

# 2024 INTERIM REPORT

Efficiency Enhancement and Incremental Transformation  
Returning Investors with High-Quality Development



**中国中煤能源股份有限公司**  
CHINA COAL ENERGY COMPANY LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)  
Stock Code : 01898

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Note: In this report, unless otherwise indicated, all financial indicators are presented in RMB.

# Chairman's Statement

## Dear Shareholders,

In the first half of 2024, China Coal Energy resolutely implemented the decisions and deployment of the Party Central Committee and the State Council, firmly grasped the theme of high-quality development, comprehensively implemented the development direction of “efficiency enhancement and incremental transformation”, steadily and orderly promoted various operation and development tasks, continuously strengthened core functions and improved core competitiveness. Affected by the downward trend of coal market prices, the revenue amounted to RMB93.0 billion, representing a year-on-year decrease of 15.0%, and the profit attributable to shareholders of the Company amounted to RMB10.7 billion, representing a year-on-year decrease of 16.0%. Maintaining strong operating cash generation capabilities, production and sales activities generated a net operating cash inflow of RMB15.7 billion, representing a year-on-year increase of 4.1%.

In the first half of the year, we adhered to the primary responsibility of ensuring energy security and stable supply, released high-quality and advanced production capacity in an orderly manner. With the continuous progression of intelligent mines with high production volume and high efficiency, such as Dahaize Coal Mine and East Open Pit Mine, the production of 66.50 million tonnes of commercial coal was realised, which remained largely the same on a year-on-year basis. We also increased sales efforts to ensure supply, where 66.19 million tonnes of self-produced commercial coal were sold, representing a year-on-year increase of 1.34 million tonnes. The coal chemical business operated with “work safety, stable production, long period operation, fully-loaded operation and producing quality products”, and maintained the leading position in the industry in terms of efficiency. The production volume of three major export products, namely polyolefin, urea and ammonium nitrate, reached 2.058 million tonnes, representing a year-on-year increase of 20,000 tonnes. The coal mining equipment business actively constructed a full life-cycle service system, continuously promoted high-end intelligent and green transformation upgrades, with the total value of contracts entered into amounted to RMB13.544 billion and accounted for around 84% of middle-and high-end orders in major products. The financial business kept on intensifying lean management, with enhanced service and value creation capabilities.

In the first half of the year, we made significant progress in advancing the characteristic of China Coal Energy of “two combinations”, actively constructing a dense industrial chain of “coal, coal power, coal chemical and new energy”, and promoting deep integration and development of industries. Efforts were made in the Pingshuo Mine Area to stabilise production scale, ensure the supply of thermal coal, and develop coal power and new energy in an orderly manner. Antaibao 2×350MW low calorific value coal power generation project was on the verge of “dual launch”, with the 100MW agricultural and photovoltaic complementary projects along with subsequent 260MW photovoltaic project accelerating construction. In Inner Mongolia and Shaanxi areas, Dahaize Coal Mine with an annual production capacity of 20 million tonnes of high-quality thermal coal recorded stable release of mining capacity, with a year-on-year increase of 2.85 million tonnes in commercial coal production. The high-quality advancement of Wushenqi 2×660MW integrated coal power project, the construction commencement of Shaanxi Yulin's coal chemical phase II project with an annual output of 900,000 tonnes of polyolefins, and the accelerated implementation of the Tok 100,000-tonne “Liquid Sunshine” demonstration project were notable. Shanghai Energy stabilised the production volume of high-quality coal at its headquarter, with the first phase of the 263MW new energy demonstration base project showing good post-commissioning results, and the second phase of the 132MW project entering an accelerated construction phase. With an annual production capacity of 4 million tonnes of anthracite, Libi Coal Mine of China Coal Huajin Company is smoothly advancing its plans for commissioning next year. The Group coordinated development and safety, continuously improved the safety and environmental management systems and mechanisms, increased investment in safety and environmental protection, conducted in-depth investigations and governance of hidden hazards, and maintained overall stability in safety, as a result of which no environmental emergencies occurred.

# Chairman’s Statement

In the first half of the year, we continued to deepen reforms and innovations, enhancing the vitality and momentum for high-quality development. We solidly promoted the deepening of reforms through practical actions, focusing on enhancing the construction of boards of directors for subsidiaries, implementing the tenure system and contractual management for management members to improve quality and expand their scopes, and carrying out regional and professional reforms. We strengthened the enterprise’s position in terms of technological innovation, adhered to the “small internal brain + large external brain” strategy, refined the technological innovation system with China Coal Energy characteristics, fully leveraged the role of the Enterprise Innovation and Development Joint Foundation under the National Natural Science Foundation of China. We engaged in practical cooperation with the Beijing-Tianjin-Hebei National Technology Innovation Center in the field of energy and low carbon, actively integrated into the national innovation system and contributed to the development of national strategic technological capabilities. Efforts were made to advance the construction of a high-standard integrated intelligent control platform for production, operation and management, drawing on global best practices. Through digital and intelligent transformation, we aimed to drive conceptual changes, process reengineering, and value enhancement. We reinforced the security for innovation investment funding, and successfully issued a 15-year term technology innovation corporate bond of RMB2 billion to professional investors. We implemented 2023 final dividend, a special dividend and 2024 interim dividend to reward Shareholders with an amount of RMB10.3 billion, thereby effectively enhancing investors’ sense of achievement and satisfaction.

In the second half of the year, China Coal Energy will deepen its study and promotion of the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party, firmly adhere to the absolute principle of high quality development in the new era, further deepen reforms, and accelerate the development of new and high-quality productivity. **First**, we will firmly grasp the requirements for deepening reform and enhancement, continuously strengthen core functions and improve core competitiveness, resolutely complete the tasks of reform, deepening and enhancement, especially the latest reform tasks proposed by the Third Plenary Session of the 20th Central Committee of the Communist Party. **Second**, focusing on the goal of building a world-class energy enterprise, we will accelerate the development and planning of key projects construction, enhance energy supply capabilities, and expedite green and low-carbon transformation. **Third**, we will adhere to benchmarking against world-class standards, deepen quality improvements, strengthen lean management, solidly promote high-quality and stable growth, and successfully complete the annual production and operation objectives. **Fourth**, we will continue to improve the technological innovation system, harness both internal and external research advantages, intensify efforts in technological breakthroughs, and accelerate the development of new productivity. **Fifth**, we will continuously improve and strengthen the internal control management system and risk prevention and control system, persistently enhance work in safe production, ecological and environmental protection, energy conservation, emission reduction and other areas, and prevent and resolve various major risks. **Sixth**, we will further advance the special action to enhance the quality of state-owned listed companies, continuously improve corporate governance standards and information disclosure quality, improve investor communication on a multi-level and multi-dimensional basis, and uphold a positive image in the capital market.

The Company’s management and staff of all levels will work diligently and courageously, moving forward with determination. We will strive to achieve new accomplishments in high-quality development on the journey of Chinese modernisation to reward shareholders and investors.

Wang Shudong  
Chairman  
Beijing, the PRC  
23 August 2024

# 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 2024, the Group overcame difficulties and took positive actions. By scientifically organising production and sales, it actively stabilised production and ensured supply, worked hard to improve quality and efficiency, and maintained smooth and orderly production and operations despite the decline of coal prices and stricter supervision on the safety of coal mines. The Group realised a revenue of RMB92.984 billion, a decrease of RMB16.373 billion year-on-year, mainly due to a year-on-year decrease of the revenue of proprietary coal trading; a profit before tax of RMB17.983 billion, a decrease of RMB3.209 billion year-on-year; the profit attributable to the equity holders of the Company was RMB10.695 billion, a decrease of RMB2.037 billion year-on-year. Production and sales activities generated a net cash inflow of RMB15.740 billion, an increase of RMB0.626 billion year-on-year, reflecting sound capital management and operating cash generation capabilities.

The Group's major business segments, including coal, coal chemical, coal mining equipment and financial operations, maintained good profitability. Coal enterprises optimised production continuity and accelerated the release of production capacity. Despite a drop in the average selling price of self-produced commercial coal of RMB40/tonne which led to a decrease in revenue of RMB2.66 billion, sales increased by 1.34 million tonnes year-on-year which led to an increase in revenue of RMB834 million; by continuously optimising production processes and operating procedures, improving production efficiency and actively controlling costs, the unit cost of sales of self-produced commercial coal came in at RMB332.26/tonne, an increase of RMB7.80/tonne year-on-year but a decrease of RMB21.57/tonne from the full-year level in 2023. The coal operations achieved a gross profit of RMB17.241 billion on steady and sound operations. Coal chemical enterprises strengthened equipment management, and stabilised operation of equipment. Given that the selling prices of urea and ammonium nitrate fell and the price of polyolefin remained largely the same year-on-year, the unit cost of sales of major products decreased year-on-year as a result of effective cost control and decreased purchase prices of raw material coal and fuel coal. A gross profit of RMB2.054 billion was achieved, representing an increase of RMB357 million year-on-year and reflecting the good management standard and the synergy of the integrated development of coal and chemical operations. The coal mining equipment operations actively established a full life cycle service system, cultivated and consolidated the mid-to-high-end market and the intelligent upgrade market, and the sales volume of coal mining machinery products, such as scraper conveyors and hydraulic supports, increased year-on-year. A profit before tax of RMB363 million was achieved, which remained roughly the same year-on-year after excluding the impact of changes in the scope of consolidation. Finance Company continued to improve the level of intensive and lean capital management by optimising and upgrading the treasury system. Its capital concentration and operational efficiency remained industry-leading, with an asset scale of over RMB100 billion. Amid the general downturn of interest rates in the financial market, it achieved a profit before tax of RMB709 million, maintaining year-on-year growth, thereby further enhancing its service and value creation capabilities.

# Management Discussion and Analysis of Financial Conditions and Operating Results

*Unit: RMB100 million*

	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Year-on-year	
			Increase/ decrease in amount	Increase/ decrease (%)
Revenue	929.84	1,093.57	-163.73	-15.0
Cost of sales	716.25	854.04	-137.79	-16.1
Gross profit	213.59	239.53	-25.94	-10.8
Selling, general and administrative expenses	34.12	33.22	0.90	2.7
Other income, gains and losses, net	1.58	1.13	0.45	39.8
Profit from operations	180.28	207.07	-26.79	-12.9
Finance income	0.56	0.36	0.20	55.6
Finance costs	13.31	16.09	-2.78	-17.3
Share of profits of associates and joint ventures	12.29	20.59	-8.30	-40.3
Profit before tax	179.83	211.92	-32.09	-15.1
EBITDA	231.07	263.77	-32.70	-12.4
Profit attributable to the equity holders of the Company	106.95	127.32	-20.37	-16.0
Net cash generated from operating activities	148.90	170.35	-21.45	-12.6
In which: Net cash flow generated from production and sales activities	157.40	151.14	6.26	4.1
Net cash flow generated from deposits absorbed from members other than China Coal Energy by Finance Company	-8.50	19.21	-27.71	-144.2
Net cash generated from investing activities	-39.04	-51.91	12.87	-24.8
Net cash generated from financing activities	-53.75	-110.52	56.77	-51.4

*Unit: RMB100 million*

	As at 30 June 2024	As at 31 December 2023	Compared with the end of last year	
			Increase/ decrease in amount	Increase/ decrease (%)
Assets	3,611.34	3,491.55	119.79	3.4
Liabilities	1,733.97	1,666.32	67.65	4.1
Interest-bearing debts	691.49	726.98	-35.49	-4.9
Equity	1,877.37	1,825.23	52.14	2.9
Equity attributable to the equity holders of the Company	1,472.01	1,438.82	33.19	2.3
Gearing ratio (%) = total interest-bearing debts/(total interest-bearing debts + equity)	26.9	28.5	A decrease of 1.6 percentage points	

# Management Discussion and Analysis of Financial Conditions and Operating Results

## II. OPERATING RESULTS

### (I) Consolidated operating results

#### 1. Revenue

For the six months ended 30 June 2024, the Group's revenue decreased by RMB16.373 billion from RMB109.357 billion for the six months ended 30 June 2023 to RMB92.984 billion, representing a decrease of 15.0%. 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			
	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Year-on-year Increase/ decrease in amount	Increase/ decrease (%)
Coal operations	777.67	935.23	-157.56	-16.8
Self-produced commercial coal	386.42	404.68	-18.26	-4.5
Proprietary coal trading	387.90	527.51	-139.61	-26.5
Coal chemical operations	108.36	112.25	-3.89	-3.5
Coal mining equipment operations	56.31	61.39	-5.08	-8.3
Financial operations	12.71	11.67	1.04	8.9
Other operations	34.61	40.32	-5.71	-14.2
Net of inter-segmental sales	<u>-59.82</u>	<u>-67.29</u>	<u>7.47</u>	<u>-11.1</u>
The Group	<u><u>929.84</u></u>	<u><u>1,093.57</u></u>	<u><u>-163.73</u></u>	<u><u>-15.0</u></u>

# Management Discussion and Analysis of Financial Conditions and Operating Results

Revenue net of inter-segmental sales generated from each operating segment of the Group for the six months ended 30 June 2024 and the year-on-year changes are set out as follows:

*Unit: RMB100 million*

	Revenue net of inter-segmental sales			
	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Year-on-year Increase/ decrease in amount	Increase/ decrease (%)
Coal operations	737.44	886.91	-149.47	-16.9
Self-produced commercial coal	357.88	370.31	-12.43	-3.4
Proprietary coal trading	376.60	514.15	-137.55	-26.8
Coal chemical operations	102.85	106.65	-3.80	-3.6
Coal mining equipment operations	49.73	55.13	-5.40	-9.8
Financial operations	10.34	9.28	1.06	11.4
Other operations	29.48	35.60	-6.12	-17.2
The Group	<u>929.84</u>	<u>1,093.57</u>	<u>-163.73</u>	<u>-15.0</u>

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 2024 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 2024	For the six months ended 30 June 2023	Increase/ decrease (percentage point(s))
Coal operations	79.3	81.1	-1.8
Self-produced commercial coal	38.5	33.9	4.6
Proprietary coal trading	40.5	47.0	-6.5
Coal chemical operations	11.1	9.8	1.3
Coal mining equipment operations	5.3	5.0	0.3
Financial operations	1.1	0.8	0.3
Other operations	3.2	3.3	-0.1



# Management Discussion and Analysis of Financial Conditions and Operating Results

## 2. Cost of sales

For the six months ended 30 June 2024, the Group's cost of sales decreased by RMB13.779 billion or 16.1% from RMB85.404 billion for the six months ended 30 June 2023 to RMB71.625 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*

	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Year-on-year Increase/ decrease in amount	Increase/ decrease (%)
Coal operations	605.26	735.52	-130.26	-17.7
Self-produced commercial coal	219.92	210.41	9.51	4.5
Proprietary coal trading	383.70	522.94	-139.24	-26.6
Coal chemical operations	87.82	95.28	-7.46	-7.8
Coal mining equipment operations	47.85	51.04	-3.19	-6.3
Financial operations	5.15	5.34	-0.19	-3.6
Other operations	29.73	33.88	-4.15	-12.2
Inter-segment elimination	-59.56	-67.02	7.46	-11.1
	<u>716.25</u>	<u>854.04</u>	<u>-137.79</u>	<u>-16.1</u>
The Group	<u>716.25</u>	<u>854.04</u>	<u>-137.79</u>	<u>-16.1</u>

# Management Discussion and Analysis of Financial Conditions and Operating Results

## 3. Gross profit and gross profit margin

For the six months ended 30 June 2024, the Group's gross profit decreased by RMB2.594 billion or 10.8% from RMB23.953 billion for the six months 30 June 2023 to RMB21.359 billion; gross profit margin increased by 1.1 percentage points from 21.9% for the six months ended 30 June 2023 to 23.0%. 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 2024	For the six months ended 30 June 2023	Increase/ decrease (%)	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Increase/ decrease (percentage point(s))
Coal operations	172.41	199.71	-13.7	22.2	21.4	0.8
Self-produced commercial coal	166.50	194.27	-14.3	43.1	48.0	-4.9
Proprietary coal trading	4.20	4.57	-8.1	1.1	0.9	0.2
Coal chemical operations	20.54	16.97	21.0	19.0	15.1	3.9
Coal mining equipment operations	8.46	10.35	-18.3	15.0	16.9	-1.9
Financial operations	7.56	6.33	19.4	59.5	54.2	5.3
Other operations	4.88	6.44	-24.2	14.1	16.0	-1.9
<b>The Group</b>	<b>213.59</b>	<b>239.53</b>	<b>-10.8</b>	<b>23.0</b>	<b>21.9</b>	<b>1.1</b>

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

# Management Discussion and Analysis of Financial Conditions and Operating Results

## (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 trading coal) and coal import and export and domestic agency services.

For the six months ended 30 June 2024, revenue from the coal operations of the Group decreased by 16.8% from RMB93.523 billion for the six months 30 June 2023 to RMB77.767 billion, and revenue net of inter-segmental sales decreased by 16.9% from RMB88.691 billion for the six months ended 30 June 2023 to RMB73.744 billion.

For the six months ended 30 June 2024, revenue from sales of self-produced commercial coal of the Group decreased by 4.5% from RMB40.468 billion for the six months ended 30 June 2023 to RMB38.642 billion, which was mainly attributable to the year-on-year decrease of RMB40/tonne in the selling price of self-produced commercial coal leading to a decrease of RMB2.660 billion in revenue; the year-on-year increase of 1.34 million tonnes in sales volume leading to an increase of RMB0.834 billion in revenue. Revenue net of inter-segmental sales decreased by 3.4% from RMB37.031 billion for the six months ended 30 June 2023 to RMB35.788 billion.

For the six months ended 30 June 2024, revenue from sales of proprietary trading coal of the Group decreased by 26.5% from RMB52.751 billion for the six months ended 30 June 2023 to RMB38.790 billion, which was mainly attributable to the year-on-year decrease of 11.83 million tonnes in sales volume of proprietary trading coal leading to a decrease of RMB8.191 billion in revenue; the year-on-year decrease of RMB89/tonne in the selling price leading to a decrease of RMB5.770 billion in revenue. Revenue net of inter-segmental sales decreased by 26.8% from RMB51.415 billion for the six months ended 30 June 2023 to RMB37.660 billion.

For the six months ended 30 June 2024, revenue from the coal agency operations of the Group was RMB25 million, a decrease of RMB10 million year-on-year.

# Management Discussion and Analysis of Financial Conditions and Operating Results

The Group's coal sales volume before netting of inter-segmental sales and selling prices for the six months ended 30 June 2024 and the year-on-year changes are set out as follows:

			For the		For the		Year-on-year			
			six months ended		six months ended		Increase/decrease			
			30 June 2024		30 June 2023		in amount		Increase/decrease	
			Sales	Selling	Sales	Selling	Sales	Selling	Sales	Selling
			volume	price	volume	price	volume	price	volume	price
			(10,000	(RMB/	(10,000	(RMB/	(10,000	(RMB/	(%)	(%)
			tonnes)	tonne)	tonnes)	tonne)	tonnes)	tonne)		
I.	Self-produced	Total	6,619	584	6,485	624	134	-40	2.1	-6.4
	commercial	(I) Thermal coal	6,055	511	5,913	548	142	-37	2.4	-6.8
	coal	Domestic sales	6,055	511	5,913	548	142	-37	2.4	-6.8
		(II) Coking coal	564	1,371	572	1,412	-8	-41	-1.4	-2.9
		Domestic sales	564	1,371	572	1,412	-8	-41	-1.4	-2.9
II.	Proprietary	Total	6,437	603	7,620	692	-1,183	-89	-15.5	-12.9
	coal trading	(I) Domestic resales	5,985	604	7,545	688	-1,560	-84	-20.7	-12.2
		(II) Self-operated export	28	1,380	21	2,016	7	-636	33.3	-31.5
		(III) Import trading	424	529	54	743	370	-214	685.2	-28.8
III.	Import and	Total	299	8	561	6	-262	2	-46.7	33.3
	export and	(I) Import agency	☆	☆	7	16	-7	-	-100.0	-
	domestic	(II) Export agency	31	28	16	82	15	-54	93.8	-65.9
	agency★	(III) Domestic agency	268	6	538	4	-270	2	-50.2	50.0

☆ : N/A for the period.

★ : Selling price is agency service fee.

*Note:* Sales volume of commercial coal includes the inter-segment self-consumption volume of the Group, which amounted to 8.62 million tonnes for the current period (including self-produced commercial coal of 6.02 million tonnes and proprietary trading coal of 2.60 million tonnes) and 9.16 million tonnes for the same period of last year (including self-produced commercial coal of 6.34 million tonnes and proprietary trading coal of 2.82 million tonnes).

# Management Discussion and Analysis of Financial Conditions and Operating Results

- *Cost of sales*

For the six months ended 30 June 2024, the Group's cost of sales of coal operations decreased by 17.7% from RMB73.552 billion for the six months ended 30 June 2023 to RMB60.526 billion, which was mainly attributable to the effect of the year-on-year decrease in sales volume and the year-on-year decrease in the purchase price of externally purchased coal, leading to the year-on-year decrease of RMB14.850 billion in the procurement cost of proprietary trading coal.

For the six months ended 30 June 2024, 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 2024		For the six months ended 30 June 2023		Year-on-year Increase/ decrease in amount	
	Percentage (%)	Percentage (%)	Increase/ decrease in amount	Increase/ decrease in amount	Percentage (%)	Percentage (%)
Material costs (excluding proprietary coal trading procurement cost)	35.93	5.9	31.65	4.3	4.28	13.5
Proprietary coal trading procurement cost ☆	363.57	60.1	512.07	69.6	-148.50	-29.0
Staff costs	35.71	5.9	26.23	3.6	9.48	36.1
Depreciation and amortisation	30.38	5.0	35.84	4.9	-5.46	-15.2
Repairs and maintenance	6.15	1.0	7.20	1.0	-1.05	-14.6
Transportation costs and port expenses	56.89	9.4	50.22	6.8	6.67	13.3
Sales taxes and surcharges	34.14	5.6	33.27	4.5	0.87	2.6
Outsourced mining engineering fees	17.22	2.8	16.45	2.2	0.77	4.7
Other costs ★	25.27	4.3	22.59	3.1	2.68	11.9
<b>Total cost of sales for coal operations</b>	<b>605.26</b>	<b>100.0</b>	<b>735.52</b>	<b>100.0</b>	<b>-130.26</b>	<b>-17.7</b>

☆: This cost does not include transportation costs and port expenses related to proprietary coal trading which amounted to RMB2.013 billion for the current period and RMB1.087 billion 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.

# Management Discussion and Analysis of Financial Conditions and Operating Results

For the six months ended 30 June 2024, the composition of the cost of sales of the Group's self-produced commercial coal and the year-on-year changes are set out as follows:

*Unit: RMB/tonne*

Item	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Year-on-year	
		Percentage (%)		Percentage (%)	Increase/decrease in amount	Increase/decrease (%)
Material costs	54.29	16.4	48.80	15.0	5.49	11.3
Staff costs	53.95	16.2	40.44	12.5	13.51	33.4
Depreciation and amortisation	45.90	13.8	55.26	17.0	-9.36	-16.9
Repairs and maintenance	9.28	2.8	11.11	3.4	-1.83	-16.5
Transportation costs and port expenses	55.55	16.7	60.68	18.7	-5.13	-8.5
Sales taxes and surcharges	51.58	15.5	51.30	15.8	0.28	0.5
Outsourced mining engineering fees	26.02	7.8	25.28	7.8	0.74	2.9
Other costs	35.69	10.8	31.59	9.8	4.10	13.0
<b>Total unit cost of sales of self-produced commercial coal</b>	<b>332.26</b>	<b>100.0</b>	<b>324.46</b>	<b>100.0</b>	<b>7.80</b>	<b>2.4</b>

For the six months ended 30 June 2024, the Group's unit cost of sales of self-produced commercial coal amounted to RMB332.26/tonne, representing a year-on-year increase of RMB7.80/tonne or 2.4%, which was mainly due to the following factors: the increase in self-operated stripping of open pit mines after the Group strengthened production and changes in the geological conditions of coal mines, leading to a year-on-year increase in material costs; the orderly payment of salary based on the progress of performance, the replenishment of self-owned teams and the increase in the salary level of front-line production teams, leading to a year-on-year increase in staff costs per tonne of coal; the increase in the amortisation base under the production reserve approach due to the payment and recognition of gains from the transfer of mining rights in the fourth quarter of 2023, leading to a year-on-year decrease in depreciation and amortisation costs per tonne of coal; the decrease in the proportion of the sales volume of self-produced commercial coal that incurred railway transportation and port expenses to the Group's total sales volume of self-produced commercial coal, leading to a year-on-year decrease in transportation costs and port expenses per tonne of coal; the provision of asset impairment losses on inventories with realisable value lower than cost, etc., leading to a year-on-year increase in other costs per tonne of coal.

# Management Discussion and Analysis of Financial Conditions and Operating Results

- *Gross profit and gross profit margin*

For the six months ended 30 June 2024, affected by the year-on-year decrease in the selling price of coal, gross profit of the coal operations segment of the Group decreased by 13.7% from RMB19.971 billion for the six months ended 30 June 2023 to RMB17.241 billion, while gross profit margin increased by 0.8 percentage points from 21.4% for the six months ended 30 June 2023 to 22.2%, mainly due to the decrease in the proportion of revenue from proprietary coal trading with lower gross profit margin. In particular, gross profit of self-produced commercial coal decreased by RMB2.777 billion year-on-year, and gross profit margin dropped by 4.9 percentage points year-on-year. Gross profit of proprietary coal trading decreased by RMB37.0 million year-on-year, and gross profit margin increased by 0.2 percentage point year-on-year.

## 2. Coal Chemical Operations Segment

- *Revenue*

For the six months ended 30 June 2024, revenue from coal chemical operations of the Group decreased by 3.5% from RMB11.225 billion for the six months ended 30 June 2023 to RMB10.836 billion; revenue net of inter-segmental sales decreased by 3.6% from RMB10.665 billion for the six months ended 30 June 2023 to RMB10.285 billion, which was mainly attributable to the year-on-year decrease in the selling prices of urea and ammonium nitrate.

The sales volume and selling prices of major coal chemical products of the Group for the six months ended 30 June 2024 and the year-on-year changes are set out as follows:

	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Year-on-year Increase/decrease			
					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	76.0	6,955	74.9	6,903	1.1	52	1.5	0.8
1. Polyethylene	39.3	7,287	38.2	7,156	1.1	131	2.9	1.8
2. Polypropylene	36.7	6,600	36.7	6,640	0.0	-40	0.0	-0.6
II. Urea	118.3	2,167	119.9	2,484	-1.6	-317	-1.3	-12.8
III. Methanol	85.9	1,773	97.1	1,770	-11.2	3	-11.5	0.2
In which: Inter-segment self-consumption	84.0	1,776	94.0	1,774	-10.0	2	-10.6	0.1
External sales	1.9	1,616	3.1	1,646	-1.2	-30	-38.7	-1.8
IV. Ammonium nitrate	28.1	2,178	29.2	2,414	-1.1	-236	-3.8	-9.8

# Management Discussion and Analysis of Financial Conditions and Operating Results

- *Cost of sales*

For the six months ended 30 June 2024, cost of sales of coal chemical operations of the Group decreased by 7.8% from RMB9.528 billion for the six months ended 30 June 2023 to RMB8.782 billion, which was mainly attributable to the decrease in the purchase prices of raw material coal and fuel coal, leading to the year-on-year decrease in the cost of coal chemical products.

For the six months ended 30 June 2024, 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		For the six months ended		Year-on-year	
	30 June 2024	Percentage (%)	30 June 2023	Percentage (%)	Increase/ decrease in amount	Increase/ decrease (%)
Material costs	54.44	62.0	62.62	65.7	-8.18	-13.1
Staff costs	5.32	6.1	5.12	5.4	0.20	3.9
Depreciation and amortisation	14.42	16.4	14.29	15.0	0.13	0.9
Repairs and maintenance	2.86	3.3	2.99	3.1	-0.13	-4.3
Transportation costs and port expenses	4.03	4.6	4.20	4.4	-0.17	-4.0
Sales taxes and surcharges	1.74	2.0	1.91	2.0	-0.17	-8.9
Other costs	5.01	5.6	4.15	4.4	0.86	20.7
<b>Total cost of sales for coal chemical operations</b>	<b>87.82</b>	<b>100.0</b>	<b>95.28</b>	<b>100.0</b>	<b>-7.46</b>	<b>-7.8</b>



# Management Discussion and Analysis of Financial Conditions and Operating Results

The unit cost of sales of major self-produced coal chemical products of the Group for the six months ended 30 June 2024 and the year-on-year changes are set out as follows:

*Unit: RMB/tonne*

Item	For the	For the	Year-on-year	
	six months ended 30 June 2024	six months ended 30 June 2023	Increase/decrease in amount	Increase/decrease (%)
I. Polyolefin	<b>6,039</b>	6,234	-195	-3.1
1. Polyethylene	<b>6,049</b>	6,219	-170	-2.7
2. Polypropylene	<b>6,029</b>	6,249	-220	-3.5
II. Urea	<b>1,467</b>	1,694	-227	-13.4
III. Methanol	<b>1,704</b>	1,977	-273	-13.8
IV. Ammonium nitrate	<b>1,329</b>	1,392	-63	-4.5

- *Gross profit and gross profit margin*

For the six months ended 30 June 2024, the Group's gross profit of coal chemical operations increased by 21.0% from RMB1.697 billion for the six months ended 30 June 2023 to RMB2.054 billion; gross profit margin increased by 3.9 percentage points from 15.1% for the six months ended 30 June 2023 to 19.0%.

### 3. *Coal Mining Equipment Operations Segment*

- *Revenue*

For the six months ended 30 June 2024, the Group's revenue from coal mining equipment operations decreased by 8.3% from RMB6.139 billion for the six months ended 30 June 2023 to RMB5.631 billion; revenue net of inter-segmental sales decreased by 9.8% from RMB5.513 billion for the six months ended 30 June 2023 to RMB4.973 billion. After excluding the impact of changes in the scope of consolidation, a year-on-year increase of RMB0.389 billion was recorded, which was mainly due to the intelligent upgrade and modification of coal mines, leading to a year-on-year increase in sales volume of related products.

# Management Discussion and Analysis of Financial Conditions and Operating Results

- *Cost of sales*

For the six months ended 30 June 2024, the Group's cost of sales of coal mining equipment operations decreased by 6.3% from RMB5.104 billion for the six months ended 30 June 2023 to RMB4.785 billion.

For the six months ended 30 June 2024, the composition of the Group's cost of sales of coal mining equipment operations and the year-on-year changes are set out as follows:

*Unit: RMB100 million*

Item	For the six months ended 30 June 2024		For the six months ended 30 June 2023		Year-on-year	
	Percentage (%)		Percentage (%)		Increase/ decrease in amount	Increase/ decrease (%)
Material costs	38.14	79.7	37.60	73.7	0.54	1.4
Staff costs	3.72	7.8	4.41	8.6	-0.69	-15.6
Depreciation and amortisation	1.23	2.6	1.70	3.3	-0.47	-27.6
Repairs and maintenance	0.43	0.9	0.60	1.2	-0.17	-28.3
Transportation costs	0.46	1.0	0.83	1.6	-0.37	-44.6
Sales taxes and surcharges	0.20	0.4	0.21	0.4	-0.01	-4.8
Other costs	3.67	7.6	5.69	11.2	-2.02	-35.5
<b>Total cost of sales for coal mining equipment operations</b>	<b>47.85</b>	<b>100.0</b>	<b>51.04</b>	<b>100.0</b>	<b>-3.19</b>	<b>-6.3</b>

- *Gross profit and gross profit margin*

For the six months ended 30 June 2024, the Group's gross profit of the coal mining equipment operations segment decreased by 18.3% from RMB1.035 billion for the six months 30 June 2023 to RMB0.846 billion; and gross profit margin decreased by 1.9 percentage points from 16.9% for the six months ended 30 June 2023 to 15.0%.

# Management Discussion and Analysis of Financial Conditions and Operating Results

## **4. *Financial Operations Segment***

Financial operations of the Group are mainly engaged by Finance Company, which deepened lean management of capital, promoted financial technology innovation, strengthened the construction and application of the treasury system, focused on the financial needs of member enterprises, continued to improve precise credit service capabilities, actively served the development strategy of “efficiency enhancement and incremental transformation”, secured safe, stable and efficient capital flow of funds, and dynamically optimised and adjusted the allocation strategy of deposits with banks in a timely manner when the interest rate of deposits in the interbank market declined, with the business scale reached a new record high and achieving better value and efficiency. For the six months ended 30 June 2024, revenue from financial operations of the Group increased by 8.9% from RMB1.167 billion for the six months ended 30 June 2023 to RMB1.271 billion; revenue net of inter-segmental sales increased by 11.4% from RMB0.928 billion for the six months ended 30 June 2023 to RMB1.034 billion; cost of sales decreased by 3.6% from RMB0.534 billion for the six months ended 30 June 2023 to RMB0.515 billion; gross profit increased by 19.4% from RMB0.633 billion for the six months ended 30 June 2023 to RMB0.756 billion; gross profit margin increased by 5.3 percentage points from 54.2% for the six months ended 30 June 2023 to 59.5%.

## **5. *Other Operations Segment***

The 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 businesses. For the six months ended 30 June 2024, affected by the maintenance of power units and transmission lines, the Group’s revenue from the other operations segment decreased by 14.2% from RMB4.032 billion for the six months ended 30 June 2023 to RMB3.461 billion; revenue net of inter-segmental sales decreased by 17.2% from RMB3.560 billion for the six months ended 30 June 2023 to RMB2.948 billion; cost of sales decreased by 12.2% from RMB3.388 billion for the six months ended 30 June 2023 to RMB2.973 billion; gross profit decreased by 24.2% from RMB0.644 billion for the six months ended 30 June 2023 to RMB0.488 billion, and gross profit margin decreased by 1.9 percentage points from 16.0% for the six months 30 June 2023 to 14.1%.

## **(III) Selling, general and administrative expenses**

For the six months ended 30 June 2024, the Group’s selling, general and administrative expenses increased by 2.7% from RMB3.322 billion for the six months ended 30 June 2023 to RMB3.412 billion, which was mainly attributable to the year-on-year increase in staff remuneration.

# Management Discussion and Analysis of Financial Conditions and Operating Results

## (IV) Finance income and finance costs

For the six months ended 30 June 2024, the Group's net finance costs decreased by 18.9% from RMB1.573 billion for the six months ended 30 June 2023 to RMB1.275 billion, which was mainly attributable to the downsizing of interest-bearing debts of the Group and the continuous optimisation of debt structure, which have in turn further lowered finance costs, such as comprehensive capital cost, year-on-year.

## (V) Share of profits of associates and joint ventures

For the six months ended 30 June 2024, the Group's share of profits of associates and joint ventures decreased by 40.3% from RMB2.059 billion for the six months ended 30 June 2023 to RMB1.229 billion, which was mainly attributable to the decrease in the market prices of coal products, resulting in the year-on-year decrease in the earnings of associates and joint ventures, and thus the corresponding decrease in the Group's share of profits of associates and joint ventures recognised in proportion to its shareholding.

## III. CASH FLOW

As at 30 June 2024, the balance of the Group's cash and cash equivalents amounted to RMB37.207 billion, representing a net increase of RMB5.624 billion as compared to RMB31.583 billion as at 31 December 2023.

Net cash inflow generated from operating activities decreased by RMB2.145 billion from RMB17.035 billion for the six months ended 30 June 2023 to RMB14.890 billion. Excluding the impact of deposits absorbed from members other than China Coal Energy by Finance Company, the net cash inflow generated from production and sales activities of the Group amounted to RMB15.740 billion, representing a year-on-year increase of RMB0.626 billion, which was mainly because the Group continuously strengthened lean management of funds, controlled the use of working capital, and maintained cash-generating capabilities despite the decline in market prices of major products and the decrease in operating performance.

Net cash outflow used in investing activities decreased by RMB1.287 billion from RMB5.191 billion for the six months ended 30 June 2023 to RMB3.904 billion, which was mainly attributable to the combined effect of the year-on-year decrease of RMB3.376 billion in cash outflow arising from the change in term deposits with an initial deposit period of more than three months, and the year-on-year increase of RMB2.141 billion in cash used in capital expenditure.

Net cash outflow used in financing activities decreased by RMB5.677 billion from RMB11.052 billion for the six months ended 30 June 2023 to RMB5.375 billion, which was mainly attributable to the combined effect of the year-on-year decrease of RMB2.842 billion in net outflow of debt financing, the year-on-year decrease of RMB1.552 billion in the payment of dividends to minority shareholders by non-wholly owned enterprises, and the year-on-year increase of RMB1.206 billion in cash received from investment.

# Management Discussion and Analysis of Financial Conditions and Operating Results

## IV. SOURCES OF CAPITAL

For the six months ended 30 June 2024, 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 of 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 when they became due by the agreed time. No overdue or default has occurred.

The cash generated from the Group's operations, net proceeds from share offering in capital markets, relevant banks' line of credit obtained, and the issue amount of bonds approved but not utilised will provide sufficient 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 2024, the net value of property, plant and equipment of the Group amounted to RMB134.427 billion, representing a net increase of RMB6.725 billion or 5.3% from RMB127.702 billion as at 31 December 2023, among which, the net value of buildings was RMB31.434 billion, accounting for 23.4%; that of mining structures was RMB42.095 billion, accounting for 31.3%; that of machinery and equipment was RMB41.574 billion, accounting for 30.9%; that of construction in progress was RMB12.627 billion, accounting for 9.4%; and that of railways, transportation vehicles and others was RMB6.697 billion, accounting for 5.0%.

### (II) Mining rights

As at 30 June 2024, the net value of the Group's mining rights amounted to RMB46.557 billion, representing a net decrease of RMB0.653 billion or 1.4% from RMB47.210 billion as at 31 December 2023, which was mainly attributable to the impact of amortisation of mining rights.

# Management Discussion and Analysis of Financial Conditions and Operating Results

## **(III) Borrowings**

As at 30 June 2024, the balance of the Group's borrowings amounted to RMB55.869 billion, representing a net decrease of RMB3.511 billion or 5.9% from RMB59.380 billion as at 31 December 2023, among which, the balance of long-term borrowings (including long-term borrowings due within one year) was RMB55.680 billion, representing a net decrease of RMB3.577 billion from RMB59.257 billion as at 31 December 2023, and the balance of short-term borrowings amounted to RMB0.189 billion, representing a net increase of RMB0.066 billion from RMB0.123 billion as at 31 December 2023.

## **(IV) Long-term bonds**

As at 30 June 2024, the balance of the Group's long-term bonds (including long-term bonds due within one year) amounted to RMB13.280 billion, representing a net decrease of RMB0.038 billion or 0.3% from RMB13.318 billion as at 31 December 2023.

## **(V) Other long-term liabilities**

As at 30 June 2024, the balance of the Group's other long-term liabilities amounted to RMB9.172 billion, representing a net increase of RMB3.834 billion or 71.8% from RMB5.338 billion as at 31 December 2023, which was mainly attributable to the increase in payables related to expenditures on exploitation and utilisation of resources.

## **VI. OVERSEAS ASSETS**

At the end of the reporting period, total assets of the Group amounted to RMB361.134 billion, representing an increase of RMB11.979 billion or 3.4% from the beginning of the year, among which, overseas assets amounted to RMB0.493 billion, accounting for 0.14% of total assets. During the reporting period, there was no material change in the Group's overseas assets.

# Management Discussion and Analysis of Financial Conditions and Operating Results

## VII. SIGNIFICANT CHARGE OF ASSETS

The Group did not have any significant charge of assets during the reporting period. As at 30 June 2024, the book value of the Group's charge of assets amounted to RMB0.248 billion, of which, the book value of pledged assets was RMB0.147 billion and the book value of mortgaged assets was RMB0.101 billion.

## VIII. SIGNIFICANT INVESTMENT

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

## IX. MATERIAL ACQUISITIONS AND DISPOSALS

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

## X. ISSUANCE OF CORPORATE BONDS

The goal of registration and issuance of corporate bonds by the Group is to replenish the working capital of the Group and adjust the debt structure. As at 30 June 2024, details of undue corporate bonds issued by the Group are set out as follows.

<b>Disclosure</b>	<b>Corporate bonds 20 China Coal 01</b>
1. Reason for issue	To meet the needs of production and operation, and further optimise the debt structure.
2. Type of issue	Public issue
3. Book value	RMB100
4. Issue scale	RMB3.0 billion
5. Total proceeds raised after deducting the issuance expenses	RMB2.997 billion
6. Bonds balance	RMB3.0 billion
7. Coupon rate	3.60%
8. Issue object	Professional investor
9. Use details:	
(1) Details and descriptions of the proceeds of each issue for different purposes in the fiscal year	All the proceeds net of issuance expenses were used to repay the interest-bearing debts and replenish working capital.
(2) If the proceeds have not been utilised, the different intended use details and descriptions of the relevant proceeds	–
(3) Whether the use or intended use of the proceeds is in accordance with the plan previously disclosed by the issuer	Yes

Note: On 16 July 2024, the Company publicly issued a 15-year term technology innovation corporate bond of RMB2 billion to professional investors at a rate of 2.58%. For details, please refer to the relevant announcements issued by the Company on SSE and HKSE.

# Management Discussion and Analysis of Financial Conditions and Operating Results

## XI. ISSUANCE OF OTHER BONDS AND DEBT FINANCING INSTRUMENTS

The purpose of the registration and issuance of the medium-term notes by the Group is to replenish the Group's working capital and adjust its debt structure. As at 30 June 2024, details of the undue debt financing instruments issued by the Group are as follows.

Name of bonds	Issue scale (RMB100 million)	Interest rate (%)	Term	Effective date	Due date	Repayment status
19 China Coal Energy MTN001	50.00	4.19	5+2 years	23 July 2019	The maturity date of these medium-term notes is 23 July 2026; if investors exercise their saleback options, the maturity date of those parts of debts saleback is 23 July 2024.	Interest paid while principal not due yet
20 China Coal Energy MTN001A	15.00	3.28	5 years	13 April 2020	13 April 2025	Interest paid while principal not due yet
20 China Coal Energy MTN001B	5.00	3.60	7 years	13 April 2020	13 April 2027	Interest paid while principal not due yet
21 China Coal Energy MTN001	30.00	4.00	5 years	26 April 2021	26 April 2026	Interest paid while principal not due yet
<b>Total</b>	<u>100.00</u>	-	-	-	-	-

Note: The first tranche of 2019 medium-term notes of China Coal Energy Company Limited ("19 China Coal Energy MTN001") was issued on 19 July 2019 for a term of 7 years, with the option to adjust the coupon rate by the issuer, the option to sell back by investors and the option to resell by the issuer at the end of the fifth year. The Company adjusted the coupon rate of these medium-term notes in July 2024, and all investors chose to sell them back. The principal and interest payment of these bonds was completed on 23 July. For details, please refer to the Company's relevant announcements published on the Shanghai Clearing House, China Money's website and the HKSE.

As at 30 June 2024, the Group has paid the principal and interest of its bonds and other debt financing instruments by the agreed time. No default or delayed payment of principal and interest has occurred.



# Management Discussion and Analysis of Financial Conditions and Operating Results

## XII. CONTINGENT LIABILITIES

### (I) Bank guarantees

As at 30 June 2024, the Group provided guarantees of RMB1.315 billion in total, all of which were provided to the invested companies in proportion to the Group's shareholdings. Details are as follows:

Unit: RMB10,000

The Company's external guarantees (excluding guarantees for subsidiaries)															
Guarantor	Relation 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 guarantee	Major debts	Guarantees (if any)	Completed or not	Overdue or not	Overdue amount	Counter-guarantee available or not	Provided	Connected
														the related party	party relationship
China Coal Energy Company Limited	Company headquarters	Shaanxi Yanchang China Coal Yulin Energy Chemical Company Limited	101,074.55	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 Energy & Chemical Company Limited	Wholly-owned subsidiary	Shaanxi Jingshen Railway Company Limited	30,440.00	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)														-7,312.00	
Total balance of guarantee as at the end of the reporting period (A) (excluding those provided to subsidiaries)														131,514.55	
<b>Guarantee provided by the Company to its subsidiaries</b>															
Total guarantee to subsidiaries incurred during the reporting period														-	
Total balance of guarantee to subsidiaries as at the end of the reporting period (B)														-	
<b>Total guarantee of the Company (including those provided to subsidiaries)</b>															
Total guarantee (A+B)														131,514.55	
Percentage of total guarantee to net assets of the Company (%)														0.9	
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)														-	

# Management Discussion and Analysis of Financial Conditions and Operating Results

## **(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 the six months ended 30 June 2024, to the knowledge of the Group, there was no material litigation or arbitration pending or threatened against or involving the Group.

# Business Performance

## I. PRINCIPAL BUSINESS OPERATIONS OF THE COMPANY

### (I) Coal Operations

#### 1. Coal production

In the first half of the year, the Group continued to increase the release of high-quality production capacity, accelerated the promotion of new coal mines to reach production capacity and stabilise production, strived to increase the supply of high-quality coal, and went all out to ensure the supply of coal energy. Mines with high-quality capacity such as Dahaize Coal Mine and East Open Pit Mine took full advantage of their approved capacity increases. Other mines were scheduled for maintenance in an orderly manner while striving for production continuity and output stabilisation. The Group completed the production of 66.50 million tonnes of commercial coal, which was largely the same year-on-year. Raw coal productivity was 34.7 tonnes per worker shift, maintaining leadership in the industry. As at the end of the reporting period, the Group had an aggregate of 13 coal mines that had been accepted as intelligent coal mines, and a total of 66 intelligent coal mining working faces and 43 intelligent excavation working faces had been built. The safety assurance level and efficient production capacity of coal mines continued to improve.

**Table on Commercial Coal Production Volume**

*Unit: 10,000 tonnes*

<b>Item</b>	<b>For the six months ended 30 June 2024</b>	<b>For the six months ended 30 June 2023</b>	<b>Change (%)</b>
<b>Production volume of commercial coal</b>	<b>6,650</b>	6,712	-0.9
(I) By region:			
1. Shanxi	<b>4,295</b>	4,433	-3.1
2. Inner Mongolia and Shaanxi	<b>2,020</b>	1,884	7.2
3. Jiangsu	<b>253</b>	237	6.8
4. Xinjiang and others	<b>82</b>	158	-48.1
(II) By coal type:			
1. Thermal coal	<b>6,082</b>	6,137	-0.9
2. Coking coal	<b>568</b>	575	-1.2

#### 2. Coal sales

In the first half of the year, the Group thoroughly and comprehensively implemented the national energy supply guarantee policies and deployments, and continued to promote coal megamarketing management and the construction of the energy supply guarantee system. It strengthened the coordination of production and sales and enhanced the management of medium and long-term thermal coal contracts, resolutely implemented the power and coal pricing mechanism and made every effort to ensure supply and stabilise prices. We stepped up the expansion of the coal market, actively adjusted marketing strategies, optimised resource flows and market layout, kept abreast of market changes, and effectively responded to the impact of market downturn to strive for stable and increased sales. We also strengthened trade compliance management and conducted coal trading business in strict compliance with regulations. In the first half of the year, the sales volume of commercial coal was 133.55 million tonnes, representing a year-on-year decrease of 8.9%, among which, the sales volume of self-produced commercial coal was 66.19 million tonnes, representing a year-on-year increase of 2.1%.

# Business Performance

Table on Coal Sales

Unit: 10,000 tonnes

Item	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Change (%)
<b>Sales volume of commercial coal</b>	<b>13,355</b>	14,666	-8.9
(I) By business type:			
1. Self-produced commercial coal	<b>6,619</b>	6,485	2.1
2. Proprietary coal trading	<b>6,437</b>	7,620	-15.5
3. Import and export and domestic agency	<b>299</b>	561	-46.7
(II) By sales region:			
1. North China	<b>4,041</b>	4,705	-14.1
2. East China	<b>4,321</b>	4,921	-12.2
3. South China	<b>1,757</b>	1,895	-7.3
4. Central China	<b>1,519</b>	1,485	2.3
5. Northwest China	<b>1,384</b>	1,275	8.5
6. Others	<b>333</b>	385	-13.5

## (II) Coal Chemical Operations

In the first half of the year, the Group focused on the core targets of production safety, pollution and carbon reduction and green development. Based on technical supervision, the Group strengthened basic production management, paid close attention to energy conservation and consumption reduction and abnormal status management, vigorously assessed the operating conditions of equipment, steadily promoted the implementation of standard operating procedures, effectively controlled unplanned shutdowns, and continued to maintain “work safety, stable production, long-period operation, fully loaded operation and producing quality products” for coal chemical equipment. Affected by factors including the planned overhaul of the methanol unit, the output of major coal chemical products was 2.927 million tonnes in the first half of the year, a year-on-year decrease of 2.5%. The Group continued to strengthen technological innovation, optimised the catalyst replacement model, developed new multi-channel burners, improved the online rate of gasifiers, put into operation intelligent production auxiliary systems, continuously improved the production efficiency of coal chemical enterprises, and accelerated the development pace of new quality productive forces.

The Group continued to improve the efficiency of marketing management, continuously optimised means of logistics and layout of networks, strengthened production and sales coordination and regional coordination, achieving sales of all coal chemical products produced. In the first half of the year, the sales volume of major coal chemical products was 3.083 million tonnes, a year-on-year decrease of 4.0%. The Group thoroughly implemented the country’s relevant requirements for ensuring the supply and stabilising the prices of fertilisers, supplied all fertiliser products to the domestic market, actively participated in the national commercial reserve of fertilisers, and assumed the responsibilities borne by central enterprises. The Group actively responded to the intensified competition in the polyolefin industry, deeply implemented differentiated and customised marketing strategies, enhanced efficiency creation capabilities, and established rolling inventory to ensure uninterrupted supply of products to the market. The Group sought to explore new customers for coal chemical by-products, innovated marketing models and strengthened inventory management for closer cohesion between production, sales and transportation.

# Business Performance

Table on Production and Sales Volume of Major Coal Chemical Products

Unit: 10,000 tonnes

Item	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Change (%)
<b>Production volume of coal chemical products</b>	<b>292.7</b>	300.3	-2.5
<b>Sales volume of coal chemical products</b>	<b>308.3</b>	321.1	-4.0
<b>(I) Polyolefin</b>			
1. Production volume	<b>75.9</b>	76.2	-0.4
2. Sales volume	<b>76.0</b>	74.9	1.5
<b>(II) Urea</b>			
1. Production volume	<b>101.9</b>	98.6	3.3
2. Sales volume	<b>118.3</b>	119.9	-1.3
<b>(III) Methanol</b>			
1. Production volume	<b>86.9</b>	96.5	-9.9
2. Sales volume	<b>85.9</b>	97.1	-11.5
<b>(IV) Ammonium nitrate</b>			
1. Production volume	<b>28.0</b>	29.0	-3.4
2. Sales volume	<b>28.1</b>	29.2	-3.8

- Notes:
- 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+H<sub>2</sub>), which is then purified to produce synthetic ammonia or methanol; synthetic ammonia and carbon dioxide are used to produce urea; synthetic ammonia is oxidised to become nitric acid, which is then neutralised with ammonia to produce ammonium nitrate; through the MTO reaction, methanol is turned into ethylene and propylene monomers, which are polymerised to form polyethylene and polypropylene.
  - The methanol sales volume of the Group includes internal consumption volume.
  - The urea sales volume of the Group includes buying out of urea products of Lingshi Chemical Company, a member of China Coal Group.

## (III) Coal Mining Equipment Operations

In the first half of the year, the Group actively seized market orders, organised production scientifically and efficiently, and made every effort to reduce costs and improve quality and efficiency. Through transformation and upgrading, deepening reform and technological innovation, production and operation maintained a good momentum, leading to "double improvement" in economic benefits and development quality. The high-end, intelligent and digital development of coal mining equipment products achieved remarkable results. In the first half of the year, the aggregate production value of coal mining equipment amounted to RMB5.37 billion, a year-on-year decrease of 9.1%. After excluding the impact of changes in the scope of consolidation, a year-on-year increase of 7.4% was recorded. The Group actively established a full life cycle service system and deeply explored market demand, seized premium orders and actively increased valid contract reserves. Accumulative value of contracts amounted to RMB13.544 billion, and the portion of mid-to-high-end orders for leading products remained at around 84%.

# Business Performance

**Table on Production Value and Revenue of Coal Mining Equipment**

*Unit: RMB100 million*

Product type	Production value			Revenue	
	For the six months ended 30 June 2024	For the six months ended 30 June 2023	Change (%)	For the six months ended 30 June 2024	Percentage of revenue of coal mining equipment segment (%)
Main conveyor products	27.4	26.9	1.9	25.9	46.0
Main support products	22.1	20.3	8.9	22.7	40.3
Others	4.2	11.9	-64.7	7.7	13.7
<b>Total</b>	<b>53.7</b>	<b>59.1</b>	<b>-9.1</b>	<b>56.3</b>	<b>100.0</b>

## (IV) Financial Operations

In the first half of the year, based on the development of the entire coal industry chain and the new energy industry, the Group continued to leverage its two core advantages of lean management of funds and financial technology innovation, continuously improved its value creation capabilities, further strengthened the construction of the risk management and control system, and actively assumed the mission of treasury construction, operation and management. The Group actively overcame external pressures such as lower interest rates, continued to strengthen management of its deposit operation, dynamically optimised and adjusted the allocation strategy of interbank deposits in a timely manner, continuously increased credit support, optimised the resource allocation of credit funds, and served to adjust the Group's industrial structure. At the end of the reporting period, the scale of deposits absorbed reached RMB93.40 billion, a year-on-year increase of 3.8%; the scale of placement of interbank deposits amounted to RMB78.05 billion, a year-on-year increase of 6.1%; the scale of self-operated loans was RMB23.42 billion, a year-on-year increase of 32.8%.

**Table on Financial Operations**

*Unit: RMB100 million*

Business type	As at 30 June 2024	As at 30 June 2023	Change (%)
Scale of deposits absorbed	934.0	900.1	3.8
Placement of interbank deposits	780.5	735.8	6.1
Scale of self-operated loans	234.2	176.3	32.8

# Business Performance

## (V) Synergy among Business Segments

Taking advantage of the coal-electricity-chemical industry chain, the Group further pushed forward 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 Company produced 6.02 million tonnes of coal for internal consumption. The coal mining equipment operations achieved internal product sales and services revenue of RMB0.66 billion, accounting for 11.7% of the total sales revenue of the business segment. For financial operations, newly issued internal loans amounted to RMB1.32 billion and the amount of internal loans as at the end of the reporting period was RMB15.07 billion. Through engaging in financing operations with rich varieties and quality service and vigorously coordinating with member entities to lower the interest rates of loans, total finance costs of RMB0.24 billion had been saved.

## II. ANALYSIS OF CORE COMPETITIVENESS

The Company's core business segments are coal, coal chemical, coal mining equipment and power generation. Leveraging bases located in Shanxi, Inner Mongolia, Shaanxi, Jiangsu and Xinjiang, etc. and adhering to the development direction of "efficiency enhancement and incremental transformation", the Company strives to build a world-class 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 positions 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 of large-scale and low-cost operation of coal mines. Mining Areas in Pingshuo, Shanxi and Hujerte, Ordos of Inner Mongolia, primarily developed by the Company, are important thermal coal production bases in the PRC. Xiangning Mining Area in Shanxi where Wangjialing Coal Mine is located is the production base of high-quality coking coal 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 key coal construction projects have achieved progress smoothly. Dahaize Coal Mine has been put into operation after completion. Projects such as Libi Coal Mine all progress steadily and orderly. It is the professional and sophisticated management mode, the capable and efficient production methodology, the scale merit of cluster development, the high-quality and abundant coal resources and the 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 model of coal-power-chemical-new energy integration. For coal chemical operations, the development of modern coal chemical industries such as coal-to-olefins and coal-to-urea is highlighted. 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 remain leading in the industry. As for the coal-power business, the Company orderly develops environment-friendly pit-mouth power plants and power plants comprehensively utilising inferior coal, promotes coal-power integration, and actively creates the distinctive advantages of low-cost, efficient and comprehensive utilisation of resources.

# Business Performance

The Company relies on its own advantages in the mining areas to promote the in-depth integration of coal, coal-fired power, coal chemical and new energy. The Company has a large number of open-pit and underground coal mines, boasting a variety of mine types and a wide geographic distribution. The Company possesses abundant on-ground land resources and underground space resources, such as coal mining subsidence areas, industrial sites, dumps, underground roadways and mine pits as well as the coal power industry and coal chemical industry to support energy consumption, the Company enjoys the advantages of developing 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-calibre 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 a complete industry chain for coal business. It is able to engage in the manufacturing of coal mining equipment, coal mining, washing, preparation and processing, logistics and trading and provide systems solutions. Under the new situation, the Company has a solid business foundation to expand the market of intelligent transformation of coal mines and provide energy efficiency improvement and comprehensive energy services to the enterprise and 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 and the construction of scientific research platforms, and further promotes industry-university-research cooperation to ensure innovative development. The Company speeds up the construction of the big data and digital management system. It also actively strives to construct intelligent coal mines. New achievements were made in major technological projects, and the implementation of an array of national technological projects achieved phased results. Through strengthening the research on key technologies, the Company takes a step forward in digital transformation. The integration of intelligence and digitalisation enables the business to grow 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’ institution and strives to build a 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, allowing it to enjoy distinctive advantages in cost, productivity and operational efficiency.

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



# Investor Relations

In the first half of 2024, the Company adhered to the principles of being “proactive, accurate, coordinated, effective, comprehensive, honest and compliant”, and fully capitalised on the flexible, diverse and multi-level communication mechanism to manage investor relations with high quality and efficiency.

## **PERFORMING INFORMATION DISCLOSURE OBLIGATIONS IN A COMPLIANT MANNER**

The Group strictly complied with the requirements under the latest domestic and overseas information disclosure standards and industry disclosure guidelines. By combining the actual situation of the Group and taking into account of the regulatory differences between Shanghai and Hong Kong, the Group upheld the principles of being “true, accurate, complete, timely, fair, simple and clear, easy to understand, stringent and objective with more stringent standards prevail” for information disclosure. The Group determines to eliminate false record, misleading statements or material omission. By preparing visible annual report, the operating results and reform and development status of the Company were presented in a simple, brief, direct and fresh manner via pictures and descriptions, therefore allowing investors to thoroughly understand the Company in a dimensional way. Benchmarking and exchange with industry peers with outstanding performance in ESG were enhanced. Together with the preparation and publication of the “ESG Management System Manual”, the Company has continuously enhanced its preparation quality for ESG report. In the first half of the year, the Group prepared the disclosure of 2023 A+H annual report and ESG report, quarterly reports, results announcements and over 30 provisional announcements totalling over 150 articles, and thus realised zero enquiry from regulatory institutions.

## **CONDUCTING INVESTOR EXCHANGE IN AN EFFECTIVE AND HIGH-QUALITY MANNER**

Guided by investors’ demand, the Company has established a comprehensive interactive platform to maintain good communication with all types of investors, and continued to enhance the barrier-free communication and exchange mechanism via various platforms and means, such as investor meetings, conference calls, forums, mailboxes and the E-interactive platform of the Shanghai Stock Exchange. The Company kept innovating communication and exchange means and used a combination of live broadcasts, telephone conferences and online text platforms to convene periodic results briefings in a high-quality manner, fostering the positive dissemination of corporate value and enhancing recognition in the capital market.

## **OPTIMISING CAPITAL MARKET INFORMATION COLLECTION**

The Company actively tracked and analysed the concerns of the capital market, strengthened dynamic monitoring of research reports on the Company, maintained smooth communication with mainstream media, fostered positive information dissemination, and minimised market information mismatch. Through answering questions, peer exchange and other means, the Company extensively collected suggestions and opinions from small and medium investors. The Company prepared information such as news compilation, monthly reports on investor relations, benchmark analysis reports and Q&A reference manual on a regular basis, focusing on key capital market news, peer announcements, analysis on change in shareholders, industry comparison, violation cases and other aspects for the management to refer to at decision making.

# Investor Relations

In the first half of the year, the Company conducted nearly 100 investor exchange campaigns. The Company organised 2 quality annual and quarterly results briefings and 6 monthly production and operation briefings. Over 1,000 questions were answered with investor visits and telephone exchanges as well as on the E-interactive platform of the Shanghai Stock Exchange. Collection and compilation of capital market information were improved, and over 1,000 monthly reports on investor relations, analysis reports on securities markets and news articles were prepared and distributed.

Looking ahead, the Company will continue to uphold the concept of “value comes first”, continue to optimise corporate governance and information disclosure, enhance the exchange and interaction with investors, and strive to allow investors to “get closer, understand better, see clearly and maintain confidence”.

# Corporate Governance

## I. OVERVIEW OF CORPORATE GOVERNANCE

During the reporting period, the Company regulated its operations in compliance with domestic and overseas regulatory requirements. In accordance with the requirements of the Articles of Association, relevant laws and regulations and the securities regulatory rules of the places of listing of the Company, etc., and taking into account of its actual circumstances, the Company continued to effectively execute the various working mechanisms and relevant working procedures of the Board and its various special committees. During the reporting period, through the coordinated operation and effective check-and-balance system among the Shareholder's general meeting, the Board, the relevant special committees, the supervisory committee and the corporate management, as well as the implementation of an effective internal control management system, the internal management and operations of the Company were further regulated with continuous enhancement in management standards.

As at the end of the reporting period, the Board of the Company comprises seven Directors, including three executive Directors, one non-executive Director and three independent non-executive Directors. Five special committees, namely the strategic planning committee, the audit and risk management committee, the remuneration committee, the nomination committee, and the safety, health and environmental protection committee, were set up under the Board to assist the Board in making decisions and monitoring the Company's strategic planning, auditing, employees' remuneration, nomination and safety production, etc., respectively. During the reporting period, the Company convened one Shareholder's general meeting, three meetings of the Board and three meetings of the supervisory committee. In strict compliance with the requirements of relevant rules including the Rules of Procedures of Shareholders' General Meetings, the Rules of Procedures of the Board of Directors, the Provisional Measures on Management of Resolutions of the Board of Directors, and the Rules of Procedures of the Supervisory Committee, the Company continued its efforts in standardising the workflow and improving work quality to ensure regulated decision-making and efficient operation.

During the reporting period, the Company and its controlling shareholder, China Coal Group, were independent from each other in respect of business, staff, assets and financial affairs. Save for the internal working relationship in the Company, the Directors, the Supervisors and the senior management of the Company were not related to each other in respect of financial, business, family and other material aspects. Save for the service contracts entered into with the Company, the Directors and the Supervisors of the Company had no personal interests, directly or indirectly, in any material contracts entered into by the Company or its subsidiaries.

# Corporate Governance

## II. 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 rules 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 C1 to the Hong Kong Listing Rules.

## III. 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 C3 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.

## IV. 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 2024 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. SHARE CAPITAL STRUCTURE

As at 30 June 2024, the Company's share capital structure was as follows:

Type of Shares	<i>Unit: Share</i>	
	Number of Shares	Percentage of the total issued share capital %
A Shares	9,152,000,400	69.03
Of which: A Shares held by China Coal Group	7,608,753,208	57.39
H Shares	4,106,663,000	30.97
Of which: H Shares held by China Coal Hong Kong Limited, a wholly-owned subsidiary of China Coal Group	132,351,000	1.00
Total	13,258,663,400	100.00
Of which: Shares held by China Coal Group and parties acting in concert with it	7,741,104,208	58.39

## II. DISTRIBUTION OF FINAL DIVIDEND FOR 2023 AND SPECIAL DIVIDEND

Upon approval at the Company's 2023 annual general meeting, cash dividend of RMB5,860,214,700 was distributed to the Shareholders, representing 30% of the net profit attributable to the equity holders of the listed company of RMB19,534,049,000 for the year of 2023 as set out in the consolidated financial statements of the Company prepared in accordance with the China Accounting Standards for Business Enterprises. Based on the total issued share capital of 13,258,663,400 Shares of the Company, RMB0.442 (inclusive of tax) per Share was distributed; special dividend of RMB1.5 billion was distributed to reward the Shareholders, which represented a dividend of RMB0.113 (inclusive of tax) per Share based on the total issued share capital of 13,258,663,400 Shares as at 31 December 2023. The aforesaid final dividend for 2023 and special dividend have been duly paid to the Shareholders before 26 August 2024.

## III. INTERIM PROFIT DISTRIBUTION PLAN FOR 2024

To enhance the investment value of the listed company and share the development results with investors, upon approval at the 2023 annual general meeting of the Company, the Board is authorised to formulate and implement the interim profit distribution plan for 2024 subject to the profit distribution conditions.

For the half-year ended 30 June 2024, the net profit attributable to the equity holders of the listed company as set out in the consolidated financial statements was RMB10,695,209,000 under the International Financial Reporting Standards and RMB9,787,792,000 under the China Accounting Standards for Business Enterprises. Upon the resolution of the Board of the Company, cash dividends of RMB2,936,337,600, representing 30% of the net profit attributable to the equity holders of the listed company of RMB9,787,792,000 under the China Accounting Standards for Business Enterprises, would be distributed to Shareholders, which represents a dividend of RMB0.221 per Share (inclusive of tax) based on the total issued share capital of 13,258,663,400 Shares of the Company (the "Interim Dividend").

# Disclosure of Major Events

Pursuant to the Articles of Association, the Interim Dividend will be denominated and declared in RMB, with the dividend on A Shares to be paid in RMB and the dividend on H Shares to be paid in Hong Kong dollars. The amount of dividend payable in Hong Kong dollars will be calculated based on the average middle price of exchange rate of Hong Kong dollars to Renminbi as announced by the People's Bank of China for the five business days (exclusive of the declaration date) prior to the date of the declaration of dividend (i.e. 23 August 2024). The Interim Dividend is expected to be paid on or before 23 October 2024 to holders of H Shares whose names appear on the H Share register of members of the Company on Friday, 13 September 2024. Investors should be aware that, in accordance with the relevant regulations of China Securities Depository and Clearing Corporation Limited Shanghai Branch and the market practice regarding dividend distribution for A Shares, a separate dividend implementation announcement in respect of the distribution of the Interim Dividend to holders of A Shares of the Company will be issued.

## IV. ASSETS TRANSACTION

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

## V. INVESTMENT OF THE COMPANY DURING THE REPORTING PERIOD

### (I) Performance of Capital Expenditure Budgeted During the Reporting Period

In 2024, the Company's capital expenditure budget closely focused on four major business segments, namely coal, coal chemical, coal mining equipment and power generation, and consisted of three categories, namely infrastructure projects, equity investment, as well as technological transformation and upgrade. The total capital expenditure budgeted for 2024 was RMB16.009 billion. During the reporting period, the actual investment amount was RMB5.275 billion, representing 32.95% of the annual budget. Of which, the investment of Libi Coal Mine and coal preparation plant project in the first half of year was RMB533 million, and the investment of Antaibao 2×350MW low calorific value coal power generation project in the first half of year was RMB171 million, which is expected to be completed for operation in 2024.

#### Performance of Capital Expenditure Budgeted for the First Half of 2024 (By Expense Items)

*Unit: RMB100 million*

<b>Items of capital expenditure</b>	<b>Actual investment from January to June 2024</b>	<b>Budgeted investment in 2024</b>	<b>Actual investment ratio %</b>
Total	52.75	160.09	32.95
Infrastructure projects	27.15	87.26	31.11
Equity investment	2.83	2.45	115.51
Technological transformation and upgrade	22.77	70.38	32.35

# Disclosure of Major Events

## Performance of Capital Expenditure Budgeted for the First Half of 2024 (By Business Segments)

*Unit: RMB100 million*

<b>Business segments</b>	<b>Actual investment from January to June 2024</b>	<b>Budgeted investment in 2024</b>	<b>Actual investment ratio %</b>
Total	52.75	160.09	32.95
Coal	29.95	75.56	39.64
Coal chemical	14.35	48.76	29.43
Power generation	3.88	14.24	27.25
New energy	3.17	16.75	18.93
Coal mining equipment	1.34	4.58	29.26
Other	0.06	0.20	30.00

### (II) Overall Analysis on External Equity Investments

In the first half of 2024, there was a completed external equity investment of RMB283 million, which was mainly the Company's acquisition of 4.16% of Yihua Mining's equity interest. Upon the completion of acquisition, the Company holds 55.16% of Yihua Mining's equity interest.

## VI. PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

For the six months ended 30 June 2024, the Company and its subsidiaries had not purchased, sold or redeemed any securities (including sale of treasury shares) (the terms "securities" and "treasury shares" have the meanings ascribed to them under the Hong Kong Listing Rules) of the Company. As at 30 June 2024, the Company did not hold any treasury shares.

# Disclosure of Major Events

## VII. SHAREHOLDINGS OF SUBSTANTIAL SHAREHOLDERS

As at 30 June 2024, to the knowledge of the Directors, Supervisors and chief executive of the Company and as recorded in the register of interests required to be maintained pursuant to section 336 of the Securities and Futures Ordinance, the interests and/or short positions of the following persons (excluding Directors, Supervisors and chief executive of the Company) in the Company's shares or underlying shares were as follows:

*Unit: Share*

Name of shareholders	Number of shares	Class of shares	Nature of interest	Capacity	Percentage of the respective class of the total shares in issue (%)	Percentage of the total shares in issue (%)
China National Coal Group Corporation	7,608,753,208	A Shares	N/A	Beneficial owner	83.14	57.39
Funde Sino Life Insurance Co., Ltd.	2,012,858,147	H Shares	Long position	Interest of controlled corporation by substantial shareholders	49.01	15.18

Note: The information disclosed is based on the information provided on the HKSE Website ([www.hkex.com.hk](http://www.hkex.com.hk)).

Save as disclosed above, as of 30 June 2024, to the best knowledge of the Directors, Supervisors and chief executive of the Company, there were no other persons who were interested or held short positions in the Company's shares or underlying shares as recorded in the register of interests required to be maintained under section 336 of the Securities and Futures Ordinance.

## VIII. INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 June 2024, none of the Directors, Supervisors or chief executive of the Company had any interests or short positions in the shares, underlying shares of equity derivatives or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance) which are required to be recorded in the register of interests kept by the Company under Section 352 of the Securities and Futures Ordinance, or which are required to be notified to the Company and HKSE pursuant to the Model Code.

As of 30 June 2024, the Company had not granted any rights to any Directors, Supervisors or chief executive of the Company or any of their spouses or children under 18 years of age to subscribe for the shares or debentures of the Company or its associated corporations, nor did any of the above-mentioned individuals exercise any such rights to subscribe for the aforesaid shares or debentures.



# Disclosure of Major Events

## IX. EMPLOYEES AND REMUNERATION POLICY

As of 30 June 2024, the Company had a total of 46,303 on-the-job employees, including 29,710 production personnel, 1,084 sales personnel, 9,689 technical personnel, 937 financial personnel, 2,904 administrative personnel and 1,979 other personnel.

The Company continued to deepen the reform of the corporate personnel system. The Company implemented institutional reform, streamlined organizational structure, scientifically set up posts and divided responsibilities, and streamlined human resources allocation; implemented the tenure system and contractual management of management members, strengthened market-oriented labour employment, actively promoted the introduction of professional talents and the employment of college graduates, and ensured the development needs of each industry.

The Company continued to deepen the quality education of our staff. Actively cooperating with national training institutions, we organized training programs for outstanding young cadres and skilled talents, including the “Start Leader Programme”, “Voyage Programme”, Qingma Project, and “Titanium” Blue Collar; actively building the Company’s online education platform to conduct training on the “Dual Carbon” strategy, carbon trading, and coal mine intelligence, effectively enhancing the overall quality of the cadre and employee team. We prepared the talent development plan for the “14th Five-Year Plan”, improved the employee career development channel system, and accelerated the construction of a talent team that aligns with the industrial structure.

The Company continued to deepen the reform of the income distribution system. We established and improved a more precise, flexible, standardized, and efficient income distribution system, innovated and implemented reforms to the remuneration system for enterprise leaders, allocated remuneration resources towards core key positions, frontline positions, and “highly-precision” talents, strengthened the market-oriented benchmarking of remuneration performance, fully leveraged the incentive and constraint effects of remuneration, and promoted enterprises to enhance their core competitiveness and strengthen their core functions.

## X. CHANGES IN DIRECTORS AND SUPERVISORS AND THEIR INFORMATION PURSUANT TO RULE 13.51B(1) OF THE HONG KONG LISTING RULES

For the six months ended 30 June 2024, there were no changes in the directors and supervisors of the Company.

On 24 July 2024, at the fourth meeting of 2024 for the fifth session of the Board of the Company, the “Proposed Appointment of Independent Non-executive Directors” was considered and passed. It was agreed to nominate Ms. Zhan Yanjing and Mr. James Kong Tin Wong as the Company’s candidates for independent non-executive directors of the fifth session of the Board. On 23 August 2024, the Company approved the aforementioned appointment at the 2024 first extraordinary general meeting. Mr. Zhang Chengjie, an independent non-executive director, resigned due to the expiration of his term of office, and Ms. Hung Lo Shan Lusan, an independent non-executive director, resigned due to work adjustment. For details, please refer to the relevant announcements published by the Company on the websites of the SSE, the HKSE and the Company on 24 July 2024 and 23 August 2024.

Save as disclosed in the aforementioned announcements of the Company, Mr. James Kong Tin Wong is also independent non-executive directors of Nova Group Holdings Limited (stock code: 1360) and Times Neighborhood Holdings Limited (stock code: 9928), and there’s no other information that is required to be disclosed under Rule 13.51B(1) of the Hong Kong Listing Rules.

# Report on Review of Interim Condensed Consolidated Financial Statements



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## TO THE BOARD OF DIRECTORS OF CHINA COAL ENERGY COMPANY LIMITED

*(established in the People's Republic of China with limited liability)*

## INTRODUCTION

We have reviewed the interim financial information set out on pages 42 to 88, which comprises the condensed consolidated statement of financial position of China Coal Energy Company Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2024 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“IAS 34”) issued by the International Accounting Standard Board. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with 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 Standard Board. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

**Ernst & Young**  
*Certified Public Accountants*  
Hong Kong

23 August 2024

# Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024	2023
		RMB'000	RMB'000
		(Unaudited)	(Unaudited)
<b>Revenue</b>	6	<u>92,983,870</u>	<u>109,356,726</u>
<b>Cost of sales</b>	9		
Materials used and goods traded		(45,584,545)	(60,375,719)
Staff costs		(4,836,987)	(3,912,743)
Depreciation and amortisation		(4,825,596)	(5,391,492)
Repairs and maintenance		(1,044,882)	(1,176,778)
Transportation costs and port expenses		(6,125,321)	(5,504,323)
Sales taxes and surcharges		(3,673,010)	(3,608,459)
Others		(5,534,354)	(5,434,334)
		<u>(71,624,695)</u>	<u>(85,403,848)</u>
<b>Gross profit</b>		<b>21,359,175</b>	23,952,878
Selling expenses	9	(418,465)	(455,731)
General and administrative expenses	9	(2,993,952)	(2,866,095)
Other income, gains and losses, net	7	157,615	113,062
Impairment losses under expected credit loss model, net of reversal	8	(76,072)	(37,468)
<b>Profit from operations</b>		<b>18,028,301</b>	20,706,646
Finance income	10	55,510	35,814
Finance costs	10	(1,330,759)	(1,609,051)
Share of profits of associates and joint ventures		<u>1,229,499</u>	<u>2,059,027</u>
<b>Profit before income tax</b>		<b>17,982,551</b>	21,192,436
Income tax expense	11	(3,903,234)	(4,477,837)
<b>Profit for the period</b>		<u><b>14,079,317</b></u>	<u>16,714,599</u>

# Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2024

	<b>Six months ended 30 June</b>	
	<b>2024</b>	<b>2023</b>
	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>PROFIT FOR THE PERIOD</b>	<b>14,079,317</b>	<b>16,714,599</b>
<b>Other comprehensive income/(loss)</b>		
<b>Items that will not be reclassified to profit or loss:</b>		
Share of other comprehensive loss of associates, net of related income tax	(355)	(485)
Fair value changes on equity instruments at fair value through other comprehensive income, net of tax	(320,292)	137,549
<b>Items that may be reclassified subsequently to profit or loss</b>		
Fair value changes on debt instruments at fair value through other comprehensive income, net of tax	(2,754)	3,555
Reversal of impairment loss for debt instruments at fair value through other comprehensive income included in profit or loss	–	(6,176)
Exchange differences arising on translation of foreign operations	(13,172)	4,510
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<b>(336,573)</b>	<b>138,953</b>
<b>Total comprehensive income for the period</b>	<b>13,742,744</b>	<b>16,853,552</b>
Profit for the period attributable to:		
Equity holders of the Company	10,695,209	12,731,596
Non-controlling interests	3,384,108	3,983,003
	<b>14,079,317</b>	<b>16,714,599</b>
Total comprehensive income for the period attributable to:		
Equity holders of the Company	10,359,361	12,871,672
Non-controlling interests	3,383,383	3,981,880
	<b>13,742,744</b>	<b>16,853,552</b>
<b>Basic and diluted earnings per share for the profit attributable to equity holders of the Company (RMB)</b>	<b>0.81</b>	<b>0.96</b>

# Interim Condensed Consolidated Statement of Financial Position

30 June 2024

		30 June 2024	31 December 2023
	<i>Notes</i>	<b>RMB'000</b> <b>(Unaudited)</b>	<b>RMB'000</b> <b>(Audited)</b>
<b>Non-current assets</b>			
Property, plant and equipment	14	134,427,125	127,702,183
Investment properties		63,201	65,148
Right-of-use assets		694,851	746,675
Mining rights	15	46,556,856	47,209,528
Intangible assets	16	1,840,012	1,891,370
Land use rights	17	6,643,453	6,537,032
Goodwill		6,084	6,084
Investments in associates		26,990,248	26,263,281
Investments in joint ventures		4,327,142	4,539,186
Equity instruments at fair value through other comprehensive income		2,498,832	2,866,145
Deferred income tax assets	28	2,534,079	2,560,735
Long-term receivables		236,908	333,051
Other non-current assets	18	9,351,924	8,766,688
<b>Total non-current assets</b>		<b>236,170,715</b>	<b>229,487,106</b>
<b>Current assets</b>			
Inventories	19	8,576,347	8,734,988
Trade receivables and notes receivables	20	8,951,558	7,492,777
Debt instruments at fair value through other comprehensive income	20	3,281,570	3,309,821
Contract assets	21	2,551,962	2,336,249
Prepayments and other receivables	22	7,375,228	6,251,634
Restricted bank deposits	23	10,225,542	9,926,996
Term deposits with initial terms of over three months		46,794,627	50,032,871
Cash and cash equivalents		37,206,618	31,582,885
<b>Total current assets</b>		<b>124,963,452</b>	<b>119,668,221</b>
<b>TOTAL ASSETS</b>		<b>361,134,167</b>	<b>349,155,327</b>

# Interim Condensed Consolidated Statement of Financial Position

30 June 2024

		<b>30 June 2024</b>	31 December 2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Current liabilities</b>			
Trade and notes payables	24	<b>25,430,467</b>	26,737,859
Contract liabilities		<b>3,551,810</b>	5,040,221
Accruals, advances and other payables	25	<b>51,655,778</b>	42,635,896
Lease liabilities		<b>96,025</b>	107,106
Tax payable		<b>1,809,890</b>	1,625,550
Short-term borrowings	26	<b>188,600</b>	122,600
Current portion of long-term borrowings	26	<b>7,914,078</b>	16,482,683
Current portion of long-term bonds	27	<b>9,785,775</b>	5,325,108
Current portion of provision for closedown, restoration and environmental costs	29	<b>64,358</b>	80,942
		<hr/>	<hr/>
<b>Total current liabilities</b>		<b>100,496,781</b>	98,157,965
<b>Non-current liabilities</b>			
Long-term borrowings	26	<b>47,766,765</b>	42,774,978
Long-term bonds	27	<b>3,493,874</b>	7,993,019
Deferred income tax liabilities	28	<b>4,448,855</b>	4,661,399
Lease liabilities		<b>679,151</b>	716,090
Provision		<b>28,482</b>	39,310
Provision for employee benefits		<b>123,176</b>	108,237
Provision for closedown, restoration and environmental costs	29	<b>6,226,353</b>	5,849,519
Deferred revenue		<b>960,945</b>	993,739
Other long-term liabilities		<b>9,172,440</b>	5,337,510
		<hr/>	<hr/>
<b>Total non-current liabilities</b>		<b>72,900,041</b>	68,473,801
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>173,396,822</b>	166,631,766

# Interim Condensed Consolidated Statement of Financial Position

30 June 2024

		<b>30 June 2024</b>	31 December 2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Equity</b>			
Share capital	30	<b>13,258,663</b>	13,258,663
Reserves		<b>54,348,391</b>	53,342,865
Retained earnings		<b>79,594,267</b>	77,280,846
		<hr/>	<hr/>
<b>Equity attributable to the equity holders of the Company</b>		<b>147,201,321</b>	143,882,374
<b>Non-controlling interests</b>		<b>40,536,024</b>	38,641,187
		<hr/>	<hr/>
<b>Total equity</b>		<b>187,737,345</b>	182,523,561
		<hr/> <hr/>	<hr/> <hr/>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>361,134,167</b>	349,155,327
		<hr/> <hr/>	<hr/> <hr/>

The interim condensed consolidated financial information on pages 42 to 88 were approved and authorised for issue by the Board of Directors on 23 August 2024 and are signed on its behalf by:

**Wang Shudong**  
Chairman of the Board  
Executive Director

**Chai Qiaolin**  
Chief Financial Officer

**Xu Ling**  
General Manager of Finance Department

# Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2024

	Attributable to the equity holders of the Company				Non-controlling interests	Total equity
	Share capital	Reserve	Retained profits	Subtotal		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>At 31 December 2023 (Audited)</b>	<b>13,258,663</b>	<b>53,342,865</b>	<b>77,280,846</b>	<b>143,882,374</b>	<b>38,641,187</b>	<b>182,523,561</b>
Profit for the period	-	-	10,695,209	10,695,209	3,384,108	14,079,317
Other comprehensive loss for the period, net of tax	-	(335,848)	-	(335,848)	(725)	(336,573)
<b>Total comprehensive income/(loss) for the period</b>	<b>-</b>	<b>(335,848)</b>	<b>10,695,209</b>	<b>10,359,361</b>	<b>3,383,383</b>	<b>13,742,744</b>
Appropriations	-	849,628	(849,628)	-	-	-
Share of other changes of reserves of associates and joint ventures	-	171,984	(171,831)	153	-	153
Contributions from and transactions within non-controlling interests	-	269,034	-	269,034	969,426	1,238,460
Dividend attributable to the equity holders of the Company (Note 12)	-	-	(7,360,329)	(7,360,329)	-	(7,360,329)
Dividends paid to non-controlling shareholders	-	-	-	-	(2,104,041)	(2,104,041)
Acquisition of non-controlling interests	-	71,111	-	71,111	(353,931)	(282,820)
Transfer of exchange fluctuation reserve upon the deregistration of overseas branch and Others	-	(20,383)	-	(20,383)	-	(20,383)
<b>At 30 June 2024 (Unaudited)</b>	<b>13,258,663</b>	<b>54,348,391</b>	<b>79,594,267</b>	<b>147,201,321</b>	<b>40,536,024</b>	<b>187,737,345</b>
<b>At 31 December 2022 (Audited)</b>	13,258,663	52,551,361	64,703,761	130,513,785	34,265,380	164,779,165
Effect of adoption of amendments to IAS 12	-	-	100,319	100,319	9,304	109,623
<b>At 1 January 2023 (Restated)</b>	13,258,663	52,551,361	64,804,080	130,614,104	34,274,684	164,888,788
Profit for the period	-	-	12,731,596	12,731,596	3,983,003	16,714,599
Other comprehensive income/(loss) for the period, net of tax	-	140,076	-	140,076	(1,123)	138,953
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>140,076</b>	<b>12,731,596</b>	<b>12,871,672</b>	<b>3,981,880</b>	<b>16,853,552</b>
Appropriations	-	842,931	(842,931)	-	-	-
Share of other changes of reserves of associates and joint ventures	-	229,579	(229,579)	-	-	-
Contributions from non-controlling interests	-	-	-	-	32,552	32,552
Dividend attributable to the equity holders of the Company	-	-	(5,475,828)	(5,475,828)	-	(5,475,828)
Dividends paid to non-controlling shareholders	-	-	-	-	(2,523,878)	(2,523,878)
Transfer of fair value reserve upon the disposal of equity investments at fair value through other comprehensive income	-	223	(223)	-	-	-
<b>At 30 June 2023 (Unaudited)</b>	<b>13,258,663</b>	<b>53,764,170</b>	<b>70,987,115</b>	<b>138,009,948</b>	<b>35,765,238</b>	<b>173,775,186</b>



# Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
<b>OPERATING ACTIVITIES</b>			
Cash generated from operations	31	18,746,882	22,757,362
Income tax paid		(3,856,793)	(5,722,051)
<b>Net cash generated from operating activities</b>		<b>14,890,089</b>	<b>17,035,311</b>
<b>INVESTING ACTIVITIES</b>			
Purchases of property, plant and equipment		(4,347,559)	(4,024,259)
Proceeds from disposals of property, plant and equipment		78,442	27,491
Payments for land use rights, mining rights and intangible assets		(3,080,214)	(1,262,880)
Proceeds from disposals of equity investments designated at FVOCI		–	10,070
Dividends received		276,972	734,287
Loans repayment from the Parent Company and fellow subsidiaries		298,712	1,028,726
Loans granted to the Parent Company and fellow subsidiaries		(1,297,078)	(2,270,491)
Interest income on loans to the Parent Company and fellow subsidiaries		111,623	77,024
Interest income on term deposits		816,727	626,379
Decrease/(increase) in term deposits with initial terms of over three months		3,238,244	(137,428)
Refund of prepayments for investments in prior years and related interests		–	138
<b>Net cash used in investing activities</b>		<b>(3,904,131)</b>	<b>(5,190,943)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds from borrowings		10,185,289	16,216,544
Repayments of borrowings		(13,730,038)	(22,203,372)
Repayments of long-term bonds		–	(400,000)
Acquisition of non-controlling interests		(282,820)	–
Contributions from non-controlling interests		1,238,460	32,552
Dividends paid		(1,444,435)	(2,995,974)
Interest paid		(1,261,009)	(1,629,966)
Repayments of lease liabilities		(80,008)	(68,742)
Bond issuance costs		–	(3,500)
<b>Net cash used in financing activities</b>		<b>(5,374,561)</b>	<b>(11,052,458)</b>
<b>Net increase in cash and cash equivalents</b>		<b>5,611,397</b>	<b>791,910</b>
Cash and cash equivalents, at the beginning of the period		31,582,885	29,998,038
Effect of foreign exchange rate changes		12,336	761
<b>Cash and cash equivalents at the end of the period</b>		<b>37,206,618</b>	<b>30,790,709</b>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 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.

This condensed consolidated financial information is presented in thousands of Renminbi (“RMB”), which is also the functional currency of the Company.

The interim condensed consolidated financial information has not been audited.

## 2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2024 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.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2023.

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

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 3. CHANGE IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information is consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of the following revised International Financial Reporting Standards ("IFRSs") for the first time for the current period's financial information.

Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to IAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>

The nature and impact of revised IFRSs are described below:

- (a) Amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of IFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 3. CHANGE IN ACCOUNTING POLICIES (CONTINUED)

- (c) Amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure of relevant information for supplier finance arrangements is not required for any interim reporting period during the first annual reporting period in which an entity applies the amendments. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the interim condensed consolidated financial information.

## 4. ESTIMATES

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and income and expenses. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

## 5. SEGMENTS INFORMATION

### 5.1 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.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 5. SEGMENTS INFORMATION (CONTINUED)

### 5.1 General information (continued)

#### *(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.

### 5.2 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.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 5. SEGMENTS INFORMATION (CONTINUED)

### 5.2 Information about operating and reportable segments' profit or loss, assets and liabilities (continued)

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

	For the six months ended 30 June 2024 (Unaudited) and as at 30 June 2024 (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
<b>Segment revenue:</b>									
Total revenue	77,767,124	10,835,733	5,631,377	1,270,870	3,461,188	98,966,292	-	(5,982,422)	92,983,870
Inter-segment revenue	(4,022,666)	(551,442)	(658,165)	(237,126)	(513,023)	(5,982,422)	-	5,982,422	-
Revenue from external customers	<u>73,744,458</u>	<u>10,284,291</u>	<u>4,973,212</u>	<u>1,033,744</u>	<u>2,948,165</u>	<u>92,983,870</u>	<u>-</u>	<u>-</u>	<u>92,983,870</u>
<b>Segment results</b>									
Profit/(loss) from operations	14,990,984	1,871,611	332,611	709,766	269,180	18,174,152	(220,515)	74,664	18,028,301
<b>Profit/(loss) before income tax</b>	14,974,450	2,154,000	362,954	709,380	485,635	18,686,419	(693,373)	(10,495)	17,982,551
Interest income	204,107	35,367	18,836	-	64,708	323,018	186,911	(454,419)	55,510
Interest expenses	(754,511)	(201,933)	(32,998)	-	(59,721)	(1,049,163)	(658,699)	369,259	(1,338,603)
Depreciation and amortisation	(3,194,014)	(1,468,020)	(154,509)	(1,076)	(252,391)	(5,070,010)	(9,107)	-	(5,079,117)
Share of profits of associates and joint ventures	535,581	449,272	42,197	-	203,063	1,230,113	(614)	-	1,229,499
Income tax expense	(3,319,192)	(293,345)	(53,204)	(182,528)	(57,080)	(3,905,349)	-	2,115	(3,903,234)
<b>Other material non-monetary items</b>									
Provision for impairment of property, plant and equipment	(3,913)	-	-	-	-	(3,913)	-	-	(3,913)
(Provision)/reversal of impairment of other assets	(16,838)	(9)	(44,036)	(29,771)	1,162	(89,492)	2,058	11,362	(76,072)
Addition to non-current assets	9,991,565	1,152,722	155,101	1,876	314,552	11,615,816	1,641	-	11,617,457
<b>Segment assets and liabilities</b>									
Total assets	<u>181,326,717</u>	<u>54,996,641</u>	<u>18,666,064</u>	<u>106,144,936</u>	<u>30,406,927</u>	<u>391,541,285</u>	<u>5,423,791</u>	<u>(35,830,909)</u>	<u>361,134,167</u>
Including: interests in associates and joint ventures	<u>8,151,347</u>	<u>15,143,765</u>	<u>1,208,940</u>	<u>-</u>	<u>6,580,027</u>	<u>31,084,079</u>	<u>233,311</u>	<u>-</u>	<u>31,317,390</u>
Total liabilities	<u>78,529,987</u>	<u>17,961,395</u>	<u>9,169,019</u>	<u>93,604,187</u>	<u>14,520,293</u>	<u>213,784,881</u>	<u>58,616,067</u>	<u>(99,004,126)</u>	<u>173,396,822</u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 5. SEGMENTS INFORMATION (CONTINUED)

### 5.2 Information about operating and reportable segments' profit or loss, assets and liabilities (continued)

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

	For the six months ended 30 June 2023 (Unaudited) and as at 31 December 2023 (Audited)								
	Coal	Coal	Coal	Finance	Others	Total	Unallocated	Inter-	Total
	RMB'000	chemical	mining	RMB'000	RMB'000	segment	RMB'000	segment	RMB'000
		RMB'000	equipment					elimination	
			RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Segment revenue:</b>									
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
<b>Segment results</b>									
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
<b>Profit/(loss) before income tax</b>									
Interest income	200,720	33,086	14,045	-	48,931	296,782	290,661	(551,629)	35,814
Interest expense	(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)
<b>Other material non-monetary items</b>									
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	19,791,727	2,075,070	301,661	2,616	133,403	22,304,477	29,854	-	22,334,331
<b>Segment assets and liabilities</b>									
Total assets	181,708,221	56,536,932	17,656,136	103,492,843	25,198,243	384,592,375	5,403,203	(40,840,251)	349,155,327
Including: interests in associates and joint ventures	14,387,287	14,697,924	1,166,709	-	316,619	30,568,539	233,928	-	30,802,467
Total liabilities	72,167,205	21,891,881	9,299,539	97,246,012	17,472,221	218,076,858	51,407,093	(102,852,185)	166,631,766

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 5. SEGMENTS INFORMATION (CONTINUED)

### 5.3 Geographical information

Information about the Group's revenue from external customers is presented based on the geographical location of the customers' 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	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Domestic markets	92,348,923	108,489,052
Overseas markets	634,947	867,674
Total	<u>92,983,870</u>	<u>109,356,726</u>

#### *Analysis of non-current assets*

	30 June	31 December
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Audited)
Domestic markets	230,894,884	223,726,579
Overseas markets	6,012	596
Total	<u>230,900,896</u>	<u>223,727,175</u>

*Note:*

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

### 5.4 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 2024 and 2023.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 6. REVENUE

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Goods and services	91,799,819	108,324,398
Rental income	150,307	104,277
Interest income	1,033,744	928,051
	<u>92,983,870</u>	<u>109,356,726</u>
Total	<u>92,983,870</u>	<u>109,356,726</u>

(i) **Disaggregation of revenue from contracts with customers for the six months ended 30 June 2024 and 2023:**

	For the six months ended 30 June 2024 (unaudited)				
	Coal	Coal- Chemical Products	Mining machinery	Others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Sales of goods recognised</b>					
Sales of coal	73,472,587	-	-	-	73,472,587
Sales of coal-chemical products	-	10,256,999	-	-	10,256,999
Sales of mining machinery	-	-	4,872,318	-	4,872,318
Sales of electric power	-	-	-	2,011,621	2,011,621
Sales of aluminium products	-	-	-	503,628	503,628
Others	46,203	1,075	30,999	16,491	94,768
	<u>73,518,790</u>	<u>10,258,074</u>	<u>4,903,317</u>	<u>2,531,740</u>	<u>91,211,921</u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 6. REVENUE (CONTINUED)

### (i) Disaggregation of revenue from contracts with customers for the six months ended 30 June 2024 and 2023: (continued)

	For the six months ended 30 June 2024 (unaudited)				
	Coal <i>RMB'000</i>	Coal- Chemical Products <i>RMB'000</i>	Mining machinery <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Provision of services recognised</b>					
Agency services	26,316	–	18,230	–	44,546
Railway services	23,636	–	–	7,039	30,675
Others	72,756	25,347	10,386	404,188	512,677
Total	<u>122,708</u>	<u>25,347</u>	<u>28,616</u>	<u>411,227</u>	<u>587,898</u>
<b>Revenue from contracts with customers</b>	<u>73,641,498</u>	<u>10,283,421</u>	<u>4,931,933</u>	<u>2,942,967</u>	<u>91,799,819</u>
<b>Analysed by geographical markets</b>					
Domestic markets	73,075,969	10,283,421	4,862,515	2,942,967	91,164,872
Overseas markets	565,529	–	69,418	–	634,947
Total	<u>73,641,498</u>	<u>10,283,421</u>	<u>4,931,933</u>	<u>2,942,967</u>	<u>91,799,819</u>
	For the six months ended 30 June 2023 (unaudited)				
	Coal <i>RMB'000</i>	Coal- Chemical Products <i>RMB'000</i>	Mining machinery <i>RMB'000</i>	Others <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Sales of goods recognised</b>					
Sales of coal	88,481,017	–	–	–	88,481,017
Sales of coal-chemical products	–	10,618,123	–	–	10,618,123
Sales of mining machinery	–	–	5,331,975	–	5,331,975
Sales of electric power	–	–	–	2,239,034	2,239,034
Sales of aluminium products	–	–	–	850,288	850,288
Others	54,229	–	42,790	–	97,019
Total	<u>88,535,246</u>	<u>10,618,123</u>	<u>5,374,765</u>	<u>3,089,322</u>	<u>107,617,456</u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 6. REVENUE (CONTINUED)

### (i) Disaggregation of revenue from contracts with customers for the six months ended 30 June 2024 and 2023: (continued)

	For the six months ended 30 June 2023 (unaudited)				
	Coal RMB'000	Coal- Chemical Products RMB'000	Mining machinery RMB'000	Others RMB'000	Total RMB'000
<b>Provision of services recognised</b>					
Agency services	25,954	–	28,324	1,169	55,447
Railway services	5,695	–	–	213,100	218,795
Others	36,345	46,072	96,458	253,825	432,700
Total	<u>67,994</u>	<u>46,072</u>	<u>124,782</u>	<u>468,094</u>	<u>706,942</u>
<b>Revenue from contracts with customers</b>					
	<u>88,603,240</u>	<u>10,664,195</u>	<u>5,499,547</u>	<u>3,557,416</u>	<u>108,324,398</u>
<b>Analysed by geographical markets</b>					
Domestic markets	88,084,635	10,664,195	5,150,478	3,557,416	107,456,724
Overseas markets	518,605	–	349,069	–	867,674
Total	<u>88,603,240</u>	<u>10,664,195</u>	<u>5,499,547</u>	<u>3,557,416</u>	<u>108,324,398</u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 6. REVENUE (CONTINUED)

### (i) Disaggregation of revenue from contracts with customers for the six months ended 30 June 2024 and 2023: (continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	For the six months ended 30 June 2024 (unaudited)			
	Segment revenue <i>RMB'000</i>	Eliminations <i>RMB'000</i>	Less: rental and interest income <i>RMB'000</i>	Consolidated <i>RMB'000</i>
Coal	77,767,124	(4,022,666)	(102,960)	73,641,498
Coal-chemical products	10,835,733	(551,442)	(870)	10,283,421
Mining machinery	5,631,377	(658,165)	(41,279)	4,931,933
Finance	1,270,870	(237,126)	(1,033,744)	–
Others	3,461,188	(513,023)	(5,198)	2,942,967
Total	<u>98,966,292</u>	<u>(5,982,422)</u>	<u>(1,184,051)</u>	<u>91,799,819</u>
	For the six months ended 30 June 2023 (unaudited)			
	Segment revenue <i>RMB'000</i>	Eliminations <i>RMB'000</i>	Less: rental and interest income <i>RMB'000</i>	Consolidated <i>RMB'000</i>
Coal	93,523,044	(4,832,077)	(87,727)	88,603,240
Coal-chemical products	11,224,675	(559,518)	(962)	10,664,195
Mining machinery	6,139,066	(626,176)	(13,343)	5,499,547
Finance	1,167,205	(239,154)	(928,051)	–
Others	4,031,627	(471,966)	(2,245)	3,557,416
Total	<u>116,085,617</u>	<u>(6,728,891)</u>	<u>(1,032,328)</u>	<u>108,324,398</u>

### (ii) Performance obligations for contracts with customers

#### *Sales of coal (revenue recognised at a point in time)*

The Group sells coal directly to the customers and revenue is recognised when the customers obtain control of goods transferred. The shipping types includes both land and water transportation. In the type of land transportation, revenue is recognised when the coal is delivered to the customers; in the type of water transportation, revenue is recognised when the goods pass the ship's rail.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 6. REVENUE (CONTINUED)

### (ii) Performance obligations for contracts with customers (continued)

#### *Sales of coal (revenue recognised at a point in time) (continued)*

The consideration received from the customers before the delivery of goods are recognised as contract liabilities in the Group's interim condensed consolidated financial information. There is no significant financing component or right of return arrangement in the sales contract.

#### *Sales of coal-chemical products (revenue recognised at a point in time)*

The Group sells coal-chemical products directly to the customers, revenue is recognised when the customers obtain control of goods transferred, i.e. when the customers receive the coal-chemical products.

The consideration received from the customers before the delivery of goods are recognised as contract liabilities in the Group's condensed consolidated financial information. There is no significant financing component or right of return arrangement in the sales contract.

#### *Sales of mining machinery (revenue recognised at a point in time)*

The Group sells mining machinery to the customers directly. The payment terms of the contracts include stage payments. The Group recognises the revenue when the mining machinery is delivered to the customers. There is no significant financing component or right of return arrangement in the sales contract.

## 7. OTHER INCOME, GAINS AND LOSSES, NET

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Impairment losses of:		
– property, plant and equipment, net	(3,913)	(15,761)
Losses on disposal of:		
– property, plant and equipment	(3,126)	(2,323)
Government grants	165,042	130,562
Others	(388)	584
Total	<u>157,615</u>	<u>113,062</u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 8. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Impairment loss/(recognised) reversed on:		
– Trade receivables	(34,309)	(22,182)
– Other receivables	(8,857)	(439)
– Contract assets	(17,307)	(6,528)
– Loans to the Parent Company and fellow subsidiaries	(15,599)	(14,744)
– Debt instruments at FVTOCI	–	6,175
– Other	–	250
	<u>                    </u>	<u>                    </u>
Total	<u><b>(76,072)</b></u>	<u><b>(37,468)</b></u>

## 9. EXPENSES BY NATURE

Expenses included in cost of sales, selling expenses and general and administrative expenses are analysed as follows:

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Depreciation	4,236,379	4,837,234
Amortisation	842,738	833,523
Materials used and goods traded	45,590,561	60,495,735
Transportation costs and port expenses	6,125,321	5,504,323
Sales tax and surcharges	3,673,010	3,608,459
Auditors' remuneration	1,200	1,200
Repairs and maintenance	1,055,117	1,181,207
Lease expenses under recognition exemption	56,826	55,690
Employee benefits expenses (including directors' emoluments)	6,916,399	5,836,435
Provision for impairment of inventories	250,943	1,572
Other expenses	6,288,618	6,370,296
	<u>                    </u>	<u>                    </u>
Total cost of sales, selling expenses and general and administrative expenses	<u><b>75,037,112</b></u>	<u><b>88,725,674</b></u>

Note:

The lease rentals mainly consist of expenses related to short-term leases for which the Group has applied the recognition exemption under IFRS 16 Leases.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 10. FINANCE INCOME AND COSTS

	Six months ended 30 June	
	2024 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
Finance income:		
– Interest income on bank deposits	43,661	20,888
– Interest income on loans receivable	11,849	14,926
	<u>55,510</u>	<u>35,814</u>
Total finance income	<u>55,510</u>	<u>35,814</u>
Interest expenses:		
– Borrowings	922,318	1,181,432
– Bonds payable	260,222	287,595
– Unwinding of discount	207,703	160,579
– Lease liabilities	9,100	9,594
Other incidental bank charges	4,487	6,858
Net foreign exchange gains	(12,331)	(899)
	<u>(60,740)</u>	<u>(36,108)</u>
Less: Amounts capitalised on qualifying assets ( <i>Note</i> )	<u>(60,740)</u>	<u>(36,108)</u>
	<u>1,330,759</u>	<u>1,609,051</u>
Total finance costs	<u>1,330,759</u>	<u>1,609,051</u>
Finance costs, net	<u>(1,275,249)</u>	<u>(1,573,237)</u>

*Note:*

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

	Six months ended 30 June	
	2024 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
Capitalisation rates used to determine the amount of finance costs eligible for capitalisation	<u>2.95%-3.95%</u>	<u>3.53%-4.73%</u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 11. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on the profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate.

Under the Law of the PRC on corporate income tax and the Implementation Regulation of the Corporate Income Tax Law (collectively, the “CIT Law”), the Company’s PRC subsidiaries are generally subject to PRC corporate income tax at the statutory rate of 25% on their respective assessable profits, except for certain subsidiaries which are subject to tax at preferential tax rate of 15% or 20% according to the preferential policy of CIT law for the six-month periods ended 30 June 2024 and 2023.

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

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current income taxes:		
– PRC corporate income taxes	4,041,135	4,484,876
Deferred income taxes	(137,901)	(7,039)
Total tax charge for the period	<u>3,903,234</u>	<u>4,477,837</u>

## 12. DIVIDENDS

During the six months ended 30 June 2024, the Company declared a final dividend of RMB0.442 per share and a special dividend of RMB0.113 per share respectively based on a number of 13,258,663,400 ordinary shares, amounting to a total of approximately RMB7,360,214,700 for the year ended 31 December 2023 (six month ended 30 June 2023 (Unaudited): RMB0.413 per based on a number of 13,258,663,400 ordinary share, amounting to a total of RMB5,475,828,000 for the year ended 31 December 2022) The declaration of the aforementioned dividends were approved at the 2023 annual general meeting of the Company held on 28 June 2024.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 13. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Earnings</b>		
Earnings for the purpose of basic earnings per share calculation (profit for the period attributable to equity holders of the Company)	<u>10,695,209</u>	<u>12,731,596</u>
	Six months ended 30 June	
	2024	2023
	(Unaudited)	(Unaudited)
<b>Number of shares</b>		
Number of ordinary shares for the purpose of basic and diluted earnings per share calculations	<u>13,258,663</u>	<u>13,258,663</u>

There were no differences between the basic and diluted earnings per share amounts for the six-month periods ended 30 June 2024 and 2023 as the Group had no dilutive potential ordinary shares in issue during those periods.

## 14. PROPERTY, PLANT AND EQUIPMENT

	30 June	30 June
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Opening net book amount	127,702,183	126,445,836
Additions	11,056,120	3,499,775
Transfer from/(to) intangible assets	16,939	(7,097)
Transfer to mining rights	–	(691,417)
Transfer from land use rights	–	12,535
Disposals	(84,047)	(30,141)
Depreciation charges	(4,260,157)	(4,811,857)
Impairment	(3,913)	(15,761)
	<u>134,427,125</u>	<u>124,401,873</u>
Closing net book amount	<u>134,427,125</u>	<u>124,401,873</u>

Note:

As at 30 June 2024, the Group's property, plant and equipment with an aggregate net book value of RMB100,722,000 were pledged to secured certain bank loans (31 December 2023 (Audited): RMB598,901,000).

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 15. MINING RIGHTS

	30 June 2024 <i>RMB'000</i> (Unaudited)	30 June 2023 <i>RMB'000</i> (Unaudited)
Opening net book amount	47,209,528	39,484,920
Additions	356	2,291,078
Transferred from property, plant and equipment	–	691,417
Amortisation charges	<u>(653,028)</u>	<u>(642,982)</u>
Closing net book amount	<u><u>46,556,856</u></u>	<u><u>41,824,433</u></u>

## 16. INTANGIBLE ASSETS

	30 June 2024 <i>RMB'000</i> (Unaudited)	30 June 2023 <i>RMB'000</i> (Unaudited)
Opening net book amount	1,891,370	1,895,222
Additions	44,256	30,528
Transferred (to)/from property, plant and equipment	(16,939)	7,097
Disposal	(52)	–
Amortisation charges	(73,596)	(72,669)
Other adjustment	<u>(5,027)</u>	<u>(6,557)</u>
Closing net book amount	<u><u>1,840,012</u></u>	<u><u>1,853,621</u></u>

## 17. LAND USE RIGHTS

	30 June 2024 <i>RMB'000</i> (Unaudited)	30 June 2023 <i>RMB'000</i> (Unaudited)
Opening net book amount	6,537,032	6,788,002
Additions	193,125	20,108
Transferred to property, plant and equipment	–	(12,535)
Amortisation charges	<u>(86,704)</u>	<u>(86,643)</u>
Closing net book amount	<u><u>6,643,453</u></u>	<u><u>6,708,932</u></u>

Note:

At 30 June 2024, the Group's land use right was not pledged to secure certain bank loans (31 December 2023 (Audited): RMB32,606,000).

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 18. OTHER NON-CURRENT ASSETS

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Loans to the Parent Company and fellow subsidiaries ( <i>Note (a)</i> )	7,311,130	6,767,084
Prepayments for mining rights ( <i>Note (b)</i> )	1,015,000	1,015,000
Prepayments for land use rights ( <i>Note (b)</i> )	388,739	390,038
Deductible value-added tax	286,473	265,066
Prepayments for construction in progress and equipment	41,602	35,923
Prepayments for long-term investments ( <i>Note (c)</i> )	22,000	22,000
Entrusted loans ( <i>Note (d)</i> )	4,435	4,435
Others	282,545	267,142
	<u>9,351,924</u>	<u>8,766,688</u>
Total	<u>9,351,924</u>	<u>8,766,688</u>

Notes:

- (a) The provision of loans to the Parent company and fellow subsidiaries are financial services with the business scope of China Coal Finance Company Limited ("China Coal Finance"), a subsidiary of the Company, to China Coal Group under the Financial Services Framework Agreement. The loans are unsecured and repayable after 12 months from the end of reporting period with interest rates ranging from 2.15% to 3.65% (31 December 2023: ranging from 2.40% to 3.80%) per annum.

Included in the carrying amount of the loans to the Parent company and fellow subsidiaries as at 30 June 2024 is an allowance for expected credit losses of RMB133,936,000 (31 December 2023: RMB118,617,000).

- (b) As the relevant legal procedures related to mining rights licenses and land use rights are still in process, such payments are recorded as other non-current assets. These prepayments will be transferred to mining rights and land use rights respectively upon completion of related legal procedures.
- (c) As at 30 June 2024, the prepayments for long-term investments amounted to RMB22,000,000 arising from the acquisition agreement. As the legal procedures required for the completion of the transaction are still in process, such payments are recorded as prepayments for long-term investments.
- (d) The entrusted loans are bank loans entrusted by the Company to Zhongtian Synergetic Energy Company Limited ("Zhongtian Synergetic"), an associate of the Group in 2020. The entrusted loans is repayable in full on 31 August 2025 and bearing an interest at 4.35% per annum.

## 19. INVENTORIES

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
Coal	1,714,616	1,107,347
Machinery for sale	3,662,684	4,296,363
Coal-chemical products	509,793	824,512
Auxiliary materials, spare parts and tools	2,689,254	2,506,766
	<u>8,576,347</u>	<u>8,734,988</u>

As at 30 June 2024, the allowance of impairment loss on inventories was RMB863,443,000 (31 December 2023 (Audited): RMB712,653,000).

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 20. TRADE RECEIVABLES AND NOTES RECEIVABLES, DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”)

The Group normally allows a credit period of 30 to 45 days to its trade customers in Mainland China and no more than 6 months to 1 year to its trade customers with good trading history overseas.

	<b>30 June 2024</b>	31 December 2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Trade receivables ( <i>Notes (a), (b), (c) and (d)</i> )	<b>8,836,991</b>	7,116,996
Notes receivables ( <i>Notes (f)</i> )	<b>114,567</b>	375,781
	<hr/>	<hr/>
Total	<b>8,951,558</b>	7,492,777
	<hr/>	<hr/>
Debt instruments at FVTOCI ( <i>Notes (e) and (f)</i> )	<b>3,281,570</b>	3,309,821
	<hr/>	<hr/>

*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.

	<b>30 June 2024</b>	31 December 2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Within six months	<b>6,598,696</b>	5,289,342
Six months to one year	<b>518,900</b>	448,014
One year to two years	<b>1,033,485</b>	1,059,141
two years to three years	<b>586,352</b>	278,909
Over three years	<b>718,832</b>	626,555
	<hr/>	<hr/>
Trade receivables, gross	<b>9,456,265</b>	7,701,961
Less: Allowance for credit losses	<b>(619,274)</b>	(584,965)
	<hr/>	<hr/>
Trade receivables, net	<b>8,836,991</b>	7,116,996
	<hr/>	<hr/>

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

	<b>30 June 2024</b>	31 December 2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
RMB	<b>8,835,670</b>	7,115,676
US Dollar (“USD”)	<b>1,321</b>	1,320
	<hr/>	<hr/>
Total	<b>8,836,991</b>	7,116,996
	<hr/>	<hr/>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 20. TRADE RECEIVABLES AND NOTES RECEIVABLES, DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVTOCI”) (CONTINUED)

Note: (continued)

- (c) The carrying amounts of trade receivables approximate to their fair values.
- (d) As at 30 June 2024, the Group’s trade receivable from sales of electric power amounting to RMB147,478,000 (31 December 2023 (Audited): RMB138,144,000) and the corresponding contractual right on further sales of electric power was pledged to secure a long-term bank loans amounting to RMB1,239,419,000 (31 December 2023 (Audited): RMB1,345,695,000).
- (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 2023 (Audited): less than one year).

As at 30 June 2024, the Group had no any debt instruments at FVTOCI pledged to secure any bank loans (31 December 2023 (Audited): RMB51,362,000).

- (f) Transfers of financial assets

As at 30 June 2024, notes receivables endorsed but not matured amounting to RMB93,624,000 (31 December 2023 (Audited): RMB261,652,000) were not derecognised as the Group has not transferred the significant risks and rewards relating to these notes receivables.

As at 30 June 2024, notes receivables endorsed or discounted but not matured under debt instruments at FVTOCI amounting to RMB2,366,225,000 (31 December 2023 (Audited): RMB4,137,515,000) 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.

## 21. CONTRACT ASSETS

	<b>30 June 2024 RMB’000 (Unaudited)</b>	31 December 2023 RMB’000 (Audited)
Coal mining machinery-current	<u>2,551,962</u>	<u>2,336,249</u>

As at 30 June 2024, the allowance for expected credit loss on contract assets was RMB28,315,000 (31 December 2023 (Audited): RMB11,008,000).

The contract assets primarily relate to the Group’s right to consideration for mining machinery delivered but not billed because the rights are conditional mainly on expiration of guarantee period as stipulated in the contracts. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers the contract assets to trade receivables in 12 months.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 22. PREPAYMENTS AND OTHER RECEIVABLES

	30 June 2024 <i>RMB'000</i> (Unaudited)	31 December 2023 <i>RMB'000</i> (Audited)
Advances to suppliers	2,866,558	2,517,657
Other prepayments	670	11,667
Interest receivables	14,548	12,957
Dividends receivable	717,145	276,543
Loans to the Parent Company and fellow subsidiaries ( <i>Note (a)</i> )	919,179	480,076
Value-added tax related to contract assets	269,352	275,140
Deductible value-added tax and others	402,213	724,937
Other amounts due from related parties, gross ( <i>Note (b)</i> )	1,260,260	1,242,024
Other amounts due from third parties, gross	1,313,141	1,086,506
	<hr/>	<hr/>
Less: Allowance for credit losses ( <i>Note (c)</i> )	(387,838)	(375,873)
	<hr/>	<hr/>
Prepayments and other receivables, net	<u>7,375,228</u>	<u>6,251,634</u>

Notes:

- (a) Loans to the Parent Company and fellow subsidiaries are unsecured and repayable within 12 months from the end of reporting period bearing interest at rates ranging from 3.00% to 4.35% (31 December 2023 (Audited): ranging from 3.25% to 4.55%) per annum.
- (b) Other amounts due from related parties are unsecured, interest-free and repayable on demand.
- (c) The provision for impairment mainly relates to amounts due from third parties and related parties.

## 23. RESTRICTED BANK DEPOSITS

Restricted bank deposits mainly include the legal deposit reserve deposited with the people's Bank of China according to regulations and the transformation fund as required by the regulations, the deposits set aside for land rehabilitation, letter of credit deposits, bank acceptance bill deposits, letter of guarantee deposits, etc.

## 24. TRADE AND NOTES PAYABLES

	30 June 2024 <i>RMB'000</i> (Unaudited)	31 December 2023 <i>RMB'000</i> (Audited)
Trade payables ( <i>Note</i> )	23,298,925	23,892,446
Notes payables	2,131,542	2,845,413
	<hr/>	<hr/>
Total	<u>25,430,467</u>	<u>26,737,859</u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 24. TRADE AND NOTES PAYABLES (CONTINUED)

Note:

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Less than 1 year	20,114,493	21,060,993
1 – 2 years	1,561,361	1,325,907
2 – 3 years	547,129	372,389
Over 3 years	1,075,942	1,133,157
	<u>23,298,925</u>	<u>23,892,446</u>
Total	<u>23,298,925</u>	<u>23,892,446</u>

## 25. ACCRUALS, ADVANCES AND OTHER PAYABLES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Payables for acquisition of subsidiaries	607,029	607,029
Payables for compensation for local mining companies	14,810	9,740
Dividends payable	8,086,440	66,505
Payables for site restoration	134,441	138,211
Mineral and water resource compensation payable	115,659	117,844
Payables for salaries and staff welfare	5,686,404	5,549,366
Interest payable	34,196	33,368
Commission payable (Note 27)	8,500	5,000
Payables for mining rights	82,129	86,314
Payables for the transfers of mining rights	1,691,076	295,344
Advance from a non-controlling interest of a subsidiary	20,282	20,282
Contractor's deposits	661,159	617,028
Deposits from the Parent Company and fellow subsidiaries (Note (a))	28,720,341	29,563,188
Other amounts due to related parties (Note (b))	461,117	730,163
Other amounts due to third parties	3,114,667	2,740,042
Other tax payable	2,217,528	2,056,472
	<u>51,655,778</u>	<u>42,635,896</u>
Total	<u>51,655,778</u>	<u>42,635,896</u>

(a) The balance represents the deposits from the Parent Company and fellow subsidiaries in the savings accounts at China Coal Finance. The deposits are unsecured and payable on demand or due within 12 month from the end of the reporting period, bearing interest at rates ranging from 0.1% to 2.15% (31 December 2023 (Audited): ranging from 0.1 % to 3.15 %) per annum.

(b) Other amounts due to related parties are unsecured, interest-free and payable on demand.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 26. BORROWINGS

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
<b>Short-term borrowings</b>		
Bank loans and loans from other financial institutions		
– Secured ( <i>Note (a)</i> )	37,000	121,000
– Unsecured	<u>151,600</u>	<u>1,600</u>
Total	<u><b>188,600</b></u>	<u>122,600</u>
 (a) As at 30 June 2024, the bank loans was secured by the Group's property, plant and equipment with an aggregate net book value of RMB88,756,000 (31 December 2023 (Audited): RMB230,570,000).		
<b>Long-term borrowings</b>		
Bank loans and loans from other financial institutions		
– Secured ( <i>Note (b)</i> )	8,687	399,692
– Pledged loan ( <i>Note (c)</i> )	1,239,419	1,345,695
– Unsecured	<u>53,848,440</u>	<u>56,924,427</u>
Subtotal	<b>55,096,546</b>	58,669,814
Loans from non-controlling shareholders		
– Unsecured	<u>178,572</u>	<u>182,122</u>
Loans from the Parent Company		
– Unsecured	<u>405,725</u>	405,725
Subtotal	<b>55,680,843</b>	59,257,661
Less: Amount due within one year under current liabilities	<u>(7,914,078)</u>	<u>(16,482,683)</u>
Non-current portion	<u>47,766,765</u>	<u>42,774,978</u>
<b>Total short-term and long-term borrowings</b>	<u><b>55,869,443</b></u>	<u>59,380,261</u>

(b) As at 30 June 2024, the bank loans were secured by the Group's property, plant and equipment with an aggregate net book value of RMB11,966,000 (31 December 2023 (Audited): RMB368,331,000). As at 30 June 2024, there was no land use right that was secured (31 December 2023 (Audited): RMB32,606,000).

(c) As at 30 June 2024, the bank loan was pledged on the Group's trade receivable from sales of electric power amounting to RMB147,478,000 (31 December 2023 (Audited): RMB138,144,000) and the corresponding contractual right on further sales of electric power.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 27. LONG-TERM BONDS

	30 June 2024 <i>RMB'000</i> (Unaudited)	31 December 2023 <i>RMB'000</i> (Audited)
Bonds payable:		
– medium-term notes	10,245,513	10,226,792
– corporate bonds	3,030,635	3,084,334
Commission payable	<u>12,001</u>	<u>12,001</u>
Subtotal	<u><b>13,288,149</b></u>	<u>13,323,127</u>
Less: current portion of bonds payable	9,785,775	5,325,108
current portion of commission payable ( <i>Note 25</i> )	<u>8,500</u>	<u>5,000</u>
Non-current portion	<u><b>3,493,874</b></u>	<u>7,993,019</u>

The bonds/notes are initially recognised at the amount of the total proceeds net of the commission paid or payable on the date of issuance. The accrued interests and the current portion of commission payable are recorded in accruals, advances and other payables.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 28. DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they are related to income taxes levied to the same taxable entity by the same taxation authority.

The movements in deferred income tax assets and liabilities during the period, without taking into account the offsetting of balances within the same tax jurisdiction, are as follows:

For the six months ended 30 June 2024 (Unaudited)

	<b>Deferred income tax assets RMB'000</b>	<b>Deferred income tax liabilities RMB'000</b>	<b>Total RMB'000</b>
Opening balance	4,461,631	(6,562,295)	(2,100,664)
Credited to profit or loss	133,309	4,592	137,901
Credited/(charged) to other comprehensive income	48,062	(75)	47,987
	<u>4,643,002</u>	<u>(6,557,778)</u>	<u>(1,914,776)</u>
Closing balance (Unaudited)			
Offset amount	<u>(2,108,923)</u>	<u>2,108,923</u>	
	<u><u>2,534,079</u></u>	<u><u>(4,448,855)</u></u>	

For the six months ended 30 June 2023 (Unaudited)

	<b>Deferred income tax assets RMB'000</b>	<b>Deferred income tax liabilities RMB'000</b>	<b>Total RMB'000</b>
Opening balance (Restated)	4,398,366	(6,459,205)	(2,060,839)
(Charged)/Credited to profit or loss	(10,478)	17,518	7,040
Charged to other comprehensive income	(829)	(45,285)	(46,114)
	<u>4,387,059</u>	<u>(6,486,972)</u>	<u>(2,099,913)</u>
Closing balance (Unaudited)			
Offset amount	<u>(2,338,199)</u>	<u>2,338,199</u>	
	<u><u>2,048,860</u></u>	<u><u>(4,148,773)</u></u>	

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 29. PROVISION FOR CLOSEDOWN, RESTORATION AND ENVIRONMENTAL COSTS

	30 June 2024 <i>RMB'000</i> (Unaudited)	30 June 2023 <i>RMB'000</i> (Unaudited)
Opening balance	5,930,461	5,179,935
Interest charge on unwinding of discounts	77,139	80,219
Provisions	379,753	110,817
Payments	<u>(96,642)</u>	<u>(109,728)</u>
Closing balance	6,290,711	5,261,243
Less: current portion	<u>(64,358)</u>	<u>(87,056)</u>
Non-current portion	<u><u>6,226,353</u></u>	<u><u>5,174,187</u></u>

## 30. SHARE CAPITAL

	Number of Shares (thousands)	Share capital <i>RMB'000</i>
At 30 June 2024:		
Domestic shares (“A shares”) of RMB1.00 each		
– held by China Coal Group	7,608,753	7,608,753
– held by other shareholders	1,543,247	1,543,247
H shares of RMB1.00 each		
– held by a wholly-owned subsidiary of China Coal Group	132,351	132,351
– held by other shareholders	<u>3,974,312</u>	<u>3,974,312</u>
Total	<u><u>13,258,663</u></u>	<u><u>13,258,663</u></u>

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 30. SHARE CAPITAL (CONTINUED)

	Number of Shares <i>(thousands)</i>	Share capital <i>RMB'000</i>
At 31 December 2023:		
Domestic shares (“A shares”) of RMB1.00 each		
– held by China Coal Group	7,606,744	7,606,744
– held by other shareholders	1,545,256	1,545,256
H shares of RMB1.00 each		
– held by a wholly-owned subsidiary of China Coal Group	132,351	132,351
– held by other shareholders	3,974,312	3,974,312
Total	<u>13,258,663</u>	<u>13,258,663</u>

For the six months ended 30 June 2024, China Coal Group traded through centralized bidding of the Shanghai Stock Exchange, increased its holdings of 2,009,500 A shares of the Company, accounting for approximately 0.02% of the Company’s total shares (six months ended 30 June 2023 (Unaudited): Nil).

The A shares rank pari passu, in all material respects, with the H shares.

As at 30 June 2024 and 31 December 2023, China Coal Hong Kong Company Limited, a wholly-owned subsidiary of China Coal Group, held approximately 132,351,000 H Shares of the Company, representing approximately 1.00% of the Company’s total share capital.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 31. CASH GENERATED

Reconciliation of profit before income tax to cash generated from operations:

	Six months ended 30 June	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Profit before income tax	17,982,551	21,192,436
Adjustments for:		
Depreciation charges	4,236,379	4,837,234
Amortisations charges	842,738	833,523
Impairment losses under expected credit loss model, net of reversal	76,072	37,468
Provision for impairment of inventories	250,943	1,572
Provision for impairment of property, plant and equipment	3,913	15,761
Loss on disposal of property, plant and equipment, net	3,126	2,323
Share of profits of associates and joint ventures	(1,229,499)	(2,059,027)
Net foreign exchange gains	–	(899)
Dividend income	(3,200)	(215)
Interest income on term deposits with initial terms of over three months and loans receivable	(22,815)	(14,926)
Interest expense	1,342,924	1,603,092
	<u>23,483,132</u>	<u>26,448,342</u>
Operating cash flows before movements in working capital		
Changes in working capital:		
Increase in inventories	(293,753)	(850,928)
Increase in trade receivables and debt instruments at FVTOCI	(2,370,992)	(1,312,231)
Increase in contract assets	(233,020)	(149,247)
Increase in prepayments and other receivables	(436,253)	(402,743)
Increase/(decrease) in trade and notes payables	(196,830)	836,960
Decrease in accruals, advances and other payables	581,555	1,067,374
Increase in restricted bank deposits	(298,546)	(776,046)
Increase in contract liabilities	(1,488,411)	(2,104,119)
	<u>18,746,882</u>	<u>22,757,362</u>
Cash generated from operations		

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 32. COMMITMENTS

### (a) Capital commitments

The Group had the following capital commitments, principally for construction and purchases of property, plant and equipment and mining rights at the end of the reporting period:

	<b>30 June 2024</b>	31 December 2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)
Property, plant and equipment	<b>5,023,061</b>	3,304,488
Mining rights	<b>235,000</b>	235,000
	<b><u>5,258,061</u></b>	<u>3,539,488</u>

### (b) Investment commitments

According to the agreement entered into on 15 July 2006, Zhongtian Synergetic was established by the Company, China Petroleum & Chemical Corporation and the other two independent parties. In 2022, the Company transferred its equity interest in Zhongtian Synergetic to China Coal Northwest Energy Co., Ltd (“Northwest Energy”), a subsidiary of the Company, without compensation. As a 38.75% shareholder, Northwest Energy has invested RMB6,787 million in Zhongtian Synergetic as at 30 June 2024 and is committed to a further investment of RMB481 million by instalments in the future.

According to the agreement entered into in October 2014, Shaanxi Jingshen was established by Shaanxi Yulin (a subsidiary of the Company), Shaanxi Coal and Chemical Industry Group Co., Ltd., Shaanxi Yulin Coal Distribution Co., Ltd. and a number of other independent parties. As a 4% shareholder, Shaanxi Yulin has invested RMB215 million in Shaanxi Jingshen as at 30 June 2024 and is committed to a further investment of RMB33 million in the future.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 33. CONTINGENT LIABILITIES

During the years 2010 and 2011, the Company made a number of acquisitions in Yinhe Hongtai in the open market and then it becomes a subsidiary. In 2021, Wushenqi State-owned Assets Investment and Management Co., LTD. (“Wushenqi”) launched claims to Yinhe Hongtai, for the contract entered on 26 July 2007 for the transfer of relevant mining right to Yinhe Hongtai. Wushenqi claimed that contract was invalid as this transfer of mining right violated the relevant rules and regulations of the Inner Mongolia Autonomous Region while it was determined below the required minimum transfer price for high-quality thermal coal. Yinhe Hongtai has been sued for the differences between the required minimum prices and the actual transfer considerations paid by the then existing owner of the entity.

In mid-January 2022, Ordos Intermediate People’s Court made the first instance judgment on this case, and ordered Yinhe Hongtai to pay for the under-paid transfer price. In October 2023, Yinhe Hongtai received a remanded second instance judgment of affirmance.

The Company is in the process of negotiating with Wushenqi regarding the above contractual disputes on the transfer of mining rights as well as the specific settlement of the court judgment, which has yet to be clarified as to the specific settlement measures and the financial impact on the Group. The Company will continue to monitor the latest developments in these litigations to assess the possible implications.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS

### Transactions and balances with the related parties

Set out below is a summary of significant related party transactions for the period ended 30 June 2024 and 2023.

**(a) Transactions with the Parent Company, fellow subsidiaries, associates and joint ventures of the Group, primary shareholders with significant influence over subsidiaries and Guoyuan Times Coal Asset Management Co., Ltd, and its subsidiaries**

In addition to those disclosed elsewhere in the consolidated financial information, the following transactions were carried out with related parties:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Transactions with the Parent Company and fellow subsidiaries:</b>		
<b>Integrated Materials and Services Mutual Provision (Note (i))</b>		
Purchase of production material, machinery and equipment from the Parent Company and fellow subsidiaries	2,138,137	2,522,159
Charges for social and supporting services provided by the Parent Company and fellow subsidiaries	47,489	33,668
Sales of coal, production material, machinery and equipment to the Parent Company and fellow subsidiaries	3,752,586	4,639,606
Agency fees for coal export and sales to the Parent Company	2,761	2,053
<b>Mine Construction, Design and General Contracting Services (Note (ii))</b>		
Charges for mine construction and design services provided by the Parent Company and fellow subsidiaries	835,647	1,113,451
<b>Leases</b>		
Property leasing expenses to the Parent Company and fellow subsidiaries (Notes (iii))	38,526	30,910
Finance lease provided to the Parent Company and fellow subsidiaries (Notes (iv))	12,169	8,164



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

### Transactions and balances with the related parties (continued)

**(a) Transactions with the Parent Company, fellow subsidiaries, associates and joint ventures of the Group, primary shareholders with significant influence over subsidiaries and Guoyuan Times Coal Asset Management Co., Ltd, and its subsidiaries (continued)**

In addition to those disclosed elsewhere in the consolidated financial information, the following transactions were carried out with related parties: *(continued)*

	Six months ended 30 June	
	2024 <i>RMB'000</i> (Unaudited)	2023 <i>RMB'000</i> (Unaudited)
<b>Coal Supplies (Note (v))</b>		
Coal purchased from the Parent Company and fellow subsidiaries	6,560,842	4,155,060
<b>Financial services (Note (vi))</b>		
Loans granted to the Parent Company and fellow subsidiaries	1,297,078	2,270,491
Loans repayment received from the Parent Company and fellow subsidiaries	298,712	1,028,410
Deposits received from the Parent Company and fellow subsidiaries	(799,699)	(560,085)
Interest paid or payable to the Parent Company and fellow subsidiaries	161,730	141,012
Interest received or receivable from the Parent Company and fellow subsidiaries	111,087	77,024
Interest paid or payable arising from entrusted loans entrusted by the Parent Company	8,519	9,161
<b>Fee paid for use of trademark (Note (vii))</b>	RMB1	RMB1
<b>Sales of assets</b>	–	–
<b>Transactions with associates of the Group:</b>		
<b>Sales and services provided</b>		
Sales of machinery and equipment	64,301	82,879
Railway rental income	73,023	72,614
Sales of coal	1,701,719	1,711,091
Income from providing labour services	–	4,964
Sales of production material and ancillary services	53,036	1,726

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

### Transactions and balances with the related parties (continued)

**(a) Transactions with the Parent Company, fellow subsidiaries, associates and joint ventures of the Group, primary shareholders with significant influence over subsidiaries and Guoyuan Times Coal Asset Management Co., Ltd, and its subsidiaries (continued)**

In addition to those disclosed elsewhere in the consolidated financial information, the following transactions were carried out with related parties: *(continued)*

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Purchases of goods and services</b>		
Purchases of coal	2,965,342	1,901,182
Purchases of materials and spare parts	69,349	30,750
Transportation services and port purchased	1,122,255	1,237,169
Receiving railway custody service	232,807	198,724
<b>Transactions with Guoyuan Times Coal Asset Management Co., Ltd, and its subsidiaries</b>		
Income from providing production materials and auxiliary services	6,103	1,307
Sales of machinery and equipment	4,596	14,795
Purchases of coal	770,217	5,089,570
Deposits increased/(decreased)	(49,876)	2,481,160
Interest paid	17,403	16,344
<b>Financial services</b>		
Interest income	11,941	15,022
<b>Transactions with a primary shareholder with significant influence over subsidiaries: (Note (viii))</b>		
Sales of coal	349,331	717,732
Purchase of coal	508,867	–

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

### Transactions and balances with the related parties (continued)

**(a) Transactions with the Parent Company, fellow subsidiaries, associates and joint ventures of the Group, primary shareholders with significant influence over subsidiaries and Guoyuan Times Coal Asset Management Co., Ltd, and its subsidiaries (continued)**

In addition to those disclosed elsewhere in the consolidated financial information, the following transactions were carried out with related parties: *(continued)*

	<b>30 June 2024 RMB'000 (Unaudited)</b>	31 December 2023 RMB'000 (Audited)
<b>Commitments to the Parent Company and fellow subsidiaries:</b>		
<b>With the Parent Company and fellow subsidiaries</b>		
– Purchases of services	1,114,773	2,261,126
– Purchases of goods	<u>30,129</u>	<u>35,090</u>
Total	<u><u>1,144,902</u></u>	<u><u>2,296,216</u></u>
<b>Loan guarantees to associates and joint ventures of the Group:</b>		
– Associates	<u><u>1,010,746</u></u>	<u><u>1,074,066</u></u>

*Notes:*

(i) The Company and China Coal Group entered into an Integrated Materials and Services Mutual Provision Framework Agreement on 5 September 2006, under which:

- a. China Coal Group supply to the Company with (1) production materials and ancillary services and (2) social and support services and;
- b. the Company supply to China Coal Group with (1) production materials including coal and ancillary services (2) sole and exclusive coal export-related services.

The agreement was renewed to extend the term to 31 December 2026.

(ii) The Company and China Coal Group entered into a Mine Construction and Design Framework Agreement on 5 September 2006, followed with a contract renewal under the name of Mine Construction, Mine Design and General Contracting Service Framework Agreement upon its expiry date of 31 December 2008. Subsequently, the Company and China Coal Group extended the contract term and changed its name to Project Design, Construction and General Contracting Framework Agreement when the contract was due on 31 December 2011. The deal mainly included:

- China Coal Group provides the Company with project design, construction and general contracting service;
- China Coal Group undertakes projects which the Company subcontracts;

For the engineering design, construction and general contracting, service providers and pricing would be determined through a public bidding process. The agreement was renewed to extend the term to 31 December 2026.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

### Transactions and balances with the related parties (continued)

#### ***(a) Transactions with the Parent Company, fellow subsidiaries, associates and joint ventures of the Group, primary shareholders with significant influence over subsidiaries and Guoyuan Times Coal Asset Management Co., Ltd, and its subsidiaries (continued)***

*Notes: (continued)*

- (iii) The Company and China Coal Group entered into a Property Lease Framework Agreement on 5 September 2006, pursuant to which the Company leases China Coal Group certain buildings and properties in the PRC for general business and ancillary purposes. The annual lease payment is subject to review and adjustment every three years based on the market price. The Company and China Coal Group renewed the Property Leasing Framework Agreement in 2014, which is effective until December 2026.

The rental fees are arising from lease payments subject to recognition exemption which are recognised in profit or loss.

- (iv) The Company and China Coal Group entered into 2024 Finance Lease Cooperation Framework Agreement on 25 October 2023, effective until December 2026. Pursuant to which Company agreed to provide finance leasing services including direct leasing services and sale and leaseback services to China Coal Group.

- (v) The Company and China Coal Group entered into a Coal Supplies Framework Agreement on 5 September 2006, pursuant to which China Coal Group will sell all coal products produced from its retained mines exclusively to the Company, and has undertaken not to sell any such coal products to any third party. The agreement was renewed to extend the term to 31 December 2026.

- (vi) China Coal Finance Co., Ltd. and China Coal Group entered into a Financial Services Framework Agreement on 23 October 2014, under which China Coal Finance Co., Ltd. provides financial services to China Coal Group within its business scope. This agreement was renewed to extend the term to 31 December 2026.

- (vii) The Company and China Coal Group entered into a Trademark License Framework Agreement on 5 September 2006, under which the Company is authorised to use a partial of the registered trademarks of China Coal Group at the cost of RMB1. This agreement was effective for 10 years, and was renewed on 23 August 2016 to extend the term to 22 August 2026.

- (viii) The Company and Shanxi Coking Coal Group Co., Limited (“Shanxi Coking Coal Group”) entered into a Coal and Coal Related Products and Services Supply Agreement on 23 October 2014, under which the Group purchases the coal and coal related products and accepts services from Shanxi Coking Coal and its subsidiaries and Shanxi Coking Coal and its subsidiaries purchases the coal and coal-related products and accepts services from the Group. The agreement was renewed to extend the term to 31 December 2026.

Pursuant to the Coal and Coal Related Products and Services Supply Agreement, the prices will be based on the following pricing policy and order:

- as for the infrastructural project and procurement of coal mining facilities, the price shall be arrived at by bidding process; and
- as for the supply of coal, the price shall be in accordance with the relevant market price.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

### Transactions and balances with the related parties (continued)

#### *(b) Transactions with other government-related entities in the PRC*

The Company is ultimately controlled by the PRC government and the Group operates in an economic environment currently predominated by entities controlled, jointly controlled or significantly influenced by the PRC government (“government-related entities”).

Apart from transactions with China Coal Group, fellow subsidiaries, associates and joint ventures, and primary shareholders with significant influence over subsidiaries, the Group has extensive transactions with other government-related entities.

During the six months ended 30 June 2024 and 2023, majority of the following Group’s activities are conducted with other government-related entities:

- Sales of coal;
- Sales of machinery and equipment;
- Purchases of coal;
- Purchases of materials and spare parts;
- Purchases of transportation services; and
- Bank balances and borrowings

In addition to the above, transactions with other government-related entities also include but are not limited to the following:

- Lease of assets; and
- Retirement benefit plans.

These transactions are conducted in accordance with the contracts which the Group entered into based on market prices.

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 34. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

### Transactions and balances with the related parties (continued)

#### (c) *Key management compensation:*

Key management includes directors (executive and non-executive), supervisors and other key management personnel.

The compensation paid or payable to key management for employee services is shown below:

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
<b>Key management compensation</b>		
Salary allowances and other benefits		
– Directors and supervisors	2,800	2,563
– Other key management	1,753	1,261
Subtotal	4,553	3,824
Pension costs – defined contribution plans		
– Directors and supervisors	217	195
– Other key management	228	205
Subtotal	445	400
Total	4,998	4,224

## 35. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 16 July 2024, the Company issued 20,000,000 Science and Technology Innovation Corporate Bonds with a par value RMB100 each. These bonds carry a coupon rate of 2.58% per annum with terms of 15 years, and the interest charge will be paid on 16 July annually.

On 23 August 2024, according to the approval and authorisation of the Annual General Meeting for the year of 2023, the board of directors of the Company formulate and implement the interim profit distribution plan for the year of 2024 and declare an interim dividend of RMB0.221 (six months ended 30 June 2023: Nil) per ordinary share, amounting to a total of approximately RMB2,936,337,600 (six months ended 30 June 2023: Nil).

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

### 36.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Group historically has no fixed policy to use derivatives for hedging purposes. The majority of the financial instruments held by the Group are for purposes other than trading.

The condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2023.

There have been no changes in the risk management since 31 December 2023.

### 36.2 Fair value estimation

#### ***Fair values of the Group's financial assets that are measured at fair value on a recurring basis***

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Level 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in an active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

### 36.2 Fair value estimation (continued)

*Fair values of the Group's financial assets that are measured at fair value on a recurring basis (continued)*

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30 June 2024 <i>RMB'000</i> (Unaudited)	31 December 2023 <i>RMB'000</i> (Audited)		
Listed equity instruments at FVTOCI	3,578	4,925	Level 1	Quoted bid prices in an active market.
Debt instruments at FVTOCI	3,281,570	3,309,821	Level 2	Discounted cash flow at a discount rate that reflects the credit risk of the drawee of notes at the end of the reporting period.
Unlisted equity instruments at FVTOCI	2,495,254	2,861,220	Level 3	Income or Market approach, where more appropriate.  Income approach – the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate discount rate.  Market approach – valuations are derived by reference to observable valuation measures for comparable companies, and adjusted for the differences between the investments and the referenced comparable.



# Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2024

## 36. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

### 36.2 Fair value estimation (continued)

#### *Reconciliation of Level 3 fair value measurements of financial assets*

##### *Unlisted equity instruments at FVTOCI*

	<b>30 June 2024</b>	30 June 2023
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
Opening balance	2,861,220	3,405,340
Disposals	–	(10,070)
Fair value change recognised in other comprehensive income	<u>(365,966)</u>	<u>183,955</u>
Closing balance	<u><u>2,495,254</u></u>	<u><u>3,579,225</u></u>

Included in other comprehensive income is a loss of RMB365,966,000 (six months ended 30 June 2023 (unaudited): a gain of RMB183,955,000) relating to unlisted equity securities designated as at FVTOCI held at the end of the current reporting period and is reported as changes of “other reserves”.

### 36.3 Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except as detailed in the following table, the Directors consider that the carrying amounts of financial assets and financial liabilities recognised in the condensed consolidated financial information approximate to their fair values.

	<b>Carrying amounts</b>		<b>Fair values</b>	
	<b>30 June</b>	31 December	<b>30 June</b>	31 December
	<b>2024</b>	2023	<b>2024</b>	2023
	<b>RMB'000</b>	RMB'000	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Audited)	<b>(Unaudited)</b>	(Audited)
Long-term borrowings (Level 2)	47,361,040	42,369,253	47,353,881	42,760,850
Long-term bonds (Not including amounts due within one year) (Level 1)	<u>3,493,874</u>	<u>7,993,019</u>	<u>3,589,292</u>	<u>8,130,839</u>

The fair value of long-term borrowings was determined based on discounted cash flows and the key input is the discount rate that reflects the credit risk of the borrowers. The fair value of long-term bonds was based on quoted market price.

## 37. APPROVAL OF THESE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 23 August 2024.

# Company Profile

Statutory Chinese Name of the Company	中國中煤能源股份有限公司
Abbreviated Statutory Chinese Name of the Company	中煤能源股份
Statutory English Name of the Company	China Coal Energy Company Limited
Abbreviated Statutory English Name of the Company	China Coal Energy
Legal Representative of the Company	Wang Shudong

## INFORMATION ABOUT SECRETARY TO THE BOARD OF THE COMPANY

Name of Secretary to the Board	Jiang Qun
Contact Address of Secretary to the Board	Securities Affairs Department China Coal Energy Company Limited 1 Huangsidajie Chaoyang District, Beijing, China
Contact Telephone Number of Secretary to the Board	(8610)-82236028
Fax Number of Secretary to the Board	(8610)-82256484
E-mail Address of Secretary to the Board	IRD@chinacoal.com

## BASIC INFORMATION ABOUT THE COMPANY

Registered Address and Office Address of the Company	1 Huangsidajie Chaoyang District, Beijing, the PRC
Post Code	100120
Internet Website	<a href="http://www.chinacoalenergy.com">http://www.chinacoalenergy.com</a>
Email Address	IRD@chinacoal.com
Newspapers Designated for Information Disclosure	China Securities Journal, Shanghai Securities Journal, Securities Times, Securities Daily
Internet Website Designated by CSRC for Publication of Periodical Reports	<a href="http://www.sse.com.cn">http://www.sse.com.cn</a>
Internet Website Designated by The Stock Exchange of Hong Kong Limited for Publication of Periodical Reports	<a href="http://www.hkexnews.hk">www.hkexnews.hk</a>
Location for Inspection of Periodical Reports of the Company	Securities Affairs Department China Coal Energy Company Limited 1 Huangsidajie Chaoyang District, Beijing, China

## BRIEF INFORMATION ABOUT SHARES OF THE COMPANY

Type of shares	Stock exchange for listing of shares	Short name of stock	Stock Code	Short name of stock before change
A Shares	The Shanghai Stock Exchange	China Coal Energy	601898	
H Shares	The Stock Exchange of Hong Kong Limited	China Coal Energy	01898	

Authorised Representatives of the Company	Wang Shudong, Jiang Qun
Company Secretary	Jiang Qun

# Company Profile

## ACCOUNTING FIRMS OF THE COMPANY

Domestic accounting firm of the Company	Ernst & Young Hua Ming LLP
Office address of the domestic accounting firm of the Company	Unit 01-12, 17/F, Ernst & Young Tower, Oriental Plaza 1 East Changan Avenue Dongcheng District, Beijing, the PRC
International accounting firm of the Company	Ernst & Young
Office address of the international accounting firm of the Company	Registered Public Interest Entity Auditors 27/F, One Taikoo Place 979 King's Road, Quarry Bay, Hong Kong

## LEGAL ADVISORS OF THE COMPANY

Legal advisor as to PRC law	Beijing Jiayuan Law Firm
Contact Address	Room 407, Ocean Plaza 158 Fuxingmennei Avenue, Xicheng District, Beijing, China
Legal advisor as to Hong Kong law	DLA Piper Hong Kong
Contact Address	25/F, Three Exchange Square, 8 Connaught Place Central, Hong Kong

## SHARE REGISTRARS FOR DOMESTIC AND OVERSEAS LISTED SHARES

A Share Registrar	China Securities Depository and Clearing Corporation Limited Shanghai Branch
Contact Address	36/F, China Insurance Building, 166 Lujiazui East Avenue, Pudong New District, Shanghai, China
H Share Registrar	Computershare Hong Kong Investor Services Limited
Contact Address	Rooms 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong

# Definitions

In this report, 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	Shanghai Datun Energy Resources Company Limited
Pingshuo Group	China Coal Pingshuo Group Company Limited
China Coal Huajin	China Coal Huajin Energy Group Limited
Finance Company	China Coal Finance Co., Ltd.
Yihua Mining	Ordos Yihua Mining Resources Company Limited
Yinhe Hongtai	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
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
Wushenqi 2×660MW integrated coal power project	China Coal Northwest Energy Chemical Company Limited Wushenqi Tuke Industrial Park 2×660MW pithead coal power project

# Definitions

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 tons of polyolefin
two combinations	combination of coal and coal power, combination of coal power and renewable energy
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
Lingshi Chemical	Lingshi Chinacoal Chemical Co., Ltd.
HKSE	The Stock Exchange of Hong Kong Limited
HKSE Website	<a href="http://www.hkexnews.hk">www.hkexnews.hk</a>
SSE	the Shanghai Stock Exchange
SSE Website	<a href="http://www.sse.com.cn">www.sse.com.cn</a>
Company Website	<a href="http://www.chinacoalenergy.com">www.chinacoalenergy.com</a>
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



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Website : [www.chinacoalenergy.com](http://www.chinacoalenergy.com)