)	172,776,750

For the six months ended 30 June 2022 and as at 31 December 2022 (Restated)

	Coal *RMB'000*	Coal chemical *RMB'000*	Coal mining equipment *RMB'000*	Finance *RMB'000*	Others *RMB'000*	Total segment *RMB'000*	Unallocated *RMB'000*	Inter-segment elimination *RMB'000*	Total *RMB'000*
Segment revenue:									
Total revenue	101,825,099	12,402,469	5,416,383	1,124,840	4,071,401	124,840,192	–	(6,801,463)	118,038,729
Inter-segment revenue	(5,078,885)	(246,913)	(654,153)	(209,048)	(612,464)	(6,801,463)	–	6,801,463	–
Revenue from external customers	96,746,214	12,155,556	4,762,230	915,792	3,458,937	118,038,729	–	–	118,038,729
Segment results									
Profit/(loss) from operations	21,663,227	1,354,851	332,666	593,844	(113,422)	23,831,166	(150,736)	190,018	23,870,448
Profit/(loss) before income tax	22,496,727	2,450,716	316,624	593,485	(134,888)	25,722,664	(778,846)	47,099	24,990,917
Interest income	115,911	32,429	16,237	–	10,904	175,481	408,407	(558,832)	25,056
Interest expense	(886,370)	(396,600)	(41,255)	–	(84,039)	(1,408,264)	(1,120,909)	460,607	(2,068,566)
Depreciation and amortisation	(3,185,043)	(1,586,003)	(212,577)	(747)	(210,955)	(5,195,325)	(9,794)	–	(5,205,119)
Share of profits of associates and joint ventures	1,600,575	1,460,246	11,070	–	–	3,071,891	84,562	–	3,156,453
Income tax expense	(4,676,930)	(228,052)	(28,220)	(144,797)	(109,926)	(5,187,925)	–	2,090	(5,185,835)
Other material non-cash items									
Provision for impairment of property, plant and equipment	(702,480)	(695,879)	–	–	–	(1,398,359)	–	–	(1,398,359)
(Provision for)/Reversal of impairment of other assets	(176,629)	(25,690)	(15,835)	(42,084)	(301,705)	(561,943)	(1,822)	60,960	(502,805)
Addition to non-current assets	2,390,869	1,945,338	84,985	–	8,726	4,429,918	2,400	–	4,432,318
Segment assets and liabilities									
Total assets	195,119,177	64,169,942	19,745,269	96,169,284	15,352,034	390,555,706	11,862,103	(62,687,580)	339,730,229
Including: interests in associates and joint ventures	10,271,089	14,738,242	596,740	–	282,827	25,888,898	3,859,406	–	29,748,304
Total liabilities	98,090,149	24,120,937	10,275,823	90,708,338	9,080,775	232,276,022	59,828,301	(117,262,882)	174,841,441

3.3 Geographical information

Information about the Group's revenue from external customers is presented based on the geographical location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

Analysis of revenue

	Six months ended 30 June	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Domestic markets	**108,489,052**	117,292,121
Overseas markets	**867,674**	746,608
	109,356,726	118,038,729

Analysis of non-current assets

	30 June	31 December
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Domestic markets	**213,282,568**	209,645,626
Overseas markets	**752**	265
	213,283,320	209,645,891

Note: The non-current assets above exclude financial instruments, deferred income tax assets and finance lease receivables included in the Long-term receivables.

3.4 Major customers

No revenue from transactions with a single external customer amounted to 10% or more of the Group's revenue for the six months ended 30 June 2023 and 2022.

4. FINANCE INCOME AND COSTS

	Six months ended 30 June	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Finance income:		
– Interest income on bank deposits	**20,888**	24,957
– Interest income on loans receivable	**14,926**	99
Total finance income	**35,814**	25,056
Interest expenses:		
– Borrowings	**1,181,432**	1,470,235
– Bonds payable	**287,595**	531,580
– Unwinding of discount	**160,579**	180,119
– Lease liabilities	**9,594**	10,966
Other incidental bank charges	**6,858**	5,693
Net foreign exchange gains	**(899)**	(13,219)
Less: Amounts capitalised on qualifying assets (Note)	**(36,108)**	(124,334)
Total finance costs	**1,609,051**	2,061,040
Finance costs, net	**(1,573,237)**	(2,035,984)

Note:

Capitalisation rates of finance costs capitalised on qualifying assets were as follows:

	Six months ended 30 June	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Capitalisation rates used to determine the amount of finance costs eligible for capitalisation	**3.53%-4.73%**	3.45%-4.89%

5. INCOME TAX EXPENSE

An analysis of the Group's provision for tax is as follows:

	Six months ended 30 June	
	2023	2022
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
		(Restated)
Current income taxes:		
– PRC corporate income taxes (*Note*)	**4,484,876**	5,516,199
Deferred income taxes	**(7,039)**	(330,364)
Total tax charge for the period	**4,477,837**	5,185,835

Note:

The PRC enterprise income tax is calculated based on the statutory income tax rate of 25%. The applicable income tax rate in both periods is 25% of the assessable income of each of the companies now comprising the Group, determined in accordance with the relevant PRC income tax rules and regulations, except for certain subsidiaries which are taxed at preferential tax rate of 15% or 20% based on the relevant PRC tax laws and regulations.

6. DIVIDENDS

During the current interim period, a final dividend of RMB0.413 per share in respect of the year ended 31 December 2022 (six month ended 30 June 2022 (Unaudited): RMB0.301 per share in respect of the year ended 31 December 2021), comprising that 13,258,663,400 shares existed as at 31 December 2022, was approved at the annual general meeting of the Company held on 13 June 2023. The aggregate amount of the final dividend attributable to the equity holders of the Company approved in the current interim period amounted to RMB5,475,828,000 (2021 final dividend approved during the six months ended 30 June 2022(Unaudited): RMB3,990,858,000).

The directors of the Company do not recommend the payment of an interim dividend for the current interim period (six months ended 30 June 2022 (Unaudited): Nil).

7. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

Basic earnings per share for the six months ended 30 June 2023 and 2022 is calculated by dividing the profit attributable to equity holders of the Company by 13,258,663,400 ordinary shares in issue during both periods.

As the Company had no potential ordinary shares in issue for the six months ended 30 June 2023 and 2022, diluted earnings per share equals to basic earnings per share.

8. TRADE RECEIVABLES AND NOTES RECEIVABLES、DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVTOCI")

	30 June 2023 *RMB'000* (Unaudited)	31 December 2022 *RMB'000* (Audited)
Trade receivables (Notes (a), (b), (c) and (d))	**10,051,969**	8,239,265
Notes receivables (Notes (f))	**558,404**	508,118
	10,610,373	8,747,383
Debt instruments at FVTOCI (Notes (e) and (f))	**4,430,023**	5,881,285

Note:

(a) The following is an ageing analysis of trade receivables net of allowance for credit losses, as at the end of the reporting period, presented based on the invoice dates.

	30 June 2023 *RMB'000* (Unaudited)	31 December 2022 *RMB'000* (Audited)
Within six months	**7,238,171**	6,330,707
Six months to one year	**1,776,539**	764,323
One year to two years	**524,670**	773,611
two years to three years	**413,874**	310,640
Over three years	**880,054**	819,141
Trade receivables, gross	**10,833,308**	8,998,422
Less: Allowance for credit losses	**(781,339)**	(759,157)
Trade receivables, net	**10,051,969**	8,239,265

(b) The carrying amounts of trade receivables are denominated in the following currencies:

	30 June 2023	31 December 2022
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
RMB	**9,978,712**	8,210,225
US Dollar ("USD")	**73,257**	29,040
	10,051,969	8,239,265

(c) The carrying amounts of trade receivables approximate to their fair values.

(d) The Group pledged the contractual right to charge uses for electricity now and future to banks for long-term borrowings amounting to RMB1,731,588,000 (31 December 2022(Audited): RMB1,839,943,000). As at 30 June 2023, trade receivables amounted to RMB113,637,000 (31 December 2022(Audited): RMB177,324,000) relating to the contractual right realized.

(e) Debt instruments at FVTOCI are notes receivables which were considered to be held within a business model whose objective is achieved by both selling and collecting contractual cash flows. The notes receivables are principally bank-accepted notes with maturity of less than one year (31 December 2022 (Audited): less than one year).

As at 30 June 2023, debt instruments at FVTOCI of RMB44,971,000 (31 December 2022 (Audited): RMB202,163,000) were pledged to banks for issuing notes payables amounting to RMB45,000,000 (31 December 2022(Audited): RMB162,163,000).

(f) Transfers of financial assets

As at 30 June 2023, notes receivables of RMB510,402,000 (31 December 2022(Audited): RMB388,960,000) were endorsed by suppliers of the Group, but were not derecognised as the Group has not transferred the significant risks and rewards relating to these notes receivables.

As at 30 June 2023, the Group endorsed and discounted notes receivables of RMB2,663,407,000 (31 December 2022(Audited): RMB4,439,883,000) and such notes receivables were derecognised. In accordance with the relevant laws in the PRC, the holders of these notes receivables have a right of recourse against the Group if the issuing banks default on payment. In the opinion of the directors of the Company, the Group has transferred substantially all the risks and rewards of the ownership relating to these notes receivables, and accordingly derecognised the full carrying amounts of the notes receivables and associated trade payables. The maximum exposure to loss for the Group's continuing involvement, if any, in the endorsed and discounted notes receivables will be their carrying amounts. In the opinion of the directors of the Company, the fair values of the Group's continuing involvement in the derecognised notes receivables are not significant.

9. TRADE AND NOTES PAYABLES

	30 June 2023 *RMB'000* **(Unaudited)**	31 December 2022 *RMB'000* (Audited)
Trade payables *(Note)*	**24,031,030**	23,319,776
Notes payables	**1,769,375**	2,101,078
	25,800,405	25,420,854

Note:

Aging analysis of trade payables based on date of delivery of goods and services received is as follows:

	30 June 2023 *RMB'000* **(Unaudited)**	31 December 2022 *RMB'000* (Audited)
Less than 1 year	**20,838,881**	20,235,004
1 – 2 years	**1,452,061**	1,234,426
2 – 3 years	**512,336**	612,110
Over 3 years	**1,227,752**	1,238,236
	24,031,030	23,319,776

10. EVENTS AFTER THE END OF THE REPORTING PERIOD

The Group had no significant events after the reporting period required to be disclosed.

CHAIRMAN'S STATEMENT

Dear Shareholders,

In the first half of 2023, China Coal Energy deeply carried out the spirit of the 20th Party Congress, took the study and implementation of Xi Jinping Thought on socialism with Chinese characteristics in the new era as an opportunity, thoroughly and accurately carried out the new development concept, comprehensively practised the development philosophy of efficiency enhancement of existing resources and transformation of incremental resources at full steam, coordinated various tasks to promote stable operation and development, actively participated in the Chinese-style modernized energy practice, and accelerated the building of a world-class energy enterprise.

In the first half of the year, by scientifically organising production and marketing, ensuring stable supply and price, deepening lean management, and actively responding to the decline in coal market prices, we achieved an increase in the output of self-produced commercial coal by 7.89 million tonnes and a reduction in the unit sales cost of self-produced commercial coal by RMB22.62/tonne compared with the same period of the previous year. Since the start of the "14th Five-Year Plan" period, major production and operation indicators have stayed at desirable levels, which realised a high-quality development trend seeking progress while maintaining stability. Operating revenue amounted to RMB109.357 billion, representing a decrease of 7.4% over the same period of last year and an increase of 7.0% over the first half of 2021, with a compound growth rate of 3.5%; profit attributable to shareholders of the Company was RMB12.732 billion, representing a decrease of 12.4% over the same period of last year and an increase of 48.5% over the first half of 2021, with a compound growth rate of 21.9%. The coal chemical operations fared well with industry-leading efficiency and efficacy. The coal mining equipment operations adhered to high-end, intelligent and green development, leading to continuous increase in output value and efficacy. The level of intensification and leanness of the financial operations continued to improve, which further enhanced the service guarantee and value creation capabilities.

In the first half of the year, we optimised and adjusted the layout and structure to promote safe, efficient, green and low-carbon development. The production capacity of Pingshuo Group's East Open Pit Coal Mine and Anjialing Coal Mine, both being national key coal mines with supply assurance, were approved to increase by 5 million tonnes each, amounting to an increase of 10 million tonnes in total. Dahaize Coal Mine, which produces 20 million tonnes of high-quality thermal coal per year, had been running well with outstanding performance since its trial operation. The construction of Libi Coal Mine with an annual output of 4 million tonnes of anthracite and Pingshuo Antaibao 2×350MW low calorific value coal power generation project made steady progress. Shaanxi Yulin's coal chemical phase II project with an annual output of 900,000 tonnes of polyolefin went through the approval and decision-making process, and will soon start to place orders for long-cycle equipment and commence EPC bidding. We actively explored various applications of the "coal-electricity-chemical-new energy" joint operation. The first phase of the new energy demonstration base of Shanghai Energy Company operated smoothly after grid connection. 100MW photovoltaic+energy storage project in Pingshuo Mine Area will be completed and put into operation within this year. The 100,000-tonne "Liquid Sunlight" demonstration project met the targets for integration projects of hydrogen production with wind and solar energy in Inner Mongolia Autonomous Region. We conducted activities such as the Year of Safety Management Enhancement, investigations into and rectification of major incidents and hazards, and strengthened normalisation of safety supervision so as to prevent safety accidents during production. We adopted the ideology of green and low-carbon development, actively promoted energy conservation and emission reduction, pollution prevention and ecological management, and conducted in-depth investigations into and rectification of ecological and environmental hazards, as a result of which no environmental emergencies occurred.

In the first half of the year, we deepened reform and innovation and continued to enhance the vitality and momentum of development. We cemented and deepened the achievements of the Three-year Action Plan on State-owned Enterprises and planned ahead to deepen and improve the reform of state-owned enterprises, with six enterprises shortlisted for the "Double Hundred Action Plan" and "Science and Technology Reform Action Plan" of the SASAC. We summarized and promoted the experience and practice of the reform at headquarters to push forward the reform of affiliated enterprises with improved efficiency and effectiveness. We built an intelligent management and control platform integrating production and operation management at a high standard to drive concept changes, process reengineering and value enhancement through digital and intelligent transformation. Meanwhile, we actively promoted the initiatives to improve the quality of listed companies controlled by central enterprises to accomplish all key tasks on a stage-by-stage basis, and strengthened the construction of a scientific and technological innovation system by joining the open platform of the Enterprise Innovation and Development Joint Foundation under the National Natural Science Foundation of China to expand means of implementation, focusing on key technical problems and the innovative management mechanism of "Enlisting and Leading". In the first half of the year, 84 patents were authorised, and a total of seven achievements in five coal mines were listed as typical cases of intelligent construction of coal mines in China. The appraisal of technological achievements of the project of "Intelligent Construction of Dahaize Coal Mine" confirmed that it had attained an internationally leading level and had achieved key technological breakthroughs in the field of deep integration of the coal industry and intelligent technology.

Despite the new difficulties and challenges faced by the current economic operation, China's economy has great resilience and potential for development. There is no change to the positives of the fundamentals in the long term. The circumstances of China's energy structure mean that the status of coal as the main energy source will not change for a long time. In the second half of the year, China Coal Energy will continue to adhere to the general strategy of seeking progress while maintaining stability, solidly promote high-quality development, vigorously enhance its core competitiveness, strengthen its core functions, keep on overcoming difficulties and challenges in the course of advancement, and accelerate the establishment of a world-class energy enterprise. First, centring on the "14th Five-Year Plan" and the key tasks of the year, we will accelerate project construction, complete the tasks of the year successfully, further enhance the ability to ensure safe energy supply, and promote green and low-carbon transformation and development. Second, we will deeply implement the deployment requirements for deepening and upgrading the reform of state-owned enterprises, deepen and consolidate reforms with higher-level, more precise and pragmatic measures, and continuously enhance the vitality and momentum of high-quality development. Third, we will adhere to running in line with world-class standards, continuously and deeply promote lean management, vigorously carry out quality improvement and efficiency enhancement, focus on improving the quality of operation and development, and achieve good operating results. Fourth, we will continue to optimise the innovative management system, accelerate the establishment of innovation capabilities, focus on key technical problems, step up technological research, and accelerate the construction of an intelligent management and control platform integrating production and operation management to drive transformation and development with innovation. Fifth, we will continue to adhere to the systemic concept and bottom-line thinking, better coordinate development and safety, continue to strengthen safe production, ecological protection, energy conservation and emission reduction while preventing and resolving various major risks. Sixth, we will continue to improve governance level and disclosure quality, actively promote the projects of improving the quality of the listed company controlled by state-owned enterprises, complete all key tasks on a stage-by-stage basis, strengthen investor communication, and maintain a good image in the capital market.

The management and staff of the Company will be the first to assume responsibility, take the initiative, focus on key areas, and tackle difficulties with the aim of better implementing the national strategy and rewarding all shareholders with new achievements of high-quality development.

Wang Shudong
Chairman
Beijing, the PRC
24 August 2023

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND OPERATING RESULTS

The following discussion and analysis should be read in conjunction with the Group's reviewed condensed interim financial information and the notes thereto. The Group's condensed interim financial information has been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting".

I. OVERVIEW

In the first half of 2023, the Group firmly facilitated high-quality development, organised and promoted various production and operation works, strengthened the lean management with in-depth quality enhancement and exploration, deepened reform and innovation and stimulated vitality and momentum, while actively addressing the impact from downward market price adjustment for coal and coal chemical products. Major operation indicators were lower than that for the same period of last year, but maintained a sound growth since the launch of the "14th Five-Year Plan". The Group realised revenue of RMB109.357 billion, representing a year-on-year decrease of 7.4%, a growth of 7.0% from the first half of 2021 and a compound growth rate of 3.5%; profit attributable to equity holders of the Company amounted to RMB12.732 billion, representing a year-on-year decrease of 12.4%, a growth of 48.5% from the first half of 2021 and a compound growth rate of 21.9%; net cash inflow from production and sales activities amounted to RMB15.114 billion, maintaining a good operation and cash generation capability.

The Group's major operating segments, including coal, coal chemical, coal mining equipment and financial operations, all remained profitable. The Group accelerated the release of advanced coal production capacity, and completed production volume of commercial coal amounting to 67.12 million tonnes, representing a year-on-year increase of 7.89 million tonnes. By promoting systematic cost saving as well as significant quality enhancement and exploration, unit cost of sales of self-produced commercial coal amounted to RMB324.46/tonne, representing a year-on-year decrease of 6.5% and realising profit before tax of RMB18.433 billion. Coal chemical enterprises operated smoothly in general and attained a balance between production and sales. Under the backdrop of a year-on-year decrease of selling price of polyolefin by RMB807/tonne and a year-on-year decrease of selling price of urea by RMB240/tonne, the Group realised profit before tax of RMB1.789 billion, achieving synergy from sound management standards and integrated development of coal and coal chemical. Coal mining equipment operations insisted on high-end, intelligent and green development, and continued to optimise product structure, thereby realising profit before tax of RMB440 million, maintaining a year-on-year growth. Finance Company continued to increase its intensive and lean management level, leading the industry in terms of capital concentration and operation efficiency. Amidst general downturn of interest rate in the financial market, Finance Company realised profit before tax of RMB621 million and maintained growth, thereby further enhancing the service guarantee and value creation capabilities.

Unit: RMB100 million

	For the six months ended 30 June 2023	For the six months ended 30 June 2022 (Restated)	**Year-on-year** Increase/ decrease in amount	Increase/ decrease *(%)*
Revenue	**1,093.57**	1,180.39	-86.82	-7.4
Cost of sales	**854.04**	894.56	-40.52	-4.5
Gross profit	**239.53**	285.83	-46.30	-16.2
Selling, general and administrative expenses	**33.22**	29.12	4.10	14.1
Other income, gains and losses, net	**1.13**	-17.91	19.04	–
Profit from operations	**207.07**	238.70	-31.63	-13.3
Finance income	**0.36**	0.25	0.11	44.0
Finance costs	**16.09**	20.61	-4.52	-21.9
Profit attributable to associates and joint ventures	**20.59**	31.56	-10.97	-34.8
Profit before income tax	**211.92**	249.91	-37.99	-15.2
EBITDA	**263.77**	290.76	-26.99	-9.3
Profit attributable to the equity holders of the Company	**127.32**	145.29	-17.97	-12.4
Net cash generated from operating activities	**170.35**	201.22	-30.87	-15.3
In which: Net cash flow generated from production and sales activities	**151.14**	171.21	-20.07	-11.7
Increase in cash inflow due to deposits and placements absorbed from members other than China Coal Energy by Finance Company	**19.21**	30.01	-10.80	-36.0
Net cash generated from investing activities	**-51.91**	-119.51	67.60	-56.6
Net cash generated from financing activities	**-110.52**	-130.50	19.98	-15.3

Note: According to the relevant requirements that companies are required to recognize deferred income taxes for transactions which incur equivalent temporary difference for taxes payables and deductible temporary difference at initial recognization under "Amendment to International Accounting Standard No.12 – Income Tax" issued by the International Accounting Standards Board in May 2021. The Group has adopted such amendment which is effective for the period beginning on 1 January 2023, for lease transaction which the leasees initially recognize lease liabilities and included into right-of-use assets at the beginning date of the lease period as well as for transactions which recognize estimated liabilities and included into the relevant asset costs due to the existence of decommissioning obligations for, among others, fixed assets, the Group recognized the corresponding deferred income tax liabilities and deferred income tax assets, respectively, and made retrospective adjustments to the data for the corresponding period of last year and for the end of last year.

Unit: RMB100 million

	As at 30 June 2023	As at 31 December 2022 (Restated)	**Compared with the end of last year** Increase/ decrease in amount	Increase/ decrease *(%)*
Assets	**3,465.52**	3,397.30	68.22	2.0
Liabilities	**1,727.77**	1,748.41	-20.64	-1.2
Interest-bearing debts	**795.24**	860.46	-65.22	-7.6
Equity	**1,737.75**	1,648.89	88.86	5.4
Equity attributable to the equity holders of the Company	**1,380.10**	1,306.14	73.96	5.7
Gearing ratio (%) = total interest-bearing debts/(total interest-bearing debts + equity)	**31.4**	34.3	A decrease of 2.9 percentage points	

II. OPERATING RESULTS

(I) Consolidated operating results

1. Revenue

For the six months ended 30 June 2023, the Group's revenue decreased by RMB8.682 billion from RMB118.039 billion for the six months ended 30 June 2022 to RMB109.357 billion, representing a decrease of 7.4%. Revenue before netting of inter-segmental sales generated from each operating segment of the Group and the year-on-year changes are set out as follows:

Unit: RMB100 million

	Revenue before netting of inter-segmental sales			
			Year-on-year	
	For the six months ended 30 June 2023	For the six months ended 30 June 2022	Increase/ decrease in amount	Increase/ decrease *(%)*
Coal operations	**935.23**	1,018.25	-83.02	-8.2
Self-produced commercial coal	**404.68**	440.88	-36.20	-8.2
Proprietary coal trading	**527.51**	574.11	-46.60	-8.1
Coal chemical operations	**112.25**	124.02	-11.77	-9.5
Coal mining equipment operations	**61.39**	54.16	7.23	13.3
Financial operations	**11.67**	11.25	0.42	3.7
Other operations	**40.32**	40.72	-0.40	-1.0
Net of inter-segmental sales	**-67.29**	-68.01	0.72	-1.1
The Group	**1,093.57**	1,180.39	-86.82	-7.4

Revenue net of inter-segmental sales generated from each operating segment of the Group for the six months ended 30 June 2023 and the year-on-year changes are set out as follows:

Unit: RMB100 million

	Revenue net of inter-segmental sales			
			Year-on-year	
	For the six months ended 30 June 2023	For the six months ended 30 June 2022	Increase/ decrease in amount	Increase/ decrease *(%)*
Coal operations	**886.91**	967.46	-80.55	-8.3
Self-produced commercial coal	**370.31**	410.58	-40.27	-9.8
Proprietary coal trading	**514.15**	553.82	-39.67	-7.2
Coal chemical operations	**106.65**	121.56	-14.91	-12.3
Coal mining equipment operations	**55.13**	47.62	7.51	15.8
Financial operations	**9.28**	9.16	0.12	1.3
Other operations	**35.60**	34.59	1.01	2.9
The Group	**1,093.57**	1,180.39	-86.82	-7.4

The proportion of revenue net of inter-segmental sales generated from each operating segment of the Group in the Group's total revenue for the six months ended 30 June 2023 and the year-on-year changes are set out as follows:

	Proportion of revenue net of inter-segmental sales (%)		
	For the six months ended 30 June 2023	For the six months ended 30 June 2022	Increase/ decrease *(percentage point(s))*
Coal operations	**81.1**	82.0	-0.9
Self-produced commercial coal	**33.9**	34.8	-0.9
Proprietary coal trading	**47.0**	46.9	0.1
Coal chemical operations	**9.8**	10.3	-0.5
Coal mining equipment operations	**5.0**	4.0	1.0
Financial operations	**0.8**	0.8	0.0
Other operations	**3.3**	2.9	0.4

2. Cost of sales

For the six months ended 30 June 2023, the Group's cost of sales decreased by RMB4.052 billion or 4.5% from RMB89.456 billion for the six months ended 30 June 2022 to RMB85.404 billion. Cost of sales generated from each operating segment of the Group and the year-on-year changes are set out as follows:

Unit: RMB100 million

			Year-on-year	
	For the six months ended 30 June 2023	For the six months ended 30 June 2022	Increase/ decrease in amount	Increase/ decrease *(%)*
Coal operations	**735.52**	774.71	-39.19	-5.1
Self-produced commercial coal	**210.41**	205.44	4.97	2.4
Proprietary coal trading	**522.94**	569.27	-46.33	-8.1
Coal chemical operations	**95.28**	100.38	-5.10	-5.1
Coal mining equipment operations	**51.04**	45.53	5.51	12.1
Financial operations	**5.34**	4.81	0.53	11.0
Other operations	**33.88**	37.26	-3.38	-9.1
Inter-segment elimination	**-67.02**	-68.13	1.11	-1.6
The Group	**854.04**	894.56	-40.52	-4.5

3. Gross profit and gross profit margin

For the six months ended 30 June 2023, the Group's gross profit decreased by RMB4.630 billion or 16.2% from RMB28.583 billion for the six months 30 June 2022 to RMB23.953 billion; gross profit margin decreased by 2.3 percentage points from 24.2% for the six months ended 30 June 2022 to 21.9%. The gross profit and gross profit margin of each operating segment of the Group and the year-on-year changes are set out as follows:

Unit: RMB100 million

	Gross profit			Gross profit margin (%)		
	For the six months ended 30 June 2023	For the six months ended 30 June 2022	Increase/ decrease (%)	**For the six months ended 30 June 2023**	For the six months ended 30 June 2022	Increase/ decrease *(percentage point(s))*
Coal operations	**199.71**	243.54	-18.0	**21.4**	23.9	-2.5
Self-produced commercial coal	**194.27**	235.44	-17.5	**48.0**	53.4	-5.4
Proprietary coal trading	**4.57**	4.84	-5.6	**0.9**	0.8	0.1
Coal chemical operations	**16.97**	23.64	-28.2	**15.1**	19.1	-4.0
Coal mining equipment operations	**10.35**	8.63	19.9	**16.9**	15.9	1.0
Financial operations	**6.33**	6.44	-1.7	**54.2**	57.2	-3.0
Other operations	**6.44**	3.46	86.1	**16.0**	8.5	7.5
The Group	**239.53**	285.83	-16.2	**21.9**	24.2	-2.3

Note: The above gross profit and gross profit margin of each operating segment are figures before netting of inter-segmental sales.

(II) Operating results of segments

1. Coal Operations Segment

- *Revenue*

Revenue from the coal operations of the Group was mainly generated from sales of coal produced from self-owned coal mines and coal washing plants (sales of self-produced commercial coal) to domestic and overseas customers, resale of coal purchased from external enterprises to customers (sales of proprietary coal trading) and coal import and export and domestic agency services.

For the six months ended 30 June 2023, for coal operations of the Group, the revenue decreased by 8.2% from RMB101.825 billion for the six months 30 June 2022 to RMB93.523 billion, and revenue net of inter-segmental sales decreased by 8.3% from RMB96.746 billion for the six months ended 30 June 2022 to RMB88.691 billion.

For the six months ended 30 June 2023, the revenue from sales of self-produced commercial coal of the Group decreased by 8.2% from RMB44.088 billion for the six months ended 30 June 2022 to RMB40.468 billion, which was mainly attributable to the year-on-year decrease of RMB128/tonne in the selling price of self-produced commercial coal leading to a decrease of RMB8.289 billion in revenue; the year-on-year increase of 6.20 million tonnes in sales volume leading to an increase of RMB4.669 billion in revenue. Revenue net of inter-segmental sales decreased by 9.8% from RMB41.058 billion for the six months ended 30 June 2022 to RMB37.031 billion.

For the six months ended 30 June 2023, the revenue from sales of proprietary trading coal of the Group decreased by 8.1% from RMB57.411 billion for the six months ended 30 June 2022 to RMB52.751 billion, which was mainly attributable to the year-on-year decrease of RMB141/tonne in the selling price of proprietary trading coal leading to a decrease of RMB10.687 billion in revenue; the year-on-year increase of 7.24 million tonnes in sales volume leading to an increase of RMB6.027 billion in revenue. Revenue net of inter-segmental sales decreased by 7.2% from RMB55.382 billion for the six months ended 30 June 2022 to RMB51.415 billion.

For the six months ended 30 June 2023, the revenue from coal agency operations of the Group was RMB35 million, remaining stable year-on-year.

The Group's coal sales volume before netting of inter-segmental sales and selling prices for the six months ended 30 June 2023 and the year-on-year changes are set out as follows:

		For the six months ended 30 June 2023		For the six months ended 30 June 2022		Year-on-year Increase/decrease in amount		Year-on-year Increase/decrease	
		Sales volume ***(10,000 tonnes)***	**Selling price** ***(RMB/ tonne)***	Sales volume *(10,000 tonnes)*	Selling price *(RMB/ tonne)*	Sales volume *(10,000 tonnes)*	Selling price *(RMB/ tonne)*	Sales volume *(%)*	Selling price *(%)*
I. Self-produced commercial coal	Total	**6,485**	**624**	5,865	752	620	-128	10.6	-17.0
	(I) Thermal coal	**5,913**	**548**	5,301	636	612	-88	11.5	-13.8
	1. Domestic sales	**5,913**	**548**	5,300	636	613	-88	11.6	-13.8
	2. Export	☆	☆	1	2,430	-1	–	-100.0	–
	(II) Coking coal	**572**	**1,412**	564	1,836	8	-424	1.4	-23.1
	Domestic sales	**572**	**1,412**	564	1,836	8	-424	1.4	-23.1
II. Proprietary trading coal	Total	**7,620**	**692**	6,896	833	724	-141	10.5	-16.9
	(I) Domestics sales	**7,545**	**688**	6,873	829	672	-141	9.8	-17.0
	(II) Self-operated export	**21**	**2,016**	18	2,257	3	-241	16.7	-10.7
	(III) Import trading	**54**	**743**	5	1,007	49	-264	980.0	-26.2
III. Import and export and domestic agency★	Total	**561**	**6**	588	6	-27	0	-4.6	0.0
	(I) Import agency	**7**	**16**	☆	☆	7	–	–	–
	(II) Export agency	**16**	**82**	11	12	5	70	45.5	583.3
	(III) Domestic agency	**538**	**4**	577	6	-39	-2	-6.8	-33.3

☆: N/A for the period.
★: Selling price is agency service fee.

Note: Sales volume of the commercial coal includes the inter-segment self-consumption volume of the Group, which amounted to 9.16 million tonnes for the current period (including self-produced commercial coal of 6.34 million tonnes and proprietary trading coal of 2.82 million tonnes) and 8.71 million tonnes for the same period of last year.

- *Cost of sales*

For the six months ended 30 June 2023, the Group's cost of sales of coal operations decreased by 5.1% from RMB77.471 billion for the six months ended 30 June 2022 to RMB73.552 billion, which was mainly attributable to the combined effect of, among other things, the year-on-year decrease in the purchase price and the year-on-year increase in sales volume of externally purchased coal, leading to the year-on-year decrease of RMB4.911 billion in the procurement cost of proprietary trading coal.

For the six months ended 30 June 2023, the composition of the cost of sales of the Group's coal operations and the year-on-year changes are set out as follows:

Unit: RMB100 million

Item	**For the six months ended 30 June 2023**	**Percentage** *(%)*	For the six months ended 30 June 2022	Percentage *(%)*	**Year-on-year** Increase/ decrease in amount	Increase/ decrease *(%)*
Material costs (excluding proprietary coal trading procurement cost)	**31.65**	**4.3**	36.16	4.7	-4.51	-12.5
Proprietary coal trading procurement cost☆	**512.07**	**69.6**	561.18	72.5	-49.11	-8.8
Staff costs	**26.23**	**3.6**	25.13	3.2	1.10	4.4
Depreciation and amortisation	**35.84**	**4.9**	31.23	4.0	4.61	14.8
Repairs and maintenance	**7.20**	**1.0**	7.45	1.0	-0.25	-3.4
Transportation costs and port expenses	**50.22**	**6.8**	47.98	6.2	2.24	4.7
Sales taxes and surcharges	**33.27**	**4.5**	34.12	4.4	-0.85	-2.5
Outsourced mining engineering fees	**16.45**	**2.2**	14.93	1.9	1.52	10.2
Other costs★	**22.59**	**3.1**	16.53	2.1	6.06	36.7
Total cost of sales for coal operations	**735.52**	**100.0**	774.71	100.0	-39.19	-5.1

☆: This cost does not include transportation costs and port expenses related to proprietary coal trading which amounted to RMB1.087 billion for the current period and RMB809 million for the same period of last year, both of which are set out in the item of transportation costs and port expenses.

★: Other costs include the environmental restoration expenses arising from coal mining and the expenditures for sporadic projects incurred in direct relation to coal production.

The composition of the Group's unit cost of sales of self-produced commercial coal for the six months ended 30 June 2023 and the year-on-year changes are set out as follows:

Unit: RMB/tonne

Item	For the six months ended 30 June 2023	Percentage (%)	For the six months ended 30 June 2022	Percentage (%)	Year-on-year Increase/ decrease in amount	Year-on-year Increase/ decrease (%)
Material costs	**48.80**	**15.0**	61.66	17.8	-12.86	-20.9
Staff costs	**40.44**	**12.5**	42.85	12.3	-2.41	-5.6
Depreciation and amortisation	**55.26**	**17.0**	53.25	15.3	2.01	3.8
Repairs and maintenance	**11.11**	**3.4**	12.71	3.7	-1.60	-12.6
Transportation costs and port expenses	**60.68**	**18.7**	68.03	19.6	-7.35	-10.8
Sales taxes and surcharges	**51.30**	**15.8**	58.18	16.8	-6.88	-11.8
Outsourced mining engineering fees	**25.28**	**7.8**	25.45	7.3	-0.17	-0.7
Other costs	**31.59**	**9.8**	24.95	7.2	6.64	26.6
Total unit cost of sales of self-produced commercial coal	**324.46**	**100.0**	347.08	100.0	-22.62	-6.5

For the six months ended 30 June 2023, the Group's unit cost of sales of self-produced commercial coal amounted to RMB324.46/tonne, representing a year-on-year decrease of RMB22.62/tonne or 6.5%, which was mainly due to the following factors: pursuant to production organisation and arrangement as well as local regulatory requirements, the Group recorded a year-on-year decrease of stripping of open pit mines and lower material consumption leading to the year-on-year decrease of coal material cost per tonne; the dilution effect of the increase in production volume of self-produced commercial coal of the Group, leading to the year-on-year decrease in staff cost for coal per tonne and repairs and maintenance expenses for coal per tonne; the Group increased its investment in production equipment for ensuring safety and newly added infrastructure to fixed assets, leading to the year-on-year increase in depreciation and amortisation costs for coal per tonne; the proportion of the sales volume of self-produced commercial coal that bears railway transportation costs and port expenses to the total sales volume of self-produced commercial coal of the Group decreased, leading to the year-on-year decrease in transportation costs and port expenses for coal per tonne; and with the year-on-year decrease in the selling price of self-produced commercial coal, sales taxes and surcharges for coal per tonne decreased year-on-year; the year-on-year increase in proportion of production-related sporadic projects and supplementary fees due to the expansion of the Group's production scale, leading to the year-on-year increase of other costs for coal per tonne.

- *Gross profit and gross profit margin*

  For the six months ended 30 June 2023, the production and sales volume of the Group's self-produced commercial coal increased year-on-year, while unit costs of sales decreased year-on-year, but affected by the year-on-year decrease in the selling price under market influence, gross profit of coal operations of the Group decreased by 18.0% from RMB24.354 billion for the six months ended 30 June 2022 to RMB19.971 billion, while gross profit margin decreased by 2.5 percentage points from 23.9% for the six months ended 30 June 2022 to 21.4%. In particular, the gross profit of self-produced commercial coal recorded a year-on-year decrease of RMB4.117 billion, and the gross profit margin recorded a year-on-year decrease of 5.4 percentage points; the gross profit of proprietary trading coal recorded a year-on-year decrease of RMB27 million, and the gross profit margin recorded a year-on-year increase of 0.1 percentage points.

2. Coal Chemical Operations Segment

• *Revenue*

For the six months ended 30 June 2023, the revenue from coal chemical operations of the Group decreased by 9.5% from RMB12.402 billion for the six months ended 30 June 2022 to RMB11.225 billion; revenue net of inter-segmental sales decreased by 12.3% from RMB12.156 billion for the six months ended 30 June 2022 to RMB10.665 billion, which was mainly attributable to the combined effect of the year-on-year decrease in the selling price of coal chemical products and the year-on-year increase in sales volume.

The sales volume and selling prices of the major coal chemical products of the Group for the six months ended 30 June 2023 and the year-on-year changes are set out as follows:

	For the six months ended 30 June 2023		For the six months ended 30 June 2022		**Year-on-year** Increase/decrease in amount		Increase/decrease	
	Sales volume ***(10,000 tonnes)***	**Selling price** ***(RMB/ tonne)***	Sales volume *(10,000 tonnes)*	Selling price *(RMB/ tonne)*	Sales volume *(10,000 tonnes)*	Selling price *(RMB/ tonne)*	Sales volume *(%)*	Selling price *(%)*
I. Polyolefin	**74.9**	**6,903**	72.7	7,710	2.2	-807	3.0	-10.5
1. Polyethylene	**38.2**	**7,156**	35.8	7,830	2.4	-674	6.7	-8.6
2. Polypropylene	**36.7**	**6,640**	36.9	7,593	-0.2	-953	-0.5	-12.6
II. Urea	**119.9**	**2,484**	114.2	2,724	5.7	-240	5.0	-8.8
III. Methanol	**97.1**	**1,770**	90.7	1,919	6.4	-149	7.1	-7.8
In which: Inter-segment self-consumption volume	**94.0**	**1,774**	74.6	1,926	19.4	-152	26.0	-7.9
External sales	**3.1**	**1,646**	16.1	1,885	-13.0	-239	-80.7	-12.7
IV. Ammonium nitrate	**29.2**	**2,414**	21.9	2,655	7.3	-241	33.3	-9.1

- *Cost of sales*

For the six months ended 30 June 2023, cost of sales for the coal chemical operations of the Group decreased by 5.1% from RMB10.038 billion for the six months ended 30 June 2022 to RMB9.528 billion, which was mainly attributable to the combined effect of the decline in trading scale of externally purchased chemical products and the decrease in purchase price of raw material coal and fuel coal, which resulted in the year-on-year decrease in cost of self-produced coal chemical products .

For the six months ended 30 June 2023, the composition of the cost of sales of the Group's coal chemical operations and the year-on-year changes are set out as follows:

Unit: RMB100 million

Item	**For the six months ended 30 June 2023**	**Percentage** *(%)*	For the six months ended 30 June 2022	Percentage *(%)*	**Year-on-year** Increase/ decrease in amount	Increase/ decrease *(%)*
Materials costs (excluding cost of chemical materials in proprietary trading)	**62.41**	**65.5**	63.64	63.4	-1.23	-1.9
Cost of chemical materials in proprietary trading	**0.21**	**0.2**	4.00	4.0	-3.79	-94.8
Staff costs	**5.12**	**5.4**	4.38	4.4	0.74	16.9
Depreciation and amortisation	**14.29**	**15.0**	14.41	14.4	-0.12	-0.8
Repairs and maintenance	**2.99**	**3.1**	3.61	3.6	-0.62	-17.2
Transportation costs and port expenses	**4.20**	**4.4**	4.78	4.8	-0.58	-12.1
Sales taxes and surcharges	**1.91**	**2.0**	1.54	1.5	0.37	24.0
Other costs	**4.15**	**4.4**	4.02	3.9	0.13	3.2
Total cost of sales for coal chemical operations	**95.28**	**100.0**	100.38	100.0	-5.10	-5.1

The unit cost of sales of the major self-produced coal chemical products of the Group for the six months ended 30 June 2023 and the year-on-year changes are set out as follows:

Unit: RMB/tonne

			Year-on-year	
Item	**For the six months ended 30 June 2023**	For the six months ended 30 June 2022	Increase/ decrease in amount	Increase/ decrease *(%)*
I. Polyolefin	**6,234**	6,955	-721	-10.4
1. Polyethylene	**6,219**	6,968	-749	-10.7
2. Polypropylene	**6,249**	6,942	-693	-10.0
II. Urea	**1,694**	1,649	45	2.7
III. Methanol	**1,977**	1,762	215	12.2
IV. Ammonium nitrate	**1,392**	964	428	44.4

- *Gross profit and gross profit margin*

For the six months ended 30 June 2023, affected by the year-on-year decrease in the price of major coal chemical products, the gross profit from coal chemical operations decreased by 28.2% from RMB2.364 billion for the six months ended 30 June 2022 to RMB1.697 billion; gross profit margin decreased by 4.0 percentage points from 19.1% for the six months ended 30 June 2022 to 15.1%.

3. *Coal Mining Equipment Operations Segment*

- *Revenue*

For the six months ended 30 June 2023, the Group's revenue from coal mining equipment operations increased by 13.3% from RMB5.416 billion for the six months ended 30 June 2022 to RMB6.139 billion, revenue net of inter-segmental sales increased by 15.8% from RMB4.762 billion for the six months ended 30 June 2022 to RMB5.513 billion, which was mainly attributable to further optimisation of product structure and the increase in demand for relevant products driven by the coal mine intelligent upgrade and modification, leading to the year-on-year increase in revenue.

• *Cost of sales*

For the six months ended 30 June 2023, the Group's cost of sales for the coal mining equipment operations increased by 12.1% from RMB4.553 billion for the six months ended 30 June 2022 to RMB5.104 billion.

For the six months ended 30 June 2023, the composition of the Group's cost of sales for the coal mining equipment operations and the year-on-year changes are set out as follows:

Unit: RMB100 million

					Year-on-year	
Item	**For the six months ended 30 June 2023**	**Percentage** *(%)*	For the six months ended 30 June 2022	Percentage *(%)*	Increase/ decrease in amount	Increase/ decrease *(%)*
Material costs	**37.60**	**73.7**	33.51	73.6	4.09	12.2
Staff costs	**4.41**	**8.6**	4.01	8.8	0.40	10.0
Depreciation and amortisation	**1.70**	**3.3**	1.80	4.0	-0.10	-5.6
Repairs and maintenance	**0.60**	**1.2**	0.34	0.7	0.26	76.5
Transportation costs	**0.83**	**1.6**	0.62	1.4	0.21	33.9
Sales taxes and surcharges	**0.21**	**0.4**	0.20	0.4	0.01	5.0
Other costs	**5.69**	**11.2**	5.05	11.1	0.64	12.7
Total cost of sales for coal mining equipment operations	**51.04**	**100.0**	45.53	100.0	5.51	12.1

• *Gross profit and gross profit margin*

For the six months ended 30 June 2023, benefitted from the expansion of business scale and further optimisation of product structure, the gross profit of the coal mining equipment operations segment increased by 19.9% from RMB863 million for the six months 30 June 2022 to RMB1.035 billion; and the gross profit margin increased by 1.0 percentage point from 15.9% for the six months ended 30 June 2022 to 16.9%.

4. Financial Operations Segment

The financial operations segment of the Group is mainly engaged by Finance Company which deepened the concept of lean management, strengthened financial technology innovation, enhanced the construction and application of treasury system, offered multi-dimensional, extensive and customised financial services by precisely targeting financial needs of member enterprises to secure safe, stable and efficient capital flow, and optimised deployment strategies at appropriate times amidst the substantial decline in interbank deposits market interest rate. Business scale reached another new height over the same period, and realised relatively good value appreciation and effectiveness. For the six months ended 30 June 2023, revenue of financial operations of the Group increased by 3.7% from RMB1.125 billion for the six months ended 30 June 2022 to RMB1.167 billion; revenue net of inter-segmental sales increased by 1.3% from RMB916 million for the six months ended 30 June 2022 to RMB928 million; cost of sales increased by 11.0% from RMB481 million for the six months ended 30 June 2022 to RMB534 million. Affected by factors such as the general decline in interest rates in the financial market, gross profit of the financial operations segment decreased by 1.7% from RMB644 million for the six months ended 30 June 2022 to RMB633 million; gross profit margin decreased by 3.0 percentage points from 57.2% for the six months ended 30 June 2022 to 54.2%.

5. Other Operations Segment

Other operations segment of the Group mainly includes power generation, aluminium processing, import of equipment and accessories, tendering and bidding services, railway transportation and other business. For the six months ended 30 June 2023, the Group's revenue from other operations decreased by 1.0% from RMB4.072 billion for the six months ended 30 June 2022 to RMB4.032 billion; revenue net of inter-segmental sales increased by 2.9% from RMB3.459 billion for the six months ended 30 June 2022 to RMB3.560 billion. Cost of sales decreased by 9.1% from RMB3.726 billion for the six months ended 30 June 2022 to RMB3.388 billion. Gross profit increased by 86.1% from RMB346 million for the six months ended 30 June 2022 to RMB644 million, and gross profit margin increased by 7.5 percentage points from 8.5% for the six months 30 June 2022 to 16.0%.

(III) Selling, general and administrative expenses

For the six months ended 30 June 2023, the Group's selling, general and administrative expenses increased by 14.1% from RMB2.912 billion for the six months ended 30 June 2022 to RMB3.322 billion, which was mainly attributable to the year-on-year increase in staff remuneration and expenses related to the sales of products, as well as the influence of, among other things, the change of scope of consolidation for the acquisition of subsidiaries in the fourth quarter of 2022.

(IV) Finance income and finance costs

For the six months ended 30 June 2023, the Group's net finance costs decreased by 22.7% from RMB2.036 billion for the six months ended 30 June 2022 to RMB1.573 billion, which was mainly attributable to the further decrease of synthetic fund cost of the Group due to continuous optimisation of debt structure as well as the lower finance costs resulted from the decrease in the total amount of continuing interest-bear debts via combining operation and cash generation with scientific and rational arrangement of debts.

(V) Share of profits of associates and joint ventures

For the six months ended 30 June 2023, the Group's share of profits of associates and joint ventures decreased by 34.8% from RMB3.156 billion for the six months ended 30 June 2022 to RMB2.059 billion, which was mainly attributable to the decrease of market prices of coal and coal chemical products, leading to a year-on-year decrease in the profits of associates and joint ventures, and thus, the corresponding decrease in the Group's share of profits of associates and joint ventures recognized in accordance with its shareholding.

(VI) Other income, gains and losses, net

For the six months ended 30 June 2023, other income, gains and losses, net of the Group represented a net gain of RMB113 million, as compared to a net loss of RMB1.791 billion for the six months ended 30 June 2022, which was mainly attributable to the provision for impairment loss according to impairment test for assets with impairment indications for the same period of last year which have conducted impairment test, such as coal mines with reduced recoverable reserves due to changes in underground geological conditions, as well as coal chemical enterprises and power plants with operating losses.

III. CASH FLOW

As at 30 June 2023, the balance of the Group's cash and cash equivalents amounted to RMB30.791 billion, representing a net increase of RMB793 million as compared to RMB29.998 billion as at 31 December 2022.

Net cash inflow generated from operating activities decreased by RMB3.087 billion from RMB20.122 billion for the six months ended 30 June 2022 to RMB17.035 billion. Excluding the influence of deposits absorbed from members other than China Coal Energy by Finance Company and inter-bank funds, the net cash inflow generated from production and sales activities of the Group amounted to RMB15.114 billion, representing a year-on-year decrease of RMB2.007 billion, which was mainly attributable to the year-on-year decrease in operating results of the Group under the decrease in market prices of coal and coal chemical products.

Net cash outflow generated from investing activities decreased by RMB6.760 billion from RMB11.951 billion for the six months ended 30 June 2022 to RMB5.191 billion, which was mainly attributable to the combined effect of the year-on-year decrease of RMB9.565 billion in cash outflow arising from the change in term deposits with an initial deposit period of more than three months, the year-on-year increase of RMB2.433 billion in cash outflow arising from the increase in provision of self-operated loans to members other than China Coal Energy by Finance Company and the year-on-year decrease of RMB0.436 billion in cash dividends received from shareholding entities.

Net cash outflow generated from financing activities decreased by RMB1.998 billion from RMB13.050 billion for the six months ended 30 June 2022 to RMB11.052 billion, which was mainly attributable to the combined effect of the year-on-year decrease of RMB4.080 billion in net outflow of debt financing, the year-on-year decrease of RMB0.607 billion in cash outflow for the settlement of interests, and the year-on-year increase of RMB2.731 billion for the payment of dividends to minority shareholders by non-wholly owned enterprises.

IV. SOURCES OF CAPITAL

For the six months ended 30 June 2023, the Group's funds were mainly derived from the proceeds generated from business operations, bank borrowings and net proceeds raised in capital markets. The Group's funds were mainly used for investments in production facilities and equipment for coal, coal chemical, coal mining equipment and power generation operations, repayment of debts payable by the Group, and as the Group's working capital and general recurring expenditures.

During the reporting period, the Group has repaid the loans as well as the principal and interests of the bonds by the agreed time. No overdue or default has occurred.

The cash generated from the Group's operation, net proceeds from share offering in the capital markets, relevant banks' line of credit obtained, and the issue amount of bonds approved but not utilised will provide sufficient capital funds for future production and operating activities as well as project construction.

V. ASSETS AND LIABILITIES

(I) Property, plant and equipment

As at 30 June 2023, the net value of property, plant and equipment of the Group amounted to RMB124.402 billion, representing a net decrease of RMB2.044 billion or 1.6% as compared to RMB126.446 billion as at 31 December 2022, among which, the net value of buildings was RMB33.504 billion, accounting for 26.9%; that of mining structures was RMB31.537 billion, accounting for 25.4%; that of plant, machinery and equipment was RMB42.880 billion, accounting for 34.5%; that of construction in progress was RMB10.035 billion, accounting for 8.1%; and that of railways, transportation vehicles and others was RMB6.446 billion, accounting for 5.1%.

(II) Mining rights

As at 30 June 2023, the net value of the Group's mining rights amounted to RMB41.824 billion, representing a net increase of RMB2.339 billion or 5.9% as compared to RMB39.485 billion as at 31 December 2022, which was mainly attributable to the combined effect of the recognisation of the proceeds from transfer of mining rights in accordance with China's relevant policy by the coal production enterprises of the Group for the current period and the amortisation of mining rights.

(III) Other non-current assets

As at 30 June 2023, the net value of the Group's other non-current assets amounted to RMB7.298 billion, representing a net increase of RMB2.452 billion or 50.6% from RMB4.846 billion as at 31 December 2022, which was mainly attributable to the increase in provision of medium and long term loans to member entities other than the Group by Finance Company.

(IV) Trade receivables and notes receivables

As at 30 June 2023, the net value of the Group's trade receivables and notes receivables amounted to RMB10.610 billion, representing a net increase of RMB1.863 billion or 21.3% from RMB8.747 billion as at 31 December 2022, which was mainly attributable to the increase in receivables for product sales during the settlement period.

(V) Contract liabilities

As at 30 June 2023, the balance of the Group's contract liabilities amounted to RMB4.133 billion, representing a net decrease of RMB2.104 billion or 33.7% from RMB6.237 billion as at 31 December 2022, which was mainly attributable to the decrease in sales advances.

(VI) Borrowings

As at 30 June 2023, the balance of the Group's borrowings amounted to RMB65.415 billion, representing a net decrease of RMB6.092 billion or 8.5% from RMB71.507 billion as at 31 December 2022, among which, the balance of long-term borrowings (including the long-term borrowings due within one year) was RMB65.190 billion, representing a net decrease of RMB6.036 billion from RMB71.226 billion as at 31 December 2022, and the balance of short-term borrowings amounted to RMB0.225 billion, representing a net decrease of RMB56 million from RMB0.281 billion as at 31 December 2022.

(VII) Long-term bonds

As at 30 June 2023, the balance of the Group's long-term bonds (including long-term bonds due within one year) amounted to RMB14.109 billion, representing a net decrease of RMB0.430 billion or 3.0% from RMB14.539 billion as at 31 December 2022.

(VIII) Other long-term liabilities

As at 30 June 2023, the balance of the Group's other long-term liabilities amounted to RMB5.558 billion, representing a net increase of RMB1.299 billion or 30.5% from RMB4.259 billion as at 31 December 2022, which was mainly attributable to the increase in the mining right of the transfer gain on mining rights recognized in accordance with relevant national policy by coal production enterprises of the Group, while the portions with a payment term exceeding one year were included in other long-term liabilities.

VI. OVERSEAS ASSETS

For the six months ended 30 June 2023, there were no material change in the Group's major assets. As at 30 June 2023, total assets of the Group amounted to RMB346.552 billion, representing an increase of RMB6.822 billion or 2.0% as compared to RMB339.730 billion as at 31 December 2022, among which, overseas assets amounted to RMB0.535 billion, accounting for 0.15% of total assets.

VII. SIGNIFICANT CHARGE OF ASSETS

The Group did not have a significant charge of assets during the reporting period. As at 30 June 2023, the book value of the Group's charge of assets amounted to RMB1.253 billion, of which, the book value of pledged assets was RMB0.159 billion and the book value of mortgaged assets was RMB1.094 billion.

VIII. SIGNIFICANT INVESTMENT

Save as disclosed in this announcement, the Group had no significant investment during the reporting period.

IX. MATERIAL ACQUISITIONS AND DISPOSALS

Save as disclosed in this announcement, the Group did not have material acquisitions and disposals in relation to subsidiaries, associates and joint ventures during the reporting period.

X. CONTINGENT LIABILITIES

(I) Bank guarantees

As at 30 June 2023, the Group provided guarantees of RMB1.462 billion in total, all of which were provided to the share-holding companies in proportion to the Group's shareholdings. Details are as follows:

Unit: RMB10 thousand

The Company's external guarantees (excluding guarantees for subsidiaries)

Guarantor	Relationship between guarantor and listed company	Guarantee	Guaranteed amount	Date of execution of guarantee (the date of signing agreement)	Commencement date of guarantee	Expiry date of guarantee	Type of the guarantee	Major debts	Guarantees (if any)	Completed or not	Overdue or no	Overdue amount	Counter Guarantee available or not	Provided to the related party or not	Connected party relationship
China Coal Energy Company Limited	Company headquarters	Shaanxi Yanchang China Coal Yulin Energy Chemical Company Limited	113,738.55	19 December 2018	19 December 2018	18 December 2035	Joint and several liability	Punctual payment of principal and interests	–	No	No	–	Yes	No	Other
China Coal Shaanxi Yulin Energy & Chemical Company Limited	Wholly-owned subsidiary	Shaanxi Jingshen Railway Company Limited	32,420.00	26 July 2018	26 July 2018	25 July 2045	Joint and several liability	Punctual payment of principal and interests	–	No	No	–	Yes	No	Other

Total guarantee incurred during the reporting period (excluding those provided to subsidiaries)	-12,105.30
Total balance of guarantee as at the end of the reporting period (A) (excluding those provided to subsidiaries)	146,158.55
guarantee provided by the Company to its subsidiaries	
Total guarantee to subsidiaries incurred during the reporting period	-122,300.00
Total balance of guarantee to subsidiaries as at the end of the reporting period (B)	–
total guarantee of the Company (including those to subsidiaries)	
Total guarantee (A+B)	146,158.55
Percentage of total guarantee to net assets of the Company (%)	1.1
Of which:	
Amount of guarantee provided to shareholders, de facto controllers and its related parties (C)	–
Amount of debts guarantee directly or indirectly provided to guaranteed parties with gearing ratio of over 70% (D)	–
Excess amount of total guarantee over 50% of net assets (E)	–
Total amount of the above three categories (C+D+E)	–

(II) Environmental protection responsibilities

Environmental protection laws and regulations have been fully implemented in China. The management of the Group is of the opinion that other than those that have been accounted for in the financial statements, there are currently no other environmental protection responsibilities that may have a material adverse impact on the financial position of the Group.

(III) Contingent legal liabilities

For details of the litigation involving Yihua Mining, Mengda Mining and Yinhe Hongtai Company, please refer to the relevant section of the Company's 2021 annual report. At present, the case is still in the process of litigation. The Company will continue to strengthen communication and coordination to promote the resolution of historical issues left out.

BUSINESS PERFORMANCE

I. PRINCIPAL BUSINESS OPERATIONS OF THE COMPANY

(1) Coal Operations

1. Coal production

In the first half of the year, the Group strengthened safety management, optimise continuous production and kept increasing its production efficiency and system security capability, thereby providing a strong support for securing energy supply. The Group produced 67.12 million tonnes of commercial coal, representing a year-on-year increase of 7.89 million tonnes or 13.3%. Raw coal productivity was 37.9 tonnes per worker shift, maintaining a leading level in the industry. The Group fostered the in-depth integration between coal industry and intelligent technology, where a total of 7 achievements from 5 controlled coal mines were successfully listed into the classical case list for national intelligent coal mine construction. Safety level and efficient production capability of coal mines were continuously enhanced.

Table on Commercial Coal Production Volume

Unit: 10 thousand tonnes

Item	**For the six months ended 30 June 2023**	For the six months ended 30 June 2022	Change (%)
Production volume of commercial coal	**6,712**	5,923	13.3
(I) By region:			
1. Shanxi	**4,433**	4,142	7.0
2. Inner Mongolia and Shaanxi	**1,884**	1,424	32.3
3. Jiangsu	**237**	285	-16.8
4. Xinjiang and others	**158**	72	119.4
(II) By coal type:			
1. Thermal coal	**6,137**	5,361	14.5
2. Coking coal	**575**	562	2.3

2. Coal sales

In the first half of the year, the Group resolutely executed the decisions and deployment of the CPC Central Committee and State Council, earnestly fulfilled the responsibility on securing supply and stabilising price, and strictly implemented the long and medium term coal contract of "two comprehensive coverage" and coal price policy. The Group accelerated the release of advanced production capacity, continued to strengthen the coordination between production and sales, effectively consolidated external resources, strived to expand external purchase and sales, to secure the supply of electricity coal in key areas and at key time periods. The Group actively planned for the establishment of extensive logistics structure, accelerated the consolidation of resources for production, supply, reserve and sales, while comprehensively increased its capability to secure energy safety. By scientifically analysing the market and flexibly adjusting sales strategy, the Group has progressively stabilised its market share, with further increase of China Coal's brand advantage, market disclosure power and influence. In the first half of the year, the sales volume of commercial coal was 146.66 million tonnes, representing a year-on-year increase of 9.9%, among which, the sales volume of self-produced commercial coal was 64.85 million tonnes, representing a year-on-year increase of 10.6%.

Table on Coal Sales

Unit: 10 thousand tonnes

Item	**For the six months ended 30 June 2023**	For the six months ended 30 June 2022	Change (%)
Sales volume of commercial coal	**14,666**	13,349	9.9
(I) By business type:			
1. Self-produced commercial coal	**6,485**	5,865	10.6
2. Proprietary trading coal	**7,620**	6,896	10.5
3. Import and export and domestic agency	**561**	588	-4.6
(II) By region:			
1. North China	**4,705**	4,614	2.0
2. East China	**4,921**	4,580	7.4
3. South China	**1,895**	1,664	13.9
4. Central China	**1,485**	1,206	23.1
5. Northwest China	**1,275**	926	37.7
6. Other regions	**385**	359	7.2

(II) Coal Chemical Operations

In the first half of the year, the Group kept on strengthening the refined management of coal chemical operations, and actively overcame the impact of price drop for chemical products, while optimised production organisation and strictly controlled unscheduled suspension. The output of the major products reached 3.003 million tonnes, representing a year-on-year increase of 2.0%, under the scheduled overhaul of some equipment. With stringent cost control and by facilitating energy conservation and efficiency enhancement, the overall energy consumption values of unit product for coal-to-olefins and coal-to-urea were better than the industry standards for energy efficiency.

Facing the intense fluctuation of energy and chemical markets, the Company placed efforts on strengthening the coordination of production, delivery and sales, customers management, logistics security and internal control, while flexibly adjusted marketing strategies and facilitated various works in a solid and orderly manner. The sales volume of major coal chemical products was 3.211 million tonnes, representing a year-on-year increase of 7.2%. The Group strictly implemented the national policies of securing supply and stabilising price of chemical fertilizers, placed efforts on securing the supply of urea in Spring, successfully completed the national mission on fertiliser commercial reserve for year 2022 to 2023 while actively fostered differentiation and customised operations. In the first half of the year, the sales volume of urea products containing polyglutamic acid was 50,000 tonnes in aggregate and the sales volume of polyolefin differentiated products was 49,000 tonnes. With the continuous improvement of production, sales and research structure, the capability of differentiated efficiency generation was further enhanced.

Table on Production and Sales Volume of Major Coal Chemical Products

Unit: 10 thousand tonnes

Item	**For the six months ended 30 June 2023**	For the six months ended 30 June 2022	Change (%)
Production volume of coal chemical products	**300.3**	294.5	2.0
Sales volume of coal chemical products	**321.1**	299.5	7.2
(I) Polyolefin			
1. Production volume	**76.2**	75.2	1.3
2. Sales volume	**74.9**	72.7	3.0
(II) Urea			
1. Production volume	**98.6**	100.4	-1.8
2. Sales volume	**119.9**	114.2	5.0
(III) Methanol			
1. Production volume	**96.5**	97.0	-0.5
2. Sales volume	**97.1**	90.7	7.1
(IV) Ammonium nitrate			
1. Production volume	**29.0**	21.9	32.4
2. Sales volume	**29.2**	21.9	33.3

Notes: 1. The process for manufacturing the Group's major coal chemical products starts with the gasification of coal as a raw material into synthetic gas (CO+H2), which is then purified to produce synthetic ammonia or methanol. Synthetic ammonia and carbon dioxide are used to produce urea. Through the MTO reaction, methanol is turned into ethylene and propylene monomers, which are polymerised to form polyethylene and polypropylene.

2. The methanol sales volume of the Group includes internal consumption volume.

(3) Coal Mining Equipment Operations

In the first half of the year, by reform and development, quality enhancement, technological innovation, focus on benchmarking management, quality and efficiency increment, cost saving and efficiency enhancement, the Group greatly increased output level. The aggregate production value of coal mining equipment amounted to RMB5.91 billion, representing a year-on-year increase of 14.8%. Focusing on the market, the Group paid close attention to the needs of users, grasped the opportunity of intelligent construction of coal mines, and promoted the transformation and upgrading of "intelligence, informatisation and digitalisation". With increasing proportion of high-end products and quality market share, accumulative value of new contracts increased by 11.1% year-on-year. The Group actively facilitated the research and development of high-end intelligent products, placed great efforts on the establishment of intelligent plants and captured the advantages in terms of technological innovation, while continued to extend the exploration in non-coal areas, actively expanded overseas operations, and continuously enhanced market image and brand effect.

Table on Production Value and Revenue of Coal Mining Equipment

Unit: RMB100 million

	Production value			**Revenue**	
Product type	**For the six months ended 30 June 2023**	For the six months ended 30 June 2022	Change *(%)*	**For the six months ended 30 June 2023**	Percentage of revenue of the coal mining equipment *(%)*
Main conveyor products	**26.9**	22.5	19.6	**24.83**	40.4
Main support products	**20.3**	17.3	17.3	**20.63**	33.6
Others	**11.9**	11.7	1.7	**15.93**	26.0
Total	**59.1**	51.5	14.8	**61.39**	100.0

(4) Financial Operations

In the first half of the year, building on the whole industry value chain for coal business and the development of new energy industry, the Group continued to enhance financial technology innovation and lean capital management, fully implemented the latest revised version of the Administrative Measures for Finance Company of Enterprise Group, and fully promoted the establishment and application of treasury system. It strengthened fund account management and monitoring of budget implementation, improved fund management efficiency and effectiveness, accurately analysed interest rate trend of the financial market, and timely optimised and adjusted its allocation strategy of the interbank deposit allocation strategy. With increasing credit support and enhanced financial service innovation, the optimisation and adjustment of the Company's industry structure was supported. At the end of reporting period, scale of deposits absorbed amounted to RMB90.01 billion, representing a year-on-year increase of 23.2%; placement of interbank deposits amounted to RMB73.58 billion, representing a year-on-year increase of 16.5%; scale of self-operated loans amounted to RMB17.63 billion, representing a year-on-year increase of 27.3%.

Table on Financial Operations

Unit: RMB100 million

Business types	**As at 30 June 2023**	As at 30 June 2022	Change *(%)*
Scale of deposits absorbed	**900.1**	730.7	23.2
Placement of interbank deposits	**735.8**	631.4	16.5
Scale of self-operated loans	**176.3**	138.5	27.3

(5) Synergy among Business Segments

Focusing on leveraging the advantages of coal-electricity-chemical industry chain, the Group further pushed forward the regional integrated management and continuously optimised the regional industry structure, thereby realising the synergetic development among business segments and improving the overall competitiveness and risk resistance capacity. In the first half of the year, the Group produced 6.34 million tonnes of coal for internal consumption, representing a year-on-year increase of 1.29 million tonnes. The coal mining equipment operations achieved internal product sales and services revenue of RMB0.63 billion, accounting for 10.2% of the total sales revenue of the business segment. For financial operations, newly issued internal loans amounted to RMB3.69 billion and the amount of internal loans as at the end of reporting period was RMB12.36 billion. By offering financing operations with rich varieties and quality service and coordinating with member entities to greatly lower loan interest rate, total finance expenses of approximately RMB0.23 billion has been saved.

II. ANALYSIS OF CORE COMPETITIVENESS

The Company's core business segments focus on coal, coal chemical, power generation and coal mining equipment. Leveraging on bases located in Shanxi, Inner Mongolia, Shaanxi, Jiangsu, Xinjiang, etc., and adhering to the development direction of "efficiency enhancement and incremental transformation", the Company would strive to build a world-class clean energy enterprise pursuing "multi-energy complementation, green and low-carbon business, innovation demonstration and modern governance".

The scale of the Company's principal coal business is at the forefront of the country. The production and development layouts are concentrated in the energy bases under the national planning, as well as the provinces and districts with abundant resources in the central and western regions. With its leading position in the industry in terms of the proportion of quality production capacity, coal resource reserves, and technologies and techniques in coal mining, washing, and compounding, the Company has distinctive competitive advantages for large-scale coal mines and low-cost. Mining Areas in Pingshuo, Shanxi and Hujierte, Ordos of Inner Mongolia, primarily developed by the Company, are the important thermal coal production bases in the PRC. Xiangning Mining Area in Shanxi where Wangjialing Coal Mine is located is the production base of coking coal of high quality with low sulphur and extra low phosphorus content in the PRC. Jincheng Mining Area in Shanxi where Libi Coal Mine is located is the production base of high-quality anthracite in the PRC. The Company's coal key construction projects have achieved progress smoothly. Dahaize Coal Mine successfully put into trial operation as a whole. Projects such as Libi Coal Mine all progress steadily and orderly. It is the professional and sophisticated management mode, the capable and efficient production mode, the scale merit of cluster development, the high-quality and abundant coal resources and coordinated development of the industry chain that constitute the core competitive advantages of the Company in the coal industry.

The Company focuses on clean and efficient conversion and utilisation of coal, and strives to establish a new circular economic business line for coal-power-chemical. For coal chemical operations, the development of modern coal chemical industries such as coal-to-olefins and coal-to-urea is highlighted, the equipment maintains the operating situation of "work safety, stable production, long period operation, fully-loaded operation and producing quality products", and major production and operation indicators are still front-rank in the industry. On coal-power business, the Company orderly develops environment-friendly pit-mouth power plants and power plants utilising inferior coal, facilitates the coal-power operation and integration, and creates the features and advantages of low-cost, high-efficiency, and comprehensive utilisation of resources in a proactive manner.

The Company relies on its own advantages of the mining areas to promote the in-depth integration of coal, coalfired power, coal chemical industry and new energy. The Company has a large number of open-pit coal mines and underground coal mines of comprehensive range of mine types and a wide range of distribution areas. The Company has abundant on-ground land resources and underground space resources such as coal mining subsidence areas, industrial sites, dumps, underground roadways, mine pits, as well as the conditions for coalfired power industry and coal chemical industry to support energy consumption. The Company has the advantages of developing the energy bases complemented by multiple types of energy and "integration of source-network-load storage".

The Company is one of the largest coal traders in the PRC with branches in major coal consumption regions, trans-shipment ports and major coal import regions of the PRC. It has an industry-leading proportion of seaborne coal resources in the four northern ports of coal. Capitalising on its own marketing network of coal sales and logistics system, well-established port service and high-caliber professional teams, the Company is able to provide customers with high-quality services with excellent capabilities for market exploration and distribution.

The Company is a large-scale energy enterprise with the advantages of the whole industry chain for coal business, which is able to engage in manufacturing coal mining equipment, coal mining, washing, preparation and processing, logistics and transportation as well as provision of systematic solutions. Under the new situation, the Company has a solid business foundation in expanding the market of intelligent transformation of coal mines and providing energy efficiency improvement and comprehensive energy services for the industry and the society.

The Company insists on innovation-driven growth and becomes the leader of the industry. With the increased investment in research and development, the Company accelerates the integration of innovative resources, the construction of scientific research platform, and further promotes industry-university-research cooperation to ensure innovative development. The Company accelerates the construction of big data and digital management system. It also strives to carry out the construction of intelligent coal mines. New achievements were made in important technological projects, and the implementation of a batch of national technological projects achieved stage results. Through strengthening the research on key technologies, new technology "Key Technologies for Rock Burst Prevention and Control in the Areas of Inner Mongolia and Shaanxi" has set a new benchmark for efficient management of major disasters. The Company takes a step forward for digital transformation, and the integration of intelligence and digitalisation enables the business to improve steadily.

The Company attaches great importance to the development of corporate culture, continuously improves its management system and creates a good internal development environment. The Company continues to promote a reform of the headquarters' institutions and strived to build capable and efficient headquarters with "clear strategic orientation, excellent operational management and control, and first-class value creation". The Company has established a sound corporate management system and is gradually improving its internal control and risk control systems. The Company devotes major efforts to implement centralised management and control over sales of coal and coal chemical products as well as centralised management of finance, investment and material procurement, and enhances management by objectives and comprehensive budget control, significantly lowers the costs and enhances its advantages on productivity and operating efficiency.

In recent years, the Company has adhered to the existing strategy with firm confidence in development, and its principal coal business has achieved scale development. The Company has expedited the extension of coal business to coal chemical and coal-fired power generation areas, and has enhanced value-added capabilities of the overall industry chain while has created a dense industry chain. The Company has promoted a shift of development model from a scale and speed-oriented extensive growth model to a quality and efficiency-focused intensive model, thus continuously improving its core competitiveness. The Company has vigorously pushed forward quality enhancement, cost reduction and efficiency improvement so as to maintain a sound financial structure and enhance risk resistance capability, thus taking solid steps towards high-quality development of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company always attaches great importance to corporate governance and the enhancement of its transparency, complies with the requirements on corporate governance prescribed by domestic and overseas regulatory institutions and makes constant efforts to improve the internal control of the Company, so as to facilitate more standardised and efficient operation of the Company and ensure maximum returns for the Shareholders through excellent corporate governance.

During the reporting period, the Company had complied with the code provisions under the Corporate Governance Code as set out in Appendix 14 to the Hong Kong Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AND SUPERVISORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix 10 to the Hong Kong Listing Rules (the "Model Code"). After the Company made specific enquiries, all Directors and Supervisors confirmed that they had fully complied with the Model Code during the reporting period.

AUDIT AND RISK MANAGEMENT COMMITTEE

The audit and risk management committee under the Board has reviewed the interim results of the Company. Ernst & Young, the auditor of the Company, conducted an independent review on the unaudited condensed consolidated interim financial information of the Company for the six months ended 30 June 2023 in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the International Auditing and Assurance Standards Board. On the basis of their review, which did not constitute an audit, Ernst & Young confirmed in writing that nothing came to their attention which would cause them to believe that the interim financial information was not, in any material aspect, properly prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting".

DISCLOSURE OF MAJOR EVENTS

I. DISTRIBUTION OF FINAL DIVIDENDS FOR 2022

The Company's plan of profit distribution for the year of 2022 was considered and approved at the Company's 2022 annual general meeting held on 13 June 2023. Cash dividend of RMB5,472,160,500 was distributed to the Shareholders, representing 30% of the net profit attributable to the equity holders of the listed Company of RMB18,240,535,000, for the year of 2022 as set out in the consolidated financial statements of 2022 prepared in accordance with the Chinese Accounting Standards for Business Enterprises. The proposed dividend distribution was based on the Company's entire issued share capital of 13,258,663,400 Shares, representing a dividend of RMB0.413 per share (tax inclusive). By 8 August 2023, the aforesaid dividends have been duly paid to the Shareholders.

II. INTERIM PROFIT DISTRIBUTION PLAN FOR 2023

The Company does not distribute any interim profit for 2023 and has no proposal to increase capital stock by transfer of reserve fund.

III. ASSETS TRANSACTION

During the reporting period, the Company had no significant assets transactions.

IV. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

For the six months ended 30 June 2023, the Company and its subsidiaries had not purchased, sold or redeemed any securities (the term "securities" has the meaning ascribed to it under the Hong Kong Listing Rules) of the Company.

V. OTHER DISCLOSED EVENTS

During the reporting period, the Company did not have other disclosed events.

FORWARD-LOOKING STATEMENT

The Company would like to caution readers about the forward-looking nature of certain of the above statements. These forward-looking statements are subject to various risks, uncertainties and assumptions, which are beyond the Company's control. Potential risks and uncertainties include those concerning the market conditions of coal, coal chemical, coal mining equipment and electric power industry in China, the changes in the regulatory policies and environment and the Company's ability to successfully execute its business strategies. In addition, these forward-looking statements only reflect the Company's current views with respect to future events but are not a guarantee of future performance. The Company does not intend to update these forward-looking statements. The actual results of the Company may differ from the information contained in the forward-looking statements as a result of a number of factors.

DEFINITIONS

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

Company/China Coal Energy/ the Group/the Company	China Coal Energy Company Limited, unless otherwise indicated, also includes all of its subsidiaries
Board of the Company/Board	the board of directors of China Coal Energy Company Limited
Director(s)	the director(s) of the Company, including all the executive directors, non-executive directors and independent non-executive directors
Supervisor(s)	the supervisor(s) of the Company
China Coal Group	China National Coal Group Corporation, the controlling shareholder of the Company

Shanghai Energy Company	Shanghai Datun Energy Resources Company Limited
Pingshuo Group	China Coal Pingshuo Group Company Limited
Mengda Mining	Wushenqi Mengda Mining Company Limited
Finance Company	China Coal Finance Co., Ltd.
Yihua Mining	Ordos Yihua Mining Resources Company Limited
Yinhe Hongtai Company	Ordos Yinhe Hongtai Coal Power Company Limited
Pingshuo Mine Area	a mining area located in Shanxi Province, mainly comprising Antaibao Open Pit Mine, Anjialing Open Pit Mine as well as East Open Pit Mine
East Open Pit Mine	East Open Mine of China Coal Pingshuo Group
Dahaize Coal Mine	Dahaize Coal Mine Project of China Coal Shaanxi Yulin Energy & Chemical Company Limited
Wangjialing Coal Mine	Wangjialing Coal Mine Project of China Coal Huajin Energy Group Limited
Anjialing Coal Mine	East Open Pit Mine of China Coal Pingshuo Group Company Limited
Libi Coal Mine	Libi Coal Mine of China Coal Huajin Group Jincheng Energy Company Limited
Antaibao 2×350MW low calorific value coal power generation project	Antaibao 2×350MW low calorific value coal power generation project of China Coal Antaibao Thermal Power Company Limited
Shaanxi Yulin's coal chemical phase II project with an annual output of 900,000 tonnes of polyolefin	China Coal Shaanxi Yulin Energy Chemical Co., Ltd. Coal Chemical Industry Phase II Project with an annual output of 900,000 tonnes of polyolefin
Liquid Sunlight	it is the synthesis of liquid sun fuel, which is the production of hydrogen by using solar energy and other renewable energy to electrolyte, and hydrogen reaction with carbon dioxide to produce green methanol
CSRC	China Securities Regulatory Commission

SASAC	State-owned Assets Supervision and Administration Commission of the State Council
HKSE	The Stock Exchange of Hong Kong Limited
HKSE Website	www.hkexnews.hk
SSE	the Shanghai Stock Exchange
SSE Website	www.sse.com.cn
Company Website	www.chinacoalenergy.com
Articles of Association	the articles of association passed at the inaugural meeting of the Company on 18 August 2006 and approved by the relevant state authorities, as amended and supplemented from time to time
A Share(s)	the ordinary share(s) issued to domestic investors in China with approval from CSRC, which are listed on the SSE and traded in RMB
H Share(s)	the overseas listed foreign share(s) of RMB1.00 each in the share capital of the Company, which are listed on the HKSE for subscription in Hong Kong dollars
Share(s)	the ordinary shares of the Company, including A Share(s) and H Share(s)
Shareholder(s)	the shareholder(s) of the Company, including holder(s) of A Shares and holder(s) of H Shares
Hong Kong Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
SSE Listing Rules	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange
RMB	RMB yuan