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MERGER AND ACQUISITION AGREEMENT

This announcement is made by China Oil And Gas Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 27 October 2025 relating to agreement of intent of asset acquisition by way of share issuance and cash payment (the “**Announcement**”). Unless otherwise stated, capitalized terms used herein shall bear the same meanings as those defined in the Announcement.

The Board is pleased to announce that, on 10 November 2025, China Oil Investment, Tiandalitong, CCNG (collectively, “**China Oil And Gas Transaction Parties**”) and Shengli Share entered into an agreement of asset acquisition by way of share issuance and cash payment (the “**Agreement**”), to further implement the terms of the Proposed Transactions.

The Proposed Transactions comprise the acquisitions by Shengli Share (i) 100% equity interests of China Oil Zhuhai; (ii) 100% equity interests of Tiandashengtong; (iii) 51% equity interests of Nantong Oil; and (iv) 40% equity interests of Ganhe China Oil (the “**Target Assets**”).

Pursuant to the Agreement, the principal terms of the Proposed Transactions including, but not limited to, the following:

Transaction Consideration

As at the date of this announcement, the audit, valuation of the Target Assets have not been completed, and the appraised value and the transaction price of the Target Assets have not yet been determined.

The transaction consideration will be determined by the parties through negotiation based on the asset appraisal report in respect of the Target Assets issued by the asset appraisal institution, and the entering into of a supplemental agreement.

The transaction consideration will be the sum of the transaction consideration payable by Shengli Share to the China Oil And Gas Transaction Parties (i) Shengli Share through the issuance of Shengli Share domestic RMB ordinary shares (A shares) with a par value of RMB1.00 per share as part of the transaction consideration (“**Share Consideration**”); and (ii) Shengli Share through cash payment as part of the transaction consideration (“**Cash Consideration**”).

As the audit and valuation of the Target Assets have not yet been completed, the transaction consideration for the Proposed Transactions has not yet been determined, and the ratio of Share Consideration and Cash Consideration has not yet been determined.

Pricing Basis, Pricing Benchmark Date, and Issuance Price of Shares

Through friendly negotiation among the parties to the transaction, the issuance price for the shares to be issued by Shengli Share to acquire the Target Assets in the Proposed Transactions has been determined to be RMB3.07 per share, which should not lower than 80% of the average trading price of Shengli Share in the 20 trading days, 60 trading days, and 120 trading days prior to the signing date of the Agreement (the “**Pricing Benchmark Date**”).

If, between the Pricing Benchmark Date and the completion of the issuance, Shengli Share undergoes any ex-rights or ex-dividend events such as dividend distribution, bonus share issuance, allotment, additional share issuance, or capitalization of capital reserves, the aforementioned issuance price will be adjusted accordingly in accordance with the relevant regulations of the China Securities Regulatory Commission (“**CSRC**”) and the Shenzhen Stock Exchange (“**Shenzhen Stock Exchange**”).

Lock-up Period for new Shares issued as Share Consideration

The newly issued shares of Shengli Share acquired by the China Oil And Gas Transaction Parties through the Proposed Transactions will be subject to lock up. Those shares will not be transferred within 36 months from the date of completion of the share issuance. If, within 6 months after the completion of the Proposed Transactions, the closing price of Shengli Share’s stock is lower than the issuance price for 20 consecutive trading days, or if the closing price at the end of the 6-month period after the completion of the transaction is lower than the issuance price of the shares issued in the Proposed Transactions, the lock-up period for the new shares of Shengli Share acquired by the China Oil And Gas Transaction Parties through the Proposed Transactions will be automatically extended by 6 months.

Effectiveness of the Agreement

The Agreement shall become effective upon the fulfillment of all the following conditions:

- (1) The Agreement is duly signed by the parties to the transaction;
- (2) The Proposed Transactions is approved by the board of directors and at the shareholders' meeting of Shengli Share, and the shareholders' meeting of Shengli Share approves the exemption of the China Oil And Gas Transaction Parties and their concerted parties from making an general offer for the Proposed Transactions;
- (3) The target companies and the China Oil And Gas Transaction Parties have fulfilled the necessary approvals, authorizations, filings or licenses required by relevant laws and regulations;
- (4) The merger control filing related to the Proposed Transactions is approved by the State Administration for Market Regulation (National Anti-Monopoly Bureau) or its authorized agency (if applicable);
- (5) The Proposed Transactions is approved by the Shenzhen Stock Exchange and registered by the CSRC; and
- (6) The Proposed Transactions has fulfilled other necessary approvals, authorizations, filings or licenses (if required).

All of the above-mentioned conditions precedent are non-waivable. If any condition precedent is confirmed to be unfulfilled, the Agreement and all rights and obligations under it (except for any rights and obligations arosed on the date of termination of the Agreement) shall automatically terminate on the date on which such condition precedent is confirmed to be unfulfilled.

GENERAL

The Agreement aims to guide the parties in implementing the Proposed Transactions. Based on the preliminary assessment by the Board, the Proposed Transactions may constitute a very substantial acquisition under Chapter 14 of the Listing Rules, which is subject to the final determination of the transaction consideration. If the parties enter into a supplemental agreement to the Agreement, or if there is any significant progress relating to the Proposed Transactions, the Company will publish further announcement in accordance with the Listing Rules as appropriate.

Shareholders and/or investors of the Company should note that as the transaction consideration for the Proposed Transactions has not yet been determined and negotiations are still ongoing, the Proposed Transactions under this Agreement may not necessarily be implemented. Shareholders and/or investors of the Company are advised to exercise caution when dealing in the Company's securities.

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

Hong Kong, 10 November 2025

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

** for identification purposes only*