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

(Stock Code: 00135.HK)

ANNOUNCEMENT OF RESULTS
HIGHLIGHTS OF THE FINANCIAL RESULTS OF THE GROUP

	Year ended 31 December		
	2025	2024	Change %
Total volume of Natural Gas Sales (million cubic metres)	59,255	54,170	9.39
Retail Gas Sales (million cubic metres)	33,509	32,757	2.30
	<i>RMB'million</i>	<i>RMB'million</i>	
Revenue	193,979	187,046	3.71
Profit before income tax expense	11,661	12,635	(7.71)
Profit attributable to shareholders of the Company	5,346	5,960	(10.30)
Core profit attributable to shareholders of the Company (note 1)	5,923	6,359	(6.86)
EBITDA	16,889	17,640	(4.25)
	<i>RMB'cent</i>	<i>RMB'cent</i>	
Basic earnings per share	61.74	68.83	(10.30)
Core basic earnings per share (note 2)	68.40	73.44	(6.86)
Interim dividend paid and proposed final dividend per share	31.58	31.58	—

- 1 Core profit attributable to shareholders of the Company is defined as profit attributable to shareholders of the Company excluding impairment losses on property, plant and equipment, intangible assets, and exchange losses attributable to shareholders of the Company and its related tax effect.
- 2 Core basic earnings per share is calculated based on the core profit attributable to shareholders of the Company and weighted average number of ordinary shares in issue during the year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	2025 RMB'million	2024 RMB'million
Revenue	3	193,979	187,046
Other gains, net		1,147	1,520
Interest income		695	958
Purchases, services and others		(169,189)	(161,662)
Employee compensation costs		(5,725)	(5,830)
Depreciation, depletion and amortisation		(5,273)	(5,160)
Impairment losses on property, plant and equipment		(732)	(565)
Other selling, general and administrative expenses		(3,309)	(3,491)
Taxes other than income taxes		(519)	(504)
Interest expenses	4	(650)	(803)
Share of profits less losses of:			
– Associates		773	599
– Joint ventures		464	527
		<hr/>	<hr/>
Profit before income tax expense	5	11,661	12,635
Income tax expense	6	(3,195)	(3,128)
		<hr/>	<hr/>
Profit for the year		8,466	9,507
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Other comprehensive income:			
Item that will not be reclassified to profit or loss:			
– Fair value gain/(loss) on financial assets at fair value through other comprehensive income		73	(95)
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences on translation of financial statements, net of nil tax, of:			
– Subsidiaries		26	15
– Associates		(90)	31
– Joint ventures		(29)	20
		<hr/>	<hr/>
Other comprehensive loss for the year		(20)	(29)
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total comprehensive income for the year		8,446	9,478
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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)*For the year ended 31 December 2025*

	<i>Note</i>	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Profit for the year attributable to:			
– Shareholders of the Company		5,346	5,960
– Non-controlling interests		3,120	3,547
		<hr/> 8,466	<hr/> 9,507
Total comprehensive income for the year attributable to:			
– Shareholders of the Company		5,351	5,933
– Non-controlling interests		3,095	3,545
		<hr/> 8,446	<hr/> 9,478
Basic and diluted earnings per share for profit attributable to shareholders of the Company <i>(RMB cent)</i>			
	7	<hr/> 61.74	<hr/> 68.83

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Note</i>	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Assets			
Non-current assets			
Property, plant and equipment		65,718	66,797
Investments in associates		9,023	8,567
Investments in joint ventures		6,175	6,157
Intangible assets		1,240	1,526
Financial assets at fair value through other comprehensive income		359	264
Other non-current assets		2,010	1,680
Deferred tax assets		967	1,162
		<u>85,492</u>	<u>86,153</u>
Current assets			
Inventories		1,037	1,131
Accounts receivable	9	3,755	2,544
Prepayments and other current assets		9,226	8,470
Time deposits with maturities over three months		13,329	17,265
Cash and cash equivalents		31,280	27,827
		<u>58,627</u>	<u>57,237</u>
Total assets		<u>144,119</u>	<u>143,390</u>
Equity			
Capital and reserves attributable to shareholders of the Company			
Share capital		71	71
Retained earnings		34,278	32,297
Other reserves		33,408	32,781
		<u>67,757</u>	<u>65,149</u>
Non-controlling interests		<u>24,520</u>	<u>23,686</u>
Total equity		<u>92,277</u>	<u>88,835</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)*As at 31 December 2025*

	<i>Note</i>	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	<i>10</i>	24,848	25,224
Income tax payable		741	544
Other taxes payable		887	517
Short-term borrowings		7,067	9,133
Lease liabilities		269	258
		<hr/> 33,812 <hr/>	<hr/> 35,676 <hr/>
Non-current liabilities			
Long-term borrowings		13,676	14,329
Deferred tax liabilities		2,037	2,011
Lease liabilities		408	559
Other liabilities		1,909	1,980
		<hr/> 18,030 <hr/>	<hr/> 18,879 <hr/>
Total liabilities		<hr/> 51,842 <hr/>	<hr/> 54,555 <hr/>
Total equity and liabilities		<hr/> 144,119 <hr/>	<hr/> 143,390 <hr/>
Net current assets		<hr/> 24,815 <hr/>	<hr/> 21,561 <hr/>
Total assets less current liabilities		<hr/> 110,307 <hr/>	<hr/> 107,714 <hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The financial information set out in this announcement is extracted from the consolidated financial statements of Kunlun Energy Company Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) for the year ended 31 December 2025, and does not constitute part of such consolidated financial statements.

These financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Material accounting policies adopted by the Group are disclosed below.

Changes in accounting policies

Amended standards adopted by the Group

The following amended standard became applicable for the current reporting period:

- Amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability

This development did not have a material effect on the Group’s consolidated financial statements which have been prepared or presented in this consolidated financial report.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – Contracts referencing nature dependent electricity	1 January 2026
Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments	1 January 2026
Annual improvements to HKFRSs – Volume 11	1 January 2026
HKFRS 18, Presentation and disclosure in financial statements	1 January 2027
HKFRS 19, Subsidiaries without public accountability: disclosures	1 January 2027
Amendments to HKFRS 10, Consolidated financial statements and HKAS 28, Investments in associates and joint ventures: Sale or contribution of assets between an investor and its associate or joint venture	To be Determined

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

2. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker which is determined by the Group's most senior executive management and the Executive Directors of the Company.

The Group organises its business around products and services. From the products and services perspective, the Group is engaged in a broad range of oil and gas related activities and derives its revenue from its four operating segments: Natural Gas Sales, LNG Processing and Terminal, Sales of LPG and Exploration and Production.

The Natural Gas Sales segment includes the retail sales, distribution and trading of various natural gas products. The LNG Processing and Terminal segment includes the processing, unloading, storage, gasification and entrucking of LNG. The Sales of LPG segment includes the wholesales and retail sales of various LPG products. The Exploration and Production segment includes the exploration, development, production and sales of crude oil and natural gas.

The senior executive management of the Group and the Executive Directors assess the performance of the operating segments based on each segment's profit/(loss) before income tax expense, and share of profits less losses of associates and joint ventures ("**segment results**").

Segment assets exclude deferred taxes, other financial assets, investments in associates and joint ventures.

Corporate results, net, mainly refer to interest income earned from cash and cash equivalents, net exchange losses, general and administrative expenses and interest expenses incurred at corporate level.

Corporate assets mainly comprise cash and cash equivalents held at corporate level.

The segment information provided to the Executive Directors for the reportable segments for the years ended 31 December 2025 and 2024 are as follows:

	Natural Gas Sales RMB'million	LNG Processing and Terminal RMB'million	Sales of LPG RMB'million	Exploration and Production RMB'million	Corporate RMB'million	Inter-company adjustment RMB'million	Total RMB'million
For the year ended 31 December 2025							
Gross revenue	161,192	10,621	25,271	146	-	-	197,230
Less: Inter-company adjustment	(1,368)	(1,703)	(180)	-	-	-	(3,251)
Revenue from external customers	159,824	8,918	25,091	146	-	-	193,979
Timing of revenue recognition							
- At a point in time	157,291	8,918	25,091	146	-	-	191,446
- Overtime	2,533	-	-	-	-	-	2,533
	159,824	8,918	25,091	146	-	-	193,979
Segment results	5,861	3,969	807	37	(250)	-	10,424
Share of profits less losses of:							
- Associates	654	1	30	88	-	-	773
- Joint ventures	241	-	-	209	14	-	464
Profit/(loss) before income tax expense	6,756	3,970	837	334	(236)	-	11,661
Segment results included:							
- Interest income	497	138	-	5	346	(291)	695
- Depreciation, depletion and amortisation	(3,873)	(1,236)	(95)	(28)	(41)	-	(5,273)
- Interest expenses	(638)	(169)	(2)	-	(132)	291	(650)
- Net exchange (losses)/gains	(14)	-	-	(4)	39	-	21
As at 31 December 2025	88,254	18,368	6,247	922	13,804	-	127,595
Segment assets							
Investments in associates	7,942	130	523	428	-	-	9,023
Investments in joint ventures	4,843	-	-	1,278	54	-	6,175
Additions to non-current segment assets during the year	3,612	1,843	-	32	17	-	5,504
Additions to non-current segment assets through acquisition of subsidiaries during the year	110	-	-	-	-	-	110

	Natural Gas Sales RMB'million	LNG Processing and Terminal RMB'million	Sales of LPG RMB'million	Exploration and Production RMB'million	Corporate RMB'million	Inter-company adjustment RMB'million	Total RMB'million
For the year ended 31 December 2024							
Gross revenue	153,971	11,570	25,692	171	–	–	191,404
Less: Inter-company adjustment	(1,881)	(2,386)	(91)	–	–	–	(4,358)
Revenue from external customers	152,090	9,184	25,601	171	–	–	187,046
Timing of revenue recognition							
– At a point in time	149,091	9,184	25,601	171	–	–	184,047
– Overtime	2,999	–	–	–	–	–	2,999
	152,090	9,184	25,601	171	–	–	187,046
Segment results	7,343	3,638	772	(12)	(232)	–	11,509
Share of profits less losses of:							
– Associates	546	24	1	28	–	–	599
– Joint ventures	313	–	–	207	7	–	527
Profit/(loss) before income tax expense	8,202	3,662	773	223	(225)	–	12,635
Segment results included:							
– Interest income	689	158	1	22	604	(516)	958
– Depreciation, depletion and amortisation	(3,808)	(1,192)	(98)	(19)	(43)	–	(5,160)
– Interest expenses	(825)	(272)	(4)	–	(218)	516	(803)
– Net exchange gains/(losses)	10	–	–	(2)	(67)	–	(59)
As at 31 December 2024							
Segment assets	83,640	18,151	5,894	1,051	18,504	–	127,240
Investments in associates	7,496	568	56	447	–	–	8,567
Investments in joint ventures	4,802	–	–	1,355	–	–	6,157
Additions to non-current segment assets during the year	3,481	1,455	22	37	6	–	5,001
Additions to non-current segment assets through acquisition of subsidiaries during the year	131	–	–	–	–	–	131

Reconciliations of reportable segment profit and assets

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Reportable segment profit		
Profit before income tax expense	11,661	12,635
Income tax expense	<u>(3,195)</u>	<u>(3,128)</u>
Profit for the year	<u>8,466</u>	<u>9,507</u>
	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Reportable segment assets		
Segment assets	127,595	127,240
Investment in associates	9,023	8,567
Investment in joint ventures	6,175	6,157
Deferred tax assets	967	1,162
Financial assets at fair value through other comprehensive income	<u>359</u>	<u>264</u>
Total assets	<u>144,119</u>	<u>143,390</u>

Neither the Group's revenue is derived from nor the Group's non-current assets are located in the place of incorporation of the Company.

For the year ended 31 December 2025 and 2024, there was no single customer to whom the revenue exceeded 10% of the Group's revenue.

3. REVENUE

Revenue mainly represents revenue from the sales of natural gas, LNG processing and terminal, sales of LPG business, and sales of crude oil. Disaggregation of revenue from contracts with customers within the scope of HKFRS 15 by major products or service lines is as follows:

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Disaggregated by major products or service lines		
– Sales of natural gas	159,824	152,090
– Revenue from LNG processing and terminal service	8,918	9,184
– Sales of LPG	25,091	25,601
– Sales of crude oil	146	171
	<u>193,979</u>	<u>187,046</u>

The Group's revenue are substantially derived from the sales of goods to customers in the PRC and recognised at a point in time. The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales and service contracts such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the sales or service contracts that had an original expected duration of one year or less.

Disaggregation of revenue from contracts with customers is disclosed in Note 2.

4. INTEREST EXPENSES

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Interest expenses on:		
Bank loans	356	392
Senior notes	52	140
Other loans, from:		
– China Petroleum Finance Co., Ltd	271	275
Interests on lease liabilities	<u>14</u>	<u>28</u>
	693	835
Less: Amounts capitalised	<u>(43)</u>	<u>(32)</u>
	<u>650</u>	<u>803</u>

Amounts capitalised are borrowing costs that are attributable to the construction of qualifying assets. The average interest rate used to capitalise such borrowing cost was 3.18% (2024: 3.41%) per annum for the year ended 31 December 2025.

5. PROFIT BEFORE INCOME TAX EXPENSE

Items charged in arriving at the profit before income tax expense include:

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Auditors' remuneration		
– audit services	28	29
– non-audit services	11	3
Cost of inventories recognised as expense	<u>169,285</u>	<u>161,750</u>
Depreciation charge and depletion of property, plant and equipment		
– owned assets	4,597	4,547
– right-of-use assets	597	531
Amortisation cost of		
– intangible assets	<u>79</u>	<u>82</u>
Depreciation, depletion and amortisation	5,273	5,160
Impairment losses on property, plant and equipment	<u>732</u>	<u>565</u>

6. INCOME TAX EXPENSE

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Current tax		
– PRC	2,973	3,066
– Overseas	<u>33</u>	<u>42</u>
	3,006	3,108
Deferred tax	<u>189</u>	<u>20</u>
	<u>3,195</u>	<u>3,128</u>

In accordance with the relevant Mainland China income tax rules and regulations, the Mainland China corporate income tax rate applicable to the Group's subsidiaries in the Mainland China is principally 25% (2024: 25%). The operations of the Group in certain regions in the Mainland China are qualified for tax incentives in the form of a preferential income tax rates ranging from 15% to 20% (2024: 15% to 20%).

Hong Kong Profits Tax has not been provided for as the Group has no assessable profit subject to Hong Kong Profits Tax for the year (2024: Nil).

Income tax on overseas profits has been calculated on the estimated relevant assessable profit for the year at the applicable rates of taxation prevailing in the jurisdictions in which the Group operates.

In 2021, the Organisation for Economic Co-operation and Development published the Global Anti-Base Erosion Model Rules (“**Pillar Two model rules**”) for a new global minimum tax reform applicable to large multinational enterprises. The Group's operations are mainly located in the PRC where Pillar Two income tax legislation is not implemented. So far the Pillar Two model did not have a significant impact on the consolidated financial statements and no Pillar Two income tax was recognised during the year ended 31 December 2025.

7. BASIC AND DILUTED EARNINGS PER SHARE

- (a) The calculation of basic earnings per share is based on the Group's profit attributable to shareholders of the Company of approximately RMB5,346 million (2024: RMB5,960 million), and the weighted average number of ordinary shares in issue during the year ended 31 December 2025 of approximately 8,659 million shares (2024: 8,659 million shares).
- (b) Diluted earnings per share for the year ended 31 December 2025 and 2024 are the same as the basic earnings per share as there were no potentially dilutive ordinary shares issued.

8. DIVIDEND ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

(i) Dividends declared and distributed

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Interim dividend (<i>note (a)</i>)	1,437	1,421
Final dividend (<i>note (b)</i>)	1,297	1,314

(ii) Dividends payable for previous financial year, approved and paid during the year

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Final dividend in respect of the previous financial year, approved and paid during the year	<u>1,314</u>	<u>2,457</u>

Notes:

- (a) At the meeting on 19 August 2025, the Board of Directors has declared a payment of interim dividend attributable to shareholders of the Company for the six months ended 30 June 2025 of RMB16.60 cents per share amounting to a total of approximately RMB1,437 million (six months ended 30 June 2024: RMB16.41 cents per share amounting to a total of approximately RMB1,421 million). The amount is based on approximately 8,659 million shares in issue as at 19 August 2025 which was paid on 23 October 2025 (Interim dividend 2024 was paid on 31 October 2024).
- (b) At the meeting on 24 March 2026, the Board of Directors proposed final dividend attributable to shareholders of the Company in respect of 2025 of RMB14.98 cents per share, amount to a total of approximately RMB1,297 million. The amount is based on approximately 8,659 million shares in issue as at 24 March 2026. The consolidated financial statements do not reflect this dividend payable as the final dividend was proposed after the date of the statement of financial position and will be accounted for in equity as an appropriation of retained earnings in the year ending 31 December 2026 when it is approved at the 2026 Annual General Meeting.

Final dividend attributable to shareholders of the Company in respect of 2024 of RMB15.17 cents per share amounting to a total of approximately RMB1,314 million was approved by the shareholders in the Annual General Meeting on 29 May 2025. The amount is based on approximately 8,659 million shares in issue as at 25 March 2025 which was paid on 18 July 2025.

9. ACCOUNTS RECEIVABLE

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Accounts Receivable	4,665	3,325
Loss allowance	(910)	(781)
	<u>3,755</u>	<u>2,544</u>

Ageing analysis

As of the end of the reporting period, the ageing analysis of accounts receivable, based on the invoice date and net of loss allowance, is as follows:

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Within 3 months	2,525	1,713
Between 3 to 6 months	87	58
Between 6 to 12 months	549	252
Over 12 months	594	521
	<u>3,755</u>	<u>2,544</u>

The Group's revenue from rendering of terminal services and sales of crude oil are generally collectable within a period ranging from 30 to 90 days from the invoice date while the sales of natural gas are made in cash or on credit terms no more than 90 days.

10. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Accounts payable	3,348	3,106
Contract liabilities	12,856	12,690
Salaries and welfare payable	318	326
Accrued expenses	11	22
Dividend payable	205	158
Interest payable	113	137
Construction fee and equipment cost payables	4,812	5,541
Amounts due to related parties		
– Non-controlling interests	1	1
– Others	1	1
Other payables	3,183	3,242
	<u>24,848</u>	<u>25,224</u>

As at 31 December 2025, the Group had no non-current contract liabilities (2024: Nil).

The Group's contract liabilities represent primarily advances received from customers. In certain regions of the PRC, customers of the Group's city gas business are required to use integrated circuit cards and top up in advance before the balances are being deducted upon usage of natural gas. Depending on the market conditions and the customers' credit profile, the Group also requires advance from certain customers for sales of other natural gas products. These advance payments from customers are recognised as contract liabilities until the natural gas products are sold to the customers. During the year ended 31 December 2025, the amount of RMB12,690 million (2024: RMB13,596 million) recognised in contract liabilities at beginning of the year has substantially been recognised as revenue during the year.

The other payables were mainly retention monies for construction and the VAT element of advance receipts from customers.

The Group is a defendant in certain lawsuits as well as the named party in other proceeding. While the outcomes of such contingencies, lawsuits or other proceeding cannot be determined at present, management believes that any resulting liabilities will not have a material adverse effect on the financial position or financial performance of the Group.

Ageing analysis

As of the end of the reporting period, the ageing analysis of accounts payable, based on the invoice date, is as follows:

	2025	2024
	<i>RMB'million</i>	<i>RMB'million</i>
Within 3 months	2,537	2,576
Between 3 to 6 months	495	116
Over 6 months	316	414
	3,348	3,106

The typical credit period on purchase of goods is 90 days.

CHAIRMAN'S STATEMENT

Respected shareholders:

In 2025, the international environment was complex and volatile, with rising geopolitical uncertainty and profound adjustments in the economic and trade landscape. Global energy industry chains and supply chains faced immense challenges, and energy security emerged as a core issue and strategic red line for all nations in maintaining economic stability, ensuring the functioning of people's livelihoods, and safeguarding national sovereignty. Despite challenges posed by shifts in the external economic and trade environment and constraints on certain industrial production, the Chinese economy demonstrated remarkable resilience. Gross domestic product grew by 5%, and the green and low-carbon transition yielded significant results. The share of clean energy consumption increased by 1.8 percentage points to 30.4%, while apparent natural gas consumption for the year reached 426.55 billion cubic meters, maintaining positive year-on-year growth.

The Company actively aligns with and contributes to national strategies. Upholding our corporate vision – “Empowering China, Enriching Lives!” – and deeply committed to our service philosophy – “starting from customer needs, achieving customer satisfaction, and exceeding customer expectations” – we have systematically advanced the coordinated development of our diversified business portfolio, marketing systems, digital and intelligence infrastructure, and modernized governance structure. Through these efforts, we strive for steady growth in our core business, an optimized customer base, and stable and orderly production and operations. We are committed to fulfilling our declared dividend distribution plans with high standards, thereby ensuring a steady increase in shareholder value.

BUSINESS REVIEW

Natural Gas Sales Business: Deeply cultivating the market, optimizing structure, and driving core businesses forward under pressure. The Company maintained a dual focus on tapping the potential of the existing market and co-developing incremental opportunities. Leveraging its nationwide customer base and network of stations, it has newly developed 11 city gas projects in 8 provinces and municipalities, including Inner Mongolia, Shandong, Guizhou and Jiangsu. This added an annual sales capacity of 780 million cubic meters, with the customer base increased to 17.19 million. The Company continued to promote end-user price pass-through, achieving a 69% residential gas price pass-through rate, an increase of 8.3 percentage points year-on-year. The sales mix was continuously optimized, with industrial gas volumes maintaining rapid growth, accounting for 77.7% of retail gas sales, a year-on-year increase of 2.8 percentage points. Total natural gas sales reached 59.26 billion cubic meters, a year-on-year increase of 9.4%, with retail gas sales reached 33.51 billion cubic meters.

LNG Processing and Terminal Business: By extending the industrial chain and enhancing the value chain, it gradually growing into the second profit growth pole. LNG sales achieved a milestone breakthrough, with annual sales volume surpassing 10 billion cubic meters. The total send-out volume from the two terminals in Jiangsu and Tangshan reached a record high of 16.53 billion cubic meters. The annual processing volume of LNG plants was 3.74 billion cubic meters, a year-on-year increase of 5.3%, with an average operation capacity of 67.2%, reaching the highest level in history. The offshore LNG refuelling business successively entered the Guangdong and Hong Kong markets, achieving a normalized upgrade from offshore anchorage bunkering to terminal bunkering for LNG marine fuel in Hong Kong waters. The refuelling volume reached 176,600 tonnes, a year-on-year increase of 60.7%.

Sales of LPG Business: Strengthening resource security, enhancing operational quality and efficiency, sales volume returned to the 6 million tonne mark after 5 years. The Company continuously expanded resource channels and intensified resource procurement and sales efforts, achieving annual LPG sales of 6.148 million tonnes, a year-on-year increase of 6.3%. Significant efforts were made to develop direct industrial supply customers, adding 8 new customers, and the direct industrial supply sales volume increased by 23.4% year-on-year. Resource allocation was optimized by maintaining a reasonable supply-demand balance in resource-rich regions, such as Northeast and Northwest China, and by expanding the scale of competitive bidding and online sales to enhance resource profitability through market-oriented means.

Exploration and Production Business: Stepping up development efforts, fully boosting reserves and production, and continuously delivering steady returns. The equity sales volume of crude oil was approximately 8.45 million barrels, an increase of 0.16 million barrels or 2.0% year-on-year, with an average selling price of USD54.4 per barrel.

FINANCIAL PERFORMANCE

For the year ended 31 December 2025 (the “**Year**”), the Company recorded operating revenue of RMB193.979 billion, representing an increase of RMB6.933 billion or 3.71% year-on-year. Profit before income tax amounted to RMB11.661 billion, a decrease of RMB0.974 billion or 7.71% year-on-year; profit attributable to shareholders was RMB5.346 billion, a decrease of RMB0.614 billion or 10.30% year-on-year, with basic earnings per share of RMB61.74 cents. The Company continued its efforts to address governance of loss-making enterprises, and recorded asset impairments in 2025. Excluding these one-off items, core profit attributable to shareholders amounted to RMB5.923 billion, a decrease of RMB0.436 billion or 6.86% year-on-year, with basic core earnings per share of RMB68.40 cents. Operating cash flow stood at RMB12.430 billion. The robust net cash inflow provides a solid foundation for future transformation and development, as well as for delivering better returns to shareholders.

SUSTAINABLE DEVELOPMENT

Safety as the Foundation: Integrating Development and Safety, Strictly Adhering to Baseline and Red Lines. Focusing on the construction of the QHSE management system and leveraging technology to enhance safety, the Company solidly advanced the three-year action plan to address root causes and tackle critical safety issues, as well as the special campaign to manage urban gas pipelines “operating with risks”. Building on the dynamic elimination of major hazards, it further achieved the dynamic elimination of relatively significant hazards. The Company continued to build a smart pipeline network system, completing the digital mapping and system warehousing of over 100,000 kilometers of natural gas pipelines. This enables the visualization of underground pipelines, full lifecycle traceability, and precision management. Oversight of legal entities at all levels was strengthened through penetration management, promoting compliance-based governance and reinforcing management activities to control risks across the entire process and chain.

Customers as the Core: Optimizing Service Systems, Enhancing Service Quality and Efficiency. Adhering to the customer-first service philosophy, the Company deeply integrated online service resources and continuously optimized its customer service management system, leading to steadily improving customer satisfaction. The 956100-hotline platform operated under a unified standard, achieving high efficiency. The “Kunlun Huixiang⁺” online platform registered 4.91 million users, with its functions covering over 98% of customer needs. Focusing on four key scenarios, business hall services, on-site services, hotline services and online services – the Company continuously refined service standards and established mechanisms for regular communication and satisfaction surveys to provide customers with customized solutions.

Transformation as the Key: Accelerating Strategic Layout, Moving Industries Towards New and High-Quality Development. Closely aligned with the national strategy for building a new energy system, the Company vigorously developed gas power, new energy, and integrated energy businesses. It accumulated shareholdings in 19 operational natural gas power generation projects, with a total installed capacity of 12.945 million kilowatts, a year-on-year increase of 18.7%. A total of 12 integrated energy projects were put into operation, with a total installed capacity of 629,000 kilowatts, up 20.9% year-on-year. A total of 107 distributed photovoltaic projects were commissioned, with a total installed capacity of 20,800 kilowatts, representing a significant year-on-year increase of 53.5%. The Company made orderly progress in constructing strategically supportive projects. The Donggang undersea tunnel for the Fujian LNG terminal project was fully completed, with the overall project progress at 46.32%. The critical control works for Phase III supporting terminal of the Jiangsu LNG terminal project have passed the halfway mark.

CAPITAL MARKET ACCOLADES

The Company's ESG performance has garnered significant recognition from the capital market. Its MSCI ESG rating was upgraded to 'A', while its WIND ESG rating was raised to 'AA'. Leading agencies such as Moody's, S&P, and Fitch maintained their strong credit ratings for the Company. It was newly included in four indices, including the "Hang Seng China Enterprises High Dividend Yield Index", bringing the total number of Hang Seng family indices it is included in to 26.

2026 OUTLOOK

Currently, international geopolitical uncertainties persist, and fluctuations continue to affect the global energy trade landscape, price trends, and logistics corridors. China's economy is built on a solid foundation, boasts numerous advantages, demonstrates strong resilience, and holds significant potential. With the 2026 economic growth target set within the range of 4.5% to 5%, the energy consumption structure is accelerating its upgrade. New scenarios, models, and business formats integrating natural gas and new energy are poised to emerge continuously. Comprehensive analysis suggests that during the "15th Five-Year Plan" period, domestic natural gas consumption will grow at an average annual rate of approximately 5%, indicating that the natural gas industry remains in a significant period of strategic opportunity. The Company will adapt to evolving circumstances, strengthen strategic pre-positioning, and insist on recognizing, adapting to, and seeking change. It will proactively explore market development opportunities, closely monitor the construction of national- and provincial-level zero-carbon industrial parks, and accelerate the development of a green, integrated energy supply system. The goal is to consistently enhance shareholder value and stabilize returns through high-quality development achievements.

Optimizing and Upgrading Operations, Solidifying the Core Business with Sustained Effort. The Company will continuously enhance the market competitiveness of its core business, persistently optimize its sales mix, and strengthen cost control and lean management to achieve both reasonable quantitative growth and effective qualitative improvement. It will deepen the operational efficiency in LNG plants, actively expand the offshore refuelling market, and shift the sales focus to high-value markets. Efforts to enhance LPG profitability will be intensified by broadening resource security channels, vigorously developing direct industrial supply, and fully strengthening resource profit-generating capabilities. The gas power business will be developed at scale through differentiated development mechanisms and contract strategies, deepening joint ventures and cooperation with large power enterprises to form a replacement force for future incremental resource absorption. Forward-looking in emerging industries and future industries will proceed based on local conditions and categorized strategies, closely following the transformation and upgrading directions of various regions. The Company will balance current benefits with long-term objectives, coordinate resource conditions with market potential, and leverage the implementation of demonstration projects to drive differentiated breakthroughs and scaled growth in emerging businesses.

Meticulous Refinement in Management, Forging Professional Advantages through Diligent Action. Anchored in the core positioning of the green integrated energy supply system, the Company will strengthen its strategic management to ensure the precise implementation and effective execution of top-level design, thereby enhancing the effectiveness of strategic guidance. It will reinforce intrinsic safety by normalizing hazard investigation and rectification, strictly enforcing compliance responsibilities, and firmly adhering to the baseline of lawful and compliant operations. Operational management will be enhanced by optimizing marketing strategies, unblocking bottlenecks in business synergy and coordination, and comprehensively improving operational efficiency. Adhering to a results-oriented approach, the Company will improve the governance system, strengthen internal control mechanisms, and further activate the endogenous driving force for high-quality development.

Unlocking Potential and Enhancing Efficiency in Value Creation, Precisely Focusing Efforts to Improve Development Quality and Efficiency. The Company will adhere to a value-creation-oriented approach, integrating potential tapping and efficiency enhancement throughout the entire production and operation process, reform and innovation, safe supply, and green transformation. This aims to upgrade value creation from individual breakthroughs to systemic efficiency gains. Targeting the five key strategies of innovation, green development, market expansion, capital utilization, and low costs, it will leverage lean management to deepen space in cost-reduction, activate factor potential through market-oriented mechanisms, and cultivate new growth engines through new energy. This will comprehensively improve asset operation efficiency, profitability levels, and sustainable development capabilities, continuously solidifying the positive momentum of high-quality development.

Deep Integration for Innovation, Synergistic Collaboration to Empower a Digital and Intelligent Future. The Company will deeply implement the “Artificial Intelligence+” action, continuously build a high-quality data system in the natural gas sales sector, and create demonstration application scenarios focusing on key businesses and core operations. It aims to use innovation-driven approaches to solve development bottlenecks and foster development advantages. Focusing on critical aspects such as pipeline integrity, confined spaces, third-party damage, and end-user control, it will strengthen capabilities for real-time monitoring, rapid sensing, systematic assessment, and coordinated responses to safety risks. This will promote the transformation of site management from manual labour to human-machine collaboration and unattended operation, shifting decision-making models from traditional experience-based judgment to data-driven, model-supported decision-making.

Riding the momentum of opportunity, we are well-positioned to seize an expansive horizon, leading at the forefront of transformation and reaching new heights of growth and performance. 2026 marks the beginning of the “15th Five-Year Plan” period – a crucial year for building on past achievements and seizing the momentum to scale new heights. The Company will firmly grasp development opportunities and vigorously promote improvements in management quality, industrial upgrading, innovation empowerment, and profit enhancement. It strives to repay shareholders, empower the industry, and serve society by achieving higher quality, greater efficiency, and more sustainable development, making new and greater contributions to advancing high-quality development.

ACKNOWLEDGEMENTS

On behalf of the Board, I would like to express our sincere gratitude to all shareholders for your continued trust and support. The Board and all employees of the Company will continue to diligently fulfill their responsibilities and strive to achieve even better operating results. The Board has approved the implementation of the Company’s share repurchase plan and the dividend distribution plan for 2026 to 2028 (the details of which are set out in a separate announcement of the Company dated 16 January 2026 and 24 March 2026 respectively). It will actively organize and ensure the execution of these plans, aiming to protect shareholders’ interests from the impact of market fluctuations and to continuously enhance shareholder value.

By the Order of the Board
Liu Guohai
Chairman and Executive Director

MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, Kunlun Energy adhered to the corporate vision of “Empowering China, Enriching Lives”, continued to improve its governance system, focused on upgrading the quality of its development, stimulated in-depth value creation, and realised consolidation and growth of the main business, an increasing growth of emerging businesses, further new highs of operating results, and created a new landscape for sustainable development. The Company has always adhered to the five development strategies of “Innovation, Green, Market, Capital and Low Cost”, focused on efficiency and market orientation, implemented precise marketing and created service value, with the high-end and high-efficiency market continuing to grow, the production and operation situation remaining stable and positive, and the operations have reached a new level. All major business segments have achieved excellent performance.

Revenue

Revenue for the Year was approximately RMB193,979 million, representing an increase of 3.7% as compared with the amount of RMB187,046 million for the last year. The increase was mainly due to the increase in sales volume of natural gas driven by growth in industrial users and distribution and trading business, leading to an increase in the revenue of the Natural Gas Sales segment.

Other gains, net

Other net gains for the Year was approximately RMB1,147 million (2024: RMB1,520 million). Such decrease was primarily attributable to factors including the progress of implementation, inspection and final settlement of government-subsidised projects such as ageing pipeline network upgrades.

Purchases, services and others

Purchases, services and others for the Year were approximately RMB169,189 million, representing an increase of 4.7% as compared with amount of RMB161,662 million for the last year. The increase was mainly due to the rise in cost of resources driven by the increase in procurement volume for natural gas.

Employee compensation costs

Employee compensation costs for the Year was approximately RMB5,725 million, representing a decrease of 1.8% as compared with amount of RMB5,830 million for the last year. Employee compensation costs slightly declined along with the decrease in number of employees. Employee compensation accounted for 2.95% of operating revenue, basically unchanged as compared with last year. The creativity and productivity of the employee continuously enhanced.

Depreciation, depletion and amortisation

Depreciation, depletion and amortisation for the Year was approximately RMB5,273 million, representing an increase of 2.2% as compared with amount of RMB5,160 million for the last year. Depreciation, depletion and amortization maintained reasonable growth throughout the Year.

Other selling, general and administrative expenses

Other selling, general and administrative expenses for the Year were approximately RMB3,309 million, representing a decrease of 5.2% as compared with amount of RMB3,491 million for the last year. The decrease was due to the Company's strict implementation of cost control and assessment, continuously promoted the optimization and adjustment of the organizational system to increase efficiency and the transfer of gas stations to reduce operating expenses in relation to the gas stations in its network.

Interest expenses

Interest expenses for the Year was approximately RMB650 million, representing a decrease of 19.1% as compared with amount of RMB803 million for the last year. This decrease was mainly due to the Group's average financing cost decreased by 0.4 percentage point to 2.5% in 2025 from 2.9% in the previous year, reflecting continued effective control over financing costs.

Total interest expenses for the Year was approximately RMB693 million, representing a decrease of 17.0% as compared with amount of RMB835 million for the last year. The amount of RMB43 million interest expenses was capitalised under construction-in-progress, representing an increase of 34.4% as compared with amount of RMB32 million for the last year.

Share of profits less losses of associates

Share of profits less losses of associates for the Year was approximately RMB773 million, representing an increase of 29.05%, as compared with amount of RMB599 million for the last year. The increase was mainly due to the improvement in operating results of the associates during the Year.

Share of profits less losses of joint ventures

Share of profits less losses of joint ventures for the Year was approximately RMB464 million, representing a decrease of 11.95%, as compared with RMB527 million for the last year. The decrease was mainly due to the slightly decrease in the shared operating profits from Mazoon Petrogas (BVI) Limited, as a result of a small decline in international crude oil price during the year.

Liquidity and capital resources

As at 31 December 2025, the carrying value of total assets of the Group was approximately RMB144,119 million, representing an increase of RMB729 million or 0.5% as compared with RMB143,390 million as at 31 December 2024.

The gearing ratio of the Group was 18.8% as at 31 December 2025 compared with 21.5% as at 31 December 2024, representing a decrease of 2.7%. It is computed by dividing the sum of interest-bearing borrowings and lease liabilities of RMB21,420 million (2024: RMB24,279 million) by the sum of total equity, interest-bearing borrowings and lease liabilities of RMB113,697 million (2024: RMB113,114 million).

As at 31 December 2025, the Group has total borrowings of RMB20,743 million which will be repayable as follows:

	2025 <i>RMB'million</i>	2024 <i>RMB'million</i>
Within one year	7,067	9,133
Between one to two years	3,023	2,263
Between two to five years	9,774	5,771
After five years	879	6,295
	20,743	23,462

The functional currency of the Company and most of its subsidiaries is RMB. As such, the Group is exposed to exchange rate risks arisen from borrowings denominated in other currencies raised by the Company or its subsidiaries. The Group will incur exchange gain/loss from such foreign currency borrowings when RMB appreciates/depreciates against other currencies.

Pledged assets

As at 31 December 2025, the RMB939 million (2024: RMB1,878 million) borrowings were mainly pledged by natural gas charging rights. As at 31 December 2025, certain property, plant and equipment of the Group amounting to RMB657 million (2024: RMB906 million) were mortgaged to banks for RMB252 million (2024: RMB277 million) loan facilities granted to the Group.

Material acquisitions and disposal

The Group did not have any material acquisitions and disposals during the Year.

Material Investments

Material investments of the Group are its investments in associates and in joint ventures.

There is no single material associate or joint venture which significantly affects the results and/or net assets of the Group.

Employee

As at 31 December 2025, the Group had 22,331 employees globally, excluding the employees under entrustment contracts (2024: 24,809 employees). Remuneration package and benefits were determined in accordance with market terms, industry practice as well as the duties, performance, qualifications and experience of the employees.

Contingent Liability

The Group is a defendant in certain lawsuits as well as the named party in other proceeding. While the outcomes of such contingencies, lawsuits or other proceeding cannot be determined at present, management believes that any resulting liabilities will not have a material adverse effect on the financial position or financial performance of the Group.

DIVIDEND

Dividend Policy

The dividend policy of the Company allows shareholders to share the Company's profits and also enables the Company to retain sufficient reserves for its future development. Provided that the Company makes profits and the dividend has no effect on the Group's normal business operations, the Company intends to share its profits with its shareholders in the form of annual dividend, which shall be in a total distribution amount of not less than 25% of the Group's annual consolidated profit attributable to the shareholders of the Company, on the condition that it shall be subject to the following "Criteria".

Criteria:

1. When proposing the declaration of any dividends, the Board shall consider, among other things, the business conditions and strategies of the Company and its subsidiaries (the "**Group**"), the expected working capital needs and future expansion plans, surplus, contractual restrictions, actual and expected national financial conditions, macroeconomic conditions and other factors as the Board deems relevant.
2. The dividend rate will vary every year according to the above criterion and the Company will not assure the distribution of any specific amounts of dividend at any particular period or the distribution of dividends at any particular dividend yield.

Dividend Distribution Plan

The Company has formulated a three-year dividend distribution plan for the financial years ended 31 December 2023, 2024 and 2025 (the "**Three-Year Dividend Distribution Plan**"), the details of which are set out as follows:

- (i) The annual dividend payout ratio will gradually increase throughout the Three-Year Dividend Distribution Plan. The Company will strive to achieve an annual dividend amount of 45% of the Group's annual profit attributable to the shareholders of the Company for the financial year ending 31 December 2025; and
- (ii) Interim and final dividends will be declared (in total two times a year) for each of the financial years ending 31 December 2024 and 2025.

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the Year (including any sale of treasury shares).

Events after the Reporting Period

Save as otherwise disclosed in this announcement, there was no other significant events that may affect the Group since the end of the Year.

Model Code for Securities Transactions by Directors

The Company has adopted written guidelines on terms no less exacting than 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 in The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as its code of conduct regarding dealings in the Company's securities by Directors. Specific enquiry has been made of all the Directors, and the Directors have confirmed that they have complied with the Model Code throughout the Year.

CORPORATE GOVERNANCE

The Company is committed to the maintenance of stringent corporate governance practices and procedures to enhance investor confidence and the Company's accountability and transparency. The Company strives to maintain high corporate governance standards. The Board of Directors is of the view that the Company has complied with all the code provisions in the Corporate Governance Code (“**CG Code**”) set out in part 2 of Appendix C1 to the Listing Rules during the Year.

Pursuant to paragraph 45(6) of Appendix D2 to the Listing Rules, the Board wishes to confirm that the Audit Committee of the Company has reviewed with the management the accounting policies and standards adopted by the Company and its subsidiaries and discussed the internal control and financial reporting matters related to the preparation of the consolidated financial statements for the Year. The Audit Committee of the Company has also reviewed the annual results in conjunction with the Company's external auditor.

AUDIT COMMITTEE

Pursuant to the Listing Rules, the Audit Committee of the Company, currently comprising three Independent Non-executive Directors, was established in December 1998.

Four meetings were held during the Year.

Written terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted by the Board. The principal activities of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls. The Audit Committee of the Company has reviewed and confirmed the annual results for the Year.

SCOPE OF WORK OF AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement of results have been agreed by the Group's auditor, KPMG, Certified Public Accountants, Hong Kong, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by KPMG in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by KPMG on this announcement.

FINAL DIVIDEND

The Board recommends the payment of a final dividend ("**2025 Final Dividend**") of RMB14.98 cents per share or HK16.84 cents per share calculated at the exchange rate of RMB1.00:HKD1.1243, being the average of the buying rate for the conversion of RMB against HKD as announced by the Hong Kong Association of Banks for the five business days immediately preceding 24 March 2026 (2024: HK16.09 cents per share calculated at the exchange rate of RMB1.00: HKD1.0609) to shareholders whose names appear on the Company's register of members (the "**Shareholders Register**") on 4 June 2026 (Thursday).

Together with the interim dividend paid of RMB16.60 cents per share (2024: RMB16.41 cents per share, equivalent to HK17.91 cents per share), dividend proposed for the full year amounted to RMB31.58 cents per share or HK34.75 cents per share (2024: RMB31.58 cents per share). The payment of the 2025 Final Dividend is subject to the approval of the shareholders at the annual general meeting of the Company to be held at Salon Rooms VI-VII, 5/F., Harbour Grand Hong Kong, 23 Oil Street, North Point, Hong Kong on 28 May 2026 at 10:00 a.m. (the "**2026 AGM**"). The payment is expected to be made on 21 July 2026 (Tuesday).

The proposed 2025 Final Dividend amounted to a total of approximately RMB1,297 million and the 2024 Final Dividend of RMB1,314 million was paid on 18 July 2025. The payout ratio for 2025 (final dividend per share divided by core basic earnings per share) was approximately 46.17% (2024: 43%).

The proposed 2025 Final Dividend will be payable in cash to each shareholder in Hong Kong dollars (“**HKD**”) unless an election is made to receive 2025 Final Dividend in Renminbi (“**RMB**”).

Shareholders will be given the option to elect to receive all (but not part, save in the case of HKSCC Nominees Limited, which may elect to receive part of its entitlement in RMB) of the 2025 Final Dividend in RMB. If shareholders elect to receive all (but not part) of the 2025 Final Dividend in RMB, shareholders should complete a dividend currency election form, which is expected to be despatched to shareholders in mid-June 2026 as soon as practicable after the record date of 4 June 2026 (Thursday) to determine shareholders’ entitlement to the proposed 2025 Final Dividend.

If an election is made by a shareholder to receive the 2025 Final Dividend in RMB in respect of all (but not part) of that shareholder’s entitlement, the RMB dividend will be paid by cheques which are expected to be posted to the relevant shareholders by ordinary post on 21 July 2026 (Tuesday) at the shareholders’ own risk.

Shareholders who are minded to elect to receive the 2025 Final Dividend in RMB should note that (i) they should ensure that they have an appropriate bank account to which the RMB cheques for the 2025 Final Dividend can be presented for payment; and (ii) there is no assurance that the RMB cheques can be cleared without handling charges or delay in Hong Kong or that the RMB cheques will be honoured for payment upon presentation outside Hong Kong.

If any beneficial owners of shares of the Company which are registered in the name of a nominee (e.g. HKSCC Nominees Limited), trustee or registered holder in any other capacity elect to receive all (but not part) of the 2025 Final Dividend in RMB, they should make appropriate arrangements with such nominees, trustees or registered holders in order to effect the receipt of the 2025 Final Dividend in RMB. The Company shall not be responsible for any costs, taxes or duties associated therewith or arising therefrom and such costs will be borne solely by the beneficial owners of such shares of the Company. If no such arrangements are in place, such beneficial owners of shares of the Company (despite having elected to receive the 2025 Final Dividend in RMB) shall receive the 2025 Final Dividend in HKD.

If shareholders wish to receive the 2025 Final Dividend in HKD in the usual way, no additional action is required.

Shareholders should seek professional advice with their own tax advisors regarding any possible tax implications of the proposed dividend payment.

ANNUAL GENERAL MEETING

The 2026 AGM will be held on 28 May 2026 (Thursday). The Notice of the 2026 AGM, which constitutes part of the circular to shareholders, will be sent to the shareholders together with the 2025 Annual Report. The Notice of the 2026 AGM and the proxy form will also be available on the websites of the Company and The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

CLOSURE OF SHAREHOLDERS REGISTER

For the purposes of determining shareholders' eligibility to attend and vote at the 2026 AGM, and entitlement to the 2025 Final Dividend, the Shareholders Register will be closed. Details of such closures are set out below:

(i) For determining eligibility to attend and vote at the 2026 AGM:

Latest time to lodge transfer documents for registration 4:30 p.m. on
21 May 2026
(Thursday)

Closure of Shareholders Register from 22 May 2026
(Friday) to
28 May 2026
(Thursday)
(both dates inclusive)

Record date 28 May 2026
(Thursday)

(ii) For determining entitlement to the 2025 Final Dividend:

Latest time to lodge transfer documents for registration 4:30 p.m.
on 2 June 2026
(Tuesday)

Closure of Shareholders Register from 3 June 2026
(Wednesday) to
4 June 2026
(Thursday)
(both dates inclusive)

Record date 4 June 2026
(Thursday)

During the above closure periods, no transfer of shares will be registered. To be eligible to attend and vote at the 2026 AGM, and to qualify for the 2025 Final Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Branch Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than the aforementioned latest time.

RELEASE OF DETAILED RESULTS ON THE STOCK EXCHANGE'S WEBSITE

The Company's annual report containing all the information required by Appendix D2 to the Listing Rules and other applicable requirements will be published on the Company's and the Stock Exchange's websites in due course.

By the Order of the Board
KUNLUN ENERGY COMPANY LIMITED
Liu Guohai
Chairman and Executive Director

Hong Kong, 24 March 2026

As at the date of this announcement, the Board of Directors comprises Mr. Liu Guohai as the Chairman and Executive Director, Mr. He Yongli 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.