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*The communication of this announcement and any other document or materials relating to the issue of the Notes offered hereby is not being made, and such documents and/or materials have not been approved, by an authorized person for the purposes of section 21 of the United Kingdom's Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom who have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), or who fall within Article 49(2)(a) to (d) of the Financial Promotion Order, or who are any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). In the United Kingdom, the Notes offered hereby are only available to, and any investment or investment activity to which this announcement relates will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this announcement or any of its contents.*

中油燃氣集團有限公司*

CHINA OIL AND GAS GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 603)

ISSUANCE OF US$300,000,000 7.0% SENIOR NOTES DUE 2029

Reference is made to the announcement of the Company dated 19 January 2026 in respect of the Notes Issue.

* *For identification only*

On 27 January 2026, the Company and the Subsidiary Guarantors entered into the Purchase Agreement with HSBC, Morgan Stanley and UBS in connection with the Notes Issue.

The Company intends to use the net proceeds from the Notes Issue to fund the Concurrent Offer to Purchase, and for general corporate purposes.

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the Notes on the SGX-ST. Approval in-principle, admission to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company or the Notes. The SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Notes has been sought in Hong Kong.

Reference is made to the announcement of the Company dated 19 January 2026 in respect of the Notes Issue. The Board is pleased to announce that on 27 January 2026, the Company, together with the Subsidiary Guarantors, entered into the Purchase Agreement with HSBC, Morgan Stanley and UBS in connection with the Notes Issue.

THE PURCHASE AGREEMENT

Date: 27 January 2026

Parties to the Purchase Agreement

a) the Company;

b) the Subsidiary Guarantors; and

c) HSBC, Morgan Stanley and UBS as initial purchasers.

HSBC, Morgan Stanley and UBS are the joint global coordinators, joint bookrunners and joint lead managers in respect of the offer and sale of the Notes. They are also the initial purchasers of the Notes.

No PRIIPs key information document (KID) has been prepared as distribution to retail is prohibited in the European Economic Area.

No PRIIPs key information document (KID) has been prepared as not available to retail in the United Kingdom.

The Notes have not been, and will not be, registered under the U.S. Securities Act. The Notes will only be offered outside the United States in compliance with Regulation S under the U.S. Securities Act. None of the Notes will be offered to the public in Hong Kong or be placed to any connected person of the Company.

Principal terms of the Notes

The following is a summary of certain provisions of the Notes and the Indenture. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of the Indenture, the Notes and the Subsidiary Guarantees provided by the Subsidiary Guarantors.

Notes Offered

Subject to certain conditions to completion, the Company will issue the Notes in the aggregate principal amount of US$300 million. The Notes will mature on 4 February 2029, unless earlier redeemed in accordance with the terms thereof.

Offering Price

The offering price of the Notes will be 99.337% of the principal amount of the Notes.

Interest

The Notes will bear interest at a rate of 7.0% per annum, payable semi-annually in arrears on 4 February and 4 August of each year, commencing on 4 August 2026.

Ranking of the Notes

The Notes are (1) general obligations of the Company; (2) senior in right of payment to any existing and future obligations of the Company expressly subordinated in right of payment to the Notes; (3) at least *pari passu* in right of payment with the 2021 Notes and all other unsecured, unsubordinated indebtedness of the Company (subject to any priority rights of such unsecured, unsubordinated indebtedness pursuant to applicable law); (4) guaranteed by the Subsidiary Guarantors on a senior basis, subject to certain limitations; (5) effectively subordinated to all existing and future obligations of the subsidiaries of the Company which are not the Subsidiary Guarantors; and (6) effectively subordinated to all existing and future secured obligations of the Company and the Subsidiary Guarantors to the extent of the value of the collateral securing such obligations (other than the collateral securing the Notes).

Events of default

The events of default under the Notes include, among others: (a) default in the payment of principal of (or premium, if any, on) the Notes when the same becomes due and payable at maturity, upon acceleration, redemption or otherwise; (b) default in the payment of interest or additional amounts on any Note when the same becomes due and payable, and such default continues for a period of 30 consecutive days; (c) default in the performance or breach of the provisions of certain covenants, the failure by the Company to make or consummate an offer to purchase, or the failure by the Company to create, or cause certain of its subsidiaries to create, a first-priority lien on the collateral under the Indenture; (d) default by the Company or certain of its subsidiaries in the performance of or breaches of any other covenant or agreement in the Indenture, any security document contemplated under the Notes or under the Notes (other than a default specified in (a), (b) or (c) above or (j) below) and such default or breach continues for a period of 30 consecutive days after written notice by the trustee for the Notes or the holders of 25% or more in aggregate principal amount of the Notes; (e) default by the Company or certain of its subsidiaries in the repayment of indebtedness having, in the aggregate, an outstanding principal amount of US$30.0 million or more; (f) one or more final judgments or orders for the payment of money are rendered against the Company or certain of its subsidiaries and are not paid or discharged for a period of 60 consecutive days and in an aggregate amount exceeding US$30.0 million; (g) certain involuntary bankruptcy or insolvency proceedings against the Company or certain of its subsidiaries, and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; (h) the Company or certain of its subsidiaries commencing voluntary bankruptcy or insolvency proceedings, consenting to such similar action or effecting any general assignment for the benefit of creditors; (i) any Subsidiary Guarantor denying or disaffirming its obligations under its Subsidiary Guarantee or, except as permitted by the Indenture, any Subsidiary Guarantee being determined to be unenforceable or invalid or for any reason ceasing to be in full force and effect; (j) any default by the Company or any Subsidiary Guarantor Pledgor in the performance of any of its obligations under the relevant security documents contemplated under the Notes, which adversely affects the enforceability, validity, perfection or priority of the applicable lien on the collateral securing the Notes or which adversely affects the condition or value of the collateral securing the Notes; or (k) the Company or any Subsidiary Guarantor Pledgor denying or disaffirming its obligations under the relevant security documents or, other than in accordance with the Indenture and the relevant security documents provided under the Notes, any such relevant security document ceasing to be or is not in full force and effect, or the collateral agent ceasing to have a first priority lien over the collateral securing the Notes. If an event of default (other than an event of default specified in (g) and (h) above) occurs and is continuing under the Indenture, the trustee or the holders of at least 25% in aggregate principal amount of the Notes then outstanding may, by written notice to the Company, declare the principal of, premium, if any, and accrued and unpaid interest on the Notes to be immediately due and payable.

Covenants

The Notes, the Indenture and the Subsidiary Guarantees will limit the Company's ability and the ability of certain of its subsidiaries to, among other things:

(a) incur or guarantee additional indebtedness;

(b) declare dividends on its capital stock or purchase or redeem capital stock;

(c) make investments or other specified restricted payments;

(d) issue or sell capital stock of certain of its subsidiaries;

(e) guarantee indebtedness of the Company or certain of its subsidiaries;

(f) enter into, renew or extend transactions with shareholders or affiliates;

(g) create liens;

(h) enter into sale and leaseback transactions; and

(i) sell assets.

Optional Redemption

The Notes may be redeemed in the following circumstances:

(1) On or after 4 February 2028, the Company may on any one or more occasions redeem all or any part of the Notes, at a redemption price equal to 103.5% of the principal amount of the Notes, plus accrued and unpaid interest, if any, on the Notes redeemed, to (but not including) the redemption date, subject to the rights of holders of Notes on the relevant record date to receive interest on the relevant interest payment date.

(2) At any time prior to 4 February 2028, the Company may at its option redeem the Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus an applicable premium (as set forth in the Indenture) as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

(3) At any time and from time to time prior to 4 February 2028, the Company may redeem up to 35% of the aggregate principal amount of the Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 107.0% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

The Company will give not less than 15 days' nor more than 60 days' notice of any redemption.

Reasons for the Notes Issue

The Company intends to use the net proceeds from the Notes Issue to fund the Concurrent Offer to Purchase, and for general corporate purposes.

Listing

Approval in-principle has been obtained from the SGX-ST for the listing and quotation of the Notes on the Official List of the SGX-ST. Approval in-principle from, admission of the Notes to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company or the Notes. The SGX-ST assumes no responsibility for the contents of this announcement. No listing of the Notes has been sought in Hong Kong.

CONCURRENT OFFER TO PURCHASE

Reference is also made to the OTP Launch Announcement. Unless otherwise defined in this announcement, capitalized terms in this subsection entitled "*Concurrent Offer to Purchase*" shall have the same meanings assigned to such terms in the OTP Launch Announcement.

The Maximum Acceptance Amount of the 2021 Notes is expected to be the lower of US$361 million, the outstanding principal amount of the 2021 Notes, and the principal amount of the Notes Issue, provided that the Company reserves the right, in its sole discretion, to accept significantly more than or significantly less than such amount, or to accept none of such 2021 Notes, for purchase pursuant to the Concurrent Offer to Purchase.

An Eligible Holder that wishes to tender its 2021 Notes for purchase pursuant to the Concurrent Offer to Purchase in addition to subscribing for Notes may receive (at the Company's sole and absolute discretion) the Priority of Acceptance in the Concurrent Offer to Purchase through the use of an Investor Code, subject to conditions set out in the Offer to Purchase.

When considering allocations of any Notes, the Company may (in their sole and absolute discretion) elect to give preference to those noteholders who have either tendered or indicated to the Company or the Dealer Managers their firm intention to tender the 2021 Notes pursuant to the Concurrent Offer to Purchase.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"2021 Notes"	4.7% senior notes due 2026 issued by the Company on 30 June 2021
"Board"	the board of Directors
"Company"	China Oil And Gas Group Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
"connected person"	has the meaning ascribed to it under the Listing Rules
"Concurrent Offer to Purchase"	the concurrent offer to purchase that the Company commenced on 27 January 2026 to purchase for cash of the outstanding 2021 Notes
"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"HSBC"	The Hongkong and Shanghai Banking Corporation Limited
"Indenture"	the indenture to be entered into on the original issue date of the Notes among the Company, the Subsidiary Guarantors and Citicorp International Limited as trustee governing the Notes

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Morgan Stanley"	Morgan Stanley & Co. International plc
"Notes"	the 7.0% senior notes due 2029 in the aggregate principal amount of US$300,000,000 to be issued by the Company
"Notes Issue"	the issue of the Notes by the Company
"OTP Launch Announcement"	the announcement of the Company dated 27 January 2026 in respect of the Concurrent Offer to Purchase
"PRC" or "China"	the People's Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan for the purpose of this announcement
"Purchase Agreement"	the purchase agreement dated 27 January 2026 entered into by and among the Company, the Subsidiary Guarantors, HSBC, Morgan Stanley and UBS in relation to the Notes Issue
"SGX-ST"	Singapore Exchange Securities Trading Limited
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subsidiary Guarantees"	the guarantees provided by the Subsidiary Guarantors to severally and jointly guarantee the payment obligations of the Company under the Notes
"Subsidiary Guarantor Pledgors"	certain Subsidiary Guarantors that on the original issue date of the Notes will pledge the capital stock of other Subsidiary Guarantors held by them to secure the obligations of the Company under the Notes and the Indenture and of such Subsidiary Guarantors under the Subsidiary Guarantees
"Subsidiary Guarantors"	certain subsidiaries of the Company providing the Subsidiary Guarantees under the Notes
"United States"	the United States of America
"UBS"	UBS AG Hong Kong Branch

"USD" or "US$"	United States dollar(s)
"U.S. Securities Act"	the United States Securities Act of 1933, as amended
"%"	per cent

By Order of the Board
China Oil And Gas Group Limited
Chan Yuen Ying, Stella
Company Secretary

Hong Kong, 27 January 2026

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Xu Tieliang (Chairman and Chief Executive Officer), Ms. Guan Yijun, Mr. Gao Falian and Ms. Xu Ran; and three independent non-executive Directors, namely Ms. Liu Zhihong, Mr. Wang Guangtian and Mr. Yang Jie.