

究矿能源集团股份有限公司 YANKUANG ENERGY GROUP COMPANY LIMITED

Interim Results 2025
Presentation



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- 01 Operation Review of 1H2025
- 02 Market Analysis of Key Products
- 03 Operational Measures for 2H2025



Operation Review of 1H2025

- Results Overview
- Five Core Businesses Progressing in Synergy
- Lean Management Driving Efficiency and Resilience
- ESG Leadership Enhancing Brand Reputation

I. Results Overview



(Prepared in accordance with IFRS)



Production volume of salable coal 73.60mt

> +4.52mt / 6.5% YoY





Production volume of coal chemicals

4.74mt

+0.56mt / 13.5% YoY





Sales revenue

RMB53.97bn

-RMB8.2bn / 13.2% YoY



Profit attributable to shareholders of the Company

RMB4.73bn

-RMB3.0bn / 38.7% YoY



Total assets

RMB373.4bn



Net assets

RMB135.3bn



Return on net assets

8%



Interim dividend RMB0.18 per share

> **Share buyback** RMB200-500mn



Fully unleashing advantageous capacity

- Shaanxi and Inner Mongolia Base reached optimal output and high efficiency, contributing additional
 2.15mn tonnes YoY, emerging as a key driver for capacity expansion and value creation
- Australian Base effectively mitigated the impact of heavy rainfall and the Stratford mine closure, achieving the best production performance in recent five years with a YoY increase of 2.11mn tonnes

Strategic Acquisition Successfully Done

Completed the acquisition of Xibei Mining, adding
 6.4bn tonnes of resources and an approved production capacity of 61 Mtpa





Key projects progression

- Liusangedan Coal Mine secured mining license for 10 Mtpa
- Huolinhe No.1 Mine and Galutu Mine: planned annual capacity raised to 7mn tonnes and 8mn tonnes respectively, with each capable of achieving 10 Mtpa output
- Caosiyao Molybdenum Mine received project approval, paving the way for the RMB10-bn industrial chain
- Wucaiwan No.4 Open-pit Mine: Phase I (10 Mtpa) reached coal seams; Phase II raised to 23 Mtpa with planning adjustments approved

Technological innovation driving efficiency

- Pioneered "dense backfilling progressive mechanized mining method", which has been included in the 2025 Coal Mine Safety Regulations, enabling efficient utilization of overlying resources and fostering a model that achieves both ecological and economic benefits
- Successfully hosted the National Exchange Meeting on Rock Burst Prevention in Coal Mines
- High-standard preparation to host the 13th National Mine Rescue Skills Competition





Synergies accelerating rapidly

- Coal chemicals segment leveraged the advantages of "coal-chemical integration" and "regional integration", achieving stable and high production, with simultaneous growth in volume and efficiency
- Contributed a net profit attributable to shareholders of RMB1.1bn, increased by RMB920mn YoY

- Rongxin Chemicals and Yulin Neng Hua achieved a combined YoY profit growth of RMB760mn
- Future Energy's coal-to-liquids project achieved YoY profit growth of RMB390mn





Strengthening and extending the industrial chain

- Rongxin Chemicals: 0.8mn-tonne olefin project has been fully launched
- Lunan Chemicals: 60,000-tonne polyoxymethylene project is in good progress

- Xinjiang Neng Hua: 0.8mn-tonne olefin project is progressing in an orderly manner
- **Future Energy:** accelerating the approval process for the 0.5mn-tonne high-temperature fischer-tropsch project



II. Five Core Industries Progressing in Synergy



Smart Manufacturing Park: Setting a new benchmark

- Revenue surpassed RMB1bn
- Fully automated roller project automation at domestic forefront

- Completed the industry's first "Dark-Operation Internal Mixer" factory
- Independently developed world's largest 12,000-tonne crusher – filling a gap in global high-end crushing equipment market





New breakthroughs in international development

- Successfully launched hydraulic support products in Australia, achieving a significant breakthrough in the overseas market
- Strengthened and optimized the equipment manufacturing and R&D platforms in Europe

- Efficiently integrated the technology, market and supply chain resources of SMT Scharf AG, and strategically acquired CFH GmbH Group to establish a globally leading equipment manufacturing system
- Europe operations concentrate on precision manufacturing of core components, integrated with strong domestic production capabilities
- Reduced costs across the entire value chain and expanded presence in European and Asia-Pacific markets





Strengthening the "Five-in-One" industrial system

- Total railway operating mileage (self-owned and equity-participated) exceeded 4,000 km, with 12 integrated railwater logistics parks in operation. In 1H2025, logistics cargo volume rose to 140mn tonnes, a YoY increase of 100mn tonnes
- Tai'an Port achieved regular operation of 10,000-tonne freight trains, with daily cargo handling exceeding **100,000 tonnes**, securing the top position among inland ports in Shandong Province for throughput
- Wubo Technology: deeply integrated "physical logistics & platform logistics", established a new model for the commodity supply chain and achieved a cargo volume of 110mn tonnes





"Industrial Chain & New Energy" Collaborative Development Model

- Achieved direct green power connection at Luxi Smart Manufacturing Park
- Constructed the Yankuang Tai'an Port Zero-Carbon Park with high standards

Coordinated efforts to advance quota application and project construction

- Progressing steadily on projects such as the 700 MW green power hydrogen production at Rongxin Chemicals and 260 MW green power hydrogen production at Xinjiang Neng Hua
- Construction of the 180 MW wind power project in Zoucheng, Shandong will commence before year-end



III. Lean Management Driving Efficiency and Resilience



All-out Effort on Cost Control and Expense Reduction

Key products exceeded planned cost control targets

Unit COS of methanol

RMB1,239/tonne

-19.2% YoY

Unit COS of coal

RMB322/tonne



Unit COS of acetic acid

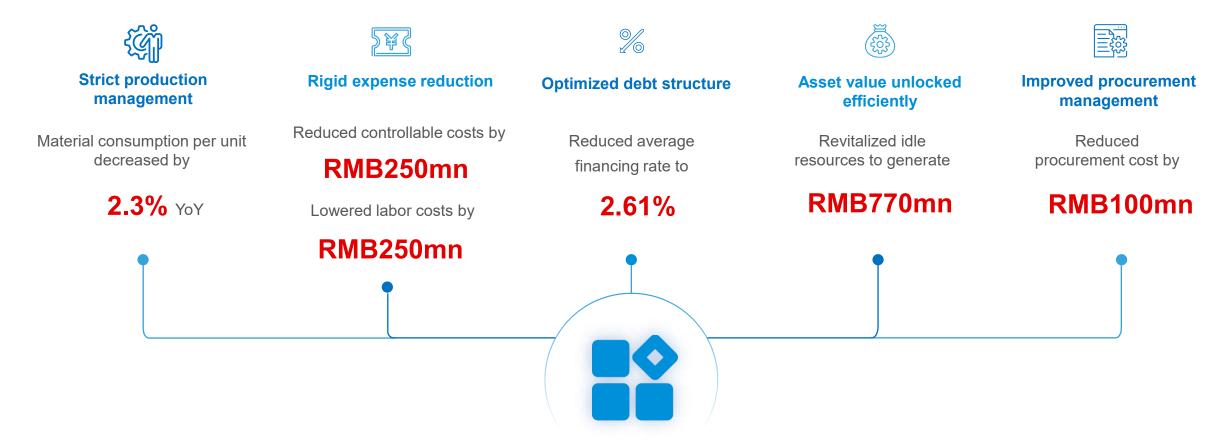
RMB1,981/tonne

-15.4% YoY

III. Lean Management Driving Efficiency and Resilience



Dedicated Efforts in Cost Control and Expense Reduction



Achieved ~RMB1.7bn in cost savings and efficiency gains in 1H2025

III. Lean Management Driving Efficiency and Resilience



Strategic Implementation of Marketing Strategies



Flexibly adjusted customer mix

with 91.5% of sales directed to key customers in Shanxi Province, Shaanxi Province and Inner Mongolia region



9.9% YoY increase in clean coal sales, with 64% of sales within **Shandong Province**



Mitigated the impact of market downturns through multiple measures

Broadened and diversified sales channels

Adopted port-based sales and bidding sales, generating RMB30+mn in incremental value through premium pricing

_ A flexible coal blending model___ to drive value creation

Strengthened customized production and marketing, with greater emphasis on value-enhancing coal blending

IV. ESG Leadership Enhancing Brand Reputation





Industrial output energy intensity

Raw coal production energy intensity

Land subsidence reclamation rate

- all reached industry-leading levels



Maintained the highest industry ratings in MSCI and Wind ESG assessments



Ranked No.1
in the industry for five
consecutive years under
the CDP (Carbon
Disclosure Project)



Recognized as one of the "Top 50 Best ESG Practices" by New Fortune (新财富)



Steadily Increasing Social Recognition and Market Trust



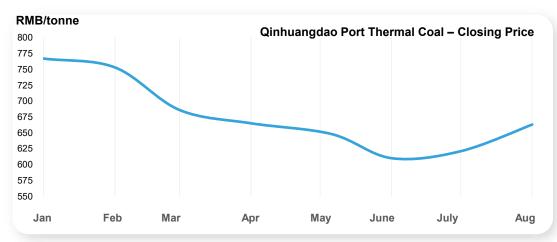
Market Analysis of Key Products

- Analysis of coal market
- Analysis of coal chemical market

Coal Market

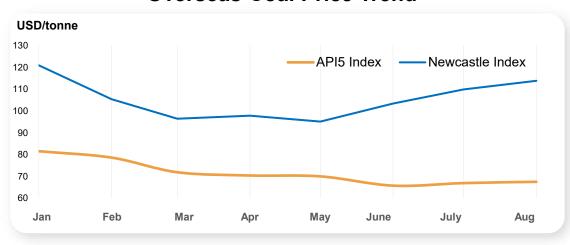


Domestic Coal Price Trend



Period: Jan-Aug 2025 Source: Wind

Overseas Coal Price Trend



Period: Jan-Aug 2025 Source: GlobalCoal, Argus/McCloskey

1H2025

Oversupply and weak demand — prices under downward pressure

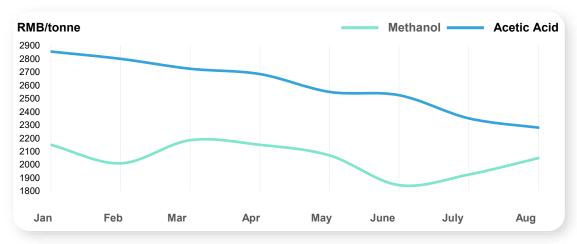
2H2025 & Beyond

Supply is expected to become more regulated and orderly, demand is expected to gradually recover, and supply-demand dynamics are set to improve

Coal Chemical Market

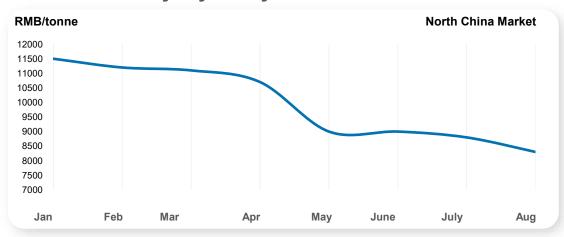


Methanol & Acetic Acid Price Trends



Period: Jan-Aug 2025 Source: ICIS

Polyoxymethylene Price Trend



Period: Jan-Aug 2025 Source: Longzhong Information

1H2025

Chemical industry: strong supply, weak demand

✓ Lower costs supported solid profitability

2H2025 & Beyond

Market stability expected to continue.

Industry to maintain healthy profit margins.





Operational Measures for 2H2025

- Capacity expansion & quality upgrade building new advantages for future growth
- Unlocking potential & boosting earnings broadening lean management gains
- Scientific control & targeted focus maximizing investment value
- Delivering returns & sharing success setting a new benchmark in value creation



I. Capacity expansion & quality upgrade– building new advantages for future growth



Focus Coal Mining

Breakthroughs in volume

Historic breakthroughs achieved

180mn tonnes

"Stabilizing production within Shandong, expanding beyond, and optimizing overseas operations"

Shandong

Precision mining, stable production and consistent output

38-40mn tonnes

Outside Shandong

Accelerated approval processes to achieve full production capacity and operational efficiency

Shaanxi-Inner Mongolia Base

wongona Base

44-46mn tonnes >

Xinjiang Base

>25mn tonnes

Contribution from Xibei Mining

>30mn tonnes

Overseas

Optimized project designs to expand production capacity and enhance overall efficiency

40-44mn tonnes

I. Capacity expansion & quality upgrade– building new advantages for future growth



Focus

Coal Chemicals

Upgrade and enhance standards



Driving integration of raw material, regional synergy & value-upgrade chains; strengthening "fluctuation—reduction—stability" management



Advancing flexible "one source, multi-line" production model



Delivering market-driven, high value-added flagship products

Coal chemicals full-year output

9mn tonnes

I. Capacity expansion & quality upgrade– building new advantages for future growth



High-End Equipment Manufacturing



Strengthening & Optimizing

- Operating a high-standard, smart, zero-carbon industrial park
- Implementing "Green for Green" initiatives
- Deep integration of European talent, technology & market resources

Smart Logistics



Efficient Operations

- Commissioning the dedicated railway from Caojiahuochang to Niujialiang Mine
- Advancing the construction of the dedicated railway in Xinjiang Zhundong mining area
- Accelerating the integration and transformation of Wubo Technology to build a logistics ecosystem

New Energy



Securing Resources

- Developing integrated "generation grid—load—storage" project, Rongxin Chemicals project and Xinjiang Neng Hua's green hydrogen projects
- Commence construction of Phase II of Zhaolou Power Plant, a 350 MW supercritical combined heat and power project
- Units below 300 MW will be retired by year-end
- Advance new standalone energy storage projects

II. Unlocking potential & boosting earnings– broadening lean management gains



Full-Year Cost Reduction & Efficiency Gains

> RMB3bn

Optimizing Processes – Reducing Unit Consumption

- Deepening "Three Reductions, Three Improvements" and "Two Optimizations, Three Reductions" initiatives
- Lowering cost of coal sales per tonne by **3–5%**

O4 Coordinating Materials – Managing Inventory

- Reducing material and equipment management costs by RMB400mn
- Cutting stock materials by 10%

02 Flexible Marketing – Boosting Efficiency

- Implementing "Clean Coal + Custom", "Long-term Contract + Direct Supply", "Rail + Water Transport"
- Establishing a four-dimensional marketing model anchored in long-term contract customers, extended by market customers, supported by direct-supply customers, and supplemented by trading customers

O3 Expanding Revenue Streams & Tightening Expense Control

- Reducing overall financing cost by 10%, generating RMB600mn by capital operations
- Lowering controllable annual expenses by 5%
- Cutting procurement costs by > RMB220mn

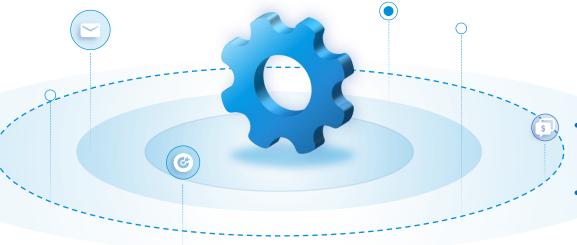
III. Scientific control & targeted focus – maximizing investment value



Strategic Management of Capital Allocation and Investment Pace

To reduce CAPEX by

RMB2.5bn



Accelerating the construction of the "Eight Key Projects"

- Rigorous oversight of cost estimates and project settlements
- Reduce project construction costs

III. Scientific control & targeted focus – maximizing investment value





2026-2030

- ~70mn tonnes of additional capacity
- Targeting 300mn tonnes of raw coal production



Strategic coal mines

Strive to achieve in 1H2026

 To commence construction of the Caosiyao Molybdenum Mine, with an annual ore production capacity of 16.5mn tonnes

2028

 To built a RMB10-bn molybdenum production and processing value chain

Premium locations

Low disaster risk

Well-structured product mix

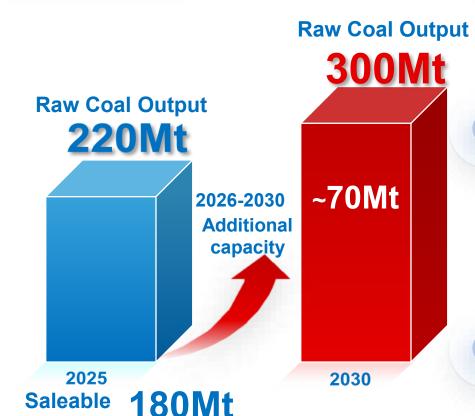
High-quality resource base

III. Scientific control & targeted focus– maximizing investment value



Coal Mining

Coal Output



Shaanxi and Inner Mongolia Region
Additional capacity

35 Mtpa

Youfanghao Coal Mine, Huolinhe No. 1 Coal Mine, Liusangedan Mine, Yangjiaping Coal Mine, and Galutu Coal Mine will be completed successively over the next five years, bringing regional production capacity to >80mn tonnes

Xinjiang Region
Additional capacity 17 Mt

 Wucaibay No.4 Open-Pit Mine Phase I will reach full production in 2026, adding 4Mt of output; Phase II, targeting an approved capacity increase to 23Mtpa, aims to complete regulatory procedures in 2026, bringing regional capacity to >43Mt

Gansu Province
Additional capacity 16 Mtpa

Liuyuanzi Mine's capacity will increase by 0.9 Mtpa; upon completion,
 Mafuchuan Mine and Maojiachuan Mine will contribute an additional 15 Mtpa,
 lifting regional capacity >22 Mt

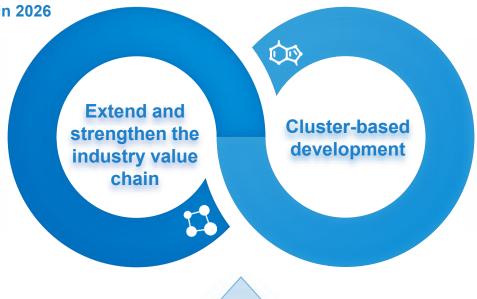
III. Scientific control & targeted focus – maximizing investment value



High-end Chemicals and New Materials

Scheduled for completion and commissioning in 2026

- Rongxin Chemicals 0.8mn tonnes Olefin Project
- Lunan Chemicals 60,000 tonnes Polyoxymethylene Project



Advancing in an orderly manner

- Xinjiang Neng Hua 0.8mn tonnes Olefin Project
- Future Energy 0.5mn tonnes
 High-Temperature Fischer–
 Tropsch Project

Enhance both the scale and quality of growth

IV. Delivering returns & sharing success– setting a new benchmark in value creation





Interim dividend

- Cash Dividend: RMB0.18 per share
- Totaling RMB1.8bn
- Accounting for 40% of net income

Ranked 24th

among listed companies in China by total cash dividends in 2025

RMB86.8bn

Cumulative Dividends

"Shareholder First, Value Shared"



Share repurchase and increase in holdings

- Share repurchases: RMB50-100mn for A-shares and RMB150-400mn for H-shares
- Commitment from the controlling shareholder – "No reduction in holdings & increase in holdings as appropriate"





External Factors



9

Coal supply-demand dynamics are set to improve, supporting market recovery



Releasing incremental capacity to drive profit growth



Reducing cost of coal sales per tonne by 3-5%, improving operational efficiency



Producing > 9mn tonnes of coal chemical products, expanding synergy benefits



Consolidating Xibei Mining, enhancing operating performance

Thank You