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COSL

中海油田服务股份有限公司

China Oilfield Services Limited

(Incorporated in the People's Republic of China as a joint stock limited liability company)

(Stock Code: 2883)

ANNOUNCEMENT
CONTINUING CONNECTED TRANSACTIONS
ENTERING INTO THE FINANCIAL SERVICES FRAMEWORK AGREEMENT

ENTERING INTO THE FINANCIAL SERVICES FRAMEWORK AGREEMENT

As disclosed in the announcement dated 27 April 2023, the Company has entered into the Current Financial Services Framework Agreement with CNOOC Finance on 8 May 2023, which will expire on 7 May 2026.

The Company expects to enter into the Financial Services Framework Agreement with CNOOC Finance on 8 May 2026. Pursuant to the Financial Services Framework Agreement, CNOOC Finance has agreed to continue to provide the Cash Depository Services, the Settlement Services, the Loan Services and Other Financial Services to the Group.

CNOOC Finance is a non-bank financial institution which is wholly-owned by CNOOC and its associates. CNOOC is the controlling shareholder of the Company holding 50.86% interest in the Company as at the date of this announcement. As such, CNOOC Finance is a connected person of the Company under the Listing Rules, and the Financial Services Framework Agreement and the transactions contemplated thereunder constitute the Continuing Connected Transactions of the Company pursuant to Chapter 14A of the Listing Rules.

In respect of the proposed annual caps under the Financial Services Framework Agreement, as the highest applicable percentage ratio in relation to the Cash Depository Services and Other Financial Services under the Financial Services Framework Agreement, on an aggregate basis, exceeds 0.1% but is below 5% as calculated in accordance with Rule 14.07 of the Listing Rules, the Financial Services Framework Agreement and transactions contemplated thereunder are subject to reporting and announcement requirements but exempted from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to the Financial Services Framework Agreement, CNOOC Finance will provide the Loan Services to the Group for the benefit of the Group on normal commercial terms where no security over assets of the Group is given in respect of the Loan Services, and CNOOC Finance will not charge service fees for the Settlement Services. As such, the Loan Services and the Settlement Services under the Financial Services Framework Agreement are exempted from reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Background

The Company is one of the leading integrated oilfield services providers in the world. Its services cover each phase of oil and gas exploration, development and production.

CNOOC is the controlling shareholder of the Company. As at the date of this announcement, CNOOC holds 50.86% interest in the Company. CNOOC Finance is a non-bank financial institution which is wholly-owned by CNOOC and its associates.

As disclosed in the announcement dated 27 April 2023, the Company has entered into the Current Financial Services Framework Agreement with CNOOC Finance on 8 May 2023, which will expire on 7 May 2026.

The Company expects to enter into the Financial Services Framework Agreement with CNOOC Finance on 8 May 2026. Pursuant to the Financial Services Framework Agreement, CNOOC Finance has agreed to continue to provide the Cash Depository Services, the Settlement Services, the Loan Services and Other Financial Services to the Group.

FINANCIAL SERVICES FRAMEWORK AGREEMENT

Date

8 May 2026

Parties

The Company and CNOOC Finance

Details of the Transaction

The terms of the Financial Services Framework Agreement have been reached after arm's length negotiation between the Company and CNOOC Finance. Pursuant to the Financial Services Framework Agreement:

(a) Cash Depository Services and Other Financial Services

Pursuant to the Financial Services Framework Agreement, CNOOC Finance will provide the Cash Depository Services and Other Financial Services to the Group, provided that the maximum daily balance of deposits (including interest receipts in respect of these deposits) placed by the Group with CNOOC Finance and the total maximum amount of the service fees in respect of Other Financial Services for the relevant period will not exceed the followings:

	For the period from 8 May 2026 to 31 December 2026 *RMB million*	**For the financial year ending 31 December 2027** *RMB million*
Maximum daily balance of deposit of the Cash Depository Services	2,320	2,320
Total maximum amount of the service fees in respect of Other Financial Services[(1)]	5	5

Note:

(1) The cap in respect of total service fees charged for Other Financial Services provided by CNOOC Finance to the Group was calculated based on (i) the business development plans and financial needs of the Group for the future; and (ii) the historical transaction amounts for the service fees for Other Financial Services.

The cap in respect of the Cash Depository Services is determined with reference to the Group's historical cash flow movements and level of deposits placed with CNOOC Finance and the anticipated business volume of the Company and the members of the Group for the relevant period. During the period from 8 May 2023 to 31 December 2023, the two years ended 31 December 2025 and the three months ended 31 March 2026, the deposits that the Group has placed with CNOOC Finance has not exceeded the maximum daily deposit amount. For illustration purpose, the deposits that the Group has placed with CNOOC Finance as at 31 December 2023, 31 December 2024, 31 December 2025 and 31 March 2026 were as follows:

	31 December 2023 *RMB million*	**31 December 2024** *RMB million*	**31 December 2025** *RMB million*	**31 March 2026** *RMB million*
Daily cash deposit cap amount	1,800	1,800	1,800	1,800
Actual amount	1,781.69	1,799.97	1,799.75	1,791.93

Subject to the requirements of the PRC laws and regulations and with reference to the interest rates published by the People's Bank of China for the same period, the deposit interest rates in respect of the Cash Depository Services to be provided by CNOOC Finance to the Group are not be lower than the deposit interest board rates offered by major commercial banks within the PRC for deposits of the same period and type. As the public deposit interest rate of CNOOC Finance makes reference to the deposit interest rates offered by commercial banks for deposits of the same nature and maturity, the Directors (including the independent non-executive Directors) are of the view that the deposit interest rates offered by CNOOC Finance to the Group are at the prevailing market rates and on terms no less favourable to the Group than those offered by independent financial institutions.

The cap in respect of total service fees charged for Other Financial Services is based on the historical amounts for the relevant service fees. The historical service fees charged for Other Financial Services provided by CNOOC Finance to the Group during the following periods are as follows: RMB0.4 million for the period from 8 May 2023 to 31 December 2023, RMB0.6 million for the year ended 31 December 2024, RMB1.0 million for the year ended 31 December 2025, and RMB0.2 million for the period from 1 January 2026 to 31 March 2026.

Other Financial Services

Subject to the requirements of the laws and regulations, the discount rates in respect of the discounting services to be charged by CNOOC Finance from the Group are preferential interest rate determined by CNOOC Finance after negotiating with the Group and comprehensive consideration of market prices and other factors. The Directors (including the independent non-executive Directors) are of the view that the discount rates in respect of the discounting services offered by CNOOC Finance to the Group are the prevailing market prices and on terms no less favourable to the Group than those offered by independent financial institutions.

The service fees in respect of the entrustment loans services to be charged by CNOOC Finance from the Group each year will be calculated based on the balance of the loan principal. The total service fees and the relevant loan interests shall not exceed the amount of interests for the Group's loans from a commercial bank under the same term. The Directors (including the independent non-executive Directors) are of the view that the service fees in respect of the entrustment loans services charged by CNOOC Finance from the Group are the prevailing market prices and on terms no less favourable to the Group than those offered by independent financial institutions.

Subject to the requirements of the laws and regulations, the service fees in respect of the letter of guarantee services and businesses including the acceptance of commercial bills within the credit lines to be charged by CNOOC Finance from the Group are favourable rates determined after negotiating with the Group and comprehensive consideration of market prices and other factors. The Directors

(including the independent non-executive Directors) are of the view that the service fees in respect of the letter of guarantee services and businesses including the acceptance of commercial bills within the credit lines charged by CNOOC Finance from the Group are the prevailing market prices and on terms no less favourable to the Group than those offered by independent financial institutions.

All payments made pursuant to the Cash Depository Services and Other Financial Services will be in cash. Payment terms and method will be on the normal commercial terms determined after arm's length negotiation, which are no less favourable to the Group than those offered by independent financial institutions.

(b) Loan Services

Pursuant to the Financial Services Framework Agreement, CNOOC Finance will provide the Loan Services for the benefit of the Group on normal commercial terms where no security over assets of the Group is given in respect of the Loan Services. As such, the Loan Services under the Financial Services Framework Agreement are exempted from reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules and the maximum daily balance of loans will not exceed the followings:

	For the period from 8 May 2026 to 31 December 2026 *RMB million*	**For the financial year ending 31 December 2027** *RMB million*
Maximum daily balance of loans	7,000	7,000

(c) Settlement Services

Pursuant to the Financial Services Framework Agreement, CNOOC Finance will provide the Settlement Services and other relevant settlement services for account settlement between the Group and the CNOOC Group and/or other third parties. The Settlement Services are related to the settlement of account payables and account receivables between members of the Group and the CNOOC Group and/or third parties. No deposit would need to be placed under the account of CNOOC Finance to facilitate payment and no cash received will be placed under the account of CNOOC Finance. No service fee will be charged by CNOOC Finance for the Group to utilise the Settlement Services.

As no deposit will be involved and no service fee is payable, cap for the Settlement Services will not be applicable.

Term and termination

Upon execution and seal by legal representative or authorised representative of each party, the Financial Services Framework Agreement will take effect from 8 May 2026 and will expire on 31 December 2027.

Measures taken to safeguard the interests of the Company and Independent Shareholders in the Financial Services Framework Agreement

The Company considers that the risk of placing deposits with CNOOC Finance can be effectively controlled and monitored basing on the following factors: CNOOC Finance is a non-bank financial institution subject to the regulation of the National Financial Regulatory Administration. The daily operations of CNOOC Finance are in compliance with the relevant rules and regulations in the PRC. During the course of its development, CNOOC Finance has always endeavoured to prevent financial risks and has established and implemented an effective internal control mechanism which is in compliance with the regulatory requirements of the National Financial Regulatory Administration in relation to risk control ratios.

The Directors and senior management of the Company will monitor closely and review regularly the deposit transactions of the Company. The Company will adopt a series of risk management arrangements, and endeavour to maintain the independence and fairness of the Company in the transactions, the fairness of the terms of the transactions, and the right of the Company to place deposits with independent third parties other than CNOOC Finance.

The reporting and record systems and internal control procedures taken by the Group include:

(i) the transactions under the Financial Services Framework Agreement are conducted on a non-exclusive basis;

(ii) the Finance Department of the Company will obtain information on deposit interests from major commercial banks within the PRC from time to time, and make comparisons based on the public deposit interest rate of CNOOC Finance, in order to allow the Company to obtain terms relating to placing deposits no less favourable than those offered by independent financial institutions, maximise the Company's interest in transactions and reduce the transactional costs and time of the Company;

(iii) the Finance Department of the Company will obtain information on the fees in respect of Other Financial Services from major commercial banks within the PRC from time to time, and make comparisons based on the fees in respect of Other Financial Services charged by CNOOC Finance from the Group, in order to allow that the service fees to be paid by the Company are the prevailing market prices and on terms no less favourable to the Group than those offered by independent financial institutions, and reduce the transactional costs and time of the Company;

(iv) before placing deposits, the Finance Department of the Company will check the maximum daily balance of the deposits placed with CNOOC Finance to avoid exceeding the cap;

(v) the Company will conduct quarterly checking and clearing with related parties (including CNOOC Finance) in relation to the operational fund transfers in order to ensure the safety of funds;

(vi) CNOOC Finance will provide the Company with a report on the compliance of regulatory indicators annually, and will provide the Company with monthly financial statements of CNOOC Finance in the following month. The Company has right to require CNOOC Finance to provide regular financial reports, audit reports, etc., conduct supervision and inspection on its daily operations and risk control, and carry out risk assessment for CNOOC Finance. In the event of situations that endanger or may endanger the safety of the Company's deposits or other matters that may bring security risks to the funds deposited by the Company, the Company has the right to transfer the deposited money immediately;

(vii) the Contract Management Department will strictly review contracts, the Contract Enforcement Department will timely monitor the amount of connected transactions, and the relevant business departments will supervise the compliance control in transactions. In addition to the annual review of the performance of agreement by the independent non-executive Directors and the Company's auditors, the independent non-executive Directors will also review and confirm whether the Group's deposit transactions with CNOOC Finance are fair, whether the amount and interest rate of deposits transactions are reasonable and whether are in the interests of the Company's Shareholders as a whole. The Audit Committee of the Company will also monitor the working arrangements involved in the Company's Continuing Connected Transactions, and review whether the Company's transactions are fair, and whether the transaction prices are reasonable.

The background and reasons for entering into the Financial Services Framework Agreement and its benefits to the Company

CNOOC Finance is a non-bank financial institution established in 2002 with the approval of the National Financial Regulatory Administration (the former China Banking and Insurance Regulatory Commission). It is a subsidiary of CNOOC and provides financial services and financial management services to the CNOOC Group. It is also the only financial institution in the CNOOC Group which can offer account settlement and cash depository services to the member companies. CNOOC Finance is rated A+ by Standard & Poor's and A1 by Moody's.

CNOOC Finance has been providing financial services including the Cash Depository Services and the Settlement Services to the Group since 2008. As the Current Financial Services Framework Agreement will expire on 7 May 2026, it is proposed to enter into the new Financial Services Framework Agreement to govern the Continuing Connected Transactions, so that the Group could continue to utilise the Cash Depository Services, the Settlement Services, the Loan Services and Other Financial Services.

Given that CNOOC Finance (1) is providing the Settlement Services to the Group on a free of charge basis; (2) has in-depth knowledge about the operation of the Group and could provide more convenient and effective services to the Group than other financial institutions; (3) is a non-bank financial institution licensed by the National Financial Regulatory Administration with customers primarily comprising of members of the CNOOC Group, which means it is exposed to lower risks than other financial institutions and hence could offer better security to the deposits of the Group; and (4) is rated A+ by Standard & Poor's and A1 by Moody's, and the risk exposure to the Group would not be greater when compared with other financial institutions, the Directors (including the independent non-executive Directors) are of the view that it is in the interests of the Company and the Shareholders to continue the Continuing Connected Transactions with CNOOC Finance. As the financial services provided by CNOOC Finance to the Group are being conducted in the ordinary course of business of the Group, the deposit rates to be provided to the Group for the Cash Depository Services shall be determined with reference to the interest rates for deposits of the same period published by the People's Bank of China, and shall not be lower than the deposit interest board rates offered by major commercial banks within the PRC for the same period and type. The service fees in respect of Other Financial Services are favourable rates determined after consideration of market prices and other factors, the Directors (including the independent non-executive Directors) consider that the Financial Services Framework Agreement is entered into in the ordinary and usual course of business of the Company, the terms of which are on normal commercial terms or better, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

CNOOC Finance is a non-bank financial institution which is wholly-owned by CNOOC and its associates. CNOOC is the controlling shareholder of the Company holding 50.86% interest in the Company as at the date of this announcement. As such, CNOOC Finance is a connected person of the Company under the Listing Rules, and the Financial Services Framework Agreement and the transactions contemplated thereunder constitute the Continuing Connected Transactions of the Company pursuant to Chapter 14A of the Listing Rules.

In respect of the proposed annual caps under the Financial Services Framework Agreement, as the highest applicable percentage ratio in relation to the Cash Depository Services and Other Financial Services under the Financial Services Framework Agreement, on an aggregate basis, exceeds 0.1% but is below 5% as calculated in accordance with Rule 14.07 of the Listing Rules, the Financial Services Framework Agreement and transactions contemplated thereunder are subject to reporting and announcement requirements but exempted from Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to the Financial Services Framework Agreement, CNOOC Finance will provide the Loan Services to the Group for the benefit of the Group on normal commercial terms where no security over assets of the Group is given in respect of the Loan Services, and CNOOC Finance will not charge service fees for the Settlement Services. As such, the Loan Services and the Settlement

Services under the Financial Services Framework Agreement are exempted from reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL INFORMATION

The Directors (including the independent non-executive Directors) consider that the terms, proposed annual caps of and the transactions contemplated under the Financial Services Framework Agreement are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

The Board has resolved and approved the Financial Services Framework Agreement and the proposed annual caps thereto on 22 April 2026. Of the Directors attending the Board meeting, Messrs. Lu Tao, Fan Baitao and Liu Qiudong were considered to have material interests by virtue of being employed by CNOOC, and had thus abstained from voting on the Board resolution(s) in respect of the above transactions.

DEFINITIONS

"associates"	has the same meaning ascribed to it under the Listing Rules;
"Board"	the board of directors;
"Cash Depository Services"	the cash depository services provided by CNOOC Finance to the Group under the Financial Services Framework Agreement;
"CNOOC"	China National Offshore Oil Corporation, a state-owned enterprise incorporated under the laws of the PRC, the controlling shareholder of the Company, as well as the controlling shareholder of another two companies listed in Hong Kong, namely, CNOOC Limited (Stock code: 0883) and China BlueChemical Limited (Stock code: 3983), and another three companies listed in PRC (excluding Hong Kong);
"CNOOC Finance"	CNOOC Finance Corporation Limited, a non-bank financial institution which is wholly-owned by CNOOC and its associates;
"CNOOC Group"	CNOOC and its subsidiaries, excluding the Group;
"Company"	China Oilfield Services Limited, a joint stock company incorporated in the People's Republic of China with limited liability, the A shares of which are listed on the Shanghai Stock Exchange and the H shares of which are listed on main board of the Stock Exchange;

"Continuing Connected Transactions"	the "continuing connected transactions" under the Listing Rules, which refer to the Cash Depository Services, the Settlement Services, the Loan Services, Other Finance Service, etc. contemplated under the Financial Services Framework Agreement, in this announcement;
"controlling shareholder"	has the same meaning ascribed to it under the Listing Rules;
"Current Financial Services Framework Agreement"	the financial services framework agreement which was entered into between the Company and CNOOC Finance on 8 May 2023;
"Director(s)"	the director(s) of the Company;
"Financial Services Framework Agreement"	the agreement which will be entered into between the Company and CNOOC Finance on 8 May 2026;
"Group"	the Company and its subsidiaries;
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Independent Shareholder(s)"	the Shareholder(s) of the Company other than CNOOC and its associates;
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
"Loan Services"	the loan services provided by CNOOC Finance to the Group under the Financial Services Framework Agreement;
"Other Financial Services"	the discounting services, the entrustment loans services and the letter of guarantee services provided by CNOOC Finance to the Group and businesses including the acceptance of commercial bills within the credit lines to be granted by CNOOC Finance under the Financial Services Framework Agreement;
"PRC"	the People's Republic of China;
"RMB"	Renminbi, the lawful currency of the PRC;
"Settlement Services"	the settlement services provided by CNOOC Finance to the Group under the Financial Services Framework Agreement;
"Shareholder(s)"	holder(s) of the shares of the Company;

"Stock Exchange"	The Stock Exchange of Hong Kong Limited; and
"%"	per cent.

By Order of the Board
China Oilfield Services Limited
Sun Weizhou
Company Secretary

22 April 2026

As at the date of this announcement, the executive directors of the Company are Messrs. Zhao Shunqiang (Chairman) and Lu Tao; the employee representative director of the Company is Mr. Xiao Jia; the non-executive directors of the Company are Messrs. Fan Baitao and Liu Qiudong; and the independent non-executive directors of the Company are Ms. Chiu Lai Kuen, Susanna, Messrs. Kwok Lam Kwong, Larry and Yao Xin.