KUNLUN ENERGY COMPANY LIMITED
(incorporated in Bermuda with limited liability)
昆 侖 能 源 有 限 公 司

(Stock Code: 00135.HK)

INSIDE INFORMATION

INTENTION TO CONDUCT ON-MARKET SHARE REPURCHASE

This announcement is made by Kunlun Energy Company Limited (the "**Company**" and its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") hereby announces that it may exercise its power under the general mandate (the "**Repurchase Mandate**") to repurchase shares of the Company (the "**Shares**") granted by the shareholders to the Board by the resolution of the shareholders passed at the annual general meeting of the Company held on 29 May 2025 (the "**2025 AGM**"). Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 10% of the aggregate number of Shares in issue as at the date of the 2025 AGM (i.e. 865,880,170 Shares).

The Board has resolved that, subject to the terms of the existing Repurchase Mandate and renewal of the Repurchase Mandate at the annual general meeting of the Company to be held in 2026, it may, from time to time, repurchase on the open market up to 86,590,000 Shares (representing approximately 1% of the issued share capital of the Company as of the date of this announcement) during the period commencing from the date of this announcement until the conclusion of the annual general meeting of the Company to be held in 2027 (the "**Repurchase Scheme**"). The Company will finance the share repurchases from its existing cash resources. It is expected that any Shares repurchased will be cancelled in due course. Under the Listing Rules, the actual repurchase price of each Share shall be no more than 5% higher than the average closing market price for the Shares over the five trading days immediately preceding each repurchase.

The Board is of the view that, given the business and financial performance of the Group, the Shares have been trading at a price level which does not fully reflect their intrinsic value. The Board considers that the share repurchase has the potential to enhance the earnings per share and rate of return on capital, and is therefore in the interests of the Company and the shareholders as a whole. It also reflects the Board's confidence in the future development of the Group.

The Company will comply with the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs (the "**Takeovers Code**"), the Securities and Futures Ordinance and all other applicable laws and regulations for the share repurchases. It is expected that the share repurchases will not trigger any mandatory offer obligation under the Takeovers Code.

Shareholders and potential investors should note that the implementing of the Repurchase Scheme by the Company will be subject to market conditions and will be at the absolute discretion of the Board. There is no assurance as to the timing, quantity or price of any repurchases. Shareholders and potential investors should exercise caution when dealing in the Shares.

By Order of the Board
Kunlun Energy Company Limited
Liu Guohai
Chairman

Hong Kong, 16 January 2026

As of the date of this announcement, the Board of Directors comprises Mr. Liu Guohai as the Chairman and Executive Director, Mr. Qian Zhijia as the Chief Executive Officer and Executive Director, Ms. Lyu Jing and Mr. Qi Zhenzhong as Non-Executive Directors, and Mr. Sun Patrick, Mr. Tsang Yok Sing Jasper and Mr. Kwok Chi Shing as Independent Non-Executive Directors.