

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

VOLUNTARY ANNOUNCEMENT EVALUATION REPORT ON THE 2025 CORPORATE VALUE AND RETURN ENHANCEMENT ACTION PLAN

This announcement is made by China Shenhua Energy Company Limited (the “**Company**” or “**China Shenhua**”) on a voluntary basis.

Reference is made to the voluntary announcement of the Company dated 20 June 2025 in relation to carrying out the 2025 Corporate Value and Return Enhancement Action. In 2025, the Company diligently facilitated various works and achieved positive results, and an evaluation report has been formulated. The major efforts are as follows:

I. STRENGTHENING ENERGY SUPPLY AND COST REDUCTION, STRIVING TO IMPROVE OPERATION QUALITY AND EFFICIENCY

Thoroughly implementing the new strategy for energy security, the Company continued to consolidate the core advantages of integrated operations and effectively guaranteed the safety and stability of energy supply. By deepening the improvement of quality and enhancement of efficiency, making every effort to expand the market and increase revenue, and strengthening cost control, the Company further improved the quality and efficiency of development, and the major business targets were basically achieved. In 2025, the Company achieved commercial coal production of 332.1 million tonnes, coal sales of 430.9 million tonnes, and power generation of 220.20 billion kWh. The Company recorded revenue under the China Accounting Standards for Business Enterprises of RMB294.916 billion, net profit attributable to equity holders of the Company of RMB52.849 billion, and net cash flow generated from operating activities of RMB75.059 billion. Return on net assets as at the end of the year was 12.9%, and gearing ratio as at the end of the year was 23.3%. The unit production cost of self-produced coal decreased by 4.8% year on year, and the unit cost of electricity sold (including heat sales) decreased by 6.1% year on year.

II. PUTTING GREATER EFFORTS IN CAPITAL OPERATION, LEVERAGING ON THE ROLE AS A LISTED COMPANY

The Company successfully completed the asset injection and integration of Hangjin Energy, thereby further improving the Company's energy supply guarantee capability and coordinated operation level. The Company initiated the acquisition of equity interests in 12 core enterprises held by its controlling shareholder, China Energy Investment Corporation Limited, whose business portfolio spans various sectors such as coal, pithead coal-fired power, and coal chemical. This transaction set a new record for the scale of the issuance of A-shares to purchase assets, and is the first merger, acquisition and reconstruction project involving A-shares to apply the simplified review procedure. Upon completion of the transaction, the Company will substantially enhance its resource reserves and asset scale, and further enhance its core competitiveness, thereby laying a solid foundation for sustainable and high-quality development.

III. OPTIMISING PROFIT DISTRIBUTION POLICY, SHARING DEVELOPMENT RESULTS WITH SHAREHOLDERS

Upholding the philosophy of actively rewarding shareholders and sharing development results with shareholders, the Company adhered to a stable and sustainable profit distribution policy, actively responded to regulatory requirements and shareholders' requests, and protected the legitimate rights and interests of its shareholders. The Company formulated the 2025-2027 Shareholder Return Plan, under which the annual profit distribution in form of cash dividends shall be no less than 65% of the net profit attributable to equity holders of the Company as realised in the corresponding year, and interim profit distribution will be implemented after factors are taken into account, including the Company's operating conditions and capital needs. In 2025, the Company paid an interim dividend of RMB19.471 billion (inclusive of tax). To date, since its listing, the cumulative amount of cash dividends paid by the Company has exceeded RMB500 billion (inclusive of tax). The board of directors of the Company has proposed to pay a final dividend for 2025 of RMB1.03 per share (inclusive of tax) to all shareholders of the Company, with the total amount of cash dividends expected to be RMB22.340 billion (inclusive of tax), and the total amount of cash dividends for the full year is expected to represent 79.1% of the net profit attributable to equity holders of the Company under the China Accounting Standards for Business Enterprises. The final dividend plan for 2025 is subject to the approval of the general meeting of the Company.

IV. IMPROVING CORPORATE GOVERNANCE SYSTEM, CONSOLIDATING THE FOUNDATION FOR HIGH-QUALITY DEVELOPMENT

The Company continued to improve its corporate governance system, adhered to compliant operations, and promoted the standardised duty performance and efficient coordination of various governance bodies. In implementing the new Company Law of the People's Republic of China, the Company systematically revised the Articles of Association and related supporting policies to consolidate the foundation for the standardised governance system. By completing the reform of the Supervisory Committee, the Company facilitated the assumption by the Audit and Risk Committee of the Supervisory Committee's responsibilities. A comprehensive, scientific and reasonable appraisal and evaluation system for directors has been initially established, under which evaluations are carried out for directors by category. The Company optimised the remuneration appraisal mechanism for senior management to promote the alignment of senior management remuneration with market development and the Company's performance.

V. IMPROVING ESG SYSTEMS AND MECHANISMS, ENHANCING BRAND VALUE AND INFLUENCE

The Company further improved the ESG organizational structure and coordination mechanism by continuing to advance the construction of the ESG governance indicator system database, and facilitated the establishment of a long-term ESG management mechanism. Focusing on ESG regulatory requirements, the Company systematically conducted the identification of double materiality topics, and initially established an environmental management system, a pollutant emission and environmental compliance management mechanism, and a climate change management system. In addition, the Company has continued to improve the ESG appraisal and incentive mechanism and related internal control and risk management procedures. The Company formulated a dedicated rating enhancement plan, under which the completion of indicators will be tracked on a regular basis to maintain stable ratings by mainstream institutions. By strengthening brand building and advancing the transformation of brand value into market value, the Company ranked among the top in the energy and chemical sector with a brand value of RMB223.256 billion, according to the “2025 China Brand Value Evaluation Information” list jointly released by the China Council for Brand Development and other units.

VI. OPTIMISING MARKET CAPITALISATION MANAGEMENT SYSTEM, IMPROVING VALUE DELIVERY EFFICIENCY

The Company continued to improve the “11257” market value management system with China Shenhua’s characteristics by issuing the market value management system, formulating the annual implementation plan, holding regular work meetings, and steadily advancing relevant work. In implementing the dedicated campaign of “further enhancement of information disclosure”, the Company enhanced investor-orientated operation, strengthened its efforts in proactive disclosure, and improved the value delivery efficiency. Furthermore, the Company strengthened communication and exchange with investors and actively responded to investors’ requests, as is reflected in over 220 sessions of various investor exchange meetings throughout the year, with a cumulative communication of over 4,200 person-times. Throughout the year, the Company generally maintained a stable market capitalisation, with its market value broadly aligned with its investment value. As of the end of 2025, the Company’s total market capitalisation amounted to RMB786.3 billion.

By order of the Board

China Shenhua Energy Company Limited

Song Jिंगgang

Chief Financial Officer and Secretary to the Board of Directors

Beijing, 30 March 2026

As at the date of this announcement, the Board comprises the following: Mr. Zhang Changyan as executive director, Mr. Kang Fengwei and Mr. Li Xinhua as non-executive directors, Dr. Yuen Kwok Keung, Dr. Chen Hanwen and Mr. Wang Hong as independent non-executive directors, and Ms. Jiao Lei as employee director.