2026

INTERIM REPORT

CNOOC Limited

Stock Codes：00883（HKD counter) and 80883 (RMB counter)

Contents

Important Notice

The board of directors (the "Board" or "Board of Directors"), directors (the "Directors") and senior management of CNOOC Limited (the "Company" or "CNOOC Limited") warrant the truthfulness, accuracy and completeness of the information contained herein and there are no material omissions from, or misrepresentation or misleading statements, and jointly and severally assume full responsibility for this interim report.

The interim report has been considered and approved at the 4th meeting of the Board of the Company in 2026. Mr. Wang Dehua, our Non-executive Director, was unable to attend such meeting of the Board of the Company due to other business arrangements, and has appointed in writing Mr. Zhang Chuanjiang, the Chairman and Non-executive Director, to attend the meeting and exercise voting rights on his behalf. Mr. Huang Yongzhang, Vice Chairman, Chief Executive Officer and President, Ms. Mu Xiuping, Senior Vice President, Chief Financial Officer and Ms. Ren Min, General Manager of Financial Department of the Company warrant the truthfulness, accuracy and completeness of the financial report set out in this interim report.

The financial statements of the Company have been prepared in accordance with the Chinese Accounting Standards for Business Enterprises and the IFRS Accounting Standards/HKFRS Accounting Standards, respectively. The financial statements set out in this interim report are unaudited.

In overall consideration of situations such as the operating results, financial position and cash flow of the Company, to provide returns to shareholders, as authorized by the Company's 2025 annual general meeting, the Board has resolved to declare an interim dividend of HK$0.94 per share (tax inclusive) for the first half of 2026. Dividends payable shall be denominated and declared in HKD, among which, dividend for A shares will be paid in RMB, applying an exchange rate which equals to the average central parity rate between HKD and RMB announced by the People's Bank of China in the week before the Board declared the interim dividend; dividend for Hong Kong shares will be paid in HKD.

No appropriation of funds on a non-operating basis by the Company's controlling shareholder or its related parties has occurred. The Company did not provide external guarantees in violation of the stipulated decision-making procedures.

Important Notice

This interim report includes forward-looking information, including statements regarding the likely future developments in the business of the Company and its subsidiaries, such as expected future events, business prospects or financial results. The words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify such forward-looking statements. These statements are based on assumptions and analyses made by the Company as of this date in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company currently believes are appropriate under the circumstances. However, whether actual results and developments will meet the current expectations and predictions of the Company is uncertain. Actual results, performance and financial condition may differ materially from the Company’s expectations, as a result of uncertainty factors including but not limited to those associated with macro-political and economic factors, fluctuations in crude oil and natural gas prices, the highly competitive nature of the oil and natural gas industry, climate change and environment policies, the Company’s price forecast, mergers, acquisitions and divestments activities, HSSE and insurance policies and changes in anti-corruption, anti-fraud, anti-money laundering and corporate governance laws and regulations.

Consequently, all of the forward-looking statements made in this report are qualified by these cautionary statements. The Company cannot assure that the results or developments anticipated will be realised or, even if substantially realised, that they will have the expected effect on the Company, its business or operations.

The data in the tables of this report has been rounded. There may be discrepancies between the aggregate figures and the sum of each individual item and variances in percentage changes.

Definition and Glossary

DEFINITION OF TERMS

Wildcat well	A well drilled on any rock formation for the purpose of searching for petroleum accumulations, including a well drilled to obtain geological and geophysical parameters
Appraisal well	An exploratory well drilled for the purpose of evaluating the commerciality of a geological trap in which petroleum has been discovered
Exploration wells	Wildcat and appraisal wells
Upstream business	Oil and gas exploration, development and production
Proved reserves	Based on geoscience and engineering data, estimates of oil and gas quantities can be thought with reasonable certainty to be recoverable from known oil and gas reservoirs under existing economic, operating conditions and regulations in future years
Reasonable certainty	As more geoscience, engineering, and economic data becomes available over time, the estimated ultimate recovery is much more likely to increase or remain constant
Seismic	A geophysical exploration method based on the difference in elasticity and density of underground medium to generate wave impedance, which is received and processed to reflect and infer the attribute and state of underground rock strata
Proved in-place volume	Industrial oil and gas flows obtained from drilling wells and producible reservoir proved by appraisal drilling. It is estimated with high confidence
Unconventional oil and gas	Oil and gas resources that cannot be obtained for natural industrial output using traditional development technologies, which can be economically exploited, continuously or quasi-continuously accumulated, only through the use of novel technologies which improve reservoir permeability or fluid viscosity, including tight oil and gas, shale oil and gas, coalbed methane, and natural gas hydrates

Definition and Glossary

GLOSSARY

Bbl	Barrel
Bcf	Billion cubic feet
BOE	Barrel of oil equivalent
Mbbls	Thousand barrels
Mboe	Thousand barrels of oil equivalent
Mcf	Thousand cubic feet
Mmboe	Million barrels of oil equivalent
Mmbbls	Million barrels

CONVERSION

For crude oil, 1 tonne is about 7.21 barrels
For natural gas, 1 cubic meter is about 35.26 cubic feet

Company Profile

CNOOC Limited, incorporated in the Hong Kong Special Administrative Region ("Hong Kong") in August 1999, was listed on The Stock Exchange of Hong Kong Limited ("HKSE") (stock code: 00883) on 28 February 2001. The Company was admitted as a constituent stock of the Hang Seng Index in July 2001. On 21 April 2022, the Company's RMB shares ("A shares") were listed on the main board of the Shanghai Stock Exchange ("SSE") (stock code: 600938). On 19 June 2023, the Company launched RMB counter for trading of Hong Kong shares (stock code: 80883) on HKSE.

The Company is the largest producer of offshore crude oil and natural gas in China and one of the largest independent oil and gas exploration and production companies in the world. The Company mainly engages in exploration, development, production and sale of crude oil and natural gas.

The Company's core operation areas are Bohai, the Western South China Sea, the Eastern South China Sea and the East China Sea in offshore China. The Company has oil and gas assets in Asia, Africa, North America, South America, Oceania and Europe.

The basic information of CNOOC Limited:

Chinese Name of the Company	中國海洋石油有限公司
Abbreviation of Chinese Name of the Company	中國海油
English Name of the Company	CNOOC Limited
Chief Executive Officer of the Company	Huang Yongzhang

Secretary to the Board of the Company:

Name	Xu Yugao
Contact address	No. 25 Chaoyangmen Beidajie, Dongcheng District, Beijing
Telephone	(8610) 8452 0883
E-mail	ir@cnooc.com.cn

Company Profile

Place of registration, office address and contact information:

Registered address of the Company	65/F, Bank of China Tower, 1 Garden Road, Hong Kong
Domestic office of the Company	No. 25 Chaoyangmen Beidajie, Dongcheng District, Beijing
Postal code for domestic office of the Company	100010
Overseas office of the Company	65/F, Bank of China Tower, 1 Garden Road, Hong Kong
Postal code for overseas office of the Company	999077
Website of the Company	www.cnoocltd.com
E-mail	ir@cnooc.com.cn

Changes in the places for information disclosure and reference:

The Company's designated press media for A shares information disclosure	China Securities Journal, Shanghai Securities News, Securities Times, Securities Daily
Designated stock exchange website for the interim report	www.sse.com.cn www.hkexnews.hk
The interim report of the Company is available at	A shares: 12/F, No. 25 Chaoyangmen Beidajie, Dongcheng District, Beijing Hong Kong shares: 65/F, Bank of China Tower, 1 Garden Road Hong Kong

Stock exchange where the shares are listed, stock abbreviation and stock code:

Hong Kong shares:	The Stock Exchange of Hong Kong Limited
Stock Codes:	00883 (HKD counter) and 80883 (RMB counter)
A shares:	Shanghai Stock Exchange
Stock Abbreviation:	中國海油
Stock Code:	600938

Financial Summary

KEY FINANCIAL DATA

Unit: RMB million

Key Financial Data	**This reporting period (From January to June)**	The same period of last year	Increase/decrease as compared with the same period of last year (%)
Revenue	**242,660**	207,608	16.9
Profit before tax	**113,513**	94,659	19.9
Net profit attributable to equity shareholders of the Company	**85,818**	69,533	23.4
Net profit after deducting non-recurring profit or loss items attributable to equity shareholders of the Company	**85,733**	69,353	23.6
Net cash flows from operating activities	**141,631**	109,182	29.7
	At the end of the reporting period	At the end of last year	Increase/decrease at the end of the reporting period compared with the end of last year (%)
Equity attributable to equity shareholders of the Company	**856,054**	802,750	6.6
Total assets	**1,202,503**	1,098,559	9.5

KEY FINANCIAL INDICATORS

Key Financial Indicators	**This reporting period (From January to June)**	The same period of last year	Increase/decrease as compared with the same period of last year (%)
Basic earnings per share (RMB/share)	**1.81**	1.46	23.4
Diluted earnings per share (RMB/share)	**1.81**	1.46	23.4
Basic earnings per share, net of non-recurring profit or loss (RMB/share)	**1.80**	1.46	23.6
Weighted average return on net assets (%)	**10.21**	8.90	Increased by 1.31 percentage points
Weighted average return on net assets, net of non-recurring profit or loss (%)	**10.20**	8.88	Increased by 1.32 percentage points

Chairman's Statement

Dear shareholders,

In the first half of 2026, the macro economic environment remained complex and volatile, with external uncertainties continuing to rise. Faced with multiple challenges such as sharp fluctuations in international oil prices and rising expectations of global liquidity tightening, the Company remained focused and proactive. We achieved steady improvements in production and operations, set record highs across multiple indicators, and delivered satisfactory results.

The Company focused on its core mission of increasing reserves and production, and continued to strengthen its resource base. Adhering to the value-driven exploration approach and the strategy of targeting large and medium-sized oil and gas fields, we intensified risk exploration and step-out exploration in new areas, new fields and new plays, while actively pursuing high-quality exploration interests. In China, we made four new oil and gas discoveries and successfully appraised 16 oil and gas bearing structures, with onshore unconventional natural gas reserves growing steadily. Overseas, we successfully acquired three new exploration blocks in Brazil and Indonesia, further expanding our global exploration footprint.

The Company improved the efficiency of oil and gas field development and remained resolute in strengthening, optimizing and expanding its core business foundation. We spared no effort in advancing the construction of key projects, deeply implemented engineering standardization and the application of Excellent Drilling and Completion, effectively shortening the production capacity construction cycle, with a total of five new projects successfully brought on stream. Through refined management, we effectively contained the natural decline rate and achieved stable production and efficient development of producing oilfields. In the first half of the year, the Company's net oil and gas production reached a new high, with both domestic and overseas production setting new records.

The Company remained committed to driving industrial innovation through technological innovation, and continuously strengthening its core competitiveness. We intensified research and application of key technologies for reserves and production growth, achieving significant breakthroughs in critical areas such as heavy oil thermal recovery, low-permeability fracturing, and ultra-deep extended-reach drilling. We steadily implemented the digital and intelligent transformation, formulated a scenario blueprint for the "Digital & Intelligent CNOOC" initiative, fully deployed the "Haineng-Zhiqing" digital platform, had our high-value scenarios and high-quality datasets selected as typical cases at the World AI Conference, and fully leveraged digital and intelligent technologies to empower our business operations and management.

Chairman's Statement

The Company coordinated green oil and gas production with the large-scale deployment of new energy, steadily advancing its low-carbon transition. We enhanced energy substitution and continued to expand the use of green electricity through onshore power projects and other initiatives. The "Haiyou Anlan", China's first tension-leg floating wind power demonstration project, was commissioned and connected to the grid for power generation in August, while the construction of the deep-sea wind power demonstration project CZ7 is progressing in an orderly manner. We steadily promoted the development of carbon-negative industries, with China's first offshore CCUS project fully commissioned in the South China Sea.

We have always firmly upheld the bottom line of safety in development and maintained an overall stable safety and environmental performance despite the increase in operational workload, underpinning high-quality development with a high level of safety.

The Company achieved a significant improvement in operational quality and efficiency, with its value creation capabilities continuously enhanced. In the first half of the year, the Company recorded operating revenue of RMB242.7 billion, representing a year-on-year increase of 16.9%, and net profit attributable to equity shareholders of the Company of RMB85.8 billion, representing a year-on-year increase of 23.4%, both reaching the highest levels for any interim period in the Company's history. Our all-in cost was US$29.7 per BOE, maintaining a strong cost competitiveness. To actively reward shareholders, the Board of Directors has resolved to declare an interim dividend of HK$0.94 per share (tax inclusive) for the first half of 2026, setting a record high since its listing.

In the second half of the year, we will stay focused on our annual production and operation targets, spare no effort to increase reserves and production, intensify research on core technologies, steadily grow our new energy business, further tap the potential for quality and efficiency enhancement, and strictly uphold the bottom line of safety and environmental protection. With robust operating performance, we will deliver returns to our shareholders, and through practical efforts and a strong sense of responsibility, accelerate our drive to build a world-class energy and resource group with distinctive marine features.

Zhang Chuanjiang
Chairman

26 August 2026

Business Overview

OVERVIEW

CNOOC Limited is an upstream company specialising in oil and natural gas exploration, development and production, and is the dominant oil and natural gas producer in offshore China. In terms of reserves and production, it is also one of the largest independent oil and natural gas exploration and production companies in the world.

CNOOC Limited engages in oil and natural gas exploration, development and production in Bohai, Western South China Sea, Eastern South China Sea, East China Sea and onshore, either independently or through PSC. In the first half of 2026, approximately 69.0% of the Company's net production came from China.

We have a diversified and high-quality portfolio. We hold interests in a number of world-class oil and gas projects and have become a world-leading player in the industry. Currently, our assets are located in more than 20 countries and regions around the world, including Indonesia, Australia, Nigeria, Iraq, Uganda, Argentina, the U.S., Canada, the U.K., Brazil, Guyana and the United Arab Emirates. For the first half of 2026, overseas oil and gas assets accounted for approximately 39.0% of the total oil and gas assets of the Company.

During the reporting period, global economic growth continued to slow down, with most countries experiencing significantly rising inflationary pressures. China's economy sustained its overall stable momentum while advancing toward innovation-driven and high-quality development, demonstrating strong resilience and vitality. Amid geopolitical conflicts in the Middle East, international oil prices fluctuated widely, with the average price of Brent crude oil at US$87.6 per barrel. Faced with a complex and ever-changing external environment, the Company pursued high-quality development by coordinating and advancing various initiatives, including reserves and production growth, quality and efficiency enhancement, technological innovation, and green and low-carbon development, achieving record-high operating results for the same period.

In the first half of 2026, the Company achieved oil and gas sales revenue of RMB206,086 million, representing a year-on-year increase of 20.0%; net profit attributable to equity shareholders of the Company was RMB85,818 million, representing a year-on-year increase of 23.4%; and net oil and gas production reached 398.7 million BOE, representing a year-on-year increase of 3.7%.

Business Overview

Exploration

In the first half of the year, the Company targeted large and medium-sized oil and gas fields, and continued to strengthen exploration efforts, achieving positive results and further consolidating its resource base. In China, the Company focused on the fields such as lithology, mid-to-deep play and burial hills, achieving numerous exploration breakthroughs. Overseas, the Company adhered to strategic guidance, intensified regional research and assessment efforts, and deepened its presence in contracted blocks while accelerating research and operational preparations for newly acquired blocks.

In offshore China, the Company made four new discoveries, namely Luda 16-1, Bozhong 34-2 North, Qinhuangdao 30-3 and Enping 11-1, and successfully appraised 16 oil and gas bearing structures. Among them, the new discoveries of Luda 16-1 and Qinhuangdao 30-3 in the Bohai Bay Basin demonstrated broad exploration prospects in the Paleogene lithologic play of the Liaozhong Sag and in the natural gas exploration of the Liaoxi Uplift. The new discovery of Enping 11-1 in the Pearl River Mouth Basin, which delivers notable results of the integrated approach, is expected to commence production rapidly by utilizing existing facilities. The Company continued to intensify the exploration of onshore unconventional natural gas, effectively consolidating the resource base.

Overseas, the Company focused on strategic key areas for business expansion and made multiple significant progress in the first half of the year. In Brazil, it acquired its first block as operator in the pre-salt exploration of the Santos Basin—the Ametista block. Meanwhile, it acquired two blocks in Indonesia, Bintuni and Drawa, further expanding its portfolio of high-quality exploration assets in Southeast Asia.

Engineering Construction, Development and Production

In the first half of the year, the Company strengthened its production organisation and efficiently accelerated the construction of production capacity. Among the new projects scheduled for commissioning within the year, Huizhou 25-8 Oilfield Comprehensive Adjustment Project, Luda 10-1 Oilfield 10-4 Block Adjustment Project, Penglai 19-3 Oilfield 1/2/3/8/9 Block Secondary Adjustment Project, Weizhou 10-3 Oilfield West Block Development Project, and Buzios8 Project in Brazil have successfully commenced production. The construction of Bozhong 26-6 Oilfield Development Project (Phase II) and other projects has been steadily promoted.

With refined production management as a means and innovation-driven efficiency as the core driving force, the Company optimized production organization, and drove quality and efficiency enhancement in oilfield production. The Company intensified technological breakthroughs in developing low-permeability, marginal and heavy oil and gas reservoirs, with a focus on improving reserve utilization rate and recovery factor; strengthened refined reservoir management to continuously enhance the development level of producing oilfields; finely described oil and gas reservoir to further consolidate the foundation for stable output of producing oilfields; and through careful planning and efficient execution, steadily advanced refined water injection and production stabilization with controlled water cut. The Company continued to intensify efforts to tap the potential of producing oilfields, achieving remarkable results in stabilizing and increasing production.

In the first half of the year, net oil and gas production reached a record high of 398.7 million BOE. By regions, the net oil and gas production from China was 275.2 million BOE, representing a year-on-year increase of 3.3%, mainly due to the production contribution from projects such as Kenli 10-2 and Liuhua 11-1. The overseas net oil and gas production was 123.6 million BOE, representing a year-on-year increase of 4.6%, mainly due to the production ramp-up from Yellowtail in Guyana and Buzios7 in Brazil.

In the first half of the year, the production of crude liquids and natural gas accounted for 77.8% and 22.2%, respectively. Crude liquids production increased by 4.8% year-on-year, primarily attributable to production contributions from Yellowtail in Guyana and Kenli 10-2; natural gas production remained basically flat year-on-year.

Production Summary

	First half of 2026			First half of 2025		
	Crude and liquids (mmbbls)	Natural gas (bcf)	Total oil and gas (mmboe)	Crude and liquids (mmbbls)	Natural gas (bcf)	Total oil and gas (mmboe)
Net production						
China	206.8	405.1	275.2	199.6	395.3	266.5
Overseas	103.6	112.2	123.6	96.5	121.0	118.1
Total	310.3	517.3	398.7	296.1	516.2	384.6

Scientific and Technological Innovation

The Company continued to deepen its innovation-driven strategy, steadily advanced the research and application of key technologies for reserves and production growth, and effectively supported its high-quality and sustainable development. The Company increased investment in basic scientific research, focused on key exploration areas such as deep-play and deep-water, and continuously reinforced the theoretical underpinning for efficient “oil and gas exploration”. To address the dual extreme extension challenges of vertical depth and displacement in deep-play 10,000-meter-level extended-reach wells, the Company overcame challenges and developed efficient well construction technologies for ultra-deep extended-reach wells. The Company developed an integrated 350℃ high-temperature electric pump injection-production integrated technology, which was fully promoted and applied at the Kenli 10-2 heavy oil thermal recovery field and achieved two consecutive effective injection-production cycles. The completion of the first batch of operations with domestically built large-scale fracturing vessel delivered cost-effective solutions for the development of offshore low-permeability oilfields.

The Company deepened its drive for digital-intelligent transformation, fully implemented the graded cultivation of smart oil and gas fields, and explored the establishment of a “Data + AI” dual-drive development pattern to enhance value creation capabilities. The “Haineng-Zhiqing” platform completed its overall deployment and application, strengthened the unified digital foundation for smart oil and gas fields, and accumulated 540 reusable services, which effectively supported cost reduction through technology and quality improvement through application. The Company accelerated the development of scenario applications in “AI+” areas such as research and design as well as field operations, and the intelligent injection-production interaction scenario for offshore oilfield production was selected as a high-value scenario at the 2026 World AI Conference.

Green and Low Carbon

The Company made solid progress in energy conservation and carbon reduction, and achieved additional outcomes in clean oil and gas production. The Company continued to strengthen energy substitution and expand the use of green electricity, consuming nearly 500 million kWh of green power in the first half of the year. The Company also continued to advance flare gas management and promote the recovery and utilization of low-pressure associated gas. Through the installation of multiple compressors at Suizhong 36-1 Oilfield, the Company enabled low-pressure associated gas to be used as fuel for platform facilities.

The Company steadily advanced the integrated development of offshore wind power and the core oil and gas business. The deep-sea floating offshore wind platform “Haiyou Guanlan” operated stably, generating 1.56 million kWh of electricity in the first half of the year. The independently developed “Haiyou Anlan”, China’s first tension-leg floating wind power demonstration project, was connected to the grid for power generation in August. The CZ7 deep-sea offshore wind demonstration project progressed steadily, while the new energy projects in Guangdong and Jiangsu entered the design phase.

The Company proactively cultivated negative-carbon industries and continued to strengthen the development of CCS/CCUS technologies. China’s first offshore CCUS project was fully commissioned at the Enping 15-1 platform, and Dongfang 1-1 gas field CCUS demonstration project commenced construction.

RURAL REVITALIZATION

In the first half of the year, the Company strengthened its sense of urgency and responsibility in advancing the work pertaining to “agriculture, rural areas, and farmers” in the new era and on the new journey. It firmly grasped the requirements of the new phase of regularized assistance, continuously upheld and fulfilled its assistance responsibilities, and implemented the plan for comprehensively supporting rural revitalization, ensuring that planning, deployment, and action were all carried out in advance and undertaken proactively. The Company invested RMB68.015 million in assistance funds in the Tibet Autonomous Region, Hainan Province, and Guangdong Province and implemented 24 assistance projects, achieving full coverage across the “five revitalizations”. These projects helped cultivate local competitive industries, promoted farmers’ income growth, facilitated balanced development in livelihood sectors such as healthcare and education, and drove substantive progress in the integration of enterprise and local industries, contributing to a new level of advancement in rural revitalization and agricultural and rural modernization.

Risk Management and Internal Control

Since its establishment, the Company has treated risk management, internal control and compliance management system as a top priority. The Company recognizes that it is the duty and obligation of its management to establish and maintain a risk management, internal control and compliance management system which serves the Company's strategic objectives and meets the Company's business practice.

The Board ensures that the Company establishes and maintains appropriate and effective risk management and internal control systems, strengthens the construction of compliance system on this basis, and reviews their effectiveness. Such systems are designed to manage the risks a company may face in achieving its business objectives. The Board receives a report on risk management, internal control and compliance management systems from management twice a year. All major risks are reported to the Board which also evaluates the risks and their response plan. Appropriate and effective risk management and internal control system can help the company reasonably reduce the possible loss caused by the occurrence of risks. The Company's Risk Management, Internal Control and Compliance Management Committee (RMICC Committee) is authorised by the Board to organise and carry out the Company's overall risk management and internal control. Its responsibilities include developing risk management and internal control systems, standardizing institutional framework, authorisation, responsibilities, processes and methods for the systems, continuously monitoring the operation of the systems, and regularly reporting the Company's risk management, internal control and compliance management efforts to the Audit Committee of the Board (the "Audit Committee") and the Board.

RISK FACTORS

Although we have established the risk management system to identify, analyze, evaluate and respond to risks, our business activities may be subject to the following risks.

MACRO ECONOMY AND POLICY RISKS

(1) Macro economy risk

The industry in which the Company operates is closely linked to the macro economy. The combination of geopolitics and trade frictions has a negative impact on the global flow of goods, people and capital, and global supply chains are facing unprecedented challenges. Macro economy changes will affect the supply and downstream demand for oil and natural gas, which may adversely affect the Company's performance.

(2) Risk of changing international political and economic factors

The international political and economic situation is complex and changeable, and geopolitical tensions in Ukraine and the Middle East continue, which are accelerating the profound reshaping of the world landscape. If some of the countries in which we operate may be considered politically or economically unstable, our financial condition and operating results could be adversely affected.

The Arctic LNG 2 LLC and its project in Russia, in which the Company has a 10% interest, have been adversely affected to a certain extent by sanctions stemming from the Russia-Ukraine conflict. Save that, as of the date of this report, other overseas projects of the Company have not been affected by the Russia-Ukraine conflict, and the production and operation conditions are normal.

(3) Risk of industry policy changes

China's oil and gas system reform has achieved phased results. With the further opening up of the upstream market, the Company may face competition and challenges from a wide range of industry players in acquiring and retaining exploration rights for oil and gas blocks in the future.

(4) Risk of climate change and environmental policy changes

With the coming into force of the Paris Agreement and the continuing growth of the public's awareness of climate change issues, China has put forward the timeline target for "Carbon peak and Carbon neutrality". The acceleration of the energy transition process poses challenges to the oil and gas industry. Faced with the dual challenges of transformation and physical climate risks, the Company may face risks of rising investment and operating costs and declining main business income if it fails to respond in a timely and effective manner.

Our offshore operating platforms, exploration and development activities and onshore terminal production activities will lead to risks of waste gas, wastewater, solid wastes, noise and oil spillage. If they are not properly handled, they may fail to meet the standard of discharge or the disposal process is not in compliance, which will damage our reputation and operations and increase the costs of restoring the ecological environment and compensation, and even expose us to lawsuits and penalties.

MARKET RISKS

(1) Risk arising from volatility in oil and gas prices

Prices for crude oil and natural gas may fluctuate widely, primarily reflecting changes in their supply and demand. Factors affecting such fluctuations include market uncertainty and various other factors beyond our control. Volatility in oil and gas prices may have a substantial impact on our business, cash flows and profits.

(2) Risk arising from increasing market competition

The new round of scientific and technological revolution and industrial transformation has a profound impact on the development of the energy industry. The Company faces competition in various areas, including access to oil and gas resources, alternative energy, customers, capital financing, technology and equipment, talent, and business opportunities. Energy prices continue to be affected by global supply and demand, geopolitical situations, and green and low-carbon trends. Additionally, increasingly stringent environmental regulations in the energy sector and the continuous progress and development of the alternative energy industry have also led to intensified competition in the energy supply market, which may have an adverse impact on the Company's operations and performance.

BUSINESS RISKS

(1) HSSE risk

Given the geographical area, operational diversity and technical complexity of our operations, every aspect of our daily operations exposes us to potential health, safety, security and environment (HSSE) risk. If a major HSSE risk materialises, it could result in casualties, loss of life, environmental damage, disruption to business activities and material impact on our reputation, exclusion from bidding or eventually loss of our license to operate in certain blocks.

In addition, the Company's oil and gas transportation involves marine, land and pipeline transportation, which are subject to hazards such as capsizing, collision, acts of piracy and damage or loss from severe weather conditions, explosions and oil and gas spills and leakages. These hazards could result in serious personal injury or loss of human life, significant damage to property and equipment, environmental pollution, operating loss, risk of financial loss and reputational harm. We may not be able to arrange insurance coverage for all of these risks, and uninsured losses and liabilities arising from these hazards may have a material and adverse effect on our business, financial condition and results of operations.

(2) Risk of deviation between forward-looking judgments of oil and gas prices and the actuality

The Company will review the oil and natural gas price predictions on a periodic basis. Although we believe our current forward-looking predictions on long-term price range are prudent, if such predictions deviate in the future, it could have a material and adverse effect on us.

(3) Risk that the anticipated benefits from mergers and acquisitions and disposals may not be realized

Part of the Company's oil and gas assets are acquired through mergers and acquisitions. In mergers and acquisitions practice, mergers and acquisitions may not succeed due to various reasons. In the case of asset disposals, we may be held liable for past acts, or failures to act or perform obligations, and we may also be subject to liabilities if a purchaser fails to fulfill its commitments. These risks may result in an increase in our costs and inability to achieve our business goals.

(4) Risk of limited control over our investments in joint ventures and our joint operation with partners

Due to the special nature of the oil and gas industry, a portion of our operations are conducted in the form of partnerships or in joint operation, we may have limited capability to influence and control their operation or future development. Our limited ability to influence and control the operation or future development of such joint ventures could materially and adversely affect the realization of our target returns on capital investment.

(5) Risk of high concentration of customers

During the reporting period, sales to major customers of the Company accounted for a relatively high proportion. If any of our major customers reduces its crude oil or natural gas purchases from us significantly, and the Company fails to find alternative customers in time, our results would be adversely affected.

(6) Risk of high supplier concentration

Procurement from the Company's major suppliers accounted for a relatively high proportion. If the major suppliers fail to continue to provide services to the Company due to accidental factors, and the Company fails to find suitable alternative suppliers, its operating activities may be disrupted and the performance would be adversely affected.

(7) Risk from irrealizable undeveloped reserves

There are various risks in developing reserves. Failure to develop these reserves in a timely and effective manner could adversely affect the Company's results. The reliability of reserve estimates depends on a number of factors. The factors, assumptions and variables involved in estimating reserves are beyond our control and may prove to be deviated over time. That may result in volatility of our initial reserve data.

(8) Technology development and deployment risk

Technology and innovation are vital for us to enhance the Company's competitiveness in a competitive environment with exploration and development challenges. We strive to rely on technologies and innovations to realize our strategy and enhance our competitiveness and operation capacity. If our core technology reserves are insufficient, it may have a negative impact on the Company's reserves and production targets and cost control targets.

(9) Network security and IT infrastructure damage risk

Malicious attacks on our cyber system, negligence in the management of our cyber security, data security and IT system and other factors may cause damage or breakdown to our information system and IT infrastructure, which may disrupt our operations, result in loss or misuse of data or sensitive information, cause injuries, environmental harm or damages to assets, violate laws or regulations and result in potential legal liability. These actions could result in an increase in costs or damage to our reputation.

(10) Risks to business and operations in Canada

Transportation and export infrastructure in Canada is limited, and without the construction of new transportation and export infrastructure, realization of our full oil and natural gas production capability may be affected.

Furthermore, First Nations in Canada hold that they have aboriginal land claims in a substantial portion of western Canada. As a result, negotiations with First Nations prior to commencing future projects are prudent. Failure to successfully negotiate with affected First Nations may result in timing uncertainties or delays of future development activities.

(11) Risk of related party transactions

We regularly enter into connected transactions with China National Offshore Oil Corporation ("CNOOC Group") and its affiliates. Certain connected transactions require a review by the regulatory authorities of the place where the shares are listed and are subject to prior approvals by our independent shareholders. If these transactions are not approved, the Company may not be able to proceed with these transactions as planned.

Risk Management and Internal Control

FINANCIAL RISKS

(1) Exchange rate risk

The Company's oil and gas sales are substantially denominated in Renminbi and U.S. dollars. The Company may have exchange rate risk. When there is a capital gap in overseas capital expenditure, the Company needs to remit overseas payment by converting domestic RMB into USD, and the exchange rate fluctuation of RMB against USD brings certain exchange rate risks.

(2) Risk of foreign exchange control

Certain restrictions on dividend distribution imposed by the laws of the countries in which we operate may adversely affect our cash flows.

RISK ASSOCIATED WITH THE ACTUAL CONTROLLER'S INFLUENCE ON THE COMPANY

CNOOC Group directly and indirectly owns or controls our shares. As a result, CNOOC Group can have an impact on the election of our Board members, our dividend payments and other decisions. Under current PRC laws, CNOOC Group has the exclusive right to enter into PSCs with foreign enterprises for petroleum resources exploitation in offshore China. Although CNOOC Group has undertaken to transfer all of its rights and obligations (except for those relating to administrative functions as a state-owned company) under any new PSCs that it enters into to us (save for certain exceptions), our strategies, results of operations and financial position may be adversely affected in the event CNOOC Group takes actions that favor its own interests over ours.

LEGAL RISKS

(1) Risk of violating anti-corruption, anti-fraud, anti-money laundering, corporate governance and other laws and regulations

Laws and regulations of the countries or regions in which we operate, such as laws on anti-corruption, anti-fraud, anti-money laundering and corporate governance, are constantly changing and becoming more comprehensive. If the Company, our Directors, executives or employees fail to comply with any of such laws and regulations, it may expose us to prosecution or punishment, damage to our reputation and image, and our ability to obtain new resources, and it may even expose us to civil or criminal liabilities.

(2) Risk of violating laws and regulations related to data security

As a company with operations in various countries and regions, we are subject to privacy and data security laws in numerous jurisdictions as a result of having access to and processing confidential, personal or sensitive data in the course of our business. Therefore, compliance with the various data privacy regulations around the world may require expenditures.

THE RISK OF SANCTIONS

Different levels of the U.S. federal, state or local government may impose economic sanctions of varying severity against certain countries or regions and their residents or designated governments, individuals, and entities. It is impossible to predict whether the business of the Company or its affiliates, the countries/regions where the business is conducted or its partners will be affected by the U.S. sanctions regime in the future due to changes in the U.S. sanctions regime. If this happens, the Company may not be able to continue to carry out relevant business, or it may not be able to continue to carry out business in the affected countries or regions or with the affected partners, thus affecting investors' perception of the Company and investment in the Company, and harming the Company's opportunity or ability to obtain new business.

OVERALL RISK RESPONSE MEASURES

The Company has actively built a risk management system that matches the world-class energy companies, continued to improve the risk management and internal control management systems, make overall management of major risks, respond to them at different levels, and form a whole-process risk management mechanism of "pre-prevention, in-process control and post-evaluation".

DIRECTORS' INTERESTS

As at 30 June 2026, none of the Directors and chief executive of the Company who are currently in office or ceased to hold office during the reporting period had any interests or short positions in the shares, underlying shares or debt securities of the Company or any associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) which were required (i) to be notified to the Company and the HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO), (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein, (iii) pursuant to 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 on The Stock Exchange of Hong Kong Limited (the "Listing Rules of Stock Exchange"), to be notified to the Company and the HKSE, or (iv) had any interests which were required to be disclosed in accordance with the relevant regulations of the China Securities Regulatory Commission (the "CSRC") and the SSE.

During the six months ended 30 June 2026, no right to subscribe for shares, underlying shares or debt securities of the Company has been granted by the Company to, nor have any such rights been exercised by, any other person.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2026, so far as was known to the Directors and chief executive of the Company, the persons, other than a Director or chief executive of the Company, who had an interest or a short position in the shares and underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO were as follows:

		Ordinary Hong Kong shares held	Approximate percentage of total issued Hong Kong shares	Ordinary A shares held	Approximate percentage of total issued A shares	Approximate percentage of total issued shares
(i)	CNOOC (BVI) Limited[1]	28,772,727,268	64.60%	–	–	60.54%
(ii)	Overseas Oil & Gas Corporation, Ltd. ("OOGC")	28,772,727,273	64.60%	–	–	60.54%
(iii)	CNOOC Group	29,532,651,273	66.31%	705,500	0.02%	62.14%

Note:

(1) CNOOC (BVI) Limited is a direct wholly-owned subsidiary of OOGC, which is a direct wholly-owned subsidiary of CNOOC Group. Accordingly, CNOOC (BVI) Limited's interests are recorded as the interests of OOGC and CNOOC Group.

All the interests stated above represent long positions. As at 30 June 2026, save as disclosed above, the Directors and chief executive of the Company are not aware of any other person having interests or short positions (other than the Directors and chief executives of the Company) in the shares and underlying shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of any class of total issued shares carrying rights to vote in all circumstances at general meetings of the Company.

AUDIT COMMITTEE

The Audit Committee has reviewed together with the management the accounting principles and practices adopted by the Company and its subsidiaries and discussed the risk management, internal control and financial reporting matters. The interim results for the six months ended 30 June 2026 are unaudited, but have been reviewed by Ernst & Young in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Hong Kong Institute of Certified Public Accountants. The interim report for the six months ended 30 June 2026 has been reviewed by the Audit Committee.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the six months ended 30 June 2026, CNOOC Petroleum North America ULC ("CPNA", an indirect wholly-owned subsidiary of the Company) repurchased and cancelled the following bonds issued by it as issuer by way of general offers:

Issuer	Maturity Date	Coupon Rate	Face Amount (USD)	Face Amount Repurchased (USD)	Percentage of Repurchase	Outstanding Amount as at 30 June 2026 (USD)
CPNA	15 March 2032	7.875%	309,172,000	100,000	0.03%	309,072,000
CPNA	10 March 2035	5.875%	419,806,000	232,000	0.06%	419,574,000
CPNA	15 May 2037	6.400%	748,048,000	26,912,000	3.60%	721,136,000
CPNA	30 July 2039	7.500%	572,093,000	22,700,000	3.97%	549,393,000

None of the above bonds was listed on HKSE or SSE.

Save as disclosed in this interim report, there was no purchase, sale or redemption by the Company, or any of its subsidiaries, of its listed securities (including sale of treasury shares) during the six months ended 30 June 2026. As at 30 June 2026, the Company did not hold any treasury shares.

Corporate Governance Report

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

For the six months ended 30 June 2026, the Company has complied with all code provisions set out in Part 2 of Appendix C1 to the Listing Rules of Stock Exchange.

PROVISIONS FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a Code of Ethics for Directors and Senior Management ("Code of Ethics") incorporating the regulatory requirements in relation to the securities transactions by directors contained in the Model Code, the Securities Law of the People's Republic of China and the Listing Rules of SSE. All Directors have confirmed that they have complied, during the six months ended 30 June 2026, with the Code of Ethics and the required standards set out in the Model Code.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B of the Listing Rules of Stock Exchange and the relevant regulations of the CSRC and the SSE, the changes in information of Directors subsequent to the date of the latest annual report of the Company and up to the date of this interim report are set out below:

Name of Director	Details of Changes
Huang Yongzhang	Appointed as the Vice Chairman of the Board, an Executive Director, the Chief Executive Officer, the President and a member of the Strategy and Sustainability Committee of the Company with effect from 20 March 2026
Yan Hongtao	Resigned as an Executive Director, the President, a member of the Strategy and Sustainability Committee and the Chief Safety Officer of the Company, with effect from 20 March 2026
Mu Xiuping	Resigned as an Executive Director of the Company with effect from 20 March 2026

MISCELLANEOUS

The Directors are of the opinion that there have been no material changes to the information published in the Company's annual report for the year ended 31 December 2025, other than those disclosed in this interim report.

INTERIM DIVIDEND DISTRIBUTION PLAN AND CLOSURE OF HONG KONG REGISTER OF MEMBERS

At the Company's 2025 annual general meeting held on 3 June 2026, the Board was authorized to decide the Company's 2026 interim dividend distribution plan. In overall consideration of situations such as the operating results, financial position and cash flow of the Company, to provide returns to our shareholders, the Board has resolved to declare an interim dividend of HK$0.94 per share (tax inclusive) for the first half of 2026. Dividends payable shall be denominated and declared in HKD, among which, dividend for A shares will be paid in RMB, applying an exchange rate which equals to the average central parity rate between HKD and RMB announced by the People's Bank of China in the week before the Board declared the interim dividend; dividend for Hong Kong shares will be paid in HKD.

The register of members of the shares of the Company listed on the Main Board of the HKSE (the "Hong Kong Shares") (the "Register of Members") will be closed from 14 September 2026 (Monday) to 18 September 2026 (Friday) (both days inclusive) during which no transfer of the Hong Kong Shares can be registered. In order to qualify for the interim dividend, holders of Hong Kong Shares are reminded to ensure that all instruments of transfer of the Hong Kong Shares accompanied by the relevant share certificate(s) must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 11 September 2026 (Friday). The interim dividend will be paid on or around 16 October 2026 (Friday) to shareholders whose names appear on the Register of Members on 18 September 2026 (Friday) (being the record date).

For holders of A shares of the Company, please refer to the Company's announcement in relation to the 2026 interim dividend distribution plan published on the websites of the SSE and the Company.

WITHHOLDING AND PAYMENT OF ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISES IN RESPECT OF 2026 INTERIM DIVIDEND

Pursuant to the "Enterprise Income Tax Law of the People's Republic of China", the "Regulations on the Implementation of the Enterprise Income Tax Law of the People's Republic of China" and the "Notice of the State Administration of Taxation on Issues about the Determination of Chinese-Controlled Enterprises Registered Abroad as Resident Enterprises on the Basis of Their Body of Actual Management", the Company has been confirmed as a resident enterprise of the People's Republic of China (the "PRC") and the withholding and payment obligation lies with the Company. The Company is required to withhold and pay 10% enterprise income tax when it distributes the 2026 interim dividend to its non-resident enterprise (as defined in the "Enterprise Income Tax Law of the People's Republic of China") holders of Hong Kong Shares listed on the Register of Members. In respect of all holders of Hong Kong Shares whose names appear on the Register of Members as at 18 September 2026 (Friday) who are not individual natural person (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise holders of Hong Kong Shares), the Company will distribute the 2026 interim dividend after deducting enterprise income tax of 10%. The Company will not withhold and pay the individual income tax in respect of the 2026 interim dividend payable to any natural person holders of Hong Kong Shares whose names appear on the Register of Members as at 18 September 2026 (Friday).

Investors who invest in the Hong Kong Shares through the SSE (the "Shanghai-Hong Kong Stock Connect investors"), and investors who invest in the Hong Kong Shares through the Shenzhen Stock Exchange (the "Shenzhen-Hong Kong Stock Connect investors"), are investors who hold shares through HKSCC Nominees Limited, and in accordance with the above requirements, the Company will pay to HKSCC Nominees Limited the amount of the 2026 interim dividend after withholding for payment of the 10% enterprise income tax.

If any resident enterprise (as defined in the "Enterprise Income Tax Law of the People's Republic of China") holder of Hong Kong Shares listed on the Register of Members which is duly incorporated in the PRC or under the laws of a foreign country (or a region) but with a PRC-based de facto management body, or any non-resident enterprise holder of Hong Kong Shares who is subject to a withholding tax rate of less than 10% pursuant to any tax treaty between the country of residence of such holders of Hong Kong Shares and the PRC or tax arrangements between mainland China and Hong Kong or Macau, or any other non-resident enterprise holder of Hong Kong Shares who may be entitled to a deduction or exemption of enterprise income tax in accordance with the applicable PRC rules, does not desire to have the Company withhold and pay the total amount of the said 10% enterprise income tax, it shall lodge with Computershare Hong Kong Investor Services Limited documents from its governing tax authority confirming its PRC resident enterprise status, or the documents in support that a withholding tax of less than 10% is required to be paid pursuant to the above-mentioned tax treaty or arrangements, or the documents confirming its entitlement to a deduction or exemption of enterprise income tax in accordance with the applicable PRC rules at or before 4:30 p.m. on 11 September 2026 (Friday).

If anyone would like to change the identity of the holders of Hong Kong Shares, please enquire about the relevant procedures with the nominees or trustees. The Company will withhold and pay the enterprise income tax for its non-resident enterprise holders of Hong Kong Shares strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Register of Members on 18 September 2026 (Friday). The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the holders of Hong Kong Shares within the aforesaid timeframe or any disputes over the mechanism of withholding and payment of enterprise income tax.

By Order of the Board
Xu Yugao
Joint Company Secretary

Hong Kong, 26 August 2026

Management's Discussion and Analysis

OPERATING RESULTS

Revenue

Revenue of the Company increased by 16.9% to RMB242,660 million from RMB207,608 million in the same period of last year, primarily due to the combined effects of increase in oil and gas sales volume and increase in international oil prices. Our oil and gas sales revenue, oil and gas prices and sales volume year-on-year data are as follows:

	First half of 2026	First half of 2025	Change Amount	Change %
Oil and gas sales revenue (RMB million)	**206,086**	171,745	34,341	20.0
Crude and liquids	**178,913**	143,998	34,915	24.2
Natural gas	**27,173**	27,747	(574)	(2.1)
Sales volume (mmboe)*	**387.7**	373.8	13.9	3.7
Crude and liquids (mmbbls)	**303.6**	290.0	13.6	4.7
Natural gas (bcf)	**492.3**	489.2	3.1	0.6
Realised prices				
Crude and liquids (US$/barrel)	**85.49**	69.15	16.34	23.6
Natural gas (US$/mcf)	**8.00**	7.90	0.10	1.3

* *Excluding our interest in equity-accounted investees.*

Operating expenses

Operating expenses of the Company increased by 7.1% to RMB19,572 million from RMB18,277 million in the same period of last year, primarily due to increase of production volume, which caused an increase in total operating expenses.

Exploration expenses

Exploration expenses of the Company increased by 50.1% to RMB7,855 million from RMB5,233 million in the same period of last year, mainly due to the Company's moderately increased risk exploration efforts while adhering to value-driven exploration.

Depreciation, depletion and amortisation

Depreciation, depletion and amortisation of the Company increased by 7.8% to RMB42,385 million from RMB39,318 million in the same period of last year, mainly due to the increase in oil and gas sales volume.

Selling, administrative and transportation expenses

Selling, administrative and transportation expenses of the Company increased by 2.4% to RMB5,459 million from RMB5,329 million in the same period of last year, primarily due to the increase in oil and gas sales volume.

Net exchange gains

Net exchange gains of the Company decreased by 49.1% to RMB613 million from RMB1,204 million in the same period of last year, mainly due to the narrowing of fluctuations in the exchange rate between US dollar and Hong Kong dollar.

Income tax expense

Income tax expense of the Company increased by 10.3% to RMB27,644 million from RMB25,066 million in the same period of last year, mainly due to the increase in the Company's profit before tax.

Net profit attributable to equity shareholders of the Company

Net profit attributable to equity shareholders of the Company increased by 23.4% to RMB85,818 million from RMB69,533 million in the same period of last year, mainly due to the Company's continuing efforts in increasing reserves and production, as well as enhancing quality, reducing cost and improving efficiency, and the combined impact of rising international oil prices.

Assets, liabilities and equity

Unit: RMB million

Items	**30 June 2026**	31 December 2025	Change (%)
Current assets	**393,809**	295,383	33.3
Non-current assets	**808,694**	803,176	0.7
Total assets	**1,202,503**	1,098,559	9.5
Current liabilities	**140,668**	91,253	54.2
Non-current liabilities	**203,276**	202,122	0.6
Total liabilities	**343,944**	293,375	17.2
Equity attributable to equity shareholders of the Company	**856,054**	802,750	6.6
Non-controlling interests	**2,505**	2,434	2.9
Total equity	**858,559**	805,184	6.6

The Company continuously maintained a solid financial position. As of 30 June 2026, our total assets and total liabilities reached RMB1,202,503 million and RMB343,944 million, respectively. In particular:

Current assets amounted to RMB393,809 million, an increase of 33.3% from RMB295,383 million at the end of 2025, mainly due to the increase in monetary funds.

Non-current assets amounted to RMB808,694 million, an increase of 0.7% from RMB803,176 million at the end of 2025, and basically the same as the end of last year.

Current liabilities amounted to RMB140,668 million, an increase of 54.2% from RMB91,253 million at the end of 2025, mainly due to the increase in dividends payable.

Non-current liabilities amounted to RMB203,276 million, an increase of 0.6% from RMB202,122 million at the end of 2025, and basically the same as the end of last year.

Cash flow

Unit: RMB million

Items	Amount for the period	Amount for the same period of last year	Change (%)
Net cash flows from operating activities	**141,631**	109,182	29.7
Net cash flows used in investing activities	**(54,733)**	(73,783)	(25.8)
Net cash flows used in financing activities	**(3,342)**	(22,451)	(85.1)

In the first half of 2026, the Company maintained a healthy cash flow position. Net cash inflows from operating activities reached RMB141,631 million, representing a year-on-year increase of 29.7%, mainly due to the increase in cash inflow from oil and gas sales resulted from the simultaneous increase in sales volume and international oil prices. Net cash outflows from investing activities reached RMB54,733 million, representing a year-on-year decrease of 25.8%, mainly due to a decrease in net outflows of investment in time deposits. Net cash outflows from financing activities reached RMB3,342 million, representing a year-on-year decrease of 85.1%, mainly due to a year-on-year decrease in cash payments for debt repayment during the period.

Capital expenditure

In the first half of the year, the capital expenditure budget of the Company was well implemented, which provided strong support for increasing reserves and production. Capital expenditure reached RMB61,993 million in total, representing an increase of 7.6% compared with the same period of last year. The major changes are as follows:

Unit: RMB million

	First half of 2026	First half of 2025	Change Amount	Change %
Exploration investment	9,628	9,094	533	5.9
Development investment	39,094	36,273	2,822	7.8
Production capitalization	12,839	11,631	1,208	10.4
Others	432	602	(170)	(28.2)
Total	61,993	57,600	4,393	7.6

Gearing ratio

As of 30 June 2026, the Company and its subsidiaries' gearing ratio was 7.3%, representing a decrease of 0.7 percentage point from the end of last year. The gearing ratio is calculated by dividing interest-bearing liabilities by total capital (the total of shareholders' equity and interest-bearing liabilities).

Pledge of assets

For the pledged assets of the Company as of 30 June 2026, please refer to Note 9 to the unaudited interim condensed consolidated financial statements.

WORK PLAN FOR THE SECOND HALF OF THE YEAR

In the second half of the year, the Company will adhere to the exploration approach of value exploration and exploration of large and medium-sized oil and gas fields, and continuously reinforce the resource foundation for reserves and production growth. We will strictly maintain the safety production bottom line, focus on stabilizing production and increasing production of producing oil and gas fields, and continuously enhance production construction efficiency, so as to ensure the successful completion of our annual production and operation targets. We will deepen refined management, exercise effective investment control and cost reduction through potential tapping, continue to reinforce our cost competitiveness, and continuously enhance our capabilities of value creation.

USE OF LISTING PROCEEDS

The Company completed the initial public offering of RMB shares on the SSE (stock code: 600938) on 21 April 2022. The final total gross proceeds from such issuance were RMB32,292 million, and the net proceeds were RMB32,099 million after deducting the offering expenses of RMB193 million. The net proceeds are used in accordance with the projects described in the Company's announcement dated 22 June 2022, and will be mainly used for oil and gas development projects and to supplement working capital. At the end of the reporting period, the proceeds from the initial public offering of RMB shares are applied to the following projects:

Planned use of proceeds	Committed investment amount (RMB million)	Amount of proceeds utilized during the reporting period (RMB million)	Unaudited utilised proceeds as of 30 June 2026 (RMB million)	Unaudited unutilised proceeds as of 30 June 2026 (RMB million)	Expected timetable for use of the unutilised proceeds
Payara oilfield development in Guyana	5,200.00	–	5,200.00	–	The Company considered and approved the Resolution on Closing the Projects Funded by the Raised Proceeds and Using the Remaining Proceeds to Permanently Supplement Working Capital (《關於募投項目結項並將節餘募集資金永久補充流動資金的議案》) at the second meeting of the Board of Directors in 2026 held on 26 March 2026, and agreed to close the projects listed in this table and use all the surplus proceeds (including interest income) to permanently supplement working capital, so as to meet the Company's capital needs for daily operations and business development. For details, please refer to the Company's announcements titled the Announcement of CNOOC Limited on Closing the Projects Funded by the Raised Proceeds and Using the Remaining Proceeds to Permanently Supplement Working Capital and CITIC Securities Company Limited Verification Opinion on CNOOC Limited's Closing the Projects Funded by the Raised Proceeds and Using the Remaining Proceeds to Permanently Supplement Working Capital both published on 26 March 2026.
Liuhua 11-1/4-1 oilfield secondary development	6,500.00	–	5,472.24	1,027.76	
Liza oilfield phase II in Guyana	2,200.00	–	2,200.00	–	
Lufeng oilfields regional development	3,500.00	–	3,175.64	324.36	
Lingshui 17-2 gas field development	3,000.00	–	3,000.00	–	
Lufeng 12-3 oilfield development	1,000.00	–	1,000.00	–	
Qinhuangdao 32-6/Caofeidian 11-1 oilfields onshore power application construction	1,000.00	–	826.86	173.14	
Luda 6-2 oilfield development	500.00	–	500.00	–	
Replenishment of working capital	9,199.09	0.0002	9,175.34	23.75	
Total	**32,099.09**	**0.0002**	**30,550.08**	**1,549.01**	

Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (unaudited)

For the six months ended 30 June 2026
(All amounts expressed in millions of Renminbi, except per share data)

	Notes	Six months ended 30 June 2026	2025
REVENUE			
Revenue recognised from contracts with customers			
Oil and gas sales	*3*	**206,086**	171,745
Marketing revenues	*3*	**31,456**	31,058
Other revenue		**5,118**	4,805
		242,660	207,608
EXPENSES			
Operating expenses		**(19,572)**	(18,277)
Taxes other than income tax	*6(ii)*	**(12,680)**	(9,903)
Exploration expenses		**(7,855)**	(5,233)
Depreciation, depletion and amortisation		**(42,385)**	(39,318)
Special oil gain levy	*6(iii)*	**(9,734)**	(1,607)
Impairment and provision recognised, net		**(3)**	(59)
Reversal of expected credit loss		**19**	–
Crude oil and product purchases		**(27,056)**	(27,807)
Selling, administrative and transportation expenses		**(5,459)**	(5,329)
Others		**(5,199)**	(4,973)
		(129,924)	(112,506)
PROFIT FROM OPERATING ACTIVITIES		**112,736**	95,102
Interest income		**2,258**	2,481
Finance costs	*5*	**(3,011)**	(3,137)
Exchange gains, net		**613**	1,204
Investment gain/(loss)		**332**	(124)
Share of profits of associates		**284**	316
Share of profits/(losses) of a joint venture		**326**	(1,140)
Other expense, net		**(25)**	(43)
PROFIT BEFORE TAX		**113,513**	94,659
Income tax expense	*6(i)*	**(27,644)**	(25,066)
PROFIT FOR THE PERIOD		**85,869**	69,593
Attributable to:			
Equity shareholders of the Company		**85,818**	69,533
Non-controlling interests		**51**	60
		85,869	69,593

For the six months ended 30 June 2026
(All amounts expressed in millions of Renminbi, except per share data)

	Notes	Six months ended 30 June 2026	2025
OTHER COMPREHENSIVE EXPENSE			
Other comprehensive expense (net of tax) attributable to equity shareholders of the Company			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**(9,877)**	(2,087)
Share of other comprehensive income/(expense) of associates		**27**	(2)
Cash flow hedge reserves		**7**	36
Other items that will not be reclassified to profit or loss:			
Change on remeasurement of defined benefit plan		**12**	83
Other comprehensive expense (net of tax) attributable to non-controlling interests		**–**	–
OTHER COMPREHENSIVE EXPENSE FOR THE PERIOD, NET OF TAX		**(9,831)**	(1,970)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**76,038**	67,623
Attributable to:			
Equity shareholders of the Company		**75,987**	67,563
Non-controlling interests		**51**	60
		76,038	67,623
EARNINGS PER SHARE FOR THE PERIOD ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY			
Basic (RMB Yuan)	*7*	**1.81**	1.46
Diluted (RMB Yuan)	*7*	**1.81**	1.46

Details of the interim dividends declared for the period are disclosed in note 8 to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Financial Position (unaudited)

30 June 2026
(All amounts expressed in millions of Renminbi)

	Notes	30 June 2026	31 December 2025
NON-CURRENT ASSETS			
Property, plant and equipment	9	**674,400**	666,370
Right-of-use assets	9	**12,671**	11,834
Intangible assets	10	**15,792**	16,522
Investments in associates		**23,941**	24,072
Investment in a joint venture		**21,237**	21,747
Debt investment		**9,158**	9,305
Equity investments	17	**23**	23
Deferred tax assets		**22,185**	23,579
Other non-current assets		**29,287**	29,724
Total non-current assets		**808,694**	803,176
CURRENT ASSETS			
Inventories and supplies		**6,725**	6,090
Trade receivables	11	**43,960**	32,971
Other financial assets	17	**11,892**	25,998
Derivative financial instruments	17	**178**	–
Other current assets		**16,676**	15,629
Time deposits with maturity over three months but within one year		**152,678**	136,016
Cash and cash equivalents		**161,700**	78,679
Total current assets		**393,809**	295,383
CURRENT LIABILITIES			
Loans and borrowings	13	**1,447**	1,308
Trade and accrued payables	12	**72,251**	59,631
Lease liabilities		**2,602**	2,046
Contract liabilities		**607**	804
Other payables and accrued liabilities		**35,467**	10,625
Derivative financial instruments		**327**	20
Taxes payable		**27,967**	16,819
Total current liabilities		**140,668**	91,253
NET CURRENT ASSETS		**253,141**	204,130
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,061,835**	1,007,306

Interim Condensed Consolidated Statement of Financial Position (unaudited) (continued)

30 June 2026
(All amounts expressed in millions of Renminbi)

	Notes	30 June 2026	31 December 2025
NON-CURRENT LIABILITIES			
Loans and borrowings	13	**56,125**	58,832
Lease liabilities		**7,914**	7,614
Provision for dismantlement		**118,734**	116,039
Deferred tax liabilities		**14,583**	13,589
Other non-current liabilities		**5,920**	6,048
Total non-current liabilities		**203,276**	202,122
NET ASSETS		**858,559**	805,184
EQUITY			
Issued capital	14	**75,180**	75,180
Reserves		**780,874**	727,570
Equity attributable to equity shareholders of the Company		**856,054**	802,750
Non-controlling interests		**2,505**	2,434
TOTAL EQUITY		**858,559**	805,184

Interim Condensed Consolidated Statement of Changes in Equity (unaudited)

For the six months ended 30 June 2026
(All amounts expressed in millions of Renminbi)

	Attributable to equity shareholders of the Company							
	Issued capital	Cumulative translation reserves	Statutory reserves	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2025	75,180	7,581	70,000	4,712	590,075	747,548	1,888	749,436
Profit for the period	–	–	–	–	69,533	69,533	60	69,593
Other comprehensive (expense)/income, net of tax	–	(2,087)	–	117	–	(1,970)	–	(1,970)
Total comprehensive (expense)/income	–	(2,087)	–	117	69,533	67,563	60	67,623
2024 final dividend	–	–	–	–	(28,672)	(28,672)	–	(28,672)
Dividend to non-controlling interests of subsidiaries	–	–	–	–	–	–	(75)	(75)
Capital contributions from non-controlling interests of a subsidiary	–	–	–	–	–	–	33	33
Others	–	–	–	29	–	29	1	30
Balance at 30 June 2025	75,180	5,494	70,000	4,858	630,936	786,468	1,907	788,375
Balance at 1 January 2026	**75,180**	**581**	**70,000**	**5,120**	**651,869**	**802,750**	**2,434**	**805,184**
Profit for the period	**–**	**–**	**–**	**–**	**85,818**	**85,818**	**51**	**85,869**
Other comprehensive (expense)/income, net of tax	**–**	**(9,877)**	**–**	**46**	**–**	**(9,831)**	**–**	**(9,831)**
Total comprehensive (expense)/income	**–**	**(9,877)**	**–**	**46**	**85,818**	**75,987**	**51**	**76,038**
2025 final dividend	**–**	**–**	**–**	**–**	**(22,722)**	**(22,722)**	**–**	**(22,722)**
Capital contributions from non-controlling interests of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**20**	**20**
Others	**–**	**–**	**–**	**39**	**–**	**39**	**–**	**39**
Balance at 30 June 2026	**75,180**	**(9,296)***	**70,000***	**5,205***	**714,965***	**856,054**	**2,505**	**858,559**

* These reserve accounts constitute the consolidated reserves of approximately RMB780,874 million (31 December 2025: RMB727,570 million) in the consolidated statement of financial position.

Interim Condensed Consolidated Statement of Cash Flows (unaudited)

For the six months ended 30 June 2026
(All amounts expressed in millions of Renminbi)

	Six months ended 30 June	
	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	**162,755**	130,996
Income taxes paid	**(21,124)**	(21,814)
Net cash flows from operating activities	**141,631**	109,182
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	**(53,375)**	(52,244)
Additions to investments in associates	**(13)**	(287)
Increase in time deposits with maturity over three months	**(19,243)**	(43,393)
Interest received	**3,550**	1,490
Investment income received	**217**	965
Purchase of other financial assets	**–**	(14,000)
Proceeds from disposal of subsidiaries	**–**	7,592
Proceeds from sale of other financial assets	**14,092**	26,088
Proceeds from disposal of property, plant and equipment	**39**	6
Net cash flows used in investing activities	**(54,733)**	(73,783)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of guaranteed notes	**(341)**	(14,412)
Repayments of lease liabilities	**(1,347)**	(1,701)
Proceeds from bank loans	**22**	28
Repayment of bank loans	**(314)**	(4,601)
Dividends paid	**–**	(75)
Interest paid	**(1,382)**	(1,723)
Others	**20**	33
Net cash flows used in financing activities	**(3,342)**	(22,451)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**83,556**	12,948
Cash and cash equivalents at beginning of the period	**78,679**	81,284
Effect of foreign exchange rate changes, net	**(535)**	(95)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	**161,700**	94,137

30 June 2026
(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

1. ORGANISATION AND PRINCIPAL ACTIVITIES

CNOOC Limited (the "Company") was incorporated in the Hong Kong Special Administrative Region ("Hong Kong") of the People's Republic of China (the "PRC") on 20 August 1999 to hold the interests in certain entities thereby creating a group comprising the Company and its subsidiaries. The Company and its subsidiaries are principally engaged in the exploration, development, production and sales of crude oil and natural gas.

The registered office address of the Company is 65/F, Bank of China Tower, 1 Garden Road, Hong Kong.

The ultimate holding company of the Company is China National Offshore Oil Corporation ("CNOOC Group"), a company established in the PRC.

As at 30 June 2026, the Company had direct or indirect interests in the following principal subsidiaries, joint venture and associates:

Name of entity	Place of establishment	Nominal value of ordinary shares issued and paid-up/ registered capital	Percentage of equity attributable to the Company and its subsidiaries	Principal activities
Directly held subsidiaries:				
CNOOC China Limited[(1)]	Tianjin, PRC	RMB48 billion	100%	Offshore petroleum and natural gas exploration, development, production and sales, and shale gas exploration in the PRC
CNOOC International Trading Co., Ltd.[(1)]	Hainan, PRC	RMB400 million	100%	Sales and trading of petroleum and natural gas
CNOOC International Limited	British Virgin Islands	US$24 billion	100%	Investment holding

30 June 2026
(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

1. ORGANISATION AND PRINCIPAL ACTIVITIES (CONTINUED)

As at 30 June 2026, the Company had direct or indirect interests in the following principal subsidiaries, joint venture and associates: (continued)

Name of entity	Place of establishment	Nominal value of ordinary shares issued and paid-up/ registered capital	Percentage of equity attributable to the Company and its subsidiaries	Principal activities
Indirectly held subsidiaries[2]:				
CNOOC Exploration & Production Nigeria Limited	Nigeria	NGN10 million	100%	Petroleum and natural gas exploration, development and production in Africa
CNOOC Petroleum North America ULC	Canada	13,671,421,700 common shares without a par value	100%	Petroleum and natural gas exploration, development and production in Canada
CNOOC Canada Energy Ltd.	Canada	100 common shares without a par value 103,000 preferred shares without a par value	100%	Oil sands exploration, development and production in Canada
CNOOC Petroleum Europe Limited	England and Wales	GBP98,009,131	100%	Petroleum and natural gas exploration, development and production in the UK
CNOOC Energy U.S.A. LLC	USA	US$6,059,355,296	100%	Petroleum and natural gas exploration, development and production in the USA
CNOOC PETROLEUM BRASIL LTDA	Brazil	R$7,830,661,300	100%	Petroleum and natural gas exploration, development and production in Brazil
CNOOC Petroleum Guyana Limited	Barbados	US$200,100	100%	Petroleum and natural gas exploration, development and production in Guyana
Joint venture:				
Pan American Energy Group, S.L.[4]	Spain	EUR1 million	25.0%	Petroleum and natural gas production, refining, sales, as well as new energy and mining businesses in Argentina and other countries

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

1. ORGANISATION AND PRINCIPAL ACTIVITIES (CONTINUED)

As at 30 June 2026, the Company had direct or indirect interests in the following principal subsidiaries, joint venture and associates: (continued)

Name of entity	Place of establishment	Nominal value of ordinary shares issued and paid-up/ registered capital	Percentage of equity attributable to the Company and its subsidiaries	Principal activities
Associates:				
CNOOC Finance Corporation Limited(3)	Beijing, PRC	RMB4 billion	31.8%	Provision of deposit, transfer, settlement, loan, discounting and other financing services to CNOOC Group and its member entities
Arctic LNG 2 LLC	Russian Federation	RUB15,976 million	10.0%	Exploration and development of natural gas and production and marketing of liquefied natural gas in Russia

(1) Registered as a wholly-foreign-owned enterprise under the PRC law.

(2) All subsidiaries are indirectly held through CNOOC International Limited.

(3) Registered as limited liability company under the PRC law.

(4) As at 31 December 2025, the Company through its subsidiary held 50% equity interests in BC ENERGY INVESTMENTS CORP., which was accounted for as a joint venture under the equity method. Since BC ENERGY INVESTMENTS CORP. held 50% equity interests in Pan American Energy Group, S.L., the Company through its subsidiary indirectly held 25% equity interests in Pan American Energy Group, S.L.

In June 2026, the Company's subsidiary restructured its investment in BC ENERGY INVESTMENTS CORP., resulting in the Company no longer through its subsidiary holding any equity interest in BC ENERGY INVESTMENTS CORP. and directly holding a 25% equity interests in Pan American Energy Group, S.L. The Company's subsidiary and other shareholders jointly control Pan American Energy Group, S.L., accordingly, Pan American Energy Group, S.L. is accounted for as a joint venture.

As other associates have no significant impact on the financial position and performance of the Company and its subsidiaries, details of other associates are not provided.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* and Hong Kong Accounting Standard 34 *Interim Financial Reporting* as well as the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules of Stock Exchange") of The Stock Exchange of Hong Kong Limited ("HKSE").

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company and its subsidiaries' annual financial statements for the year ended 31 December 2025.

The financial information relating to the year ended 31 December 2025 that is included in this interim report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "Companies Ordinance") is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company's auditor has reported on those consolidated financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under section 406(2), 407(2) or 407(3) of the Companies Ordinance.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)

Changes in accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Company and its subsidiaries' annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended IFRS Accounting Standards/HKFRS Accounting Standards for the first time for the current period's financial information.

Amendments to IFRS 9/HKFRS 9 and IFRS 7/ HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9/HKFRS 9 and IFRS 7/ HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards–Volume 11/HKFRS Accounting Standards–Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7/HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The application of the amendments to IFRS Accounting Standards/HKFRS Accounting Standards and Annual Improvements for the first time in the current period has had no material impact on the disclosures or the amounts recognised in the interim condensed consolidated financial statements of the Company and its subsidiaries.

3. OIL AND GAS SALES AND MARKETING REVENUES

Oil and gas sales represent the sales of oil and gas, net of royalties and obligations to government and other mineral interest owners. Oil and gas sales revenue is recognised at a point in time when oil and gas are delivered to the customer, i.e., when the customer obtains the control of oil and gas and it is probable that the Company and its subsidiaries have present right to payment and collection of the consideration.

Marketing revenue principally represents the sales of oil and gas belonging to the foreign partners under the production sharing contracts and revenues from the trading of oil and gas through the Company's subsidiaries, which is recognised at a point in time when oil and gas are delivered to the customer, i.e., when the customer obtains the control of oil and gas and it is probable that the Company and its subsidiaries have present right to payment and collection of the consideration. The cost of the oil and gas sold is included in "Crude oil and product purchases" in the interim condensed consolidated statement of profit or loss and other comprehensive income.

The payment is typically due within 30 days after the delivery of oil and gas. For contracts where the period between payment and transfer of the associated goods is less than one year, the Company and its subsidiaries apply the practical expedient of not adjusting the transaction price for any significant financing component.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

4. SEGMENT INFORMATION

The Company and its subsidiaries report the business through three operating segments: exploration and production ("E&P"), trading business and corporate. The division of these operating segments is made because the Company's chief operating decision makers make decisions on resource allocation and performance evaluation by reviewing the financial information of these operating segments.

The E&P segment is engaged in the upstream operating activities of the conventional oil and gas, shale oil and gas, oil sands and other unconventional oil and gas business.

The trading business segment is engaged in oil and gas trade business, mainly including the sales of crude oil and gas belonging to foreign partners under production sharing contracts, as well as third-party trade business.

The corporate segment is engaged in headquarters management, fund management, and research and development.

The following table presents revenue, profit or loss, assets and liabilities information for the Company and its subsidiaries' operating segments:

	E&P Six months ended 30 June		Trading business Six months ended 30 June		Corporate Six months ended 30 June		Eliminations Six months ended 30 June		Consolidated Six months ended 30 June	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
External revenue	**46,676**	45,025	**195,682**	162,277	**302**	306	**–**	–	**242,660**	207,608
Intersegment revenue*	**163,905**	131,415	**(164,163)**	(131,143)	**330**	349	**(72)**	(621)	**–**	–
Total revenue**	**210,581**	176,440	**31,519**	31,134	**632**	655	**(72)**	(621)	**242,660**	207,608
Segment profit for the period	**84,397**	68,619	**3,401**	2,451	**22,853**	6,951	**(24,782)**	(8,428)	**85,869**	69,593

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

4. SEGMENT INFORMATION (CONTINUED)

The following table presents revenue, profit or loss, assets and liabilities information for the Company and its subsidiaries' operating segments: (continued)

	E&P		Trading business		Corporate		Eliminations		Consolidated	
	30 June 2026	31 December 2025	**30 June 2026**	31 December 2025	**30 June 2026**	31 December 2025	**30 June 2026**	31 December 2025	**30 June 2026**	31 December 2025
Other segment information										
Segment assets	**704,694**	605,932	**56,006**	44,756	**658,779**	586,318	**(216,976)**	(138,447)	**1,202,503**	1,098,559
Segment liabilities	**(369,935)**	(322,924)	**(35,323)**	(28,146)	**(189,722)**	(122,497)	**251,036**	180,192	**(343,944)**	(293,375)

* Certain oil and gas produced by the E&P segment are sold via the trading business segment. For the Company's chief operating decision maker's assessment of segment performance, these revenues are reclassified back to E&P segment.

** 64% (six months ended 30 June 2025: 63%) of the Company and its subsidiaries' revenues recognised in the interim condensed consolidated statement of profit or loss and other comprehensive income are generated from the PRC customers, and revenues generated from customers in other locations are individually less than 10%.

5. FINANCE COSTS

Accretion expenses of approximately RMB1,913 million (six months ended 30 June 2025: approximately RMB1,911 million) relating to the provision for dismantlement liabilities have been recognised in the interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2026.

6. TAX

(i) Income tax

The Company and its subsidiaries are subject, on an entity basis, to income taxes on profits arising in or derived from the tax jurisdictions in which the Company and its subsidiaries are domiciled and operate. The Company is subject to profits tax at a rate of 16.5% (six months ended 30 June 2025: 16.5%) on profits arising in or derived from Hong Kong.

Principal subsidiaries of the Company domiciled within the PRC are subject to income tax at rates ranging from 15% to 25% (six months ended 30 June 2025: 15% to 25%).

Principal subsidiaries of the Company domiciled outside the PRC are subject to income tax at rates ranging from 17% to 82% (six months ended 30 June 2025: 10% to 82%).

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Company and its subsidiaries operate, the Company is in the process of assessing the potential exposure to Pillar Two income taxes. Based on the current assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Company and its subsidiaries operate are above 15%.

(ii) Other taxes

The Company's PRC subsidiaries shall pay other taxes and dues at the applicable rates below:

– Production tax at the rate of 5% on production under production sharing contracts;

– Value added tax ("VAT") at the rates of 9% or 13% on taxable sales under independent oil and gas fields.

  The VAT payable is calculated using the taxable sales amount multiplied by the applicable tax rate less relevant deductible input VAT;

6. TAX (CONTINUED)

(ii) Other taxes (continued)

- Resource tax at the rate of 6% (reduced tax rates may apply to specific products and fields) on the oil and gas sales revenue derived by oil and gas fields under production sharing contracts signed after 1 November 2011 and independent oil and gas fields, except for those under production sharing contracts signed before 1 November 2011, which will be subject to related resource tax requirement at the expiration of such production sharing contracts;

- City construction tax at the rates of 1% or 7% on the production taxes and VAT paid;

- Educational surcharge at the rate of 3% on the production taxes and VAT paid; and

- Local educational surcharge at the rate of 2% on the production taxes and VAT paid.

In addition, other taxes paid and payable by the Company's non-PRC subsidiaries include royalty as well as taxes levied on petroleum-related income, budgeted operating and capital expenditure.

(iii) Special oil gain levy

A Special Oil Gain Levy ("SOG Levy") is imposed at a five-level progressive rates from 20% to 40% on the portion of the monthly weighted average sales price of the crude oil lifted in the PRC exceeding US$65 per barrel. The SOG Levy paid can be claimed as a deductible expense for corporate income tax purposes and is calculated based on the actual volume of the crude oil entitled.

(iv) Proceeds from the assignment of mining rights

Starting from 1 May 2023, the proceeds from the assignment of mining rights ("assignment proceeds") should be paid by the Company, which explores and mines mineral resources in PRC territory and waters under the jurisdiction of China, based on the respective rates from 0.3% to 0.8% on sales revenue by mineral resources types (i.e. oil, gas and coalbed methane, etc.).

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

7. EARNINGS PER SHARE

	Six months ended 30 June	
	2026	2025
Earnings:		
Profit for the purpose of basic and diluted earnings per share calculation	**85,818**	69,533
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share and diluted earnings per share	**47,529,953,984**	47,529,953,984
Earnings per share		
– Basic and diluted (RMB Yuan)	**1.81**	1.46

The Company had no potentially dilutive ordinary shares in issue during the six months ended 30 June 2026 and 2025.

8. DIVIDENDS

On 26 August 2026, the Board of Directors declared an interim dividend of HK$0.94 (tax inclusive) per share (six months ended 30 June 2025: HK$0.73 (tax inclusive) per share), totaling approximately HK$44,678 million (tax inclusive) (equivalent to approximately RMB38,805 million (tax inclusive)) (six months ended 30 June 2025: approximately RMB31,602 million (tax inclusive)), based on the number of issued shares as at the declaration date.

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and related laws and regulations, the Company is regarded as a Chinese Resident Enterprise, and thus is required to withhold corporate income tax at the rate of 10% when it distributes dividends to its non-resident enterprise (as defined in the Enterprise Income Tax Law of the People's Republic of China) holders of Hong Kong shares, with effect from the distribution of the 2008 final dividend. In respect of all holders of Hong Kong shares whose names appear on the Company's register of shareholders and who are not individuals (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise holders of Hong Kong shares in the *Enterprise Income Tax Law of the People's Republic of China*), the Company will distribute the dividend after deducting corporate income tax of 10%.

9. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 June 2026, additions to the Company and its subsidiaries' property, plant and equipment, amounted to approximately RMB61,637 million (six months ended 30 June 2025: approximately RMB58,241 million).

During the current interim period, the Company and its subsidiaries entered into several new lease agreements. The Company and its subsidiaries are required to make fixed monthly payments and additional variable payments subject to the production volume during the contract period. On lease commencement date, the Company and its subsidiaries recognised right-of-use assets of RMB2,302 million and lease liabilities of RMB2,302 million, which include right-of-use assets of approximately RMB2,233 million for leases with CNOOC Group, its subsidiaries (excluding the Company and its subsidiaries) and associates.

The interest of the Company and its subsidiaries in the North West Shelf ("NWS") Project in Australia has been collateralised to the other partners and the operator of the project as security for certain of the Company and its subsidiaries' liabilities relating to the project.

10. INTANGIBLE ASSETS

The intangible assets of the Company and its subsidiaries comprise gas processing rights under NWS Project, marketing transportation and storage contracts, software and others and goodwill. The intangible asset regarding the gas processing rights has been amortised upon the commercial production of the liquefied natural gas on a unit-of-production basis over the total proved reserves of the relevant asset. The intangible assets regarding the marketing transportation and storage contracts are amortised on a straight-line basis over the life of the contracts which is less than 20 years. Other identifiable intangible assets are amortised on a straight-line basis over a period ranging from 3 to 5 years.

Goodwill is acquired in the acquisition of Nexen Inc., and from the acquisition date, allocated to the E&P segment, which are the groups of cash-generating units that are expected to benefit from the synergies of the acquisition.

In assessing value in use of E&P segment, the key assumptions include, but are not limited to, future commodity prices, future production estimates, estimated future capital expenditures, estimated future operating expenses and the determination of discount rate. The discount rate used for value in use is derived from the Company's WACC and is adjusted, where applicable, taking into account any specific risks relating to the country where the asset is located as well as the assets' specific characteristics, such as specific tax treatments, cash flow profiles and economic life. However, actual results could differ from those estimates.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

11. TRADE RECEIVABLES

The aging of trade receivable and related expected credit impairment loss allowance is analysed as follows:

	30 June 2026		
	Trade receivables	**Expected credit impairment loss allowance**	**Proportion of accrual (%)**
Within 1 year	**43,962**	**39**	**0.09**
1 year-2 years	**2**	**–**	**–**
2 years-3 years	**4**	**4**	**100.00**
Over 3 years	**89**	**54**	**60.67**
	44,057	**97**	**0.22**

	31 December 2025		
	Trade receivables	Expected credit impairment loss allowance	Proportion of accrual (%)
Within 1 year	32,995	61	0.18
1 year-2 years	2	1	50.00
2 years-3 years	4	4	100.00
Over 3 years	90	54	60.00
	33,091	120	0.36

The credit terms of the Company and its subsidiaries are generally within 30 days after the delivery of oil and gas. Payment in advance or security deposit may be required from customers, depending on their credit ratings. Trade receivables are non-interest bearing.

Substantially all customers have strong credit quality and good repayment history, with no significant receivables past due.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

12. TRADE AND ACCRUED PAYABLES

	30 June 2026	31 December 2025
Amounts due to suppliers and partners	**69,178**	57,575
Amounts due to third party trader	**3,073**	2,056
	72,251	59,631

As at 30 June 2026 and 31 December 2025, substantially all the trade and accrued payables were aged within six months. The trade and accrued payables are non-interest bearing.

13. LOANS AND BORROWINGS

Current[1]

	Effective interest rate and final maturity	**30 June 2026**	31 December 2025
Loans and borrowings due within one year			
– General loans	LPR-1.58% to LPR-1.05% per annum with maturity within one year	**358**	175
– For Tangguh LNG III Project[3]	SOFR+1.80% to 3.88% per annum with maturity within one year	**503**	522
– Notes[2]		**586**	611
		1,447	1,308

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

13. LOANS AND BORROWINGS (CONTINUED)

Non-current[(1)]

	Effective interest rate and final maturity	30 June 2026	31 December 2025
General loans	LPR-1.58% to LPR-1.05% per annum with maturity from 2026 to 2033	3,705	3,768
For Tangguh LNG III Project[(3)]	SOFR+1.80% to 3.88% per annum with maturity from 2026 to 2029	1,734	2,031
Notes[(2)]		52,133	54,341
Less: Due within 1 year		(1,447)	(1,308)
		56,125	58,832

(1) The balance of loans and borrowings included interest payable.

(2) The details of notes are as follows:

Issued by	Maturity	Coupon Rate	Outstanding Principal Amount 30 June 2026 USD million	31 December 2025 USD million
CNOOC Finance (2003) Limited	Due in 2033	5.500%	300	300
CNOOC Finance (2011) Limited	Due in 2041	5.750%	500	500
CNOOC Finance (2012) Limited	Due in 2042	5.000%	500	500
CNOOC Finance (2013) Limited	Due in 2043	4.250%	500	500
CNOOC Finance (2013) Limited	Due in 2029	2.875%	1,000	1,000
CNOOC Finance (2013) Limited	Due in 2049	3.300%	500	500
CNOOC Finance (2014) ULC	Due in 2044	4.875%	500	500
CNOOC Petroleum North America ULC	Due in 2028	7.400%	144	144
CNOOC Petroleum North America ULC	Due in 2032	7.875%	309	309
CNOOC Petroleum North America ULC	Due in 2035	5.875%	420	420
CNOOC Petroleum North America ULC	Due in 2037	6.400%	721	748
CNOOC Petroleum North America ULC	Due in 2039	7.500%	549	572
CNOOC Finance (2015) Australia Pty Ltd.	Due in 2045	4.200%	300	300
CNOOC Finance (2015) U.S.A. LLC	Due in 2028	4.375%	1,000	1,000

All the notes issued mentioned above were fully and unconditionally guaranteed by the Company.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

13. LOANS AND BORROWINGS (CONTINUED)

Non-current[1] (continued)

(3) In connection with the financing for the third LNG process train of Tangguh LNG Project in Indonesia, the Company delivered two guarantees dated on 3 August 2016, in favor of Mizuho Bank, Ltd., which acts as the facility agent for and on behalf of various international commercial banks and Indonesian local commercial banks under two commercial loan agreements with aggregate loan amount of US$2,145 million. The Company guarantees the payment obligations of the trustee borrower under the subject loan agreements and is subject to an aggregate maximum cap of approximately US$573 million.

There was no default on principal, interest or redemption terms of the long-term loans and borrowings during the period.

14. SHARE CAPITAL

	Number of shares	Issued share capital equivalent of RMB million
Issued and fully paid:		
Ordinary shares with no par value as at 1 January 2025, 31 December 2025 and 30 June 2026	47,529,953,984	75,180
Of which: Shares listed on HKSE	44,539,953,984	
Shares listed on SSE	2,990,000,000	

There were no changes in the share capital and number of shares during the six months ended 30 June 2026.

15. RELATED PARTY TRANSACTIONS

Comprehensive framework agreement with CNOOC Group in respect of a range of products and services

As the Company and its subsidiaries are controlled by CNOOC Group, transactions with CNOOC Group and its Associates (Associate has the meaning ascribed in Chapter 14A of the Listing Rules of HKSE) are disclosed as related party transactions. The connected transactions or continuing connected transactions defined in Chapter 14A of the Listing Rules of HKSE in respect of the circumstances listed below also constitute related party transactions. The Company has complied with the relevant disclosure requirements of the China Securities Regulatory Commission, the Hong Kong Stock Exchange and the SSE in respect of the continuing connected transactions listed below. The Company entered into a comprehensive framework agreement with CNOOC Group on 30 October 2025 for the provision (1) by the Company and its subsidiaries to CNOOC Group and/or its Associates and (2) by CNOOC Group and/or its Associates to the Company and its subsidiaries, of a range of products and services which may be required and requested from time to time by either party and/or its associates in respect of the continuing connected transactions. The term of the comprehensive framework agreement is for a period of three years commencing from 1 January 2026. The continuing connected transactions under the comprehensive framework agreement and the relevant annual caps for the three years from 1 January 2026 were approved by the independent shareholders of the Company on 16 December 2025. The approved continuing connected transactions are as follows:

15. RELATED PARTY TRANSACTIONS (CONTINUED)

Comprehensive framework agreement with CNOOC Group in respect of a range of products and services (continued)

(1) Provision of exploration, development, production as well as sales, management and ancillary services by CNOOC Group and/or its Associates to the Company and its subsidiaries:

(a) Provision of exploration and support services;

(b) Provision of development and support services;

(c) Provision of production and support services;

(d) Provision of sales, management and ancillary services; and

(e) Floating production, storage and offloading ("FPSO") vessel leases.

(2) Sales of petroleum, natural gas and renewable-energy power products (including green certificates) by the Company and its subsidiaries to CNOOC Group and/or its Associates:

(a) Sales of petroleum, natural gas and renewable-energy power products (including green certificates) (other than long-term sales of natural gas and liquefied natural gas); and

(b) Long-term sales of natural gas and liquefied natural gas.

(3) Provision of management, technical, facilities and ancillary services by the Company and its subsidiaries to CNOOC Group and/or its Associates

15. RELATED PARTY TRANSACTIONS (CONTINUED)

Pricing principles

The basic pricing principle for the continuing connected transactions between the Company and its subsidiaries and CNOOC Group and/or its Associates is based on arm's length negotiations, on normal commercial terms or better and with reference to the prevailing local market conditions (including the volume of sales, the term of contracts, the volume of services, overall customer relationship and other market factors).

On the basis of the above basic pricing principle, each type of products or services must be charged in accordance with the following pricing mechanism and in the following sequential order:

(a) government-prescribed price; or

(b) where there is no government-prescribed price, in accordance with market prices, including the local, national or international market prices.

The continuing connected transactions referred to in paragraphs (1)(a) to (1)(b) above provided by CNOOC Group and/or its Associates to the Company and its subsidiaries, as well as in paragraphs (2)(a) to (2)(b) above provided by the Company and its subsidiaries to CNOOC Group and/or its Associates are determined through arm's length negotiations based on market prices (as defined in the comprehensive framework agreement) and in accordance with the above pricing principle.

The continuing connected transactions referred to in paragraphs (1)(c) to (1)(d) above provided by CNOOC Group and/or its Associates to the Company and its subsidiaries are determined based on government-prescribed price or market prices and in accordance with the above pricing principle.

The continuing connected transactions referred to in paragraph (1)(e) on the basis of the above pricing principle, are unanimously determined with CNOOC Group and/or its Associates which provides the FPSO vessel leases based on arm's length negotiation in accordance with normal commercial terms.

The continuing connected transactions referred to in paragraph (3) above are determined through arm's length negotiations between both parties with reference to market price.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

15. RELATED PARTY TRANSACTIONS (CONTINUED)

Except as disclosed in other notes to the interim condensed consolidated financial statements, the following is a summary of significant related party transactions entered into in the ordinary course of business between the Company and its subsidiaries and its related parties during the period and the balances arising from related party transactions at the end of the period:

(i) Provision of exploration, development, production as well as sales, management and ancillary services by CNOOC Group and/or its Associates to the Company and its subsidiaries

	Six months ended 30 June	
	2026	2025
Provision of exploration and support services	**5,869**	6,575
– Inclusive of amount capitalised under property, plant and equipment	**3,279**	4,471
Provision of development and support services	**27,599**	27,053
Provision of production and support services (note (a))	**10,165**	8,757
Provision of sales, management and ancillary services (note (b))	**2,269**	1,656
FPSO vessel leases (note (c))*	**229**	247
	46,131	44,288

* For the right-of-use assets recognised during the period from the lease agreements with CNOOC Group and/or its Associates, please refer to note 9.

30 June 2026
(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

15. RELATED PARTY TRANSACTIONS (CONTINUED)

(ii) Sales of petroleum, natural gas and renewable-energy power products (including green certificates) by the Company and its subsidiaries to CNOOC Group and/or its Associates*

	Six months ended 30 June	
	2026	2025
Sales of petroleum, natural gas and renewable-energy power products (including green certificates) (other than long-term sales of natural gas and liquefied natural gas) (note (d))	**125,796**	95,224
Long-term sales of natural gas and liquefied natural gas (note (e))	**22,890**	21,096
	148,686	116,320

* The Company and its subsidiaries' sales to CNOOC Group and/or its Associates accounted for 61% of revenue.

(iii) Provision of management, technical, facilities and ancillary services by the Company and its subsidiaries to CNOOC Group and/or its Associates

For the six months ended 30 June 2026, the provision of management, technical, facilities and ancillary services by the Company and its subsidiaries to CNOOC Group and/or its Associates was amounting to RMB185 million.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

15. RELATED PARTY TRANSACTIONS (CONTINUED)

(iv) Transactions and Balances with CNOOC Finance Corporation Limited ("CNOOC Finance") (note (f))

(a) Interest income received by the Company and its subsidiaries

	Six months ended 30 June	
	2026	2025
Interest income from deposits in CNOOC Finance	**177**	149

(b) Deposits balances of the Company and its subsidiaries

	30 June 2026	31 December 2025
Deposits in CNOOC Finance	**37,265**	21,996

(v) Balances with CNOOC Group and/or its Associates

	30 June 2026	31 December 2025
Amount due to CNOOC Group		
– included in trade and accrued payables, other payables and accrued liabilities	**242**	35
Amounts due to its Associates		
– included in trade and accrued payables, contract liabilities, other payables and accrued liabilities	**43,802**	32,437
– included in lease liabilities	**8,580**	7,368
	52,624	39,840
Borrowings from CNOOC Group and/or its Associates (note (g))	**1,256**	1,279
Amounts due from its Associates		
– included in trade receivables	**22,909**	19,116
– included in other current assets	**839**	398
	23,748	19,514

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

15. RELATED PARTY TRANSACTIONS (CONTINUED)

(vi) Balance with a joint venture and associates

	30 June 2026	31 December 2025
Amounts due from a joint venture and associates – included in trade receivables and other current assets	**55**	312

(vii) Transactions and balances with other state-owned enterprises

As disclosed in note 1, the Company is a subsidiary of CNOOC Group, which is a state-owned enterprise subject to the control of the PRC government. The Company and its subsidiaries enter into extensive transactions covering sales of crude oil and natural gas, purchase of property, plant and equipment and other assets, receiving of services, and making deposits with state-owned enterprises, other than CNOOC Group and/or its Associates, in the normal course of business on terms comparable to those with non-state-owned enterprises. The purchases of property, plant and equipment and other assets, and receipt of services from these state-owned enterprises are individually not significant. The individually significant sales transactions with the state-owned enterprises customers: 9% (six months ended 30 June 2025: 9%) of the Company and its subsidiaries' revenue in the six-month period ended 30 June 2026 is generated from crude oil and natural gas sold to China Petroleum & Chemical Corporation. The customer is controlled by the Chinese government. Other transactions with enterprises which are controlled, jointly controlled or significantly influenced by the same government are individually not significant and are in the ordinary course of business. In addition, the balance of cash at banks of the Company and its subsidiaries with certain state-owned banks in the PRC as at 30 June 2026 is summarised below:

	30 June 2026	31 December 2025
Cash and cash equivalents	**93,870**	38,589
Time deposits with maturity over three months	**37,144**	28,526
Specified dismantlement fund accounts, included in other non-current assets	**8,122**	8,585
	139,136	75,700

Interest rates for the above time deposits and specified dismantlement fund accounts are at prevailing market rates.

30 June 2026

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

15. RELATED PARTY TRANSACTIONS (CONTINUED)

(viii) Key management personnel's remuneration

	Six months ended 30 June	
	2026	2025
Short-term employee benefits	**4**	7
Pension scheme contributions	**1**	1
Amount paid/payable during the period	**5**	8

The amount due to CNOOC Group and/or its Associates and amounts due from/to related parties are unsecured, interest-free and are repayable on demand, unless otherwise disclosed.

Notes:

(a) These represent the services for production operations, the provision of various facilities and ancillary services to the Company and its subsidiaries.

(b) These include sales, administration and management, management of oil and gas operations and integrated research services as well as other ancillary services relating to exploration, development, production and research activities of the Company and its subsidiaries. In addition, CNOOC Group and/or its Associates leased certain premises to certain subsidiaries of the Company for use as office premises and staff quarters for which they provided management services.

(c) CNOOC Energy Technology & Services Limited leased FPSO vessels to the Company and its subsidiaries for use in oil production operations.

(d) The sales include crude oil, natural gas, condensate oil, liquefied petroleum gas, standalone electricity trading, "green-electricity trading" that trade both electricity and green certificates, and "green-certificate trading" that trade green certificates without electricity sold to CNOOC Group and/or its Associates. Individual sales contracts were entered into from time to time between certain subsidiaries of the Company and CNOOC Group and/or its Associates.

(e) It is the market practice that sales terms are determined based on the estimated reserves and production profile of the relevant gas fields. The term of long-term sales contracts is usually between 3 and 25 years.

15. RELATED PARTY TRANSACTIONS (CONTINUED)

Notes (continued):

(f) CNOOC Finance is a 31.8% owned associate of the Company and also a subsidiary of CNOOC Group. Pursuant to Chapter 14A of the Listing Rules of HKSE, CNOOC Finance is a connected person of the Company, and pursuant to article 6.3.3 of the Listing Rules of SSE, it constitutes a related legal person of the Company. The financial services provided by CNOOC Finance to the Company and its subsidiaries constitute continuing connected transactions. The Company has complied with the relevant disclosure requirements of the China Securities Regulatory Commission, the Hong Kong Stock Exchange and the SSE in respect of these continuing connected transactions.

Under the financial services framework agreement with CNOOC Finance dated 30 October 2025, CNOOC Finance continues to provide to the Company and its subsidiaries settlement, depository, discounting, loans and entrustment loans services and etc. The agreement is effective from 1 January 2026 to 31 December 2028. The depository services and the secured loans services were not required for independent shareholders' approval requirements under the relevant regulations of the Listing Rules of HKSE, the China Securities Regulatory Commission and the SSE. On 30 October 2025, the Board approved to maintain the maximum daily outstanding balance of deposits and interest (excluding funds placed for the purpose of extending entrustment loans pursuant to the entrustment loan services), the maximum daily loan balance (including accrued interest) and actual service fees charged by CNOOC Finance for providing other financial services (excluding settlement services) with the amount of RMB37,300 million, RMB50,000 million and RMB20 million respectively for the period from 1 January 2026 to 31 December 2028.

During the period, the Company and its subsidiaries' actual maximum daily outstanding balance of deposits and interest with CNOOC Finance (excluding funds placed for the purpose of extending entrustment loans pursuant to the entrustment loan services) did not exceed RMB37,300 million (six months ended 30 June 2025: RMB22,000 million). The Company and its subsidiaries' actual maximum daily loan balance received from CNOOC Finance (including accrued interest) did not exceed RMB50,000 million, and the Company and its subsidiaries' service fees charged by CNOOC Finance for providing other financial services (excluding settlement services) did not exceed RMB20 million.

(g) Borrowings from CNOOC Group and/or its Associates mainly represent the portion of the syndicated loans in which CNOOC Finance participated.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

16. COMMITMENTS AND CONTINGENCIES

(i) Capital commitments

As at 30 June 2026, the Company and its subsidiaries had the following capital commitments, principally for the construction of property, plant and equipment:

	30 June 2026	31 December 2025
Contracted, but not provided for*	**39,400**	39,444

* The capital commitments contracted, but not provided for, include the estimated payments to the Ministry of Natural Resources of the PRC for the next five years with respect to the Company and its subsidiaries' exploration and production licenses.

The capital commitment stated above includes an amount of approximately RMB13,009 million (31 December 2025: RMB16,212 million) contracted with CNOOC Group and/or its Associates.

Capital commitments of joint ventures:

	30 June 2026	31 December 2025
Contracted, but not provided for	**219**	255

As at 30 June 2026, the Company and its subsidiaries had unutilised banking facilities amounting to approximately RMB51,553 million (31 December 2025: RMB51,070 million).

(ii) Contingencies

The Company and its subsidiaries are subject to tax in numerous jurisdictions around the world. Some tax audits and reviews are in progress. Difference in positions between tax authorities and the Company and its subsidiaries over the interpretation and application of tax laws and regulations may lead to an increase in tax liabilities. Management of the Company has assessed the possible future outcome of matters that are currently under dispute. Management of the Company believes that an adequate provision for future tax liabilities has been included in the interim condensed consolidated financial statements based on the information available.

In addition to the matters mentioned above, the Company and its subsidiaries are dealing with a number of lawsuits and arbitrations that arise in the ordinary course of business. While the results of these legal proceedings cannot be ascertained at this stage, management of the Company believes these proceedings are not expected to have a material effect on the interim condensed consolidated financial statements.

30 June 2026
(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

17. FINANCIAL INSTRUMENTS

Fair value of financial instruments

The carrying amount of the Company and its subsidiaries' cash and cash equivalents, time deposits with maturity over three months but within one year, trade receivables excluding receivables financing, other current assets, trade and accrued payables, and other payables and accrued liabilities approximated to their fair values at the reporting date due to the short maturity of these instruments.

The fair value of the Company and its subsidiaries' long-term bank loans with floating interest rates approximated to the carrying amount as at 30 June 2026 and 31 December 2025.

The estimated fair value of the Company and its subsidiaries' long-term guaranteed notes was approximately RMB50,265 million (31 December 2025: RMB53,208 million), which was determined by reference to the market price as at 30 June 2026.

Fair value hierarchy

The Company and its subsidiaries use the following hierarchy that reflects the significance of the inputs used in making the fair value measurement:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. Active markets are those in which transaction occurs in sufficient frequency and volume to provide pricing information on an on-going basis.

Level 2: fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The Company and its subsidiaries obtain information from sources of independent price publications, over-the-counter broker quotes and the fund management's quotations as at the reporting date.

Level 3: fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs), or where the observable data does not support the majority of the instruments fair value.

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

17. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

As at 30 June 2026 and 31 December 2025, the Company and its subsidiaries held the following financial instruments measured at fair value for each hierarchy respectively:

	Level 1	Level 2	Level 3	30 June 2026
Assets measured at fair value				
Trade receivables				
Receivables financing	–	704	–	704
Other financial assets – current				
Structured deposits	–	9,132	–	9,132
Publicly traded money market funds	2,245	–	–	2,245
Others	–	–	515	515
Equity investments*				
Non-publicly traded investments – non current	–	–	23	23
Derivative financial instruments				
Futures	178	–	–	178
	2,423	9,836	538	12,797
Liabilities measured at fair value				
Derivative financial instruments				
Futures	327	–	–	327
	327	–	–	327

(All amounts expressed in millions of Renminbi, except number of shares and unless otherwise stated)

17. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

As at 30 June 2026 and 31 December 2025, the Company and its subsidiaries held the following financial instruments measured at fair value for each hierarchy respectively: (continued)

	Level 1	Level 2	Level 3	31 December 2025
Assets measured at fair value				
Trade receivables				
Receivables financing	–	546	–	546
Other financial assets – current				
Structured deposits	–	23,196	–	23,196
Publicly traded money market funds	2,230	–	–	2,230
Others	–	–	572	572
Equity investments*				
Non-publicly traded investments – non current	–	–	23	23
Derivative financial instruments				
Futures	–	–	–	–
	2,230	23,742	595	26,567
Liabilities measured at fair value				
Derivative financial instruments				
Futures	20	–	–	20
	20	–	–	20

* All gains and losses included in other comprehensive income related to financial assets at FVOCI held at the end of the reporting period are reported as fair value change on equity investments designated as at FVOCI.

17. FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (continued)

The Company and its subsidiaries have adopted significant unobservable input data to determine the fair value of financial assets classified within Level 3. As observable prices are not available, the fair value of the financial assets is derived by using valuation techniques, mainly including embedded terms of the instrument, bid offer price as well as valuations based on net asset value using the discounted cash-flow of each project or asset, having applied an appropriate risk factor for the stage of development of the project. The significant unobservable inputs used in the fair value measurement include net asset value, price to net asset value.

No amounts have been transferred between the different levels of the fair value hierarchy for the period.

18. SUBSEQUENT EVENTS

The Company and its subsidiaries have no significant subsequent events needed to be disclosed in the interim condensed consolidated financial statements.

19. APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements for the six months ended 30 June 2026 were approved and authorised for issue by the Board on 26 August 2026.

Ernst & Young
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To the board of directors of CNOOC Limited
(Incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial statements set out on pages 33 to 67, which comprises the interim condensed consolidated statement of financial position of CNOOC Limited (the "Company") and its subsidiaries as at 30 June 2026 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial statements to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* ("IAS 34") as issued by the International Accounting Standards Board and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial statements in accordance with IAS 34 and HKAS 34. Our responsibility is to express a conclusion on this interim financial statements based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review of this interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements is not prepared, in all material respects, in accordance with IAS 34 and HKAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong
26 August 2026

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