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延長石油國際有限公司
YANCHANG PETROLEUM INTERNATIONAL LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 00346)

PROFIT WARNING

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

The board of directors (the "**Board**") of the Company would like to inform the shareholders of the Company and potential investors that based on the unaudited management accounts of the Group currently available, the Group is expected to record a loss of around HK$780 million for the year ended 31 December 2025, as compared to a profit of around HK$56 million for the previous year.

Under the shadow of the prolonged Russo-Ukrainian war, the heightened tensions in Middle East and the uncertainty brought along by tariff war triggered from the United States, the global economic recovery momentum was insufficient during 2025. In particular, China's economic growth was lower than expected, continued weakness in industrial output and refined oil consumption, further dampened crude oil demand. WTI crude oil prices as a whole experienced a downward trend, falling from average of around US$77 per barrel in 2024 to average of around US$66 per barrel in 2025. Due to the decline in international oil prices and weak consumption of refined oil in China, the performance of the Group was adversely affected.

The Board considered that the turning from profit to loss for the year under review was mainly attributable to (i) the decrease in the Group's revenue and gross profit as affected by sluggish recovery of global economy; (ii) the substantial impairment loss on the oil and gas assets for the oil and gas production business in Canada; (iii) the impairment loss on goodwill and other non-current assets for the refined oil and by-products trading business in China; and (iv) the provision for bad debts for the refined oil and by-products trading business in China.

As the Company is still in the process of finalising the annual results for the year ended 31 December 2025, the information contained in this announcement is only based on the preliminary assessment of the Group's unaudited management accounts which have not been audited or reviewed by the Company's independent auditors, and may therefore be subject to necessary adjustments. Formal announcement of the Group's audited annual results for the year ended 31 December 2025 shall be published on or about 26 March 2026.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

By Order of the Board
Yanchang Petroleum International Limited
Feng Yinguo
Chairman

Hong Kong, 11 March 2026

Executive Directors:
Mr. Feng Yinguo *(Chairman)*
Ms. Wang Haining
Mr. Ding Jiasheng

Non-Executive Director:
Ms. Lu Yiwen

Independent Non-Executive Directors:
Mr. Ng Wing Ka
Mr. Leung Ting Yuk
Mr. Sun Liming
Dr. Mu Guodong