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中国神华能源股份有限公司
CHINA SHENHUA ENERGY COMPANY LIMITED

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

(Stock Code: 01088)

**CONTINUING CONNECTED TRANSACTIONS
ENTERING INTO CONTINUING CONNECTED TRANSACTIONS
FRAMEWORK AGREEMENT**

**ENTERING INTO CONTINUING CONNECTED TRANSACTIONS
FRAMEWORK AGREEMENT**

As disclosed in the announcement dated 24 March 2016 and 28 December 2018, the Company has entered into the Transportation Service Framework Agreement with Taiyuan Railway Bureau on 24 March 2016 and entered into the Current Continuing Connected Transactions Framework Agreement with Taiyuan Railway Bureau which acts for and on behalf of China Railway on 26 December 2018, the term of which will expire on 31 December 2019. The Company has entered into the new Continuing Connected Transactions Framework Agreement with Taiyuan Railway Bureau which acts for and on behalf of China Railway on 28 October 2019, comprising transactions under the Transportation Service Framework Agreement and the Current Continuing Connected Transactions Framework Agreement. The new Continuing Connected Transactions Framework Agreement will be effective from 1 January 2020.

Taiyuan Railway Bureau is the parent company of Daqin Railway, which is a substantial shareholder (10% or more) of Shuohuang Railway, a significant subsidiary of the Company and Taiyuan Railway Bureau is therefore a connected person of the Company under the Hong Kong Listing Rules. China Railway, the controlling shareholder of Taiyuan Railway Bureau, constitutes a connected person of the Company under the Hong Kong Listing Rules.

Therefore, the Continuing Connected Transactions Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

In respect of the proposed annual caps under the Continuing Connected Transactions Framework Agreement, as one or more of the applicable percentage ratios exceeds 1% as calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules, the Continuing Connected Transactions Framework Agreement and the transactions contemplated thereunder are subject to reporting and announcement requirements, but are exempt from independent shareholders' approval requirement under Rule 14A.101 of the Hong Kong Listing Rules.

BACKGROUND

The Company is a world-leading coal-based integrated energy company. The main business of the Company and its subsidiaries includes production and sales of coal and power, railway, port and ship transportation, and coal-to-olefins and other coal related chemical processing business.

China Railway focuses on railway passenger and freight transport services and carries out diversified business operation. Its responsibilities include unified control and command of railway transport, operation and management of passenger and freight transport by national railways, public welfare transport specified by national regulations, key transport related to the national economy and the peoples' livelihood, as well as special transport, dedicated transport, and transport tasks for rescue and disaster relief and other responsibilities.

Taiyuan Railway Bureau mainly engages in railway transportation business.

As disclosed in the announcement dated 24 March 2016 and 28 December 2018, the Company has entered into the Transportation Service Framework Agreement with Taiyuan Railway Bureau on 24 March 2016 and entered into the Current Continuing Connected Transactions Framework Agreement with Taiyuan Railway Bureau which acts for and on behalf of China Railway on 26 December 2018, the term of which will expire on 31 December 2019. The Company has entered into the new Continuing Connected Transactions Framework Agreement with Taiyuan Railway Bureau which acts for and on behalf of China Railway on 28 October 2019, comprising transactions under the Transportation Service Framework Agreement and the Current Continuing Connected Transactions Framework Agreement. The new Continuing Connected Transactions Framework Agreement will be effective from 1 January 2020.

CONTINUING CONNECTED TRANSACTIONS FRAMEWORK AGREEMENT

Date

28 October 2019

Parties

The Company and Taiyuan Railway Bureau which acts for and on behalf of China Railway

Details of the transaction

Pursuant to the Continuing Connected Transactions Framework Agreement, the China Railway Group has agreed to provide transportation service, supply coal and provide other products and services to the Group subject to the terms and conditions therein, and the Group has agreed to supply coal, provide transportation service and provide other products and services to the China Railway Group subject to the terms and conditions therein. Other products and services mutually provided by the China Railway Group and the Group include, but are not limited to, rolling stock usage, overhaul services, equipment supply, business consulting, technical services, and railway track maintenance services.

Term and termination

Upon approval by the Board, the Continuing Connected Transactions Framework Agreement is effective from 1 January 2020 and will end on 31 December 2022.

Price determination

The pricing of the transactions under the Continuing Connected Transactions Framework Agreement shall be agreed in the implementation agreements, but shall be determined in accordance with the general principles and order of this section:

- (a) The price of transportation service mutually provided by the China Railway Group and the Group shall be determined in the following priority:
 - (i) the prices as determined by the government;
 - (ii) if the prices are not specified by the government, the prices will be determined in accordance with the pricing standards and rules of national railways within the guidance prices set by the government;
 - (iii) if the prices are not specified by the government and the government has not set applicable guidance prices, the prices shall be determined in accordance with the applicable industry price settlement rules;
 - (iv) except for applying the prices specified by the government, the guidance prices set by the government and the industry settlement rules, if there are comparable market prices or pricing standards, priority shall be given to such market prices or pricing standards as reference to determine the prices upon negotiation;
 - (v) if none of the above-mentioned pricing standards is available, the prices shall be determined with reference to the prices of non-connected transactions between the connected parties and independent third parties;
 - (vi) if neither comparable market prices nor prices of non-connected transactions are available for reference, the prices shall be determined upon negotiation according to the aggregate of the total actual costs for providing the relevant services, reasonable profits and taxes and additional charges paid.
- (b) The price of coal mutually supplied by the China Railway Group and the Group is the product of the unit price RMB/tonne multiplied by the actual weight. The unit price of coal shall be determined by both parties after arm's length negotiations with reference to the market price and conditions and the following factors, provided that the transaction terms shall not be less favourable than those provided by independent third parties:

- (i) the national industrial policy as well as industry and market conditions in the PRC;
 - (ii) the specified guidelines issued by NDRC setting out the coal purchase prices (if any);
 - (iii) the current transacted coal prices of the local coal exchange or market in the PRC, i.e., the coal price with comparable quality that is offered to or offered by independent third parties under normal market conditions and normal commercial terms in the same or nearby regions. For local spot coal price, reference is made to (i) the spot price index of the local coal exchange or market in Bohai-rim region or nearby provinces as published on the website of 中國煤炭市場網 (www.cctd.com.cn) organised by China Coal Transportation & Sale Society (《中國煤炭運銷協會》) in the PRC; (ii) the sale price of local large coal enterprises as published by each coal industry website (if any); and/or (iii) price quotation of one or more other enterprises with comparable quality, quantity and location (if any);
 - (iv) the quality of the coal;
 - (v) the quantity of coal; and
 - (vi) the estimated transportation fees.
- (c) The price of other products and services mutually provided by the China Railway Group and the Group shall be determined in accordance with the general principles and order of this section:
- (i) Government-prescribed price and government-guided price: if at any time, the government-prescribed price is applicable to any particular product or service, such product or service shall be supplied at the applicable government-prescribed price. Where a government-guided fee standard is available, the price will be agreed within the range of the government-guided price;
 - (ii) Tender and bidding price: where tender and bidding process is necessary under applicable laws, regulations and rules, the price shall be ultimately determined in accordance with the tender and bidding process;
 - (iii) Market price: the price of the same or similar products or services provided by an independent third party during the ordinary course of business on normal commercial terms. The management shall consider at least two comparable transactions with independent third party for the same period when determining whether the price of products or services for any transaction under the Agreement is market price; and

- (iv) Agreed price: to be determined by adding a reasonable profit over a reasonable cost. The management shall consider at least two comparable transactions with independent third party for the same period when determining the reasonable profit of any products or services under the Agreement.

In addition to the above, for certain type of products and services, specific pricing policy is adopted as follows:

- (i) Rolling stock usage: market price.
- (ii) Overhaul services and railway track maintenance services: the price as stipulated by the NDRC and other relevant competent governmental authorities.
- (iii) Equipment supply: tender and bidding price.
- (iv) Business consulting and technical services: agreed price (reasonable cost + about 5% profit).

In the event that any changes in laws, regulations, policies or other circumstances may occur, giving rise to the application of abovementioned pricing principles by China Railway Group and the Company hereby become impracticable or impossible, China Railway Group and the Company may adjust the corresponding service pricing policy in accordance with the foregoing changes.

Proposed annual caps and historical transactions

The Company proposes that the annual caps of the Continuing Connected Transactions Framework Agreement for the years ending 31 December 2020, 31 December 2021 and 31 December 2022, respectively, be set as follows. The Company also sets out below the unaudited historical transaction amounts under the same category for the years ended 31 December 2017 and 31 December 2018 and the period from 1 January 2019 to 30 June 2019, and the historical annual caps for the years ended 31 December 2017, 31 December 2018 and 31 December 2019.

Transportation service provided by the China Railway Group to the Group

(1) Historical transaction amounts

| | Year ended 31 December 2017 Aggregated transaction amount (RMB million) | Year ended 31 December 2018 Aggregated transaction amount (RMB million) | Period from 1 January 2019 to 30 June 2019 Aggregated transaction amount (RMB million) |
|--|--|--|---|
| Transportation and related services provided by the Taiyuan Railway Bureau Group to the Group | Approximately 4,195.00 | Approximately 4,336.00 | Approximately 2,217.00 |
| Transportation service provided by the China Railway Group (excluding Taiyuan Railway Bureau Group) to the Group | Approximately 3,319.00 | Approximately 4,644.00 | Approximately 2,508.00 |

(2) Historical annual caps

| | Year ended 31 December 2017 Annual cap (RMB million) | Year ended 31 December 2018 Annual cap (RMB million) | Year ended 31 December 2019 Annual cap (RMB million) |
|--|---|---|---|
| Transportation and related services provided by the Taiyuan Railway Bureau Group to the Group | 11,600.00 | 14,000.00 | 17,000.00 |
| Transportation service provided by the China Railway Group (excluding Taiyuan Railway Bureau Group) to the Group | – | 5,911.00 | 8,329.00 |

(3) *Proposed annual caps*

| | Year ending 31 December 2020 | Year ending 31 December 2021 | Year ending 31 December 2022 |
|---|---|---|---|
| | Annual cap (RMB million) | Annual cap (RMB million) | Annual cap (RMB million) |
| Transportation service provided by the China Railway Group to the Group | 17,000.00 | 17,000.00 | 17,000.00 |

The abovementioned proposed annual caps are determined after taking into consideration of the historical transaction amounts, expected development needs of coal production and sales business of the Group as well as flexibility.

Transportation service provided by the Group to the China Railway Group

(1) *Historical transaction amounts*

| | Year ended 31 December 2017 | Year ended 31 December 2018 | Period from 1 January 2019 to 30 June 2019 |
|--|--|--|--|
| | Aggregated transaction amount (RMB million) | Aggregated transaction amount (RMB million) | Aggregated transaction amount (RMB million) |
| Transportation service provided by the Group to the China Railway Group (excluding Taiyuan Railway Bureau Group) | Approximately 156.00 | Approximately 7.00 | 0 |

(2) *Historical annual caps*

| | Year ended 31 December 2017 | Year ended 31 December 2018 | Year ended 31 December 2019 |
|--|--|--|--|
| | Annual cap (RMB million) | Annual cap (RMB million) | Annual cap (RMB million) |
| Transportation service provided by the Group to the China Railway Group (excluding Taiyuan Railway Bureau Group) | – | 464.00 | 491.00 |

(3) *Proposed annual caps*

| | Year ending 31 December 2020 | Year ending 31 December 2021 | Year ending 31 December 2022 |
|---|---|---|---|
| | Annual cap (RMB million) | Annual cap (RMB million) | Annual cap (RMB million) |
| Transportation service provided by the Group to the China Railway Group | 200.00 | 200.00 | 200.00 |

The abovementioned proposed annual caps are determined after taking into consideration of the historical transaction amounts, expected development needs of transportation business of the Group as well as flexibility.

Coal supplied by the China Railway Group to the Group

(1) Historical transaction amounts

| | Year ended 31 December 2017 Aggregated transaction amount <i>(RMB million)</i> | Year ended 31 December 2018 Aggregated transaction amount <i>(RMB million)</i> | Period from 1 January 2019 to 30 June 2019 Aggregated transaction amount <i>(RMB million)</i> |
|--|---|---|--|
| Coal supplied by the China Railway Group (excluding Taiyuan Railway Bureau Group) to the Group | Approximately 812.00 | Approximately 1,026.00 | Approximately 250.00 |

(2) Historical annual caps

| | Year ended 31 December 2017 Annual cap <i>(RMB million)</i> | Year ended 31 December 2018 Annual cap <i>(RMB million)</i> | Year ended 31 December 2019 Annual cap <i>(RMB million)</i> |
|--|--|--|--|
| Coal supplied by the China Railway Group (excluding Taiyuan Railway Bureau Group) to the Group | – | 1,729.00 | 1,378.00 |

(3) Proposed annual caps

| | Year ending 31 December 2020 Annual cap <i>(RMB million)</i> | Year ending 31 December 2021 Annual cap <i>(RMB million)</i> | Year ending 31 December 2022 Annual cap <i>(RMB million)</i> |
|---|---|---|---|
| Coal supplied by the China Railway Group to the Group | 2,000.00 | 2,000.00 | 2,000.00 |

The abovementioned proposed annual caps are determined after taking into consideration of the historical transaction amounts, expected development needs of coal production and sales business of the Group as well as flexibility.

Coal supplied by the Group to the China Railway Group

(1) Historical transaction amounts

| | Year ended 31 December 2017 Aggregated transaction amount (RMB million) | Year ended 31 December 2018 Aggregated transaction amount (RMB million) | Period from 1 January 2019 to 30 June 2019 Aggregated transaction amount (RMB million) |
|--|--|--|---|
| Coal supplied by the Group to the China Railway Group (excluding Taiyuan Railway Bureau Group) | Approximately 1,912.00 | Approximately 2,234.00 | Approximately 1,029.00 |

(2) Historical annual caps

| | Year ended 31 December 2017 Annual cap (RMB million) | Year ended 31 December 2018 Annual cap (RMB million) | Year ended 31 December 2019 Annual cap (RMB million) |
|--|---|---|---|
| Coal supplied by the Group to the China Railway Group (excluding Taiyuan Railway Bureau Group) | – | 4,420.00 | 6,365.00 |

(3) Proposed annual caps

| | Year ending 31 December 2020 Annual cap (RMB million) | Year ending 31 December 2021 Annual cap (RMB million) | Year ending 31 December 2022 Annual cap (RMB million) |
|---|--|--|--|
| Coal supplied by the Group to the China Railway Group | 7,000.00 | 7,000.00 | 7,000.00 |

The abovementioned proposed annual caps are determined after taking into consideration of the historical transaction amounts, expected development needs of coal production and sales business of the Group as well as flexibility.

Other products and services provided by the China Railway Group to the Group

(1) Historical transaction amounts

| | Year ended 31 December 2017 Aggregated transaction amount (RMB million) | Year ended 31 December 2018 Aggregated transaction amount (RMB million) | Period from 1 January 2019 to 30 June 2019 Aggregated transaction amount (RMB million) |
|---|--|--|---|
| Other products and services provided by the China Railway Group (excluding Taiyuan Railway Bureau Group) to the Group | Approximately 223.00 | Approximately 204.00 | Approximately 78.00 |

(2) Historical annual caps

| | Year ended 31 December 2017 Annual cap (RMB million) | Year ended 31 December 2018 Annual cap (RMB million) | Year ended 31 December 2019 Annual cap (RMB million) |
|---|---|---|---|
| Other products and services provided by the China Railway Group (excluding Taiyuan Railway Bureau Group) to the Group | – | 401.00 | 471.00 |

(3) Proposed annual caps

| | Year ending 31 December 2020 Annual cap (RMB million) | Year ending 31 December 2021 Annual cap (RMB million) | Year ending 31 December 2022 Annual cap (RMB million) |
|--|--|--|--|
| Other products and services provided by the China Railway Group to the Group | 800.00 | 800.00 | 800.00 |

The abovementioned proposed annual caps are determined after taking into consideration of the historical transaction amounts, expected development needs of transportation business of the Group as well as flexibility.

Other products and services provided by the Group to the China Railway Group

(1) Historical transaction amounts

| | Year ended 31 December 2017 Aggregated transaction amount <i>(RMB million)</i> | Year ended 31 December 2018 Aggregated transaction amount <i>(RMB million)</i> | Period from 1 January 2019 to 30 June 2019 Aggregated transaction amount <i>(RMB million)</i> |
|---|---|---|--|
| Rolling stock leasing service, railway track maintenance and other related services provided by the Group to the Taiyuan Railway Bureau Group | Approximately 10.00 | Approximately 320.00 | 0 |
| Other products and services provided by the Group to the China Railway Group (excluding Taiyuan Railway Bureau Group) | Approximately 71.00 | 0 | 0 |

(2) *Historical annual caps*

| | Year ended 31 December 2017 | Year ended 31 December 2018 | Year ended 31 December 2019 |
|--|--|--|--|
| | Annual cap (RMB million) | Annual cap (RMB million) | Annual cap (RMB million) |
| Rolling stock leasing service, railway track maintenance and other related services provided by the Group to the Taiyuan Railway Bureau Group | 1,700.00 | 1,700.00 | 1,700.00 |
| Other products and services provided by the Group to the China Railway Group (excluding Taiyuan Railway Bureau Group) | – | 65.00 | 65.00 |

(3) *Proposed annual caps*

| | Year ending 31 December 2020 | Year ending 31 December 2021 | Year ending 31 December 2022 |
|--|---|---|---|
| | Annual cap (RMB million) | Annual cap (RMB million) | Annual cap (RMB million) |
| Other products and services provided by the Group to the China Railway Group | 100.00 | 100.00 | 100.00 |

The abovementioned proposed annual caps are determined after taking into consideration of the historical transaction amounts, expected development needs of transportation business of the Group as well as flexibility.

The terms of the Continuing Connected Transactions Framework Agreement have been reached after arm's length negotiation between both parties. The transactions contemplated under the Continuing Connected Transactions Framework Agreement are conducted on a non-exclusive basis. Considering that the historical transactions between the Group and the China Railway Group have been conducted in a way consistent with the transactions between the Group and independent third parties, neither party can exert influence on the other party. Even if China Railway has become a connected person of the Company as a result of the application of the Hong Kong Listing Rules, the Company is of the view that the transactions between the Group and the China Railway Group will continue in a way consistent with the transactions

between the Group and independent third parties, and there is no possibility that the interest of the shareholders of the Company will be affected by such continuing connected transactions. Directors and senior management of the Company will monitor closely and review regularly each continuing connected transaction of the Company. The Company has established a series of procedures and internal control measures in order to maintain, in relation to each continuing connected transaction, the independence of the Company; the fairness of the price of the transaction; the fairness of the terms of the transaction; and the right of the Company to conduct transactions with third parties other than the China Railway Group. The Company will ensure that the pricing mechanism and terms of the transactions are fair and reasonable and no less favourable than the terms provided by any independent third party, so as to ensure that they serve the interests of the Company and its shareholders as a whole. The Company will disclose the actual transaction amounts in each year's annual report and the independent non-executive directors and auditors of the Company will also issue opinions on the continuing connected transactions to accept the supervision of the shareholders.

Implementation agreements and payment

The Company and each subsidiary of the Company may, from time to time and as necessary, enter into separate implementation agreements for each specific transaction contemplated under the Continuing Connected Transactions Framework Agreement with China Railway and each subsidiary of China Railway. Each implementation agreement will set out the specifications for the transaction. The implementation agreements provide for the provision of service as contemplated by the Continuing Connected Transactions Framework Agreement, as such, they do not constitute new categories of connected transactions. Any such implementation agreement will be within the bounds of the Continuing Connected Transactions Framework Agreement and the annual caps.

All payment made pursuant to the Continuing Connected Transactions Framework Agreement and its implementation agreements will be in cash.

Reasons for entering into the Continuing Connected Transactions Framework Agreement and their benefits to the Company

Due to the wide distribution of railway transportation network of China Railway and its subsidiaries, the inter-regional trunk lines and coal transportation channels are located throughout China. Obtaining railway transportation and related services of China Railway and its subsidiaries is conducive to enhancing the transportation efficiency of the Group, reducing operational risks and costs, thereby expanding the coal sales area of the Group. China Railway and its subsidiaries have cooperated with the Group for a long time in the areas such as mutually supply of coal, transportation and products and services. The transaction prices are fair and reasonable, which will guarantee the integrated operation model of the Group.

Hong Kong Listing Rules Implications

Taiyuan Railway Bureau is the parent company of Daqin Railway, which is a substantial shareholder (10% or more) of Shuohuang Railway, a significant subsidiary of the Company and Taiyuan Railway Bureau is therefore a connected person of the Company under the Hong Kong Listing Rules. China Railway, the controlling shareholder of Taiyuan Railway Bureau, constitutes a connected person of the Company under the Hong Kong Listing Rules.

Therefore, the Continuing Connected Transactions Framework Agreement and the transactions contemplated thereunder constitute continuing connected transactions of the Company pursuant to Chapter 14A of the Hong Kong Listing Rules.

In respect of the proposed annual caps under the Continuing Connected Transactions Framework Agreement, as one or more of the applicable percentage ratios exceeds 1% as calculated in accordance with Rule 14.07 of the Hong Kong Listing Rules, the Continuing Connected Transactions Framework Agreement and the transactions contemplated thereunder are subject to reporting and announcement requirements, but are exempt from independent shareholders' approval requirement under Rule 14A.101 of the Hong Kong Listing Rules.

General information

The Directors, including the independent non-executive Directors, consider that the terms, proposed annual caps of and the transactions contemplated under the Continuing Connected Transactions Framework Agreement are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its shareholders as a whole.

The Board has resolved and approved the Continuing Connected Transactions Framework Agreement and the proposed annual caps thereto. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no member of the Board has any material interest in the transactions contemplated under the Continuing Connected Transactions Framework Agreement.

The PRC legal advisor of the Company, King & Wood Mallesons, is of the view that, considering that the Company has knowledge of the agency relationship between China Railway and Taiyuan Railway Bureau, the Continuing Connected Transactions Framework Agreement entered into by Taiyuan Railway Bureau for and on behalf of China Railway is legally binding directly on China Railway and the Company.

DEFINITIONS

The following expressions have the following meaning unless the context requires otherwise:

| | |
|---|---|
| “Board” | the board of Directors of the Company; |
| “China Railway” | China State Railway Group Co., Ltd. (中國國家鐵路集團有限公司), a limited liability company incorporated in the PRC, and its predecessor is China Railway Corporation (中國鐵路總公司); |
| “China Railway Group” | China Railway and its subsidiaries; |
| “Company” | China Shenhua Energy Company Limited (中國神華能源股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on The Stock Exchange of Hong Kong Limited; |
| “Continuing Connected Transactions Framework Agreement” | The Continuing Connected Transactions Framework Agreement dated 28 October 2019 entered into between the Company and Taiyuan Railway Bureau which acts for and on behalf of China Railway; |
| “Current Continuing Connected Transactions Framework Agreement” | The Continuing Connected Transactions Framework Agreement dated 26 December 2018 entered into between the Company and Taiyuan Railway Bureau which acts for and on behalf of China Railway; |
| “Daqin Railway” | Daqin Railway Co., Ltd. (大秦鐵路股份有限公司), a joint stock limited company incorporated in the PRC with limited liability; |
| “Director(s)” | the director(s) of the Company; |
| “Group” | the Company and its subsidiaries; |
| “Hong Kong Listing Rules” | The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; |
| “NDRC” | the National Development and Reform Commission of the PRC; |
| “PRC” | the People’s Republic of China; |

| | |
|--|---|
| “RMB” | Renminbi, the lawful currency of the PRC; |
| “Shareholder(s)” | the shareholder(s) of the Company; |
| “Shuohuang Railway” | Shuohuang Railway Development Co., Ltd. (朔黃鐵路發展有限責任公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company; |
| “Taiyuan Railway Bureau” | China Railway Taiyuan Group Co., Ltd. (中國鐵路太原局集團有限公司), a company incorporated in the PRC with limited liability and a subsidiary of China Railway, and its predecessor is Taiyuan Railway Bureau (太原鐵路局); |
| “Taiyuan Railway Bureau Group” | Taiyuan Railway Bureau and its subsidiaries; |
| “Transportation Service Framework Agreement” | the Transportation Service Framework Agreement dated 24 March 2016 entered into between the Company and Taiyuan Railway Bureau. |

By order of the board of directors
China Shenhua Energy Company Limited
Huang Qing
Secretary to the Board of Directors

Beijing, 28 October 2019

As at the date of this announcement, the Board comprises the following: Mr. Wang Xiangxi, Dr. Li Dong, Mr. Gao Song and Mr. Mi Shuhua as executive directors, Mr. Zhao Jibin as non-executive director, and Dr. Tam Wai Chu, Maria, Dr. Peng Suping, Dr. Jiang Bo and Ms. Zhong Yingjie, Christina as independent non-executive directors.