兗州煤業股份有限公司
YANZHOU COAL MINING COMPANY LIMITED

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

(Stock Code: 1171)

SUPPLEMENTAL ANNOUNCEMENT

UPDATE ON THE ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

Reference is made to the announcement of the Yanzhou Coal Mining Company Limited (the "**Company**") dated 27 March 2020 in relation to the unaudited annual results of the Group for the year ended 31 December 2019 (the "**2019 Annual Results Announcement**"). Unless otherwise defined, capitalized terms used herein shall have the same meanings as those defined in the 2019 Annual Results Announcement.

2019 ANNUAL RESULTS AGREED BY THE AUDITOR

The board of directors of the Company is pleased to announce that as at the date of this announcement, the Company has obtained the agreement on the 2019 annual results (including the financial figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income and consolidated statement of financial position and the related notes thereto) as set out in the 2019 Annual Results Announcement from the auditor of the Company, SHINEWING (HK) CPA Limited in accordance with the requirement of Rule 13.49(2) of the Listing Rules. The adjusted consolidated financial statements of the Group and the relevant notes are set out as follows.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 RMB'000	2018 RMB'000
Gross sales of coal	63,777,065	62,428,313
Railway transportation service income	382,545	420,303
Gross sales of electricity power	583,458	592,077
Gross sales of methanol	2,863,438	3,494,892
Gross sales of heat supply	32,859	34,324
Gross sales of equipment manufacturing	165,279	477,195
Total revenue	67,804,644	67,447,104
Transportation costs of coal	(3,763,957)	(3,751,061)
Cost of sales and services provided	(40,176,591)	(36,177,841)
Cost of electricity of power	(498,064)	(545,608)
Cost of methanol	(2,150,962)	(2,298,851)
Cost of heat supply	(20,452)	(18,699)
Cost of equipment manufacturing	(165,132)	(348,506)
Total cost of sales	(46,775,158)	(43,140,566)
Gross profit	21,029,486	24,306,538
Selling, general and administrative expenses	(8,777,402)	(10,659,581)
Share of results of associates	1,710,082	1,296,207
Share of results of joint ventures	(135,352)	238,101
Other income and gains	3,911,262	4,362,227
Finance costs	(2,751,234)	(3,612,394)
Profit before tax	14,986,842	15,931,098
Income tax expenses	(3,160,063)	(4,608,406)
Profit for the year	11,826,779	11,322,692
Attributable to:		
Equity holders of the Company	9,388,645	8,582,556
Owners of perpetual capital securities	580,181	607,095
Non-controlling interests		
– Perpetual capital securities	200,566	202,733
– Other	1,657,387	1,930,308
	11,826,779	11,322,692
Earnings per share, basic and diluted	RMB1.91	RMB1.75

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 RMB'000	2018 RMB'000
Profit for the year	11,826,779	11,322,692
Other comprehensive (expense) income (after income tax):		
Items that will not be reclassified subsequently to profit or loss:		
Fair value change on equity investments at fair value through other comprehensive income ("FVTOCI")	(623)	(148)
Income tax relating to item that will not be reclassified subsequently	156	37
	(467)	(111)
Items that may be reclassified subsequently to profit or loss:		
Cash flow hedges:		
Cash flow hedge amounts recognised in other comprehensive income	111,593	(1,078,397)
Reclassification adjustments for amounts transferred to income statement (included in revenue)	586,111	661,151
Deferred taxes	(209,311)	125,174
	488,393	(292,072)
Share of other comprehensive income of associates	184,490	158,010
Exchange difference arising on translation of foreign operations	439,816	(1,988,952)
Other comprehensive income (expense) for the year	1,112,232	(2,123,125)
Total comprehensive income for the year	12,939,011	9,199,567
Attributable to:		
Equity holders of the Company	10,180,924	7,148,709
Owners of perpetual capital securities	580,181	607,095
Non-controlling interests		
– Perpetual capital securities	200,566	202,733
– Other	1,977,340	1,241,030
	12,939,011	9,199,567

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2019

	2019 RMB'000	2018 RMB'000
Current assets		
Bank balances and cash	22,789,951	27,372,942
Pledged term deposits	210,000	1,913,231
Restricted cash	4,273,655	3,436,572
Bills and accounts receivables	7,598,163	9,157,262
Long-term receivables - due within one year	1,355,851	1,571,284
Royalty receivable	120,538	134,544
Inventories	6,007,309	4,068,995
Prepayments and other receivables	20,339,819	16,873,188
Prepaid lease payments	-	29,718
Derivative financial instruments	36,114	-
	62,731,400	64,557,736
Assets classified as held for sale	217,644	272,902
	62,949,044	64,830,638
Non-current assets		
Intangible assets	51,958,569	47,868,989
Prepaid lease payments	-	1,275,029
Property, plant and equipment	44,995,450	45,296,120
Right-of-use assets	1,739,438	-
Construction in progress	16,288,401	10,896,287
Prepayments for property, plant and equipment and intangible assets	1,860,196	1,224,943
Goodwill	1,655,090	1,651,211
Investments in securities	156,720	162,086
Interests in associates	17,115,439	16,023,709
Interests in joint ventures	518,956	660,221
Long-term receivables - due after one year	8,762,200	8,654,642
Royalty receivable	1,022,552	796,712
Deposits made on investments	117,926	117,926
Deferred tax assets	1,620,590	6,545,102
	147,811,527	141,172,977
Total assets	210,760,571	206,003,615

	2019	2018
	RMB'000	RMB'000
Current liabilities		
Bills and accounts payables	19,116,658	12,514,298
Other payables and accrued expenses	26,798,374	20,679,288
Contract liabilities	2,717,475	2,207,641
Provision for land subsidence, restoration, rehabilitation and environmental costs	50,940	2,327,177
Amounts due to Parent Company and its subsidiaries	1,093,707	929,654
Borrowings – due within one year	16,207,455	20,069,685
Long term payables – due within one year	4,070	122,388
Provision	54,368	135,876
Derivative financial instruments	148,554	1,254
Lease liabilities	156,852	-
Tax payable	653,437	613,153
	67,001,890	59,600,414
Non-current liabilities		
Borrowings – due after one year	49,168,036	48,608,238
Deferred tax liabilities	3,414,196	8,008,106
Provision for land subsidence, restoration, rehabilitation and environmental costs	1,991,782	1,425,053
Provision	1,091,640	1,187,229
Lease liabilities	328,072	-
Long term payables – due after one year	2,416,350	129,586
	58,410,076	59,358,212
Total liabilities	125,411,966	118,958,626
Capital reserves		
Share capital	4,912,016	4,912,016
Reserves	49,207,784	47,165,344
Equity attributable to equity holders of the Company	54,119,800	52,077,360
Owners of perpetual capital securities	10,311,611	10,316,444
Non-controlling interests		
- Perpetual capital securities	3,417,351	3,417,351
- Others	17,499,843	21,233,834
	85,348,605	87,044,989
Total liabilities and equity	210,760,571	206,003,615

1. INCOME TAX EXPENSES

	Year ended 31 December	
	2019	2018
	RMB'000	RMB'000
Income taxes:		
Current taxes	2,829,461	3,210,681
Deferred taxes	330,602	1,397,725
	3,160,063	4,608,406

2. BILLS AND ACCOUNTS RECEIVABLES

	At 31 December	
	2019	2018
	RMB'000	RMB'000
Accounts receivables	4,976,900	5,128,383
Less: impairment loss	(481,503)	(399,830)
	4,495,397	4,728,553
Bills receivables	3,103,594	4,430,527
Less: impairment loss	(828)	(1,818)
Total bills and accounts receivables, net	7,598,163	9,157,262

For the adjusted Management Discussion and Analysis, please refer to the annual report for the year ended 31 December 2019 of the Company published on the websites of the Company and the Stock Exchange on 22 April 2020, the hard copies of which will be despatched to the holders of H shares of the Company in April 2020. Except for the adjustments as set out above, the 2019 annual results as set out in the 2019 Annual Results Announcement remained unchanged.

THE 2019 ANNUAL DIVIDEND

In return for the long-term support of the Shareholders, the Board proposed a dividend of RMB0.58 (including tax) per share based on the number of shares on the dividend distribution record date. Based on the Company's total share capital on 31 December 2019, it is estimated to distribute a cash dividend of RMB2.849 billion (including tax) for the year 2019. This dividend distribution plan shall be submitted to the Shareholders for consideration at the 2019 annual general meeting and the cash dividend for the year

2019 will be distributed to all the Shareholders within two months (if approved) after the approval of the annual general meeting.

By order of the Board
Yanzhou Coal Mining Company Limited
Chairman of the Board
Li Xiyong

Zoucheng, Shandong Province, the PRC
22 April 2020

As at the date of this announcement, the directors of the Company are Mr. Li Xiyong, Mr. Li Wei, Mr. Wu Xiangqian, Mr. Liu Jian, Mr. Guo Dechun, Mr. Zhao Qingchun and Mr. Guo Jun, and the independent non-executive directors of the Company are Mr. Kong Xiangguo, Mr. Cai Chang, Mr. Poon Chiu Kwok and Mr. Qi Anbang.