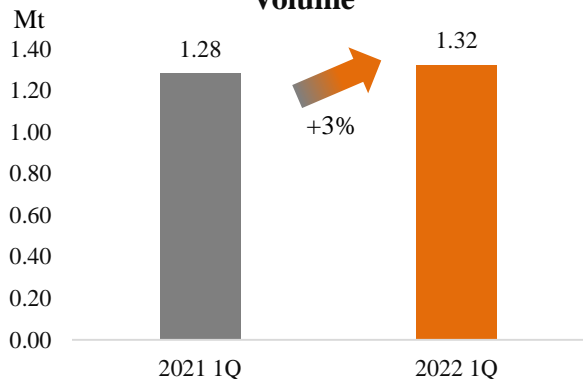


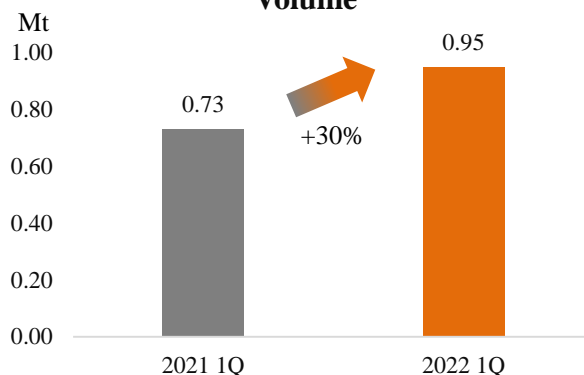


2022 1Q Operation Results

Raw Coking Coal Production Volume

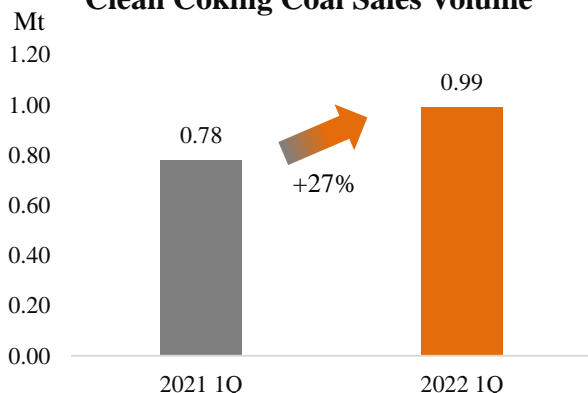


Clean Coking Coal Production Volume

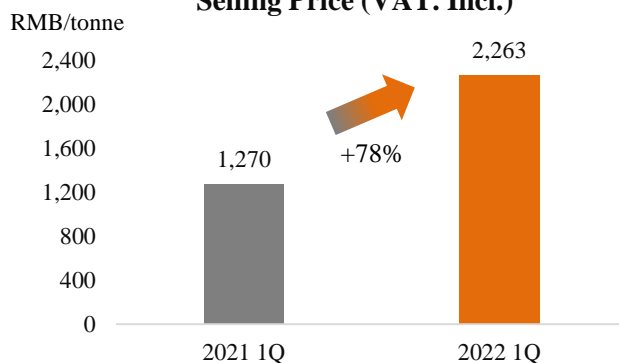


- Clean coking coal production volume increased in 2022 1Q is mainly due to the higher recovery rate than the same period last year

Clean Coking Coal Sales Volume



Clean Coking Coal Average Realized Selling Price (VAT. Incl.)



1Q Sector Overview

Macroeconomic Data:

From January to March, 2022

- GDP of China increased by 4.8% YOY
- PPI of China increased by 8.7% YOY
- Investment in Fixed Assets (peasants excluded) of China increased by 9.3% YOY

- Investment in Infrastructure Construction of China increased by 8.5% YOY
- Investment in Real Estate Development of China increased by 0.7% YOY

Steel Sector:

From January to March, 2022

- National crude steel production volume was approximately 243 million tonnes, decreased by 10.5% YOY
- National pig iron production volume was approximately 201 million tonnes, decreased by 11.0% YOY

- National automobile production was approximately 6.48 million, increased by 2.0% YOY
- National excavator sales volume was 77.2 thousands, decreased by 39.2% YOY

Coal Sector:

From January to March, 2022

- National coal production volume was approximately 1.08 billion tonnes, increased by 10.3% YOY

- National imports of coking coal was approximately 12.26 million tonnes, increased by 8.9% YoY

(Source: National Bureau of Statistics of China, General Administration of Customs, China Iron and Steel Association, China Association of Automobile Manufacturers, China Construction Machinery Association)

Outlook:

China's GDP grew by 4.8% YoY in 2022 1Q, which exceeded expectations but it does not reflect the recent impact from domestic pandemic development. We believe that the impact of the pandemic on the economy is short-term and relatively limited, and the internal stability of the economy will continue to play a role after the pandemic eased. At present, the policy is very encouraging to promote the steady growth of investment. The launch of special bonds is accelerating and infrastructure investment has begun to show effects. For the steel and coking coal industry, the demand will only delay but will not disappear. With the continuous disturbance of coking coal imports, it is expected that the prices of coking coal products will continue to fluctuate at a high level.

Disclaimer

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