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**内蒙古伊泰煤炭股份有限公司**

**INNER MONGOLIA YITAI COAL CO., LTD.\***

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

**(Stock Code: 3948)**

**ANNOUNCEMENT  
POLL RESULTS OF THE ANNUAL GENERAL MEETING  
HELD ON 28 JUNE 2016  
AND  
DISTRIBUTION OF PROFIT FOR THE YEAR 2015**

The board of directors (the **“Board”**) of Inner Mongolia Yitai Coal Co., Ltd. (the **“Company”**) is pleased to announce that the annual general meeting (the **“AGM”**) of the Company was held at Room 1, Conference Center, Building of Inner Mongolia Yitai Coal Co., Ltd., Ordos, Inner Mongolia, the People's Republic of China (the **“PRC”**) on Tuesday, 28 June 2016.

Reference is made to the circular of AGM dated 13 May 2016 and the supplementary circular of AGM dated 14 June 2016 (collectively, the **“AGM Circular”**). Unless otherwise indicated, the capitalised terms used in this announcement shall have the same meanings as those defined in the AGM Circular.

**POLL RESULTS OF THE ANNUAL GENERAL MEETING**

The Board of the Company is pleased to announce that the AGM was held at Room 1, Conference Center, Building of Inner Mongolia Yitai Coal Co., Ltd., Ordos, Inner Mongolia, the PRC at 9:00 a.m. on Tuesday, 28 June 2016. As at the date of the AGM, the total number of shares of the Company entitling the shareholder to attend and vote on the resolutions at the AGM was 3,254,007,000 shares (comprising 1,600,000,000 domestic shares, 1,328,000,000 B shares and 326,007,000 H shares), representing 100% of the total issued shares of the Company. Inner Mongolia Yitai Group Co., Ltd. (the **“Yitai Group”**), the connected person of the Company, and its associates (holding in aggregate 1,912,000,000 non-overseas-listed-foreign shares, which comprise 1,600,000,000 domestic shares and 312,000,000 B shares), representing 58.76% of the total issued shares of the Company as at the date of the AGM, were required to, and did, abstain from voting at the AGM on the proposed ordinary resolutions No. 6 and No. 7. Therefore, the shares held by Yitai

\* *For identification purpose only*

Group and its associates were not counted for the purpose of calculating the votes on the ordinary resolutions No. 6 and No. 7. Save for Yitai Group and its associates, no shareholder was required to abstain from voting on any of the AGM resolutions. There was no share entitling the holder to attend and vote only against the AGM resolutions.

None of the shareholders have stated their intention in the Company's AGM Circular to vote against or to abstain from voting on any resolutions at the AGM. The holding of the AGM was in compliance with the requirements of the Company Law of the PRC and the articles of association of the Company (the "**Articles of Association**"), and the AGM was chaired by Mr. Zhang Donghai, the chairman of the Board.

The shareholders, holding in aggregate 2,244,375,593 shares of the Company (representing approximately 68.972673% of the total issued shares of the Company), were present in person or by proxy at the AGM.

All resolutions at the AGM were put to vote by way of poll. The voting results in respect of the resolutions at the AGM are as follows:

Ordinary Resolutions		Total Number of Votes (Percentage of Total Number of Votes)		
		For	Against	Abstain
1.	To consider and approve the report of the Board for the year 2015.	2,244,245,593 (99.994208%)	21,200 (0.000945%)	108,800 (0.004848%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
2.	To consider and approve the report of the supervisory committee for the year 2015.	2,244,245,593 (99.994208%)	21,200 (0.000945%)	108,800 (0.004848%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
3.	To consider and approve the report of the independent non-executive directors for the year 2015.	2,244,245,593 (99.994208%)	21,200 (0.000945%)	108,800 (0.004848%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				

Ordinary Resolutions		Total Number of Votes (Percentage of Total Number of Votes)		
		For	Against	Abstain
4.	To consider and approve the profit distribution plan for the year 2015.	2,244,354,393 (99.999055%)	21,200 (0.000945%)	0 (0%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
5.	To consider and approve the financial report for the year 2015.	2,244,245,593 (99.994208%)	21,200 (0.000945%)	108,800 (0.004848%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
6.	To consider and approve the confirmation of the actual amount of connected party transactions in the ordinary course of business in 2015 and the supplementary estimates for the annual caps of connected party transactions in the ordinary course of business for 2016-2017.	332,354,393 (99.993622%)	21,200 (0.006378%)	0 (0%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
7.	To consider and approve the renewal of existing continuing connected transactions and annual caps under existing continuing connected transactions.	272,660,200 (82.033761%)	59,715,393 (17.966239%)	0 (0%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
8.	To consider and approve the capital expenditure for the year 2016.	2,244,354,393 (99.999055%)	21,200 (0.000945%)	0 (0%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				

<b>Ordinary Resolutions</b>		<b>Total Number of Votes (Percentage of Total Number of Votes)</b>		
		<b>For</b>	<b>Against</b>	<b>Abstain</b>
9.	To consider and approve the appointment of audit institution of the Company for 2016.	2,244,354,393 (99.999055%)	21,200 (0.000945%)	0 (0%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
10.	To consider and approve the appointment of internal control audit institution of the Company for 2016.	2,244,354,393 (99.999055%)	21,200 (0.000945%)	0 (0%)
As more than 50% of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as an ordinary resolution.				
<b>Special Resolutions</b>		<b>Total Number of Votes (Percentage of Total Number of Votes)</b>		
		<b>For</b>	<b>Against</b>	<b>Abstain</b>
11.	To consider and approve the guarantee to be provided by the Company to subsidiaries.	2,240,202,549 (99.814067%)	4,173,044 (0.185933%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
12.	To consider and approve the provision of guarantee by the Company to Tailai Coal.	2,236,664,232 (99.656414%)	7,711,361 (0.343586%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
13.	To consider and approve the general mandate to the Board of the Company for the issuance of H shares.	2,085,699,508 (92.930057%)	158,676,085 (7.069943%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				

Special Resolutions		Total Number of Votes (Percentage of Total Number of Votes)		
		For	Against	Abstain
14.	To consider and approve the proposed issue of corporate bonds	/		
14.01	Issue size of the Corporate Bonds	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.02	Issue methods and issue targets	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.03	Arrangement on placement to shareholders of the Company	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.04	Par value and issue price	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.05	Maturity	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.06	Use of proceeds	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				

Special Resolutions		Total Number of Votes (Percentage of Total Number of Votes)		
		For	Against	Abstain
14.07	Place of listing	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.08	Term of guarantee	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.09	Validity of the resolution	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.10	Measures for guaranteeing the repayment	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				
14.11	Authorization of the Board or its authorized persons for the issue	2,239,877,176 (99.799569%)	4,498,417 (0.200431%)	0 (0%)
As more than two-thirds of the valid votes were cast in favour of this resolution from the shareholders (including authorized proxies) attending the AGM, the resolution was duly passed as a special resolution.				

In compliance with the requirements of the Articles of Association and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), lawyer from Jingtian & Gongcheng Attorneys at Law (the Company’s domestic legal advisors), representatives of shareholders, representatives of supervisors and Computershare Hong Kong Investor Services Limited (the Company’s H share registrar), acted as scrutineers for the vote-taking of the AGM.

Save as Resolution 1 to Resolution 14 above, the Company has not received any proposal put forward by any shareholders holding 3% or more of the voting shares of the Company.

Jingtian & Gongcheng Attorneys at Law witnessed the AGM and issued a legal opinion certifying that the convening and procedures of the AGM conformed to the requirements of the law, administrative regulations and the Articles of Association. The attendees and the convener of the AGM were qualified and their qualifications were valid. The voting process and the voting results were lawful and valid.

## **DISTRIBUTION OF PROFIT FOR THE YEAR 2015**

Following the approval by the shareholders at the AGM, the Board is pleased to announce the following details relating to payment of dividend for the year ended 31 December 2015 to shareholders of the Company:

The Company proposed a cash dividend of RMB0.085 per 10 shares (tax inclusive) to all the shareholders, based on the total share capital of 3,254,007,000 shares at the record date (assuming no further shares of the Company will be issued or repurchased as at the date of this announcement and up to the record date). The total dividend to be distributed is RMB27,659,059.50 (tax inclusive), representing 30.56% of the net profit attributable to the owners of the parent of RMB90,500,985.99 as set out in the consolidated statements of the year 2015 of the Company. The distribution plan complies with the requirements of the Notice on the Further Implementation of Matters Relevant to Cash Dividend by Listed Companies (《關於進一步落實上市公司現金分紅有關事項的通知》) issued by the China Securities Regulatory Commission and the Guidance of Cash Dividend of Listed Companies in the Shanghai Stock Exchange (《上海證券交易所上市公司現金分紅指引》) issued by the Shanghai Stock Exchange.

As at the end of 2015, the accumulative profit attributable to shareholders of the parent amounted to RMB11,808,079,197.54 and undistributed profit of RMB11,780,420,138.04 was carried over to the next period upon the profit distribution.

The dividend to holders of domestic shares is declared and paid in RMB. The dividend declared in RMB to holders of B shares is to be paid in USD based on the middle rate of USD against RMB as published by the People's Bank of China on the first working day after the general meeting at which the resolution on distribution of dividend was approved. The dividend declared in RMB to holders of H shares is to be paid in HKD based on the middle rate of HKD against RMB as published by the People's Bank of China on the first working day after the date of the general meeting at which the resolution on distribution of dividend was approved.

The register of holders of H shares of the Company will be closed from Saturday, 16 July 2016 to Wednesday, 20 July 2016 (both days inclusive). In order to qualify for receiving dividend, holders of H shares of the Company should submit all the transfer documents to the Company's share registrar for H shares in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 15 July 2016. The cash dividend is expected to be paid on or around 28 August 2016 to the shareholders whose names appear on the register of members of the Company on Wednesday, 20 July 2016. For H shares of the Company, the ex-entitlement date is 14 July 2016. The Company will withhold and pay enterprise income tax on behalf of the non-resident enterprise shareholders whose name appear on the register of members of the Company on 20 July 2016.

In accordance with the Enterprise Income Tax Law of the People's Republic of China and its implementation regulations which came into effect on 1 January 2008, the Company is required to withhold and pay enterprise income tax at the rate of 10% on behalf of the non-resident enterprise shareholders whose names appear on the register of members for H shares of the Company when distributing final dividends to them. Any H shares of the Company not registered under the name of an individual shareholder, including under the name of HKSCC Nominees Limited, other nominees, trustees, or other organizations or groups, shall be deemed as shares held by non-resident enterprise shareholders. Therefore, on this basis, enterprise income tax shall be withheld from dividends payable to such shareholders. After receiving dividends, non-resident enterprise shareholders may apply, personally or by proxy, to the competent taxation authorities to enjoy the treatment under taxation agreements (arrangement), and provide materials proving their eligibility to be the actual beneficiaries under the taxation agreements (arrangement) for tax refund.

In accordance with the Notice on Relevant Issues Regarding the Implementation of the Policy of Differentiated Individual Income Tax for Stock Dividends from Listed Companies issued by the Ministry of Finance, State Administration of Taxation and CSRC (Cai Shui [2012] No. 85) (《財政部、國家稅務總局、證監會關於實施上市公司股息紅利差別化個人所得稅政策有關問題的通知》(財稅[2012]85號)), which came into effect on 1 January 2013, for the shares of the Company listed on the Shanghai Stock Exchange and acquired by individuals (the “**Relevant Individuals**”) from public issue and transfer market, all dividends they received from the Company will be withheld and paid the individual income tax in accordance with the policy of differentiated individual income tax. For the Relevant Individuals who have held the shares for more than one year as at the record date, 25% of their dividends shall be included in the taxable income and corresponding individual income tax will be withheld and paid when the Company distributes the dividends; for those who have held the shares for less than 1 year (inclusive) and have not transferred relevant shares as at the record date, 25% of their dividends shall be included in the taxable income and corresponding individual income tax will be withheld and paid temporarily when the Company distributes the dividends; in case that such Relevant Individuals transfer the shares after the record date, China Securities Depository and Clearing Corporation Limited Shanghai Branch will calculate the actual taxable amount based on the term of shareholding (from the date of acquiring the shares to the day before the share transfer) in differentiated ways. Namely, 100% of dividends will be included in the taxable income for those with the term of shareholding of less than 1 month (inclusive); 50% of dividends will be included in the taxable income on a provisional basis for those with the term of shareholding of more than 1 month and less than 1 year (inclusive); and 25% of dividends will be included in the taxable income on a provisional basis for those with the term of shareholding of more than 1 year. The part which has not been withheld will be withheld from the accounts of Relevant



Individuals and paid by shares depositories including securities companies to China Securities Depository and Clearing Corporation Limited Shanghai Branch which will transfer the same to the Company for declaration and payment of relevant tax.

By order of the Board  
**Inner Mongolia Yitai Coal Co., Ltd.**  
**Zhang Donghai**  
*Chairman*

Inner Mongolia, the PRC, 28 June 2016

*As at the date of this announcement, the executive directors of the Company are Mr. Zhang Donghai, Mr. Liu Chunlin, Mr. Ge Yaoyong, Mr. Zhang Dongsheng, Mr. Zhang Jingquan, Mr. Lv Guiliang and Mr. Song Zhanyou; and the independent non-executive directors of the Company are Mr. Yu Youguang, Mr. Qi Yongxing, Mr. Zhang Zhiming and Mr. Tam Kwok Ming, Banny.*