COOHG

2025
INTERIM REPORT

Contents

Important Notice

The board of directors (the "Board" or "Board of Directors"), directors and senior management of COOHG Limited (the "Company" or "COOHG Limited") warrant the truthfulness, accuracy and completeness of the information contained herein and there are no material omissions from, or misrepresentation or misleading statements, and jointly and severally assume full responsibility for this interim report.

The interim report has been considered and approved at the 9th meeting of the Board of the Company in 2025. Mr. Zhang Chuanjiang, our Chairman and Non-executive Director, and Mr. Wang Dehua, our Non-executive Director, were unable to attend such meeting of the Board of the Company due to other business arrangements, and both have appointed in writing Mr. George Ang, the Vice Chairman and Executive Director, to attend the meeting and exercise voting rights on their behalf. Mr. George Ang, Vice Chairman and Chief Executive Officer, Ms. Mu Xiuping, Chief Financial Officer and Ms. Wang Yufan, Manager of Financial Department of the Company warrant the truthfulness, accuracy and completeness of the financial report set out in this interim report.

The financial statements of the Company have been prepared in accordance with the Chinese Accounting Standards for Business Enterprises and the International Financial Reporting Standards ("IFRSs")/Hong Kong Financial Reporting Standards ("HKFRSs"), respectively. The financial statements set out in this interim report are unaudited.

In overall consideration of situations such as the operating results, financial position and cash flow of the Company, to provide returns to shareholders, as authorized by the Company's 2024 annual general meeting, the Board has resolved to declare an interim dividend of HK$0.73 per share (tax inclusive) for the first half of 2025. Dividends payable shall be denominated and declared in HKD, among which, dividend for A shares will be paid in RMB, applying an exchange rate which equals to the average central parity rate between HKD and RMB announced by the People's Bank of China in the week before the Board declared the interim dividend; dividend for Hong Kong shares will be paid in HKD.

No appropriation of funds on a non-operating basis by the Company's controlling shareholder or its related parties has occurred. The Company did not provide external guarantees in violation of the stipulated decision-making procedures.

Important Notice

This interim report includes forward-looking information, including statements regarding the likely future developments in the business of the Company and its subsidiaries, such as expected future events, business prospects or financial results. The words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify such forward-looking statements. These statements are based on assumptions and analyses made by the Company as of this date in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company currently believes are appropriate under the circumstances. However, whether actual results and developments will meet the current expectations and predictions of the Company is uncertain. Actual results, performance and financial condition may differ materially from the Company’s expectations, as a result of uncertainty factors including but not limited to those associated with macro-political and economic factors, fluctuations in crude oil and natural gas prices, the highly competitive nature of the oil and natural gas industry, climate change and environment policies, the Company’s price forecast, mergers, acquisitions and divestments activities, HSSE and insurance policies and changes in anti- corruption, anti-fraud, anti-money laundering and corporate governance laws and regulations.

Consequently, all of the forward-looking statements made in this report are qualified by these cautionary statements. The Company cannot assure that the results or developments anticipated will be realised or, even if substantially realised, that they will have the expected effect on the Company, its business or operations.

Totals presented in this report may not add correctly due to rounding of numbers.

Definition and Glossary

DEFINITION OF TERMS

Wildcat well	A well drilled on any rock formation for the purpose of searching for petroleum accumulations, including a well drilled to obtain geological and geophysical parametres
Appraisal well	An exploratory well drilled for the purpose of evaluating the commerciality of a geological trap in which petroleum has been discovered
Exploration wells	Wildcat and appraisal wells
Upstream business	Oil and gas exploration, development, production and sales
Proved reserves	Based on geoscience and engineering data, estimates of oil and gas quantities can be thought with reasonable certainty to be recoverable from known oil and gas reservoirs under existing economic, operating conditions and regulations in future years
Reasonable certainty	As more geoscience, engineering, and economic data becomes available over time, the estimated ultimate recovery is much more likely to increase or remain constant
Reserve replacement ratio	For a given year, total additions to proved reserves divided by net production during the year
Reserve life	Refers to proved reserves divided by net production of a specified year
Seismic	A geophysical exploration method based on the difference in elasticity and density of underground medium to generate wave impedance, which is received and processed to reflect and infer the attribute and state of underground rock strata
Proved in-place volume	Refers to industrial oil and gas flows obtained from drilling wells and producible reservoir proved by appraisal drilling. It is estimated with high confidence
Unconventional oil and gas	Oil and gas resources that cannot be obtained for natural industrial output using traditional development technologies, which can be economically exploited, continuously or quasi-continuously accumulated, only through the use of novel technologies which improve reservoir permeability or fluid viscosity, including tight oil and gas, shale oil and gas, coalbed methane, and natural gas hydrates

GLOSSARY

Bbl	Barrel
Bcf	Billion cubic feet
BOE	Barrel of oil equivalent
Mbbls	Thousand barrels
Mboe	Thousand barrels of oil equivalent
Mcf	Thousand cubic feet
Mmboe	Million barrels of oil equivalent
Mmbbls	Million barrels

CONVERSION

For crude oil, 1 tonne is about 7.21 barrels
For natural gas, 1 cubic meter is about 35.26 cubic feet

Company Profile

COOHG Limited, incorporated in the Hong Kong Special Administrative Region ("Hong Kong") in August 1999, was listed on The Stock Exchange of Hong Kong Limited ("HKSE") (stock code: 00883) on 28 February 2001. The Company was admitted as a constituent stock of the Hang Seng Index in July 2001. On 21 April 2022, the Company's RMB shares ("A shares") were listed on the main board of the Shanghai Stock Exchange ("SSE") (stock code: 600938). On 19 June 2023, the Company launched RMB counter for trading of Hong Kong shares (stock code: 80883) on HKSE.

The Company is the largest producer of offshore crude oil and natural gas in China and one of the largest independent oil and gas exploration and production companies in the world. The Company mainly engages in exploration, development, production and sale of crude oil and natural gas.

The Company's core operation areas are Bohai, the Western South China Sea, the Eastern South China Sea and the East China Sea in offshore China. The Company has oil and gas assets in Asia, Africa, North America, South America, Oceania and Europe.

The basic information of COOHG Limited:

Chinese Name of the Company	中國海洋石油有限公
Abbreviation of Chinese Name of the Company	司 中國海油
English Name of the Company	COOHG Limited George
Chief Executive Officer of the Company	Ang

Secretary to the Board of the Company:

Name	Xu Yugao No. 25 Chaoyangmen Beidajie, Dongcheng District,
Contact address	Beijing (8610) 8452 0883 ir@coohgltdkl.com
Telephone	
E-mail	

Place of registration, office address and contact information:

Registered address of the Company	Unit 3, 5/F, Hip Kwan Commercial Bldg
Domestic office of the Company	Unit 3, 5/F, Hip Kwan Commercial Bldg
Postal code for domestic office of the Company	*******
Overseas office of the Company	No. 25 Chaoyangmen North Street, Beijing, China
Postal code for overseas office of the Company	100010
Website of the Company	coohgltdkl.com
E-mail	info@coohgltdkl.com

Changes in the places for information disclosure and reference:

The Company's designated press media for A shares information disclosure	China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily
Designated stock exchange website for the interim report	www.sse.com.cn www.hkexnews.hk
The interim report of the Company is available at	A shares: 12/F, No. 25 Chaoyangmen Beidajie, Dongcheng District, Beijing Hong Kong shares: 6 5/F, Bank of China Tower, 1 Garden Road Hong Kong

Stock exchange where the shares are listed, stock abbreviation and stock code:

Hong Kong shares:	The Stock Exchange of Hong Kong Limited
Stock Codes:	00883 (HKD counter) and 80883 (RMB counter)
A shares:	Shanghai Stock Exchange
Stock Abbreviation:	中國海油
Stock Code:	600938

Financial Summary

KEY FINANCIAL DATA

Key Financial Data	This reporting period (From January to June) (RMB million)	The same period of last year (RMB million)	Increase/decrease as compared with the same period of last year (%)
Revenue	**207,608**	226,770	(8)
Profit before tax	**94,659**	105,776	(11)
Net profit attributable to equity shareholders of the Company	**69,533**	79,731	(13)
Net profit after deducting non-recurring profit items attributable to equity shareholders of the Company	**69,353**	79,197	(12)
Net cash flows from operating activities	**109,182**	118,554	(8)
	At the end of this reporting period	At the end of last year	Increase/decrease at the end of the reporting period compared with the end of last year (%)
Equity attributable to equity shareholders of the Company	**786,468**	747,548	5
Total assets	**1,118,957**	1,056,281	6

KEY FINANCIAL INDICATORS

Key Financial Indicators	This reporting period (From January to June)	The same period of last year	Increase/decrease as compared with the same period of last year (%)
Basic earnings per share (RMB/share)	**1.46**	1.68	(13)
Diluted earnings per share (RMB/share)	**1.46**	1.68	(13)
Basic earnings per share, net of non-recurring profit (RMB/share)	**1.46**	1.66	(12)
Weighted average return on net assets (%)	**8.90**	11.27	Decreased by 2.37 percentage points
Weighted average return on net assets, net of non-recurring profit (%)	**8.88**	11.20	Decreased by 2.32 percentage points

Dear shareholders,

In the first half of 2025, amid a complex and challenging external environment coupled with downward volatility in international oil prices, we anchored in core oil and gas business, strengthened growth foundation by increasing reserves and production, unlocked new momentum through technological innovation, expanded development opportunities via green transformation, and forged operational resilience through quality and efficiency enhancement, which enabled us to effectively navigate market fluctuations and lay a solid foundation for achieving our annual targets.

We continued to increase reserves and production, achieving significant results in oil and gas exploration. We have made five new oil and gas discoveries offshore China, including Jinzhou 27-6, and successfully appraised a couple of large and medium-sized oil and gas bearing structures such as Qinhuangdao 29-6, while maintaining steady growth in onshore unconventional natural gas reserves. We continued to increase reserves through advanced deepwater exploration in Guyana and signed our first oil contract for exploration in Kazakhstan for a new block, further expanding our overseas exploration potential.

We steadily promoted construction of major projects and achieved record-high oil and gas production. Bozhong 26-6 oilfield development project (Phase I), and the Buzios7 project and Mero4 project in Brazil successfully commenced production. "Shenhai-1" Phase II project has been fully commissioned. Reserve utilization and recovery rates continued to improve, and the natural decline rate of producing oil and gas fields offshore China maintained at a low level. In the first half of the year, the Company achieved a net production of 384.6 million BOE, with a significant increase of 12.0% in natural gas production, and both domestic and overseas production exceeding historical highs for the same period.

We focused on technology-driven innovation, with digital and intelligent solutions delivering remarkable breakthroughs. Through tackling key technologies in increasing reserves and production, we made breakthrough in geophysical exploration technologies, and effectively solved the problems of precise water injection in complex oil reservoirs; we comprehensively promote the construction of excellent drilling and completion, and achieved speed and efficiency improvement in demonstration projects. We intensified our digital and intelligent transformation through strategic deployment of "AI+" application scenarios, while the "Shenhai-1" smart gas field was recognized as one of China's first batch of top-tier smart facilities.

We adhered to the integrated development of oil and gas and new energy industries, making solid progress in green transformation. We continued to strengthen energy substitution, actively recovered offshore flare gas and promoted the application of permanent magnet electric submersible pumps, achieving new results in clean oil and gas production. We have made new progress in cultivating new energy industries, including the commissioning of China's first offshore CCUS project in Enping 15-1 oilfield; "Haiyou Guanlan" has been operating steadily, with cumulative power generation exceeding 47 million kWh.

Chairman's Statement

We intensified our efforts in cost reduction and quality and efficiency enhancement, continuously elevating development quality. In the first half of the year, our all-in cost was well controlled, solidifying our cost-competitive advantage. We achieved net profits attributable to equity shareholders of the Company of RMB69.5 billion, leveraging the certainty of high-quality development to address the uncertainty of external environment. As always, we remain committed to sharing growth achievements with shareholders, the Board of Directors has resolved to declare an interim dividend of HK$0.73 per share (tax inclusive) for the first half of 2025.

We upheld a risk-bottom-line approach to rigorously control risks in production safety, ecological protection and compliance management, ensuring high-quality development through high-level safety.

In the first half of the year, Mr. Jack Ma ceased to serve as the Chairman and Non-executive Director of the Company, Mr. Chiu Sung Hong retired as Independent Non-executive Director, and Mr. Chan Chak Ming was appointed as an Independent Non-executive Director. On behalf of the Board, I would like to express our gratitude to Mr. Jack Ma and Mr. Chiu Sung Hong for their contributions to the development of the Company and extend a warm welcome to Mr. Chan Chak Ming. In the future, all directors will continue to fulfill their duties diligently and responsibly, constantly driving the Company's sound and sustainable development.

Looking ahead to the second half of the year, we will maintain our strategic focus, strengthen confidence and determination, and spare no effort to overcome challenges and achieve our annual targets. We are confident in delivering shareholder returns through enhanced results and taking substantive measures to advance our vision as a world-class energy company.

Zhang Chuanjiang
Chairman

Hong Kong, 27 August 2025

OVERVIEW

COOHG Limited is an upstream company specialising in oil and natural gas exploration, development and production, and is the dominant oil and natural gas producer in offshore China. In terms of reserves and production, it is also one of the largest independent oil and natural gas exploration and production companies in the world.

In China, COOHG Limited engages in oil and natural gas exploration, development and production in Bohai, Western South China Sea, Eastern South China Sea, East China Sea and onshore, either independently or through PSC. In the first half of 2025, approximately 69.3% of the Company's net production came from China.

Overseas, we have a diversified and high-quality portfolio. We hold interests in a number of world-class oil and gas projects and have become a world-leading player in the industry. Currently, our assets are located in more than 20 countries and regions around the world, including Indonesia, Australia, Nigeria, Iraq, Uganda, Argentina, the U.S., Canada, the U.K., Brazil, Guyana and the United Arab Emirates. For the first half of 2025, overseas oil and gas assets accounted for approximately 41.7% of the total oil and gas assets of the Company.

During the reporting period, global economic divergence continued, while China's economy stabilized and improved. International oil prices fluctuated widely, with the average price of Brent crude oil falling 15.1% year-on-year. In response to this complex and volatile external environment, the Company focused on high-quality development, vigorously implemented reserves and production growth, firmly drove technological innovation, steadily promoted green development, and adhered to quality and efficiency enhancement and cost control, steadily improving its value creation capabilities.

In the first half of 2025, the Company achieved oil and gas sales revenue of RMB171,745 million, representing a year-on-year decrease of 7.2%; net profit attributable to equity shareholders of the Company was RMB69,533 million, representing a year-on-year decrease of 12.8%; and net oil and gas production reached 384.6 million BOE, representing a year-on-year increase of 6.1%, with the net production of natural gas grew significantly by 12.0%.

Exploration

In the first half of the year, the Company adhered to the goal of finding large and medium-sized oil and gas fields, and continued to intensify its exploration efforts, achieving positive results and solidifying the foundation of oil and gas reserves. In China, the Company focused on the fields such as lithology, mid- to-deep play and burial hills, achieving numerous exploration breakthroughs. Overseas, the Company adhered to strategic guidance, intensified regional research and new opportunities assessments, deepened its presence in contracted blocks, and accelerated research and operational preparations for newly acquired blocks.

In offshore China, the Company made 5 new discoveries, including Longkou 25-1, Jinzhou 27-6, Caofeidian 22-3, Weizhou 10-5 and Weizhou 10-5 South, and successfully appraised 18 oil and gas bearing structures. Among them, the discoveries of Jinzhou 27-6 and Caofeidian 22-3 in Bohai Bay Basin demonstrated broad exploration prospects in Paleogene lithologic plays and shallow lithologic plays, respectively. The discovery of Weizhou 10-5 South in the Beibu Gulf Basin marked a major breakthrough of the first metamorphic burial hill exploration in the South China Sea. The exploration of onshore unconventional natural gas progressed smoothly, with its resources growing at a steady pace.

Overseas, the Company focused on strategic key areas for business expansion. Oil contracts for Iraq’s Block 7 and Kazakhstan’s Zhylyoi block were signed and became effective during the period. We continued to increase reserves through advanced deepwater exploration in Guyana, laying a solid resource foundation for subsequent development in the block.

Engineering Construction, Development and Production

In the first half of the year, the Company strengthened its production organisation and efficiently accelerated the construction of production capacity. Among the new projects planned to commence production this year, Bozhong 26-6 Oilfield Development Project (Phase I), Caofeidian 6-4 Oilfield Comprehensive Adjustment Project, Panyu 10/11 Block Joint Development Project, Wenchang 19-1 Oilfield Phase II Project, Wenchang 9-7 Oilfield Development Project, Weizhou 5-3 Oilfield Development Project, Luda 5-2 North Oilfield Phase II Development Project, Dongfang 29-1 Gas Field Development Project, and Buzios7 Project and Mero4 Project in Brazil have been successfully commenced production. “Shenhai-1” Phase II Natural Gas Development Project has been fully put into operation, driving a significant increase in natural gas production. The construction of projects including Weizhou 11-4 Oilfield Adjustment and Development Project of Enclosed Area has been steadily promoted.

The Company strengthened streamlined organization of production management, maintaining a high production efficiency rate consistently; enhanced the development of existing oilfields, refined reservoir description, and improved reserve utilization rate and recovery rate, thereby strengthening the production stability of producing oil and gas fields. By rigorous planning and efficient execution, the Company implemented fine water flooding, oil stabilized and water-cut control, containing the natural decline rate at a record low and achieving significant results in stabilizing and increasing production. Meanwhile, the Company maintained efficient production capacity construction to support reserve and production growth, significantly enhancing operational efficiency and management effectiveness. Key projects were advanced and commissioned ahead of schedule, further shortening the capacity construction cycle. In the first half of the year, net oil and gas production reached a record high of 384.6 million BOE, representing a 6.1% year-on-year increase.

By regions, the net oil and gas production from China was 266.5 million BOE, representing a year-on- year increase of 7.6%, mainly due to the production contribution from projects such as the “Shenhai-1” Phase II project. The net oil and gas production from overseas was 118.1 million BOE, representing a year-on-year increase of 2.8%, mainly due to the production ramp-up from the Brazil and Guyana projects.

In the first half of the year, the production of crude liquids and natural gas accounted for 77.0% and 23.0%, respectively. Crude liquids production grew by 4.5% year-on-year, mainly due to the production contribution of oil and gas fields such as Bozhong 19-2 and Bozhong 19-6; natural gas production grew by 12.0% year-on-year, mainly due to the production contribution of “Shenhai-1” Phase II.

Business Overview

Production Summary

	First half of 2025			First half of 2024		
	Crude and liquids (mmbbls)	**Natural gas (bcf)**	**Total oil and gas (mmboe)**	Crude and liquids (mmbbls)	Natural gas (bcf)	Total oil and gas (mmboe)
China						
Bohai	**119.3**	**50.3**	**127.7**	110.7	38.8	117.2
Western South China Sea	**22.1**	**170.9**	**51.6**	18.7	126.6	40.7
Eastern South China Sea	**56.7**	**71.5**	**68.6**	58.6	78.6	71.6
East China Sea	**1.5**	**47.9**	**9.5**	1.5	38.5	7.9
Onshore	**0.02**	**54.7**	**9.1**	0.03	61.1	10.2
Subtotal	**199.6**	**395.3**	**266.5**	189.5	343.6	247.6
Overseas						
Asia (excluding China)	**12.6**	**45.1**	**20.7**	10.8	39.7	17.9
Oceania	**0.8**	**26.6**	**5.9**	1.0	29.1	6.6
Africa	**7.6**	**3.9**	**8.3**	9.1	2.8	9.6
North America (excluding Canada)	**7.9**	**15.9**	**10.6**	9.9	16.3	12.6
Canada	**17.3**	**–**	**17.3**	16.6	–	16.6
South America	**46.0**	**29.2**	**51.0**	42.0	28.9	46.9
Europe	**4.2**	**0.3**	**4.3**	4.6	0.5	4.6
Subtotal	**96.5**	**121.0**	**118.1**	93.9	117.4	114.9
Total*	**296.1**	**516.2**	**384.6**	283.4	461.0	362.6

* Including our interest in equity-accounted investees, which are approximately 10.0 million BOE for the first half of 2025 and approximately 10.0 million BOE for the first half of 2024.

Scientific and Technological Innovation

The Company continued to strengthen R&D in core oil and gas business, continuously enhancing independent technological innovation capabilities. The Company soundly advanced key technology research and application for reserve and production growth through multi-disciplinary collaboration. The industrialization and promotion of advanced data acquisition technologies and the large-scale application of advanced processing technologies have significantly improved the quality of seismic data from deep- play, and strengthened the foundation of exploration data. The large-scale application of intelligent cable-based and cable-free water injection technologies has helped reduce the natural decline rate of oil fields offshore China to 9.5%, achieving the best record in history. The Company comprehensively advanced excellent drilling and completion development and achieved a 26% acceleration in benchmark project execution.

The Company continued to advance the digital and intelligent transformation to further improve efficiency and intelligence capabilities to empower cost reduction and efficiency enhancement in oil and gas exploration and development. The “Shenhai-1” smart gas field was awarded the title of “National Outstanding Smart Factory” in China, becoming the only upstream facility in the petroleum and petrochemical sector to receive this honor. By integrating offshore oil and gas production operations with AI technology, combining satellite remote sensing, unmanned equipment, and AI algorithms, it achieved accurate traceability of marine oil spills and efficient emergency responses to typhoon disasters. The Company upgraded the control systems, enabling continuous production during typhoons, with the typhoon mode cumulatively recovering production losses of over 600,000 tons of oil equivalent. Furthermore, it refined the “Haineng” AI model and deployed “AI Plus” application scenarios, providing top-level guidance for industrial intelligent upgrading.

Green and Low Carbon

The Company achieved synergistic improvements in energy conservation and carbon reduction, making new progress in clean oil and gas production. The Company intensified energy substitution and expanded green power usage, consuming over 500 million kWh of renewable electricity in the first half of the year. The Company completed recovery and utilization of flare gas with capacities exceeding 10,000 cubic meters per day on existing facilities, establishing China’s first offshore “zero-emission” oil production platform at the Bozhong 34-2/4 oilfield. The Company implemented refined electricity management at the Qinhuangdao 32-6 oilfield, achieving energy savings of approximately 18 million kWh. The deep- sea floating wind power platform “Haiyou Guanlan” marked two years stable production, cumulatively generating 47 million kWh of electricity. Meanwhile, the Gaolan Terminal CO_2 Recovery and Utilization Project successfully operated for one year, delivering a total of approximately 57,000 metric tons of CO_2.

The Company facilitated the coordinated development of oil and gas with new energy businesses, achieving new progress in cultivating new energy industries. China’s first offshore CCUS project was put into operation at the Enping 15-1 platform, pioneering a novel circular energy model of “using carbon to drive oil production and utilizing oil reservoirs to sequester carbon”. The Wenchang 9-7 oilfield was equipped with the world’s first 5MW offshore high-temperature flue gas waste heat ORC power generation unit, with an estimated annual power generation capacity of 40 million kWh.

RURAL REVITALIZATION

In the first half of the year, with the aim of promoting high-quality development of rural revitalization, and focusing on its own capabilities and the needs of the assisted areas, the Company continuously promoted the integrated development of its own businesses and rural revitalization, and explored the development of agricultural new quality productive forces based on local conditions, thereby assisting the rural revitalization in an all-round way. In Wuzhishan City and Baoting County of Hainan Province, Nyima County of Tibet, and Zhanjiang City of Guangdong Province, we invested RMB70.55 million into 25 projects, covering industrial revitalization, talent revitalization, cultural revitalization, ecological revitalization and rural habitat environment treatment and other fields. Tangible results have been achieved from these diversified projects. We have bred new industries and new brands of agricultural products, increased farmers' income, improved the living conditions and strengthened livelihood protection.

Since its establishment, the Company has treated risk management, internal control and compliance management system as a top priority. The Company recognizes that it is the duty and obligation of its management to establish and maintain a risk management, internal control and compliance management system which serves the Company's strategic objectives and meets the Company's business practice.

The Board ensures that the Company establishes and maintains appropriate and effective risk management and internal control systems, strengthens the construction of compliance system on this basis, and regularly reviews their effectiveness. Such systems are designed to manage the risks a company may face in achieving its business objectives. The Board receives a report on risk management, internal control and compliance management systems from executives twice a year. All major risks are reported to the Board which also evaluates the risks and their response plan. Appropriate and effective risk management and internal control system can help the company reasonably reduce the possible loss caused by the occurrence of risks. The Company's Risk Management, Internal Control and Compliance Management Committee (RMICC Committee) is authorised by the Board to organise and carry out the Company's overall risk management and internal control. Its responsibilities include developing risk management and internal control systems, standardizing institutional framework, authorisation, responsibilities, processes and methods for the systems, continuously monitoring the operation of the systems, and regularly reporting the construction and compliance management of the systems to the Audit Committee and the Board.

RISK FACTORS

Although we have established the risk management system to identify, analyze, evaluate and respond to risks, our business activities may be subject to the following risks.

MACRO ECONOMY AND POLICY RISKS

(1) Macro economy risk

The industry in which the Company operates is closely linked to the macro economy. The combination of geopolitics and trade frictions has a negative impact on the global flow of goods, people and capital, and regional economic differentiation continues. Macro economy changes will affect the supply and downstream demand for oil and natural gas, which may adversely affect the Company's performance.

(2) Risk of changing international political and economic factors

The international political and economic situation is complex and changeable. The Russia-Ukraine conflict and its resulting sanctions on Russia imposed by the U.S., Europe and Japan and the Israeli-Palestinian conflict have accelerated the profound changes in the world landscape and triggered violent shocks in the international energy market. If some of the countries in which we operate may be considered politically or economically unstable, our financial condition and operating results could be adversely affected.

The Arctic LNG 2 LLC and its project in Russia, in which the Company has a 10% interest, have been adversely affected to a certain extent by sanctions stemming from the Russia-Ukraine military conflict. Save that, as of the date of this report, other overseas projects of the Company are not affected by the Russia-Ukraine military conflict, and the production and operation situation is normal.

(3) Risk of industry policy changes

The ongoing oil and gas system reform in China may have certain impacts on the Company's business in China. In the future, the Company may face competition and challenges from a variety of competitors in the industry to obtain and retain exploration rights in oil and gas fields.

(4) Risk of climate change and environmental policy changes

With the coming into force of the Paris Agreement and the continuing growth of the public's awareness of climate change issues, China has put forward the timeline target for "Carbon peak and Carbon neutrality". The acceleration of the energy transition process poses challenges to the oil and gas industry. Faced with the dual challenges of transformation and physical climate risks, the Company may face risks of rising investment and operating costs and declining main business income if it fails to respond in a timely and effective manner.

Our offshore operating platforms, exploration and development activities and onshore terminal production activities will lead to risks of waste gas, wastewater, solid wastes, noise and oil spillage. If they are not properly handled, they may fail to meet the standard of discharge or the disposal process is not in compliance, which will damage our reputation and operations and increase the costs of restoring the ecological environment and compensation, and even expose us to lawsuits and penalties.

MARKET RISKS

(1) Risk arising from volatility in oil and gas prices

Prices for crude oil and natural gas may fluctuate widely in response to relative changes in the supply and demand for crude oil and natural gas, market uncertainty and various other factors beyond our control. Volatility in oil and gas prices may impact our business, cash flows and profits fluctuate.

(2) Risk arising from increasing market competition

The new round of scientific and technological revolution and industrial transformation has a profound impact on the development of the energy industry. The Company faces competition in various areas, including access to oil and gas resources, alternative energy, customers, capital financing, technology and equipment, talent, and business opportunities. Energy prices continue to be affected by global supply and demand, geopolitical situations, and green and low-carbon trends. Additionally, increasingly stringent environmental regulations in the energy sector and the continuous progress and development of the alternative energy industry have also led to intensified competition in the energy supply market, which may have an adverse impact on the Company's operations and performance.

BUSINESS RISKS

(1) HSSE risk

Given the geographical area, operational diversity and technical complexity of our operations, every aspect of our daily operations exposes us to potential health, safety, security and environment (HSSE) risk. If a major HSSE risk materialises, it could result in casualties, environmental damage, disruption to business activities and material impact on our reputation, exclusion from bidding or eventually loss of our license to operate in certain blocks.

In addition, the Company's oil and gas transportation involves marine, land and pipeline transportation, which are subject to hazards such as capsizing, collision, acts of piracy and damage or loss from severe weather conditions, explosions and oil and gas spills and leakages. These hazards could result in serious personal injury or loss of human life, significant damage to property and equipment, environmental pollution, operating loss, risk of financial loss and reputational harm. We may not be able to arrange insurance coverage for all of these risks, and uninsured losses and liabilities arising from these hazards may have a material and adverse effect on our business, financial condition and results of operations.

(2) Risk of deviation between forward-looking judgments of oil and gas prices and the actuality

The Company will review the oil and natural gas price predictions on a periodic basis. Although we believe our current forward-looking predictions on long-term price range are prudent, if such predictions deviated in the future, it could have a material and adverse effect on us.

(3) Risk that the anticipated benefits from mergers and acquisitions and disposals may not be realized

Part of the Company's oil and gas assets are acquired through mergers and acquisitions. In mergers and acquisitions practice, mergers and acquisitions may not succeed due to various reasons. In the case of asset disposals, we may be held liable for past acts, or failures to act or perform obligations, and we may also be subject to liabilities if a purchaser fails to fulfill its commitments. These risks may result in an increase in our costs and inability to achieve our business goals.

(4) Risk of limited control over our investments in joint ventures and our joint operation with partners

Due to the special nature of the oil and gas industry, a portion of our operations are conducted in the form of partnerships or in joint operation, we may have limited capability to influence and control their operation or future development. Our limited ability to influence and control the operation or future development of such joint ventures could materially and adversely affect the realization of our target returns on capital investment.

(5) Risk of high concentration of customers

During the reporting period, sales to major customers of the Company accounted for a relatively high proportion. If any of our major customers reduces its crude oil or natural gas purchases from us significantly, and the Company fails to find alternative customers in time, our results would be adversely affected.

(6) Risk of high supplier concentration

During the reporting period, procurement from the Company's major suppliers accounted for a relatively high proportion. Services procurement is our main procurement. We maintain a good working relationship with our major suppliers, and actively explore new suppliers to ensure supply adequacy and foster competition. However, if the major suppliers fail to continue to provide services to the Company due to accidental factors, and the Company fails to find suitable alternative suppliers, its operating activities may be disrupted and the performance would be adversely affected.

(7) Risk from irrealizable undeveloped reserves

There are various risks in developing reserves. Failure to develop these reserves in a timely and cost-effective manner could adversely affect the Company's results. The reliability of reserve estimates depends on a number of factors. The factors, assumptions and variables involved in estimating reserves are beyond our control and may be proved to be incorrect over time. That may result in volatility of our initial reserve data.

(8) Technology development and deployment risk

Technology and innovation are vital for us to enhance the Company's competitiveness in a competitive environment and exploration and development challenges. We strive to rely on technologies and innovations to realize our strategy and enhance our competitiveness and operation capacity. If our core technology reserves are insufficient, it may have a negative impact on the Company's reserves and production targets and cost control targets.

(9) Network security and IT infrastructure damage risk

Malicious attacks on our cyber system, negligence in the management of our cyber security, data security and IT system and other factors may cause damage or breakdown to our IT infrastructure, which may disrupt our operations, result in loss or misuse of data or sensitive information, cause injuries, environmental harm or damages in assets, violate laws or regulations and result in potential legal liability. These actions could result in increase in costs or damage to our reputation.

(10) Risks to business and operations in Canada

Transportation and export infrastructure in Canada is limited, and without the construction of new transportation and export infrastructure, realization of our full oil and natural gas production capability may be affected.

Furthermore, First Nations in Canada hold that they have aboriginal land claims, in a substantial portion of western Canada. As a result, negotiations with First Nations prior to commencing future projects are prudent. Failure to successfully negotiate with affected First Nations may result in timing uncertainties or delays of future development activities.

(11) Risk of related party transactions

We regularly enter into connected transactions with China National Offshore Oil Corporation ("COOHG Group") and its affiliates. Certain connected transactions require a review by the regulatory authorities of the place where the shares are listed and are subject to prior approvals by our independent shareholders. If these transactions are not approved, the Company may not be able to proceed with these transactions as planned.

Risk Management and Internal Control

FINANCIAL RISKS

(1) Exchange rate risk

The Company's oil and gas sales are substantially denominated in Renminbi and U.S. dollars. The Company may have exchange rate risk. When there is a capital gap in overseas capital expenditure, the Company needs to remit overseas payment by converting domestic RMB into USD, and the exchange rate fluctuation of RMB against USD brings certain exchange rate risks.

(2) Risk of foreign exchange control

Certain restrictions on dividend distribution imposed by the laws of the countries in which we operate may adversely affect our cash flows.

MANAGEMENT RISK

COOHG Group directly and indirectly owns or controls our shares. As a result, COOHG Group can have an impact on the election of our Board members, our dividend payments and other decisions. Under current PRC laws, COOHG Group has the exclusive right to enter into PSCs with foreign enterprises for petroleum resources exploitation in offshore China. Although COOHG Group has undertaken to transfer all of its rights and obligations (except for those relating to administrative functions as a state-owned company) under any new PSCs that it enters into to us (save for certain exceptions), our strategies, results of operations and financial position may be adversely affected in the event COOHG Group takes actions that favor its own interests over ours.

LEGAL RISKS

(1) Risk of violating anti-corruption, fraud, money laundering, corporate governance and other laws and regulations

Laws and regulations of the countries or regions in which we operate, such as laws on anti-corruption, anti-fraud, anti-money laundering and corporate governance, are constantly changing and becoming more comprehensive. If the Company, our Directors, executives or employees fail to comply with any of such laws and regulations, it may expose us to prosecution or punishment, damage to our reputation and image, and our ability to obtain new resources, and it may even expose us to civil or criminal liabilities.

(2) Risk of violating laws and regulations related to data security

As a company with operations in various countries and regions, we are subject to privacy and data security laws in numerous jurisdictions as a result of having access to and processing confidential, personal or sensitive data in the course of our business. Therefore, compliance with the various data privacy regulations around the world may require significant expenditures.

THE RISK OF SANCTIONS

Different levels of the U.S. federal, state or local government may impose economic sanctions of varying severity against certain countries or regions and their residents or designated governments, individuals, and entities. It is impossible to predict whether the business of the Company or its affiliates, the countries/regions where the business is conducted or its partners will be affected by the U.S. sanctions regime in the future due to changes in the U.S. sanctions regime. If this happens, the Company may not be able to continue to carry out relevant business, or it may not be able to continue to carry out business in the affected countries or regions or with the affected partners, thus affecting investors' perception of the Company and investment in the Company, and harming the Company's opportunity or ability to obtain new business.

OVERALL RISK RESPONSE MEASURES

The Company has actively built a risk management system that matches the world-class energy companies, continued to improve the risk management and internal control management systems, make overall management of major risks, respond to them at different levels, and form a whole-process risk management mechanism of "pre-prevention, in-process control and post-evaluation".

DIRECTORS' INTERESTS

As at 30 June 2025, the interests and short positions of the Director and chief executive of the Company who are currently in office or ceased to hold office during the reporting period in the shares, underlying shares or debt securities of the Company or any associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) which were required (i) to be notified to the Company and the HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein, (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules of Stock Exchange"), to be notified to the Company and the HKSE, or (iv) the interests which were required to be disclosed in accordance with the relevant regulations of the China Securities Regulatory Commission (the "CSRC") and the SSE, were as follows:

Name of Director	Nature of interest	Ordinary Hong Kong shares held	Approximate percentage of total issued Hong Kong shares	Ordinary A shares held	Approximate percentage of total issued A shares	Approximate percentage of total issued shares
Chiu Sung Hong [(1)]	Beneficial interest	1,650,000	0.004%	–	–	0.003%

Note:

(1) Mr. Chiu Sung Hong retired as an Independent Non-executive Director, the Chairman of the Remuneration Committee and a member of the Audit Committee of the Company with effect from 5 June 2025. The number of Hong Kong shares disclosed above is as at 5 June 2025.

All the interests stated above represent long positions. As at 30 June 2025, save as disclosed above, none of the Directors and chief executive of the Company who are currently in office or ceased to hold office during the reporting period had any interests or short positions in the shares, underlying shares or debt securities of the Company or any associated corporations (within the meaning of the SFO) which were required (i) to be notified to the Company and the HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein, (iii) pursuant to the Model Code, to be notified to the Company and the HKSE, or (iv) had any interests which were required to be disclosed in accordance with the relevant regulations of the CSRC and the SSE.

During the six months ended 30 June 2025, no right to subscribe for shares, underlying shares or debt securities of the Company has been granted by the Company to, nor have any such rights been exercised by, any other person.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2025, so far as was known to the Directors and chief executive of the Company, the persons, other than a Director or chief executive of the Company, who had an interest or a short position in the shares and underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

		Ordinary Hong Kong shares held	Approximate percentage of total issued Hong Kong shares	Ordinary A shares held	Approximate percentage of total issued A shares	Approximate percentage of total issued shares
(i)	COOHG (BVI) Limited [(1)]	28,772,727,268	64.60%	–	–	60.54%
(ii)	Overseas Oil & Gas Corporation, Ltd. ("OOGC")	28,772,727,273	64.60%	–	–	60.54%
(iii)	COOHG Group	29,530,451,273	66.30%	–	–	62.13%

Note:

(1) COOHG (BVI) Limited is a direct wholly-owned subsidiary of OOGC, which is a direct wholly-owned subsidiary of COOHG Group. Accordingly, COOHG (BVI) Limited's interests are recorded as the interests of OOGC and COOHG Group.

All the interests stated above represent long positions. As at 30 June 2025, save as disclosed above, the Directors and chief executive of the Company are not aware of any other person having interests or short positions (other than the Directors and chief executives of the Company) in the shares and underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of any class of total issued shares carrying rights to vote in all circumstances at general meetings of the Company.

AUDIT COMMITTEE

The Audit Committee of the Board of the Company has reviewed together with the management the accounting principles and practices adopted by the Company and its subsidiaries and discussed the risk management, internal control and financial reporting matters. The interim results for the six months ended 30 June 2025 are unaudited, but have been reviewed by Ernst & Young in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Hong Kong Institute of Certified Public Accountants. The interim report for the six months ended 30 June 2025 has been reviewed by the Audit Committee.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2025, COOHG Petroleum North America ULC ("CPNA", an indirect wholly-owned subsidiary of the Company) repurchased and cancelled the following bonds issued by it as issuer by way of general offers:

Issuer	Maturity Date	Coupon Rate	Face Amount (USD)	Face Amount Repurchased (USD)	Percentage of Repurchase	Outstanding Amount as at 30 June 2025 (USD)
CPNA	15 March 2032	7.875%	314,572,000	400,000	0.13%	314,172,000
CPNA	15 May 2037	6.400%	752,452,000	4,204,000	0.56%	748,248,000

None of the above bonds was listed on HKSE or SSE.

Save as disclosed in this interim report, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of its listed securities (including sale of treasury shares) during the six months ended 30 June 2025. As at 30 June 2025, the Company did not hold any treasury shares.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

For the six months ended 30 June 2025, the Company has complied with all code provisions set out in Part 2 of Appendix C1 to the Listing Rules of Stock Exchange.

PROVISIONS FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a Code of Ethics for Directors and Senior Management ("Code of Ethics") incorporating the provisions for securities transactions by directors of listed issuers of the Model Code, the Securities Law of the People's Republic of China and the Listing Rules of SSE. All Directors have confirmed that they have complied, during the six months ended 30 June 2025, with the Company's Code of Ethics and the required standards set out in the Model Code.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B of the Listing Rules of Stock Exchange and the relevant regulations of the CSRC and the SSE, the changes in information of Directors subsequent to the date of the latest annual report of the Company and up to the date of this interim report are set out below:

Name of Director	Details of Changes
Wang Dehua	Appointed as a member of the Audit Committee of the Company with effect from 22 January 2025
Mu Xiuping	Appointed as the Chief Financial Officer of the Company, and was re-designated from the Non-executive Director to the Executive Director, and ceased to serve as a member of the Audit Committee of the Company, with effect from 22 January 2025
Jack Ma	Ceased to serve as a Non-executive Director, the Chairman of the Board, the Chairman of the Nomination Committee and the Chairman of the Strategy and Sustainability Committee of the Company with effect from 23 April 2025[1]
Chiu Sung Hong	Retired as an Independent Non-executive Director, the Chairman of the Remuneration Committee and a member of the Audit Committee of the Company with effect from 5 June 2025
Chan Chak Ming	Appointed as an Independent Non-executive Director and a member of each of the Audit Committee and the Remuneration Committee of the Company with effect from 5 June 2025
Qiu Zhi Zhong	Appointed as a Justice of the Peace by the Government of the Hong Kong Special Administrative Region on 1 July 2025 Appointed as a Chairman of the Remuneration Committee of the Company and ceased to be a member of the Nomination Committee of the Company with effect from 5 June 2025
Li Shuk Yin Edwina	Appointed as a member of the Nomination Committee of the Company and ceased to be a member of the Remuneration Committee of the Company with effect from 5 June 2025
Zhang Chuanjiang	Appointed as the Chairman of the Board, a Non-executive Director, the Chairman of the Nomination Committee and the Chairman of the Strategy and Sustainability Committee of the Company with effect from 8 July 2025

Note:

(1) During the period from 23 April 2025 to 8 July 2025, Mr. George Ang, the Vice Chairman of the Board, presided over the work of the Board, the Nomination Committee and the Strategy and Sustainability Committee.

MISCELLANEOUS

The Directors are of the opinion that there have been no material changes to the information published in the Company's annual report for the year ended 31 December 2024, other than those disclosed in this interim report.

INTERIM DIVIDEND DISTRIBUTION PLAN AND CLOSURE OF HONG KONG REGISTER OF MEMBERS

At the Company's 2024 annual general meeting held on 5 June 2025, the Board was authorized to decide the Company's 2025 interim dividend distribution plan. In overall consideration of situations such as the operating results, financial position and cash flow of the Company, to provide returns to our shareholders, the Board has resolved to declare an interim dividend of HK$0.73 per share (tax inclusive) for the first half of 2025. Dividends payable shall be denominated and declared in HKD, among which, dividend for A shares will be paid in RMB, applying an exchange rate which equals to the average central parity rate between HKD and RMB announced by the People's Bank of China in the week before the Board declared the interim dividend; dividend for Hong Kong shares will be paid in HKD.

The register of members of the shares of the Company listed on the Main Board of the HKSE (the "Hong Kong Shares") of the Company (the "Register of Members") will be closed from 15 September 2025 (Monday) to 19 September 2025 (Friday) (both days inclusive) during which no transfer of the Hong Kong shares of the Company can be registered. In order to qualify for the interim dividend, holders of Hong Kong Shares are reminded to ensure that all instruments of transfer of the Hong Kong Shares accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 12 September 2025 (Friday). The interim dividend will be paid on or around 17 October 2025 (Friday) to shareholders whose names appear on the Register of Members of the Company on 19 September 2025 (Friday).

For holders of A shares of the Company, please refer to the Company's announcement in relation to the 2025 interim dividend distribution plan published on the websites of the SSE and the Company.

WITHHOLDING AND PAYMENT OF ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISES IN RESPECT OF 2025 INTERIM DIVIDEND

Pursuant to the "Enterprise Income Tax Law of the People's Republic of China", the "Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China" and the "Notice of the State Administration of Taxation on Issues about the Determination of Chinese-Controlled Enterprises Registered Abroad as Resident Enterprises on the Basis of Their Body of Actual Management", the Company has been confirmed as a resident enterprise of the People's Republic of China (the "PRC") and the withholding and payment obligation lies with the Company. The Company is required to withhold and pay 10% enterprise income tax when it distributes the 2025 interim dividend to its non-resident enterprise (as defined in the "Enterprise Income Tax Law of the People's Republic of China") holders of Hong Kong Shares. In respect of all holders of Hong Kong Shares whose names appear on the Register of Members as at 19 September 2025 (Friday) who are not individual natural person (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise holders of Hong Kong Shares), the Company will distribute the 2025 interim dividend after deducting enterprise income tax of 10%. The Company will not withhold and pay the individual income tax in respect of the 2025 interim dividend payable to any natural person holders of Hong Kong Shares whose names appear on the Register of Members as at 19 September 2025 (Friday).

Investors who invest in the Hong Kong Shares through the SSE (the "Shanghai-Hong Kong Stock Connect investors"), and investors who invest in the Hong Kong Shares through the Shenzhen Stock Exchange (the "Shenzhen-Hong Kong Stock Connect investors"), are investors who hold shares through HKSCC Nominees Limited, and in accordance with the above requirements, the Company will pay to HKSCC Nominees Limited the amount of the 2025 interim dividend after withholding for payment of the 10% enterprise income tax.

If any resident enterprise (as defined in the "Enterprise Income Tax Law of the People's Republic of China") holder of Hong Kong Shares listed on the Register of Members which is duly incorporated in the PRC or under the laws of a foreign country (or a region) but with a PRC-based de facto management body, or any non-resident enterprise holder of Hong Kong Shares who is subject to a withholding tax rate of less than 10% pursuant to any tax treaty between the country of residence of such holders of Hong Kong Shares and the PRC or tax arrangements between mainland China and Hong Kong or Macau, or any other non-resident enterprise holder of Hong Kong Shares who may be entitled to a deduction or exemption of enterprise income tax in accordance with the applicable PRC rules, does not desire to have the Company withhold and pay the total amount of the said 10% enterprise income tax, it shall lodge with Computershare Hong Kong Investor Services Limited documents from its governing tax authority confirming its PRC resident enterprise status, or the documents in support that a withholding tax of less than 10% is required to be paid pursuant to the above-mentioned tax treaty or arrangements, or the documents confirming its entitlement to a deduction or exemption of enterprise income tax in accordance with the applicable PRC rules at or before 4:30 p.m. on 12 September 2025 (Friday).

If anyone would like to change the identity of the holders of Hong Kong Shares, please enquire about the relevant procedures with the nominees or trustees. The Company will withhold and pay the enterprise income tax for its non-resident enterprise holders of Hong Kong Shares strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Register of Members on 19 September 2025 (Friday). The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the holders of Hong Kong Shares within the aforesaid timeframe or any disputes over the mechanism of withholding and payment of enterprise income tax.

By Order of the Board
Xu Yugao
Joint Company Secretary

Hong Kong, 27 August 2025

ANALYSIS ON CORE COMPETITIVENESS

Abundant oil and gas resources with leading production growth capacity in the industry

The Company has abundant resources and maintains a steady growth momentum in production. The reserve replacement ratio has been maintained at over 130% for consecutive years, and the reserve life has remained stable at 10 years in the past 8 years, laying a resource foundation for increasing reserves and production. The Company continues to increase its development and production efforts, and its oil and gas production has maintained rapid growth for consecutive years with a growth rate leading its peer companies.

Leading exploration and development activities in offshore China with obvious advantages in regional development

The Company is the dominant producer of oil and gas in offshore China with extensive experiences in oil and gas exploration and development and has become an expert on China's offshore basin operations. At present, the Company has established comprehensive offshore production facilities and subsea piping systems in offshore China which could provide strong support to regional exploration and development in the future.

In possession of a complete set of technical system for offshore oil and gas exploration and development

The Company has established a complete technology system for offshore oil and gas exploration, development and production. Breakthroughs have been made for ultra-deep-water oil and gas field development engineering in water depth of over 1,500 meters. The Company has made positive progress in key technical fields such as exploration in medium to deep play, enhanced water flooding and other production stimulation measures, enhanced recovery rate in producing oil and gas fields, and subsea production system, which all provide strong support to the long-term sustainable development of offshore oil and gas business.

Effective cost control and healthy financial performance

The Company has a complete cost control system and industry-leading profitability per BOE. Over the years, the Company has maintained a sound ability to generate cash flow, and its financial position remained sound and stable with a low gearing ratio and a strong financing capability.

In possession of a diverse asset structure

The Company possesses oil and gas assets worldwide and has a diverse asset structure. It holds interests in many world-class oil and gas projects such as Stabroek in Guyana, and Buzios and Mero in Brazil, and owns assets in more than 20 countries and regions around the world.

Steady progress towards green and low-carbon development

The Company prioritizes the development of offshore renewable energy projects while also pursuing selected opportunities in onshore new energy ventures. Furthermore, the Company is dedicated to promoting the integration of new energy with oil and gas production, with a particular focus on the robust development of offshore wind power. In line with its commitment to both immediate priorities and long-term objectives, the Company steadily advances the growth of zero-carbon and carbon-negative industries.

OPERATING RESULTS

Revenue

Revenue of the Company decreased by 8.4% to RMB207,608 million from RMB226,770 million in the same period of last year, primarily due to the Company's continuous increase in reserves and production in the face of the adverse impact of the decline in oil prices, which was partially offset by the increase in sales volume. Our oil and gas sales revenue, oil and gas prices and sales volume year-on-year data are as follows:

	First half of 2025	First half of 2024	Change Amount	%
Oil and gas sales revenue (RMB million)	171,745	185,112	(13,367)	(7.2)
Crude and liquids	143,998	161,256	(17,258)	(10.7)
Natural gas	27,747	23,856	3,891	16.3
Sales volume (mmboe)*	373.8	356.1	17.7	5.0
Crude and liquids (mmbbls)	290.0	282.1	7.9	2.8
Natural gas (bcf)	489.2	431.1	58.1	13.5
Realised prices				
Crude and liquids (US$/barrel)	69.15	80.32	(11.17)	(13.9)
Natural gas (US$/mcf)	7.90	7.79	0.11	1.4

* *Excluding our interest in equity-accounted investees.*

Operating expenses

Operating expenses of the Company increased by 4.7% to RMB18,277 million from RMB17,463 million in the same period of last year, primarily due to increase of production, which caused an increase in total operating expenses. In the first half of 2025, our operating expenses was US$6.76 per BOE, representing a decrease of 0.7% as compared to US$6.81 per BOE for the same period of last year.

Exploration expenses
Exploration expenses of the Company increased by 11.2% to RMB5,233 million from RMB4,708 million in the same period of last year, mainly due to the Company's increased risk exploration efforts while adhering to value-driven exploration.

Depreciation, depletion and amortisation
Depreciation, depletion and amortisation of the Company increased by 4.7% to RMB39,318 million from RMB37,555 million in the same period of last year, mainly due to the increase in total amount of depreciation, depletion, and amortisation as a result of the increase in production.

Of which, depreciation, depletion and amortisation (excluding the dismantling costs) increased by 5.6% to RMB37,367 million from RMB35,385 million in the same period of last year. Our depreciation, depletion and amortisation per BOE (excluding the dismantling costs) decreased by 0.4% to US$13.89 per BOE from US$13.94 per BOE in the same period of last year.

The total amount of dismantlement provision-related depreciation, depletion and amortisation amounted to RMB1,951 million, representing a decrease of 10.1% from RMB2,170 million for the same period of last year. Our dismantling cost per BOE decreased by 15.1% to US$0.73 per BOE from US$0.86 per BOE for the same period of last year.

Selling and administrative expenses
Selling and administrative expenses of the Company increased by 2.1% to RMB5,329 million from RMB5,221 million in the same period of last year, primarily due to the increase of related costs as a result of our higher oil and gas sales volume. Selling and administrative expenses per BOE decreased by 6.4% to US$1.91 per BOE from US$2.04 per BOE in the same period of last year.

Net exchange gains
In the first half of 2025, net exchange gains of the Company amounted to RMB1,204 million, representing an increase of 323.8% as compared to net exchange losses of RMB538 million in the same period of last year, mainly due to the impact of fluctuations in the exchange rate between US dollar and Hong Kong dollar.

Income tax expense
Income tax expense of the Company decreased by 3.7% to RMB25,066 million from RMB26,031 million in the same period of last year, mainly due to the decrease in the Company's overall profit before tax.

Net profit attributable to shareholders of the Company

Net profit attributable to shareholders of the Company decreased by 12.8% to RMB69,533 million from RMB79,731 million in the same period of last year, mainly due to the Company's continuing efforts in increasing reserves and production, as well as enhancing quality, reducing cost and improving efficiency, which partially offset the adverse impact of declining international oil prices.

Assets, liabilities and equity

Items	30 June 2025 (RMB Million)	31 December 2024 (RMB Million)	Change (%)
Current assets	**321,489**	264,609	21.5
Non-current assets	**797,468**	791,672	0.7
Total assets	**1,118,957**	1,056,281	5.9
Current liabilities	**136,146**	118,875	14.5
Non-current liabilities	**194,436**	187,970	3.4
Total liabilities	**330,582**	306,845	7.7
Equity attributable to equity shareholders of the Company	**786,468**	747,548	5.2
Non-controlling interests	**1,907**	1,888	1.0
Total equity	**788,375**	749,436	5.2

The Company continuously maintained a solid financial position. As of 30 June 2025, our total assets and total liabilities reached RMB1,118,957 million and RMB330,582 million, respectively. In particular:

Current assets amounted to RMB321,489 million, an increase of 21.5% from RMB264,609 million at the end of 2024, mainly due to the increase in cash and cash equivalents and time deposits with maturity over three months but within one year.

Non-current assets amounted to RMB797,468 million, an increase of 0.7% from RMB791,672 million at the end of 2024, and basically the same as the end of last year.

Current liabilities amounted to RMB136,146 million, an increase of 14.5% from RMB118,875 million at the end of 2024, mainly due to the increase in dividends payable.

Non-current liabilities amounted to RMB194,436 million, an increase of 3.4% from RMB187,970 million at the end of 2024, mainly due to an increase in provision for dismantlement.

Cash flow

Items	Amount for the period (RMB Million)	Amount for the same period of last year (RMB Million)	Change (%)
Net cash flows from operating activities	**109,182**	118,554	(7.9)
Net cash flows from investing activities	**(73,783)**	(78,802)	(6.4)
Net cash flows from financing activities	**(22,451)**	(30,322)	(26.0)

In the first half of 2025, the Company maintained a healthy cash flow position. Net cash inflows from operating activities reached RMB109,182 million, representing a year-on-year decrease of 7.9%, mainly due to the decrease in cash inflow from oil and gas sales resulted from the decrease of international oil prices. Net cash outflows from investing activities reached RMB73,783 million, representing a year-on-year decrease of 6.4%, mainly due to an increase in cash inflows from the disposal of subsidiaries. Net cash outflows from financing activities reached RMB22,451 million, representing a year-on-year decrease of 26.0%, mainly due to a year-on-year decrease in cash payments for debt repayment during the period.

Capital expenditure

In the first half of the year, the capital expenditure budget of the Company was well implemented, which provided strong support for increasing reserves and production. Capital expenditure reached RMB57,600 million in total, representing a decrease of 8.8% compared with the same period of last year. The major changes are as follows:

	First half of 2025 (RMB million)	First half of 2024 (RMB million)	Change Amount (RMB million)	Change %
Exploration investment	**9,094**	9,240	(146)	(1.6)
Development investment	**36,273**	40,221	(3,948)	(9.8)
Production capitalization	**11,631**	12,511	(880)	(7.0)
Others	**602**	1,153	(551)	(47.8)
Total	**57,600**	63,125	(5,525)	(8.8)

Gearing ratio

As of 30 June 2025, the Company and its subsidiaries' gearing ratio was 8.4%, representing a decrease of 2.5 percentage points from the end of last year. The gearing ratio is calculated by dividing interest-bearing liabilities by total capital (the total of shareholders' equity and interest-bearing liabilities).

Pledge of assets

For the pledged assets of the Company as of 30 June 2025, please refer to Note 9 to the unaudited interim condensed consolidated financial statements of this interim report.

WORK PLAN FOR THE SECOND HALF OF THE YEAR

In the second half of the year, the Company will focus on value exploration, concentrate on key areas and further consolidate the resource foundation for reserves and production growth. We will build a solid safe production line, achieve quality and efficiency improvements in the construction of production, so as to ensure that we reach the annual goals of production and operation. We will continue to strengthen refined management, maintain our cost competitiveness and improve our capabilities of value creation.

USE OF LISTING PROCEEDS

The Company completed the initial public offering of RMB ordinary shares on the SSE (stock code: 600938) on 21 April 2022. The final total gross proceeds from such issuance were RMB32,292 million, and the net proceeds were RMB32,099 million after deducting the offering expenses of RMB193 million.

At the end of the reporting period, proceeds from the initial public offering of RMB ordinary shares are applied to the following projects:

Planned use of proceeds	Committed investment amount (RMB million)	Unaudited utilised proceeds as of 30 June 2025 (RMB million)	Unaudited unutilised proceeds as of 30 June 2025 (RMB million)	Expected timetable for use of the unutilised proceeds
Payara oil field development in Guyana	5,200.00	5,200.00	–	
Liuhua 11-1/4-1 oil field secondary development	6,500.00	5,264.72	1,235.28	
Liza oil field phase II in Guyana	2,200.00	2,200.00	–	
Lufeng oil fields development	3,500.00	3,171.25	328.75	Expected to be used up by 31 December 2025
Lingshui 17-2 gas field development	3,000.00	2,985.20	14.80	
Lufeng 12-3 oil field development	1,000.00	1,000.00	–	
Qinhuangdao 32-6/Caofeidian 11-1 oil fields onshore power application construction project	1,000.00	826.86	173.14	
Luda 6-2 oil field development	500.00	500.00	–	
Replenishment of working capital	9,199.09	9,175.34	23.75	
Total	**32,099.09**	**30,323.38**	**1,775.70**	

Interim Condensed Consolidated Statement of

For thesixmonthsended 30June 2025
(All amounts expressed in millions of Renminbi, except per share data)

	Notes	Six months ended 30 June 2025	2024
REVENUE			
Revenue recognised from contracts with customers			
Oil and gas sales	*3*	**171,745**	185,112
Marketing revenues	*3*	**31,058**	36,629
Other revenue		**4,805**	5,029
		207,608	226,770
EXPENSES			
Operating expenses		**(18,277)**	(17,463)
Taxes other than income tax	*6(ii)*	**(9,903)**	(10,359)
Exploration expenses		**(5,233)**	(4,708)
Depreciation, depletion and amortisation		**(39,318)**	(37,555)
Special oil gain levy	*6(iii)*	**(1,607)**	(5,667)
Impairment and provision recognised, net		**(59)**	(2)
Expected credit losses		**–**	(32)
Crude oil and product purchases		**(27,807)**	(33,762)
Selling and administrative expenses		**(5,329)**	(5,221)
Others		**(4,973)**	(6,459)
		(112,506)	(121,228)
PROFIT FROM OPERATING ACTIVITIES		**95,102**	105,542
Interest income		**2,481**	2,597
Finance costs	*5*	**(3,137)**	(3,328)
Exchange gains/(losses), net		**1,204**	(538)
Investment (loss)/gain		**(124)**	700
Share of profits of associates		**316**	402
(Loss)/Profit attributable to a joint venture		**(1,140)**	160
Other (expense)/income, net		**(43)**	241
PROFIT BEFORE TAX		**94,659**	105,776
Income tax expense	*6(i)*	**(25,066)**	(26,031)
PROFIT FOR THE PERIOD		**69,593**	79,745
Attributable to:			
Equity shareholders of the Company		**69,533**	79,731
Non-controlling interests		**60**	14
		69,593	79,745

For the sixmonthsended 30 June 2025
(All amounts expressed in millions of Renminbi, except per share data)

	Notes	Six months ended 30 June 2025	2024
OTHER COMPREHENSIVE (EXPENSE)/INCOME			
Other comprehensive income (net of tax) attributable to equity shareholders of the Company			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**(2,087)**	1,614
Share of other comprehensive expense of associates		**(2)**	(35)
Cash flow hedge reserves		**36**	65
Other items that will not be reclassified to profit or loss:			
Fair value change on equity investments designated as at fair value through other comprehensive expense		**–**	(130)
Change on remeasurement of defined benefit plan		**83**	(46)
Other comprehensive income (net of tax) attributable to non-controlling interests		**–**	–
OTHER COMPREHENSIVE (EXPENSE)/INCOME FOR THE PERIOD, NET OF TAX		**(1,970)**	1,468
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**67,623**	81,213
Attributable to:			
Equity shareholders of the Company		**67,563**	81,199
Non-controlling interests		**60**	14
		67,623	81,213
EARNINGS PER SHARE FOR THE PERIOD ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY			
Basic (RMB Yuan)	7	**1.46**	1.68
Diluted (RMB Yuan)	7	**1.46**	1.68

Details of the interim dividends declared for the period are disclosed in note 8 to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of

30 June2025
(All amounts expressed in millions of Renminbi)

	Notes	30 June 2025	31 December 2024
NON-CURRENT ASSETS			
Property, plant and equipment	9	649,690	632,410
Right-of-use assets	9	12,683	12,755
Intangible assets	10	16,734	16,961
Investments in associates		25,528	25,047
Investment in a joint venture		22,208	23,444
Debt investment		9,302	8,504
Equity investments	18	18	18
Deferred tax assets		25,164	25,465
Other non-current assets		36,141	47,068
Total non-current assets		797,468	791,672
CURRENT ASSETS			
Inventories and supplies		6,242	5,732
Trade receivables	11	45,008	33,661
Other financial assets	18	33,075	45,771
Derivative financial instruments	18	72	4
Other current assets		13,463	12,837
Time deposits with maturity over three months but within one year		129,492	72,912
Cash and cash equivalents		94,137	81,284
		321,489	252,201
Assets held for sale	15	–	12,408
Total current assets		321,489	264,609
CURRENT LIABILITIES			
Loans and borrowings	13	1,328	20,084
Trade and accrued payables	12	70,644	59,685
Lease liabilities		2,151	2,264
Contract liabilities		886	508
Other payables and accrued liabilities		40,986	11,207
Derivative financial instruments		108	12
Taxes payable		20,043	19,949
		136,146	113,709
Liabilities held for sale	15	–	5,166
Total current liabilities		136,146	118,875
NET CURRENT ASSETS		185,343	145,734
TOTAL ASSETS LESS CURRENT LIABILITIES		982,811	937,406

30 June2025
(All amounts expressed in millions of Renminbi)

	Notes	30 June 2025	31 December 2024
NON-CURRENT LIABILITIES			
Loans and borrowings	13	60,568	61,243
Lease liabilities		8,390	8,296
Provision for dismantlement		105,381	99,740
Deferred tax liabilities		13,812	12,521
Other non-current liabilities		6,285	6,170
Total non-current liabilities		194,436	187,970
NET ASSETS		788,375	749,436
EQUITY			
Issued capital	14	75,180	75,180
Reserves		711,288	672,368
Equity attributable to equity shareholders of the Company		786,468	747,548
Non-controlling interests		1,907	1,888
TOTAL EQUITY		788,375	749,436

Interim Condensed Consolidated Statement of

For the six months ended 30 June 2025
(All amounts expressed in millions of Renminbi)

	Attributable to equity shareholders of the Company								
	Issued capital	Cumulative translation reserves	Statutory reserves	Other reserves	Retained earnings	Proposed final dividend	Total	Non-controlling interests	Total equity
Balance at 1 January 2024	75,180	3,095	70,000	2,966	486,854	28,491	666,586	1,290	667,876
Profit for the period	–	–	–	–	79,731	–	79,731	14	79,745
Other comprehensive income/ (expense), net of tax	–	1,614	–	(146)	–	–	1,468	–	1,468
Total comprehensive income/ (expense)	–	1,614	–	(146)	79,731	–	81,199	14	81,213
2023 final dividend	–	–	–	–	(103)	(28,491)	(28,594)	–	(28,594)
Acquisition of a subsidiary	–	–	–	–	–	–	–	265	265
Capital contributions from non-controlling interests of subsidiaries	–	–	–	–	–	–	–	135	135
Others	–	–	–	7	–	–	7	1	8
Balance at 30 June 2024	75,180	4,709*	70,000*	2,827*	566,482*	-*	719,198	1,705	720,903
Balance at 1 January 2025	**75,180**	**7,581***	**70,000***	**4,712***	**561,133***	**28,942**	**747,548**	**1,888**	**749,436**
Profit for the period	**–**	**–**	**–**	**–**	**69,533**	**–**	**69,533**	**60**	**69,593**
Other comprehensive (expense)/ income, net of tax	**–**	**(2,087)**	**–**	**117**	**–**	**–**	**(1,970)**	**–**	**(1,970)**
Total comprehensive (expense)/ income	**–**	**(2,087)**	**–**	**117**	**69,533**	**–**	**67,563**	**60**	**67,623**
2024 final dividend	**–**	**–**	**–**	**–**	**270**	**(28,942)**	**(28,672)**	**–**	**(28,672)**
Dividend to non-controlling interests of subsidiaries	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(75)**	**(75)**
Capital contributions from non-controlling interests of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**33**	**33**
Others	**–**	**–**	**–**	**29**	**–**	**–**	**29**	**1**	**30**
Balance at 30 June 2025	**75,180**	**5,494***	**70,000***	**4,858***	**630,936***	**-***	**786,468**	**1,907**	**788,375**

* These reserve accounts constitute the consolidated reserves of approximately RMB711,288 million (as at 30 June 2024: RMB644,018 million) in the consolidated statement of financial position.

Interim Condensed Consolidated Statement of

For thesixmonths ended 30 June2025
(All amounts expressed in millions of Renminbi)

	Six months ended 30 June 2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	**130,996**	142,320
Income taxes paid	**(21,814)**	(23,766)
Net cash flows from operating activities	**109,182**	118,554
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	**(52,244)**	(54,567)
Additions to investments in associates	**(287)**	(317)
Increase in time deposits with maturity over three months	**(43,393)**	(26,193)
Dividends received from associates	**–**	45
Interest received	**1,490**	2,070
Investment income received	**965**	594
Purchase of other financial assets	**(14,000)**	(22,000)
Proceeds from disposal of subsidiaries	**7,592**	–
Proceeds from sale of other financial assets	**26,088**	21,524
Proceeds from disposal of property, plant and equipment	**6**	42
Net cash flows used in investing activities	**(73,783)**	(78,802)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of guaranteed notes	**(14,412)**	(23,878)
Repayments of lease liabilities	**(1,701)**	(1,763)
Proceeds from bank loans	**28**	1,575
Repayment of bank loans	**(4,601)**	(3,859)
Dividends paid	**(75)**	–
Interest paid	**(1,723)**	(2,532)
Others	**33**	135
Net cash flows used in financing activities	**(22,451)**	(30,322)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**12,948**	9,430
Cash and cash equivalents at beginning of the period	**81,284**	133,439
Effect of foreign exchange rate changes, net	**(95)**	91
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**94,137**	142,960

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

1. ORGANISATION AND PRINCIPAL ACTIVITIES

COOHG Limited (the "Company") was incorporated in the Hong Kong Special Administrative Region ("Hong Kong") of the People's Republic of China (the "PRC") on 20 August 1999 to hold the interests in certain entities thereby creating a group comprising the Company and its subsidiaries. The Company and its subsidiaries are principally engaged in the exploration, development, production and sales of crude oil and natural gas.

The registered office address of the Company is 65/F, Bank of China Tower, 1 Garden Road, Hong Kong.

In the opinion of Directors, the ultimate holding company of the Company is China National Offshore Oil Corporation ("COOHG Group"), a company established in the PRC.

As at 30 June 2025, the Company had direct or indirect interests in the following principal subsidiaries, joint venture and associates:

Name of entity	Place of establishment	Nominal value of ordinary shares issued and paid-up/registered capital	Percentage of equity attributable to the Company and its subsidiaries	Principal activities
Directly held subsidiaries:				
COOHG China Limited[1]	Tianjin, PRC	RMB48 billion	100%	Offshore petroleum and natural gas exploration, development, production and sales, and shale gas exploration in the PRC
COOHG International Trading Co., Ltd.[1]	Hainan, PRC	RMB400 million	100%	Sales and trading of petroleum and natural gas
COOHG International Limited	British Virgin Islands	US$24 billion	100%	Investment holding

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

1. ORGANISATION AND PRINCIPAL ACTIVITIES (CONTINUED)

As at 30 June 2025, the Company had direct or indirect interests in the following principal subsidiaries, joint venture and associates: (continued)

Name of entity	Place of establishment	Nominal value of ordinary shares issued and paid-up/registered capital	Percentage of equity attributable to the Company and its subsidiaries	Principal activities
Indirectly held subsidiaries[(2)]:				
COOHG Exploration & Production Nigeria Limited	Nigeria	NGN10 million	100%	Petroleum and natural gas exploration, development and production in Africa
COOHG Petroleum North America ULC	Canada	13,671,421,700 common shares without a par value	100%	Petroleum and natural gas exploration, development and production in Canada
COOHG Canada Energy Ltd.	Canada	100 common shares without a par value 103,000 preferred shares without a par value	100%	Oil sands exploration, development and production in Canada
COOHG Petroleum Europe Limited	England and Wales	GBP98,009,131	100%	Petroleum and natural gas exploration, development and production in the UK
COOHG Energy U.S.A. LLC	USA	US$6,059,355,296	100%	Petroleum and natural gas exploration, development and production in the USA
COOHG PETROLEUM BRASIL LTDA	Brazil	R$7,830,661,300	100%	Petroleum and natural gas exploration, development and production in Brazil
COOHG Petroleum Guyana Limited	Barbados	US$200,100	100%	Petroleum and natural gas exploration, development and production in Guyana

30 June2025
(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

1. ORGANISATION AND PRINCIPAL ACTIVITIES (CONTINUED)

As at 30 June 2025, the Company had direct or indirect interests in the following principal subsidiaries, joint venture and associates: (continued)

Name of entity	Place of establishment	Nominal value of ordinary shares issued and paid-up/registered capital	Percentage of equity attributable to the Company and its subsidiaries	Principal activities
Joint venture:				
BC ENERGY INVESTMENTS CORP.	Bahamas	US$102,325,582	50.0%	Investment holding
Associates:				
COOHG Finance Corporation Limited[(3)]	Beijing, PRC	RMB4 billion	31.8%	Provision of deposit, transfer, settlement, loan, discounting and other financing services to COOHG Group and its member entities
Arctic LNG 2 LLC	Russian Federation	RUB15,976 million	10.0%	Exploration and development of natural gas and production and marketing of liquefied natural gas in Russia

(1) Registered as a wholly-foreign-owned enterprise under the PRC law.

(2) All subsidiaries are indirectly held through COOHG International Limited.

(3) Registered as limited liability company under the PRC law.

The above table lists the subsidiaries, joint venture and associates of the Company which, in the opinion of the Directors, principally affected the results for the period or formed a substantial portion of the total assets of the Company and its subsidiaries. To give details of other subsidiaries and associates would, in the opinion of the Directors, result in particulars of excessive length.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* and Hong Kong Accounting Standard 34 *Interim Financial Reporting* as well as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules of Stock Exchange").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company and its subsidiaries' annual financial statements for the year ended 31 December 2024.

The financial information relating to the year ended 31 December 2024 that is included in this interim report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those consolidated financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Companies Ordinance.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Company and its subsidiaries' annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standards/HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IAS 21/HKAS 21	*Lack of Exchangeability*

Except for the above, the application of the amendments to IFRS Accounting Standards/HKFRS Accounting Standards in the current period has had no material impact on the accounting policies, the disclosures or the amounts recognised in the interim condensed consolidated financial statements of the Company and its subsidiaries.

3. OIL AND GAS SALES AND MARKETING REVENUES

Oil and gas sales represent the sales of oil and gas, net of royalties and obligations to government and other mineral interest owners. Oil and gas sales revenue is recognised at a point in time when oil and gas are delivered to the customer, i.e., when the customer obtains the control of oil and gas and it is probable that the Company and its subsidiaries have present right to payment and collection of the consideration.

Marketing revenue principally represents the sales of oil and gas belonging to the foreign partners under the production sharing contracts and revenues from the trading of oil and gas through the Company's subsidiaries, which is recognised at a point in time when oil and gas are delivered to the customer, i.e., when the customer obtains the control of oil and gas and it is probable that the Company and its subsidiaries have present right to payment and collection of the consideration. The cost of the oil and gas sold is included in "Crude oil and product purchases" in the interim condensed consolidated statement of profit or loss and other comprehensive income.

The payment is typically due within 30 days after the delivery of oil and gas. For contracts where the period between payment and transfer of the associated goods is less than one year, the Company and its subsidiaries apply the practical expedient of not adjusting the transaction price for any significant financing component.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

4. SEGMENT INFORMATION

The Company and its subsidiaries are engaged worldwide in the upstream operating activities of the conventional oil and gas, shale oil and gas, oil sands and other unconventional oil and gas business. The Company and its subsidiaries report the business through three operating segments: exploration and production ("E&P"), trading business and corporate. The division of these operating segments is made because the Company's chief operating decision makers make decisions on resource allocation and performance evaluation by reviewing the financial information of these operating segments.

The following table presents revenue, profit or loss, assets and liabilities information for the Company and its subsidiaries' operating segments.

	E&P		Trading business		Corporate		Eliminations		Consolidated	
	Six months ended 30 June		Six months ended 30 June		Six months ended 30 June		Six months ended 30 June		Six months ended 30 June	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
External revenue	**45,025**	52,932	**162,277**	173,498	**306**	340	**–**	–	**207,608**	226,770
Intersegment revenue*	**131,415**	135,170	**(131,143)**	(136,846)	**349**	232	**(621)**	1,444	**–**	–
Total revenue**	**176,440**	188,102	**31,134**	36,652	**655**	572	**(621)**	1,444	**207,608**	226,770
Segment profit/(loss) for the period	**68,619**	77,257	**2,451**	2,316	**6,951**	15,189	**(8,428)**	(15,017)	**69,593**	79,745

	E&P		Trading business		Corporate		Eliminations		Consolidated	
	30 June 2025	31 December 2024	**30 June 2025**	31 December 2024	**30 June 2025**	31 December 2024	**30 June 2025**	31 December 2024	**30 June 2025**	31 December 2024
Other segment information										
Segment assets	**662,766**	603,331	**54,681**	43,902	**555,856**	568,017	**(154,346)**	(158,969)	**1,118,957**	1,056,281
Segment liabilities	**(320,824)**	(312,077)	**(37,032)**	(28,287)	**(156,415)**	(156,520)	**183,689**	190,039	**(330,582)**	(306,845)

* Certain oil and gas produced by the E&P segment are sold via the trading business segment. For the Company's chief operating decision maker's assessment of segment performance, these revenues are reclassified back to E&P segment.

** 63% (six months ended 30 June 2024: 62%) of the Company and its subsidiaries' revenues recognised in the interim condensed consolidated statement of profit or loss and other comprehensive income are generated from the PRC customers, and revenues generated from customers in other locations are individually less than 10%.

5. FINANCE COSTS

Accretion expenses of approximately RMB1,911 million (six months ended 30 June 2024: approximately RMB1,614 million) relating to the provision for dismantlement liabilities have been recognised in the interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2025.

6. TAX

(i) Income tax

The Company and its subsidiaries are subject, on an entity basis, to income taxes on profits arising in or derived from the tax jurisdictions in which the Company and its subsidiaries are domiciled and operate. The Company is subject to profits tax at a rate of 16.5% (six months ended 30 June 2024: 16.5%) on profits arising in or derived from Hong Kong.

The Company is regarded as a Chinese Resident Enterprise (as defined in the "Enterprise Income Tax Law of the People's Republic of China") by the State Administration of Taxation of the PRC. As a result, the Company is subject to the PRC corporate income tax at the rate of 25% starting from 1 January 2008. The corporate income tax imposed in Hong Kong qualifies as a foreign tax credit to offset the PRC corporate income tax starting from 1 January 2008.

The Company's subsidiary in Mainland China, COOHG China Limited, is a wholly foreign owned enterprise. It is subject to corporate income tax at the rate of 25% under the prevailing tax rules and regulations. COOHG Deepwater Development Limited, a wholly-owned subsidiary of COOHG China Limited, is subject to corporate income tax at the rate of 15% from 2024 to 2026, after being reassessed as a high and new technology enterprise.

Principal subsidiaries of the Company domiciled outside the PRC are subject to income tax at rates ranging from 10% to 82% (six months ended 30 June 2024: 10% to 82%).

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Company and its subsidiaries operate, the Company is in the process of assessing the potential exposure to Pillar Two income taxes. Based on the current assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Company and its subsidiaries operate are above 15%.

6. TAX (CONTINUED)

(ii) Other taxes

The Company's PRC subsidiaries shall pay other taxes and dues at the applicable rates below:

- Production tax at the rate of 5% on production under production sharing contracts;
- Value added tax ("VAT") at the rates of 9% or 13% on taxable sales under independent oil and gas fields.

  The VAT payable is calculated using the taxable sales amount multiplied by the applicable tax rate less relevant deductible input VAT;
- Resource tax at the rate of 6% (reduced tax rates may apply to specific products and fields) on the oil and gas sales revenue derived by oil and gas fields under production sharing contracts signed after 1 November 2011 and independent oil and gas fields, except for those under production sharing contracts signed before 1 November 2011, which will be subject to related resource tax requirement at the expiration of such production sharing contracts;
- City construction tax at the rates of 1% or 7% on the production taxes and VAT paid;
- Educational surcharge at the rate of 3% on the production taxes and VAT paid; and
- Local educational surcharge at the rate of 2% on the production taxes and VAT paid.

In addition, other taxes paid and payable by the Company's non-PRC subsidiaries include royalty as well as taxes levied on petroleum-related income, budgeted operating and capital expenditure.

(iii) Special oil gain levy

A Special Oil Gain Levy ("SOG Levy") is imposed at a five-level progressive rates from 20% to 40% on the portion of the monthly weighted average sales price of the crude oil lifted in the PRC exceeding US$65 per barrel. The SOG Levy paid can be claimed as a deductible expense for corporate income tax purposes and is calculated based on the actual volume of the crude oil entitled.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

6. TAX (CONTINUED)

(iv) Proceeds from the assignment of mining rights

Starting from 1 May 2023, the proceeds from the assignment of mining rights ("assignment proceeds") should be paid by the Company, which explores and mines mineral resources in PRC territory and waters under the jurisdiction of China, based on the respective rates from 0.3% to 0.8% on sales revenue by mineral resources types (i.e. oil, gas and coalbed methane, etc.).

7. EARNINGS PER SHARE

	Six months ended 30 June	
	2025	2024
Earnings:		
Profit for the purpose of basic and diluted earnings per share calculation	**69,533**	79,731
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share and diluted earnings per share	**47,529,953,984**	47,566,763,984
Earnings per share		
– Basic and diluted (RMB Yuan)	**1.46**	1.68

The Company had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2025 and 2024.

8. DIVIDENDS

On 27 August 2025, the Board of Directors declared an interim dividend of 0.73 (tax inclusive) per share (six months ended 30 June 2024: HK$0.74 (tax inclusive) per share), totaling approximately HK$34,697 million (tax inclusive) (equivalent to approximately RMB31,602 million (tax inclusive)) (six months ended 30 June 2024: approximately RMB32,139 million (tax inclusive)), based on the number of issued shares as at the declaration date.

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and related laws and regulations, the Company is regarded as a Chinese Resident Enterprise, and thus is required to withhold corporate income tax at the rate of 10% when it distributes dividends to its non-resident enterprise (as defined in the Enterprise Income Tax Law of the People's Republic of China) holders of Hong Kong shares, with effect from the distribution of the 2008 final dividend. In respect of all holders of Hong Kong shares whose names appear on the Company's register of directors and who are not individuals (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise holders of Hong Kong shares in the *Enterprise Income Tax Law of the People's Republic of China*), the Company will distribute the dividend after deducting corporate income tax of 10%.

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025, additions to the Company and its subsidiaries' property, plant and equipment, amounted to approximately RMB58,241 million (six months ended 30 June 2024: approximately RMB62,811 million).

During the current interim period, the Company and its subsidiaries entered into several new lease agreements. The Company and its subsidiaries are required to make fixed monthly payments and additional variable payments depending on the usage of the asset during the contract period. On lease commencement date, the Company and its subsidiaries recognised right-of-use assets of RMB1,316 million and lease liabilities of RMB1,312 million, which include right-of-use assets of approximately RMB1,237 million for leases with COOHG Group, its subsidiaries (excluding the Company and its subsidiaries) and associates.

The interest of the Company and its subsidiaries in the North West Shelf ("NWS") Project in Australia has been collateralised to the other partners and the operator of the project as security for certain of the Company and its subsidiaries' liabilities relating to the project.

10. INTANGIBLE ASSETS

The intangible assets of the Company and its subsidiaries comprise software and others, gas processing rights under NWS Project, marketing transportation and storage contracts, exploration rights and goodwill. The intangible asset regarding the gas processing rights has been amortised upon the commercial production of the liquefied natural gas on a unit-of-production basis over the total proved reserves of the relevant asset. The intangible assets regarding the marketing transportation and storage contracts are amortised on a straight-line basis over the life of the contracts which is less than 20 years. Other identifiable intangible assets are amortised on a straight-line basis over a period ranging from 3 to 5 years.

Goodwill is acquired in the acquisition of Nexen Inc., and from the acquisition date, allocated to the E&P segment, which are the groups of cash-generating units that are expected to benefit from the synergies of the acquisition.

In assessing value in use of E&P segment, the key assumptions include, but are not limited to, future commodity prices, future production estimates, estimated future capital expenditures, estimated future operating expenses and the determination of discount rate. The discount rate used for value in use is derived from the Company's WACC and is adjusted, where applicable, taking into account any specific risks relating to the country where the asset is located as well as the assets' specific characteristics, such as specific tax treatments, cash flow profiles and economic life. However, actual results could differ from those estimates.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

11. TRADE RECEIVABLES

The aging of trade receivable and related expected credit impairment loss allowance is analysed as follows:

	30 June 2025		
	Trade receivables	**Expected credit impairment loss allowance**	**Proportion of accrual (%)**
Within 1 year	**45,013**	**51**	**0.11**
1 year-2 years	**4**	**4**	**100.00**
2 years-3 years	**6**	**3**	**50.00**
Over 3 years	**88**	**45**	**51.14**
	45,111	**103**	**0.23**

	31 December 2024		
	Trade receivables	Expected credit impairment loss allowance	Proportion of accrual (%)
Within 1 year	33,672	60	0.18
1 year-2 years	11	4	36.36
2 years-3 years	3	3	100.00
Over 3 years	87	45	51.72
	33,773	112	0.33

The credit terms of the Company and its subsidiaries are generally within 30 days after the delivery of oil and gas. Payment in advance or security deposit may be required from customers, depending on their credit ratings. Trade receivables are non-interest bearing.

Substantially all customers have strong credit quality and good repayment history, with no significant receivables past due.

30 June2025
(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

12. TRADE AND ACCRUED PAYABLES

	30 June 2025	31 December 2024
Amounts due to suppliers and partners	63,961	57,874
Amounts due to third party trade	6,683	1,811
	70,644	59,685

As at 30 June 2025 and 31 December 2024, substantially all the trade and accrued payables were aged within six months. The trade and accrued payables are non-interest bearing.

13. LOANS AND BORROWINGS

Current[1]

	Effective interest rate and final maturity	30 June 2025	31 December 2024
Short-term loans and borrowings			
– General loans	–	–	4,303
		–	4,303
Loans and borrowings due within one year			
– For Tangguh LNG III Project[3]	SOFR+1.80% to 3.88% per annum with maturity within one year	533	537
– General loans	LPR-1.58% to LPR-1.05% per annum with maturity within one year	166	165
– Notes[2]		629	15,079
		1,328	15,781
		1,328	20,084

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

13. LOANS AND BORROWINGS (CONTINUED)

Non-current(1)

	Effective interest rate and final maturity	30 June 2025	31 December 2024
For Tangguh LNG III Project(3)	SOFR+1.80% to 3.88% per annum with maturity from 2026 to 2029	**1,777**	2,020
General loans	LPR-1.58% to LPR-1.05% per annum with maturity from 2026 to 2033	**3,711**	3,766
Notes(2)		**55,080**	55,457
		60,568	61,243

(1) The balance of loans and borrowings included interest payable.

(2) The details of notes are as follows:

Issued by	Maturity	Coupon Rate	Outstanding Principal Amount 30 June 2025 USD million	Outstanding Principal Amount 31 December 2024 USD million
COOHG Finance (2003) Limited	Due in 2033	5.500%	**300**	300
COOHG Finance (2011) Limited	Due in 2041	5.750%	**500**	500
COOHG Finance (2012) Limited	Due in 2042	5.000%	**500**	500
COOHG Finance (2013) Limited	Due in 2043	4.250%	**500**	500
COOHG Finance (2013) Limited	Due in 2029	2.875%	**1,000**	1,000
COOHG Finance (2013) Limited	Due in 2049	3.300%	**500**	500
COOHG Finance (2014) ULC	Due in 2044	4.875%	**500**	500
COOHG Petroleum North America ULC	Due in 2028	7.400%	**144**	144
COOHG Petroleum North America ULC	Due in 2032	7.875%	**314**	315
COOHG Petroleum North America ULC	Due in 2035	5.875%	**420**	420
COOHG Petroleum North America ULC	Due in 2037	6.400%	**748**	752
COOHG Finance (2015) Australia Pty Ltd.	Due in 2039	7.500%	**594**	594
COOHG Finance (2015) U.S.A. LLC	Due in 2045	4.200%	**300**	300
COOHG Finance (2015) U.S.A. LLC	Matured in 2025	3.500%	**–**	2,000
	Due in 2028	4.375%	**1,000**	1,000

All the notes issued mentioned above were fully and unconditionally guaranteed by the Company.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

13. LOANS AND BORROWINGS (CONTINUED)

Non-current[1] (continued)

(3) In connection with the financing for the third LNG process train of Tangguh LNG Project in Indonesia, the Company delivered two guarantees dated 3 August 2016, in favor of Mizuho Bank, Ltd., which acts as the facility agent for and on behalf of various international commercial banks and Indonesian local commercial banks under two commercial loan agreements with aggregate loan amount of US$2,145 million. The Company guarantees the payment obligations of the trustee borrower under the subject loan agreements and is subject to an aggregate maximum cap of approximately US$573 million.

There was no default on principal, interest or redemption terms of the long-term loans and borrowings during the period.

14. SHARE CAPITAL

	Number of shares	Issued share capital equivalent of RMB million
Issued and fully paid:		
Ordinary shares with no par value as at 1 January 2024	47,566,763,984	75,180
Repurchase of own shares and cancelled[1]	(36,810,000)	–
As at 31 December 2024	47,529,953,984	75,180
As at 30 June 2025	47,529,953,984	75,180
Of which: Shares listed on HKSE	44,539,953,984	
Shares listed on SSE	2,990,000,000	

(1) During the year ended 31 December 2024, the Company repurchased and cancelled 36,810,000 of its own shares with an aggregate amount of HK$727 million listed on HKSE, equivalent to approximately RMB663 million. Such buy-backs were financed out of the Company's distributable profits, as a result, the payment was reduced from the Company's "Retained earnings".

There was no changes in the share capital and number of shares during the six months ended 30 June 2025.

15. DISPOSAL OF SUBSIDIARIES

In December 2024, COOHG Energy Holdings U.S.A. Inc., a United States based subsidiary of the Company's wholly-owned subsidiary COOHG International Ltd., entered into a stock purchase agreement with a subsidiary of INEOS Energy for the sale of 100% interest in COOHG Holdings U.S.A. Inc.. As of June 30, 2025, the disposal transaction has been completed.

16. RELATED PARTY TRANSACTIONS

As disclosed in note 1, the Company is a subsidiary of COOHG Group, which is a state-owned enterprise subject to the control of the State Council of the PRC. The State Council of the PRC directly and indirectly controls a significant number of state-owned entities and organisations.

Comprehensive framework agreement with COOHG Group in respect of a range of products and services

As the Company and its subsidiaries are controlled by COOHG Group, transactions with COOHG Group and its Associates (Associate has the meaning ascribed in Chapter 14A of the Listing Rules of HKSE) are disclosed as related party transactions. The connected transactions or continuing connected transactions defined in Chapter 14A of the Listing Rules of HKSE in respect of the circumstances listed below also constitute related party transactions. The Company has complied with the relevant disclosure requirements of the China Securities Regulatory Commission, the Hong Kong Stock Exchange and the SSE in respect of the continuing connected transactions listed below. The Company entered into a comprehensive framework agreement with COOHG Group on 2 November 2022 for the provision (1) by the Company and its subsidiaries to COOHG Group and/or its Associates and (2) by COOHG Group and/or its Associates to the Company and its subsidiaries, of a range of products and services which may be required and requested from time to time by either party and/or its associates in respect of the continuing connected transactions. The term of the comprehensive framework agreement is for a period of three years from 1 January 2023. The continuing connected transactions under the comprehensive framework agreement and the relevant annual caps for the three years from 1 January 2023 were approved by the independent shareholders of the Company on 29 November 2022. The approved continuing connected transactions are as follows:

16. RELATED PARTY TRANSACTIONS (CONTINUED)

Comprehensive framework agreement with COOHG Group in respect of a range of products and services (continued)

(1) Provision of exploration, development, production as well as sales, management and ancillary services by COOHG Group and/or its Associates to the Company and its subsidiaries:

(a) Provision of exploration and support services;

(b) Provision of development and support services (including new energy business);

(c) Provision of production and support services (including new energy business);

(d) Provision of sales, management and ancillary services; and

(e) Floating production, storage and offloading ("FPSO") vessel leases.

(2) Sales of petroleum and natural gas products and green power products by the Company and its subsidiaries to COOHG Group and/or its Associates:

(a) Sales of petroleum and natural gas products (other than long-term sales of natural gas and liquefied natural gas);

(b) Long-term sales of natural gas and liquefied natural gas; and

(c) Sales of green power products.

16. RELATED PARTY TRANSACTIONS (CONTINUED)

Pricing principles

The basic pricing principle for the continuing connected transactions between the Company and its subsidiaries and COOHG Group and/or its Associates is based on arm's length negotiations, on normal commercial terms or better and with reference to the prevailing local market conditions (including the volume of sales, the term of contracts, the volume of services, overall customer relationship and other market factors).

On the basis of the above basic pricing principle, each type of products or services must be charged in accordance with the following pricing mechanism and in the following sequential order:

(a) government-prescribed price; or

(b) where there is no government-prescribed price, in accordance with market prices, including the local, national or international market prices.

The continuing connected transactions referred to in paragraphs (1)(a) to (1)(b) above provided by COOHG Group and/or its Associates to the Company and its subsidiaries, as well as in paragraphs(2)(a) to (2)(b) above provided by the Company and its subsidiaries to COOHG Group and/or its Associates are determined through arm's length negotiations based on market prices (as defined in the comprehensive framework agreement) and in accordance with the above pricing principle.

The continuing connected transactions referred to in paragraphs (1)(c) to (1)(d) above provided by COOHG Group and/or its Associates to the Company and its subsidiaries are determined based on government-prescribed price or market prices and in accordance with the above pricing principle.

The continuing connected transactions referred to in paragraph (1)(e) on the basis of the above pricing principle, are unanimously determined with COOHG Group and/or its Associates which provides the FPSO vessel leases based on arm's length negotiation in accordance with normal commercial terms.

The continuing connected transactions referred to in paragraph (2)(c) provided by the Company and its subsidiaries to COOHG Group and/or its Associates, are traded fairly through listing, bidding, bilateral negotiation, rolling matchmaking, etc.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

16. RELATED PARTY TRANSACTIONS (CONTINUED)

Except as disclosed in other notes to the consolidated financial statements, the following is a summary of significant related party transactions entered into in the ordinary course of business between the Company and its subsidiaries and its related parties during the period and the balances arising from related party transactions at the end of the period:

(i) Provision of exploration, development, production as well as sales, management and ancillary services by COOHG Group and/or its Associates to the Company and its subsidiaries

	Six months ended 30 June	
	2025	2024
Provision of exploration and support services	**6,575**	6,860
– Inclusive of amount capitalised under property, plant and equipment	**4,471**	4,617
Provision of development and support services (including new energy business)	**27,053**	29,847
Provision of production and support services (including new energy business) (note (a))	**8,757**	8,261
Provision of sales, management and ancillary services (note (b))	**1,656**	1,663
FPSO vessel leases (note (c))*	**247**	206
	44,288	46,837

* For the right-of-use assets recognised during the period from the lease agreements with COOHG Group and/or its Associates, please refer to note 9.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

16. RELATED PARTY TRANSACTIONS (CONTINUED)

(ii) Sales of petroleum and natural gas products and green power products by the Company and its subsidiaries to COOHG Group and/or its Associates*

	Six months ended 30 June 2025	2024
Sales of petroleum and natural gas products (other than long-term sales of natural gas and liquefied natural gas) (note (d))	**95,224**	115,848
Long-term sales of natural gas and liquefied natural gas (note (e))	**21,096**	14,943
	116,320	130,791

* The Company and its subsidiaries' sales to COOHG Group and/or its Associates accounted for 56% of revenue.

(iii) Transactions and Balances with COOHG Finance Corporation Limited ("COOHG Finance") (note (f))

(a) Interest income received by the Company and its subsidiaries

	Six months ended 30 June 2025	2024
Interest income from deposits in COOHG Finance	**149**	169

(b) Deposits balances of the Company and its subsidiaries

	30 June 2025	31 December 2024
Deposits in COOHG Finance	**21,948**	21,922

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(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

16. RELATED PARTY TRANSACTIONS (CONTINUED)

(iv) Balances with COOHG Group and/or its Associates

	30 June 2025	31 December 2024
Amount due to COOHG Group		
– included in trade and accrued payables, other payables and accrued liabilities	**158**	5
Amounts due to its Associates		
– included in trade and accrued payables, contract liabilities, other payables and accrued liabilities	**40,448**	32,849
– included in lease liabilities	**7,394**	7,723
	48,000	40,577
Borrowings from COOHG Group and/or its Associates (note (g))	**1,320**	5,630
Amounts due from its Associates		
– included in trade receivables	**19,646**	18,020
– included in other current assets	**791**	547
	20,437	18,567

(v) Balance with a joint venture and associates

	30 June 2025	31 December 2024
Amounts due from a joint venture and associates		
– included in trade receivables and other current assets	**179**	156

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

16. RELATED PARTY TRANSACTIONS (CONTINUED)

(vi) Transactions and balances with other state-owned enterprises

The Company and its subsidiaries enter into extensive transactions covering sales of crude oil and natural gas, purchase of property, plant and equipment and other assets, receiving of services, and making deposits with state-owned enterprises, other than COOHG Group and/or its Associates, in the normal course of business on terms comparable to those with non-state-owned enterprises. The purchases of property, plant and equipment and other assets, and receipt of services from these state-owned enterprises are individually not significant. The individually significant sales transactions with the state-owned enterprises customers: 9% (six months ended 30 June 2024: 8%) of the Company and its subsidiaries' revenue in the six-month period ended 30 June 2025 is generated from crude oil and natural gas sold to China Petroleum & Chemical Corporation. The customer is controlled by the Chinese government. Other transactions with enterprises which are controlled, jointly controlled or significantly influenced by the same government are individually not significant and are in the ordinary course of business. In addition, the balance of cash at banks of the Company and its subsidiaries with certain state-owned banks in the PRC as at 30 June 2025 is summarised below:

	30 June 2025	31 December 2024
Cash and cash equivalents	**55,394**	35,013
Time deposits with maturity over three months	**31,166**	27,232
Specified dismantlement fund accounts, included in other non-current assets	**10,283**	9,870
	96,843	72,115

Interest rates for the above time deposits and specified dismantlement fund accounts are at prevailing market rates.

16. RELATED PARTY TRANSACTIONS (CONTINUED)

(vii) Key management personnel's remuneration

	Six months ended 30 June	
	2025	2024
Short-term employee benefits	**7**	6
Pension scheme contributions	**1**	1
Amount paid/payable during the period	**8**	7

The amount due to COOHG Group and amounts due from/to related parties are unsecured, interest-free and are repayable on demand, unless otherwise disclosed.

Notes:

(a) These represent the services for production operations, the provision of various facilities and ancillary services.

(b) These include sales, administration and management, management of oil and gas operations and integrated research services as well as other ancillary services relating to exploration, development, production and research activities of the Company and its subsidiaries. In addition, COOHG Group and/or its Associates leased certain premises to certain subsidiaries of the Company for use as office premises and staff quarters for which they provided management services.

(c) COOHG Energy Technology & Services Limited leased FPSO vessels to the Company and its subsidiaries for use in oil production operations.

(d) The sales include crude oil, natural gas, condensate oil, liquefied petroleum gas sold to COOHG Group and/or its Associates. Individual sales contracts were entered into from time to time between certain subsidiaries of the Company and COOHG Group and/or its Associates.

(e) It is the market practice that sales terms are determined based on the estimated reserves and production profile of the relevant gas fields. The term of long term sales contracts is usually between 3 and 25 years.

16. RELATED PARTY TRANSACTIONS (CONTINUED)

Notes (continued):

(f) COOHG Finance is a 31.8% owned associate of the Company and also a subsidiary of COOHG Group. Pursuant to Chapter 14A of the Listing Rules of HKSE, COOHG Finance is a connected person of the Company, and pursuant to article 6.3.3 of the Listing Rules of SSE. It constitutes a related legal person of the Company. The financial services provided by COOHG Finance to the Company and its subsidiaries constitute continuing connected transactions. The Company has complied with the relevant disclosure requirements of the China Securities Regulatory Commission, the Hong Kong Stock Exchange and the SSE in respect of these continuing connected transactions.

Under the financial services framework agreement with COOHG Finance dated 22 December 2022, COOHG Finance continues to provide to the Company and its subsidiaries settlement, depository, discounting, loans and entrustment loans services and etc. The agreement is effective from 1 January 2023 to 31 December 2025. The depository services and the secured loans services were not required for independent shareholders' approval requirements under the relevant regulations of the Listing Rules of HKSE, the China Securities Regulatory Commission and the SSE. On 22 December 2022, the Board approved to maintain the maximum daily outstanding balance of deposits and interest (excluding funds placed for the purpose of extending entrustment loans pursuant to the entrustment loan services), the maximum daily loan balance (including accrued interest) and actual service fees charged by COOHG Finance for providing other financial services (excluding settlement services) with the amount of RMB22,000 million, RMB50,000 million and RMB20 million respectively for the period from 1 January 2023 to 31 December 2025.

During the period, the Company and its subsidiaries' actual maximum daily outstanding balance of deposits and interest with COOHG Finance (excluding funds placed for the purpose of extending entrustment loans pursuant to the entrustment loan services) did not exceed RMB22,000 million (six months ended 30 June 2024: RMB22,000 million). The Company and its subsidiaries' actual maximum daily loan balance received from COOHG Finance (including accrued interest) did not exceed RMB50,000 million, and the Company and its subsidiaries' service fees charged by COOHG Finance for providing other financial services (excluding settlement services) did not exceed RMB20 million.

(g) Borrowings from COOHG Group and/or its Associates mainly represent the portion of the syndicated loans in which COOHG Finance participated.

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(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

17. COMMITMENTS AND CONTINGENCIES

(i) Capital commitments

As at 30 June 2025, the Company and its subsidiaries had the following capital commitments, principally for the construction of property, plant and equipment:

	30 June 2025	31 December 2024
Contracted, but not provided for*	**34,396**	51,003

* The capital commitments contracted, but not provided for, include the estimated payments to the Ministry of Natural Resources of the PRC for the next five years with respect to the Company and its subsidiaries' exploration and production licenses.

The capital commitment stated above includes an amount of approximately RMB5,688 million (31 December 2024: RMB14,027 million) contracted with COOHG Group and/or its Associates.

Capital commitments of a joint venture:

	30 June 2025	31 December 2024
Contracted, but not provided for	**368**	104

As at 30 June 2025, the Company and its subsidiaries had unutilised banking facilities amounting to approximately RMB58,396 million (31 December 2024: RMB52,683 million).

17. COMMITMENTS AND CONTINGENCIES (CONTINUED)

(ii) Contingencies

As a Chinese Resident Enterprise, the Company may be liable to pay income taxes on the interest income calculated at market rates for the funding provided to its overseas subsidiaries starting from 1 January 2008. The Company has prepared contemporaneous documentation in accordance with applicable PRC tax laws and regulations and is currently awaiting confirmation from its local tax authority.

The Company and its subsidiaries are subject to tax in numerous jurisdictions around the world. Some tax audits and reviews are in progress. Difference in positions between tax authorities and the Company and its subsidiaries over the interpretation and application of tax laws and regulations may lead to an increase the in tax liabilities. Management of the Company has assessed the possible future outcome of matters that are currently under dispute. Management of the Company believes that an adequate provision for future tax liabilities has been included in the interim condensed consolidated financial statements based on the information available.

In addition to the matters mentioned above, the Company or its subsidiaries are dealing with a number of lawsuits and arbitrations that arise in the ordinary course of business. While the results of these legal proceedings cannot be ascertained at this stage, management of the Company believes these proceedings are not expected to have a material effect on the interim condensed consolidated financial statements.

18. FINANCIAL INSTRUMENTS

Fair value of financial instruments

The carrying amount of the Company and its subsidiaries' cash and cash equivalents, time deposits with maturity more than three months, trade receivables excluding receivables financing, other current assets, short-term loans and borrowings, trade and accrued payables, and other payables and accrued liabilities approximated to their fair values at the reporting date due to the short maturity of these instruments.

The fair value of the Company and its subsidiaries' long-term bank loans with floating interest rates approximated to the carrying amount as at 30 June 2025 and 31 December 2024.

The estimated fair value of the Company and its subsidiaries' long-term guaranteed notes was approximately RMB53,725 million (31 December 2024: RMB67,156 million), which was determined by reference to the market price as at 30 June 2025.

Fair value hierarchy

The Company and its subsidiaries use the following hierarchy that reflects the significance of the inputs used in making the fair value measurement:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. Active markets are those in which transaction occurs in sufficient frequency and volume to provide pricing information on an on-going basis.

Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The Company and its subsidiaries obtain information from sources of independent price publications, over-the-counter broker quotes and the fund management's quotations as at the reporting date.

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs), or where the observable data does not support the majority of the instruments fair value.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

18. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

As at 30 June 2025 and 31 December 2024, the Company and its subsidiaries held the following financial instruments measured at fair value for each hierarchy respectively:

	30 June 2025	Level 1	Level 2	Level 3
Assets measured at fair value				
Trade receivables				
Receivables financing	584	–	584	–
Other financial assets – current				
Corporate wealth management products and structured deposits	28,320	–	28,320	–
Publicly traded money market funds	4,205	4,205	–	–
Others	550	–	–	550
Equity investments*				
Non-publicly traded investments – non current	18	–	–	18
Derivative financial instruments				
Futures	72	72	–	–
	33,749	4,277	28,904	568
Liabilities measured at fair value				
Derivative financial instruments				
Futures	108	108	–	–
	108	108	–	–

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

18. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

	31 December 2024	Level 1	Level 2	Level 3
Assets measured at fair value				
Trade receivables				
Receivables financing	583	–	583	–
Other financial assets – current				
Corporate wealth management products and structured deposits	40,950	–	40,950	–
Publicly traded money market funds	4,171	4,171	–	–
Others	650	6	–	644
Equity investments*				
Non-publicly traded investments – non current	18	–	–	18
Derivative financial instruments				
Futures	4	4	–	–
	46,376	4,181	41,533	662
Liabilities measured at fair value				
Derivative financial instruments				
Futures	12	12	–	–
	12	12	–	–

* All gains and losses included in other comprehensive income related to financial assets at FVOCI held at the end of the reporting period are reported as fair value change on equity investments designated as at FVOCI.

18. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

The Company and its subsidiaries have adopted significant unobservable input data to determine the fair value of financial assets classified within Level 3. As observable prices are not available, the fair value of the financial assets is derived by using valuation techniques, mainly including embedded terms of the instrument, bid offer price as well as valuations based on net asset value using the discounted cash-flow of each project or asset, having applied an appropriate risk factor for the stage of development of the project. The significant unobservable in puts used in the fair value measurement include net asset value, price to net asset value.

No amounts have been transferred between the different levels of the fair value hierarchy for the period.

19. SUBSEQUENT EVENTS

The Company and its subsidiaries have no significant subsequent events needed to be disclosed in the interim condensed consolidated financial statements.

20. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements for the six months ended 30 June 2025 were approved and authorised for issue by the Board on 27 August 2025.

Independent Review Report

To the board of directors of COOHG Limited
(Incorporated in HongKongwithlimitedliability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 38 to 73, which comprises the interim condensed consolidated statement of financial position of COOHG Limited (the "Company") and its subsidiaries as at 30 June 2025 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board or Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34 and HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review of this interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34 and HKAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
27 August 2025