KunLun Energy Company Limited

(incorporated in Bermuda with limited liability 於百慕達註冊之有限公司)

昆侖能源有限公司

(Stock Code 股份代號：00135.HK)

2026 Interim Report

August 25, 2026

LIU Guohai

Chairman and
Executive Director

JIN Guanghui

Chief Financial Officer

HAO Mingjun

Deputy
General Manager

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Performance Highlight

Total Gas Volume
30.16 bcm
3.6% yoy

Profit attributable to shareholders
3.31 billion
4.6% yoy

Accumulated Uses
17.49 millon
3.8% yoy

Interim DPS
19.16 cents
Payout Ratio 50%

LNG Processing Volume 2.27 bcm
29.7% yoy

Shares Repurchased:
38.95 million, **45%** of Planned Total
Free CF 5.15 billion

LNG Plants:
Average Utilization Rate
78.1%

LPG Sales: PBT
655.1 mn 20.4% yoy

LNG Terminals:
Average Utilization Rate
77.5%

E&P: PBT
331.1 mn 442.6% yoy

- Seize Market Opportunities: Resilient Growth in Gas Sales
- Leverage Synergies for Efficient LNG Business Operations
- Capture Oil Price Upsides: Markedly Improved Oil & Gas Profitability
- Diversified Business Mix to Mitigate Cyclical Volatility
- Share Repurchases Combined with Enhanced Dividend Payout
- Sustained Net Profit Growth and Robust Cash Flow

ESG

ESG Rating Performance *

MSCI	Win.d
A ↑	AAA ↑
CDP	S&P Global
B- ↑	60 ↑

Sustainability Awards

- Awarded the *ESG Competitiveness · Sustainable Development Excellence Award* at the **2026 Golden Bee CSR China Honor Roll**; its Gansu subsidiary's *"Hydrogen Blending into Gas"* case was selected into the *2026 Golden Bee CSR Competitiveness Case Collection*.
- *"Wenfeng-Luyuan" — Kunlun Energy: A Model for Harmonious Coexistence between Industry and Nature for Biodiversity Conservation* advanced to the defence round.
- Included in 26 indices such as the Hang Seng Stock Connect China SOE ESG 40 Index and Hang Seng Stock Connect China SOE Enhanced ESG Index.

* Note: The WIND ESG rating is the 2026 assessment results.

Environment

In 2025, GHG emissions for Scope 1, 2 & all material Scope 3 have been certified to **ISO14064**

As at end-June, total distributed photovoltaic power generation stood at **121.521 GWh**, of which **77.451 GWh** was for self-consumption

Hainan Wenfeng Luyuan Biodiversity Conservation Site has been shortlisted as a **national potential OECMs candidate case**

Social

The digital-transformation & intelligent-development project of subsidiary Tangshan LNG Company has passed acceptance with an **Excellent** overall rating.

Total consumption-assistance funds: **RMB 5.38 million**

Focusing on **pipeline facilities, flood prevention & control, and residential gas supply**, we conducted comprehensive screening & rectification. Ledger records were established item by item with closed-loop clearance, and nearly **3,000** safety hazards rectified

Government

Corruption cases and penalties for environmental violations

0

As of June 30, 2026, a total of **31** companies had obtained compliance management system **ISO 37301** certification

Enhanced ESG governance and released **the *ESG Strategy White Paper*** in April, defining the medium-to-long term sustainable development roadmap from a top-level design perspective.

The ESG innovation project won an internal award and was submitted for **parent-company award nomination.**

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PART 01

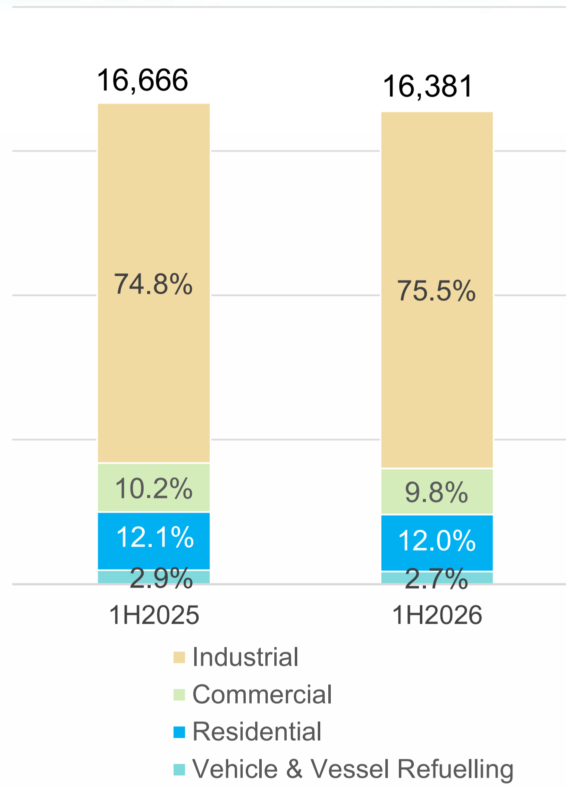
Natural Gas Sales

Sales Volume | Steady Growth

(million m³)

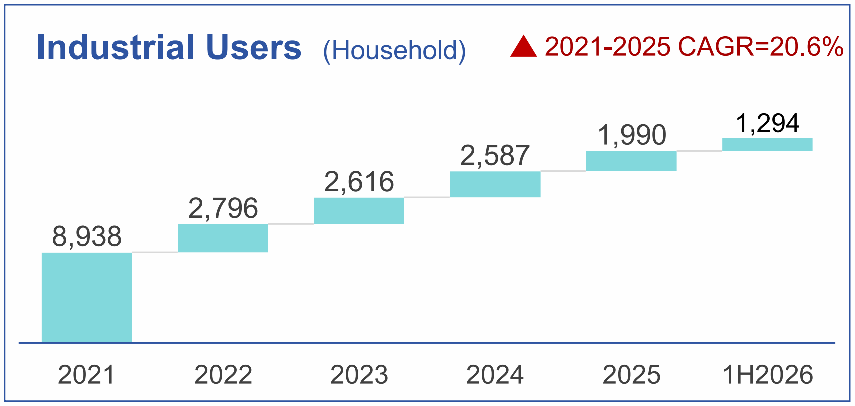
Item	2026/06/30	2025/06/30	Change Value	Change Rate
Total Volume of NG Sales	**30,155.8**	29,095.1	1,060.7	3.6%
Retail Gas sales	**16,380.7**	16,665.9	(285.2)	(1.7%)
Industrial	12,368.5	12,471.0	(102.5)	(0.8%)
Commercial	1,600.1	1,692.9	(92.8)	(5.5%)
Residential	1,970.8	2,014.3	(43.5)	(2.2%)
Vehicle & Vessel Refuelling	441.3	487.7	(46.4)	(9.5%)
Distribution & Trading	**13,775.1**	12,429.2	1,345.9	10.8%

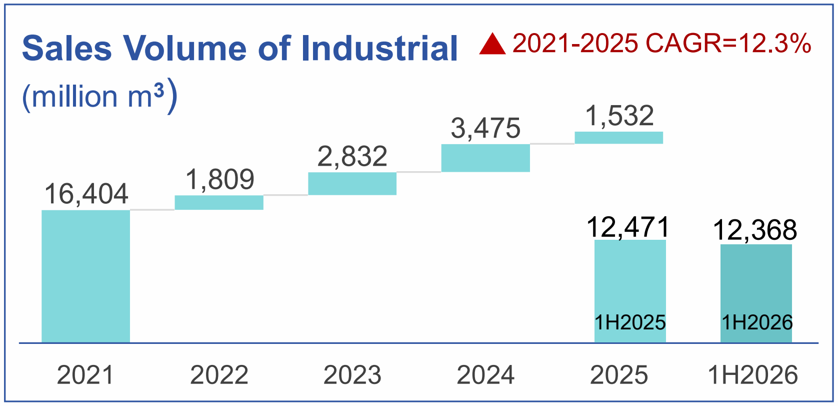
Retail Gas Sales Mix



User Base | Steady Expansion

Item	2026/06/30 New Users	2026/06/30 Accumulated Users	2025/06/30 Accumulated Users	Change Rate
Total Users	**298.7 thousand**	**17,490.4 thousand**	16,852.6 thousand	3.8%
Residential	294.1 thousand	17,320.6 thousand	16,688.4 thousand	3.8%
Industrial	1,294	20,221	18,079	11.8%
Commercial	3.3 thousand	149.7 thousand	146.3 thousand	2.3%



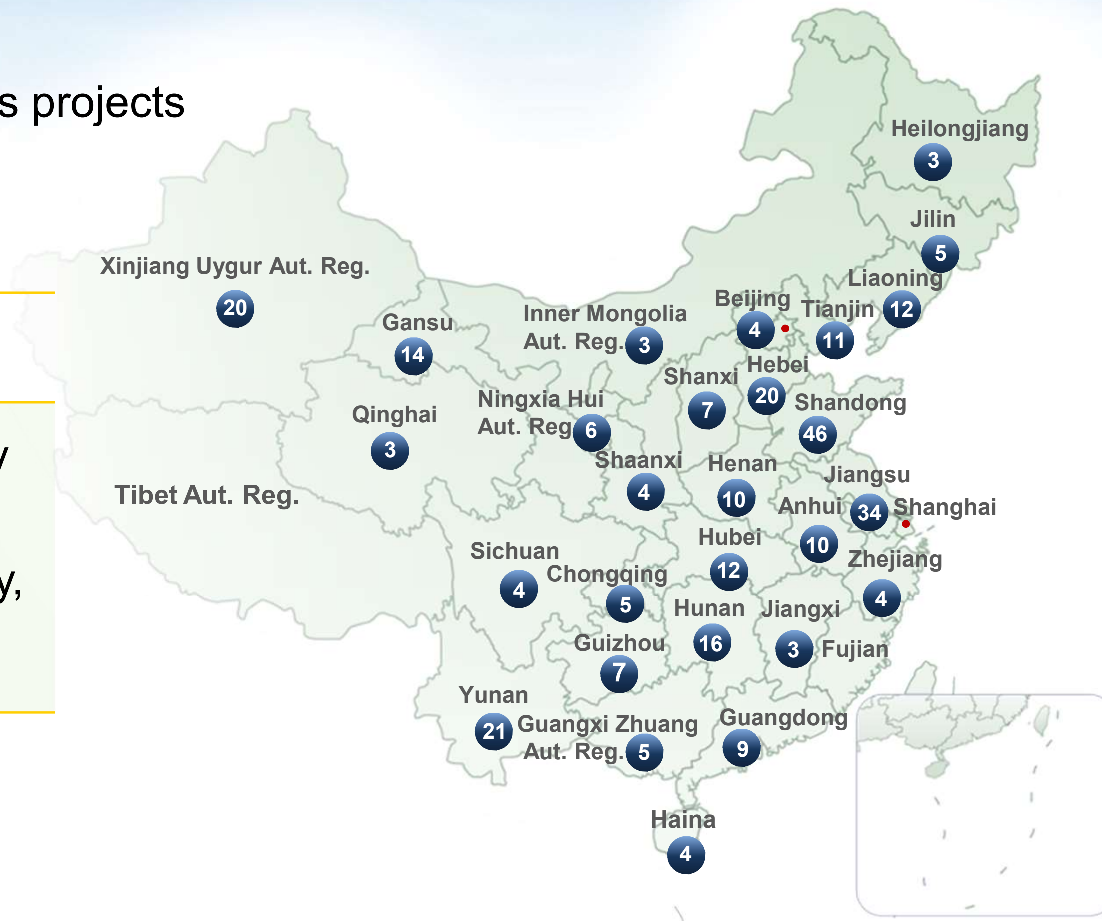


City-Gas Projects | National Footprint

As of June 30, 2026, total 302 city gas projects

In 1H2026, 3 new city gas projects

Project Type	Location
City Gas Projects (3)	Shandong: Yantai City Hunan: Shaoyang City, Lixian County

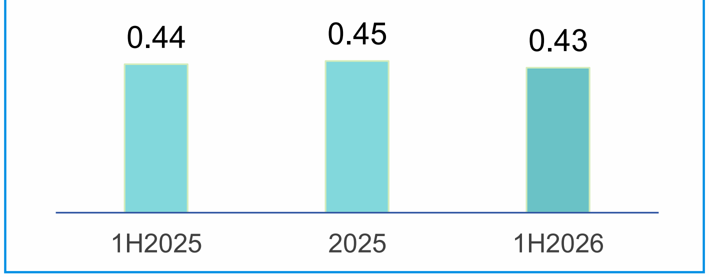


Retail Margin | Resilient Performance

(RMB Yuan/m^3)

Item	2026/06/30	2025/06/30	Change Value	2025/12/31
Average Selling Price	**2.73**	2.77	(0.04)	2.73
Average Cost	**2.30**	2.33	(0.03)	2.28
Weighted Average Dollar Margin	**0.43**	0.44	(0.01)	0.45

- Reliable and Stable Resource
- A long-term price pass-through mechanism
- Continuously optimized sales structure

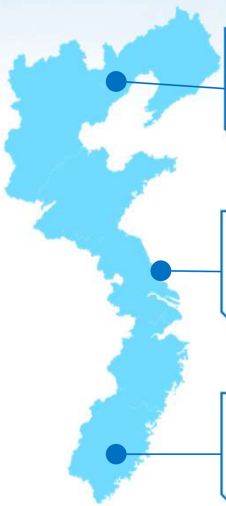


PART 02

LNG Processing & Terminal

LNG Terminals | Predictable Cash Flow

LNG Terminal Layout

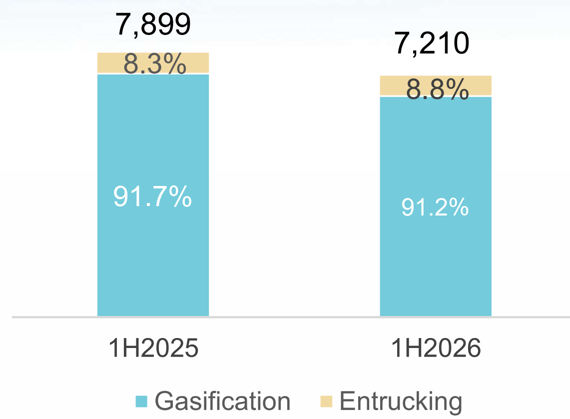


Tangshan LNG Terminal:
Capacity: 6.5 million ton/year

Rudong LNG Terminal:
Capacity: 6.5 million ton/year

Fujian LNG Terminal:
Capacity: 3.0 million ton/year

Terminal Throughput

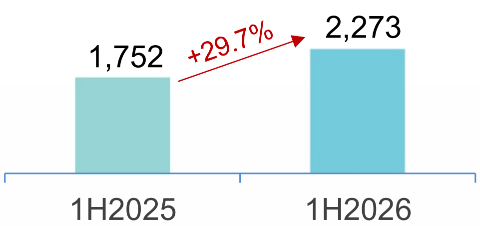


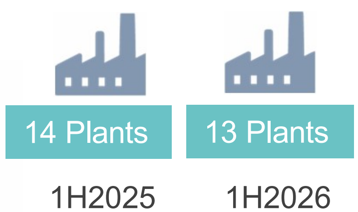
(million m³)

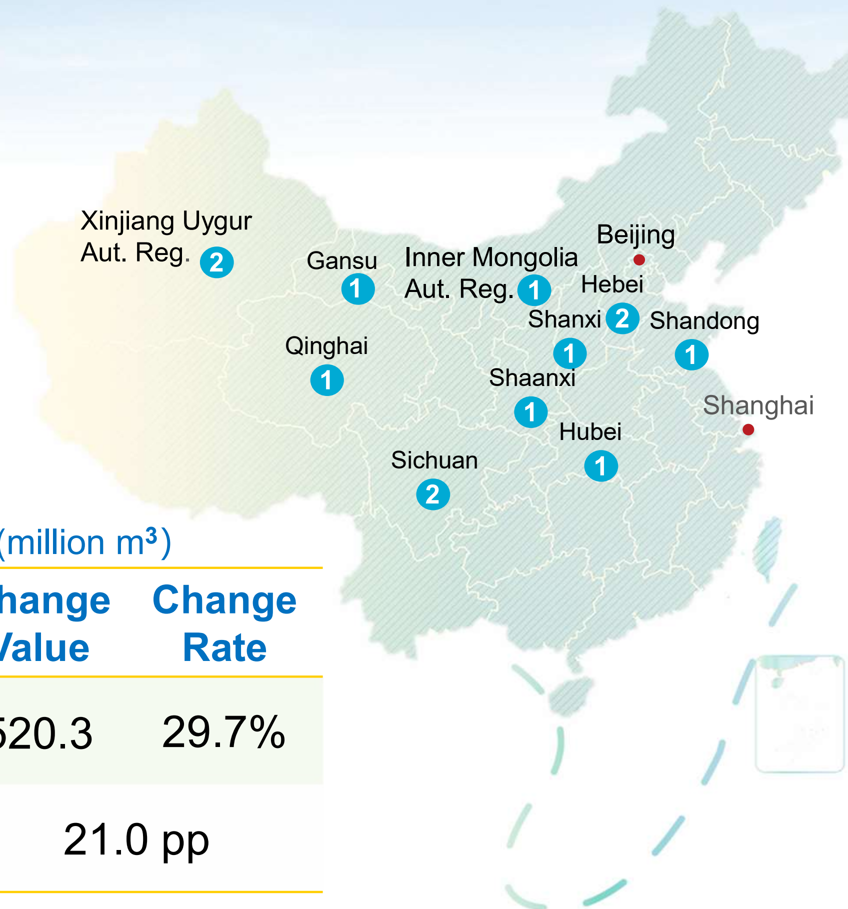
Item	2026/06/30	2025/06/30	Change Value	Change Rate
Total Volume	**7,209.8**	7,898.8	(689.0)	(8.7%)
Gasification Volume	6,576.7	7,244.9	(668.2)	(9.2%)
Entrucking Volume	633.1	653.9	(20.8)	(3.2%)
Average Utilization Rate	**77.5%**	86.8%	(9.3 pp)	

LNG Plants | Improving Operations

LNG Plant Production & Number of Operating LNG Plants







(million m^3)

Item	2026/06/30	2025/06/30	Change Value	Change Rate
LNG Processing Volume	**2,272.7**	1,752.4	520.3	29.7%
Average Utilization Rate	**78.1%**	57.1%	21.0 pp	

PART 03

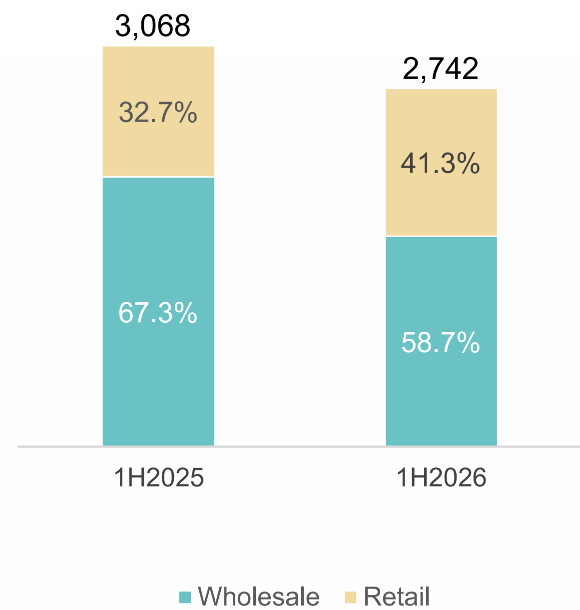
LPG Sales

LPG Sales | Optimized Product Mix

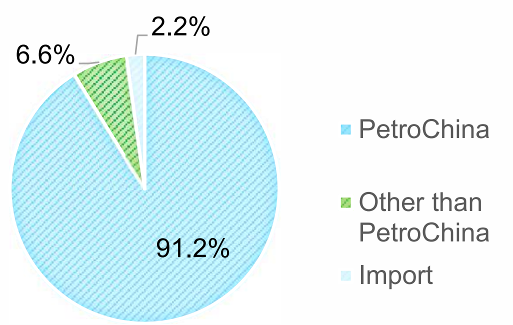
(thousand tons)

Item	2026/06/30	2025/06/30	Change Value	Change Rate
LPG Sales Volume	**2,741.5**	3,068.4	(326.9)	(10.7%)
Retail	1,132.4	1,003.1	129.3	12.9%
Wholesale	1,609.1	2,065.3	(456.2)	(22.1%)

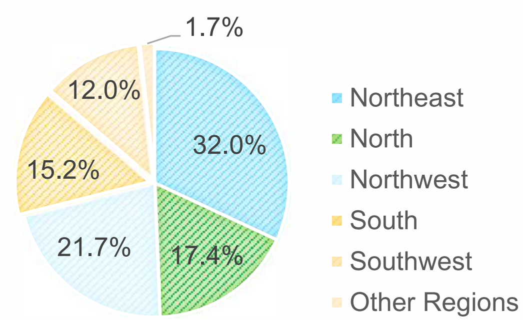
LPG Sales Mix



Upstream LPG Resource Mix



LPG Sales Volume by Region



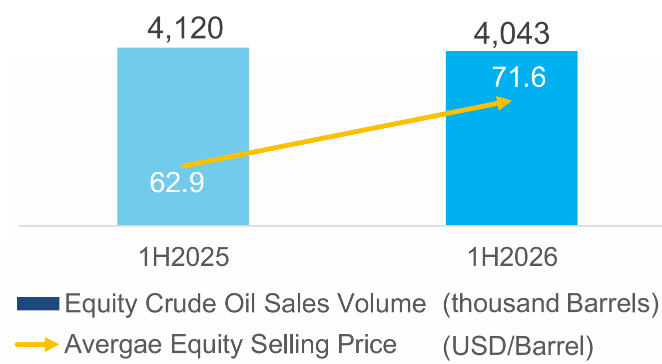
PART 04

Exploration & Production

E&P | Stable Operations

Crude Oil Producing Region

Crude Oil Volume-Price Performance



Item	2026/06/30	2025/06/30	Change Value	Change Rate
Equity Crude Oil Sales Volume (thousand Barrels)	**4,043.0**	4,120.3	(77.3)	(1.9%)
Average Equity Selling Price (USD/Barrel)	**71.6**	62.9	8.7	13.8%

PART 05

Gas-fired Power & New Energy

Gas-fired Power & New Energy | Ongoing Expansion

Scale up gas-fired power capacity | Expand green installed capacity

Gas-fired Power

Item	2026/06/30	2025/06/30	Change
Cumulative Number of Commissioned Projects (Units)	20	16	4
Installed Capacity (10^4 kW)	1,370.4	1,109.1	23.6%
Equity Installed Capacity (10^4 kW)	287.0	212.4	35.1%
Power Generation (10^8 kWh)	102.1	106.0	(3.7%)

Distributed PV

Item	2026/06/30	2025/06/30	Change
Cumulative Number of Commissioned Projects (Units)	110	88	22
Installed Capacity (MW)	20.9	16.0	30.6%
Power Generation (10^4 kWh)	1,215.2	877.1	38.5%

Wind Power Projects Under-construction

- Liaocheng Shenxian Wind Power Project (393.75 MW)
- Harbin Petrochemical Green Wind Power Project (50 MW)

The above projects are expected to be commissioned around the end of this year.

New Project Development

- Advancing pre-studies for gas-fired power projects in Sichuan, Shandong, Anhui, Zhejiang and other regions
- Newly obtained clean energy indicators: 100 MW

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Profitability | Steady Improvement

(RMB million)

Item	2026/06/30	2025/06/30	Change Value	Change Rate
Revenue	**100,042.0**	97,543.2	2,498.8	2.6%
Profit before Income Tax Expense	**6,781.7**	6,737.4	44.3	0.7%
Profit after Income Tax Expense	**5,044.0**	5,002.3	41.7	0.8%
Profit for the period attributable to Shareholders of the Company	**3,305.8**	3,161.4	144.4	4.6%
Return on Equity	**4.76%**	4.72%	-	0.04 pp

Financial Position | Robust Position

(RMB million)

Total Assets	Total Interest-bearing Liabilities	Interest-Bearing Debt Ratio	Capital-Debt Ratio
1H2026 **145,593.9**	1H2026 **21,304.9**	1H2026 **14.6%**	1H2026 **18.5%**
+1.02%	-0.54%	-0.30%	-0.30%
2025 **144,118.7**	2025 **21,419.8**	2025 **14.9%**	2025 **18.8%**

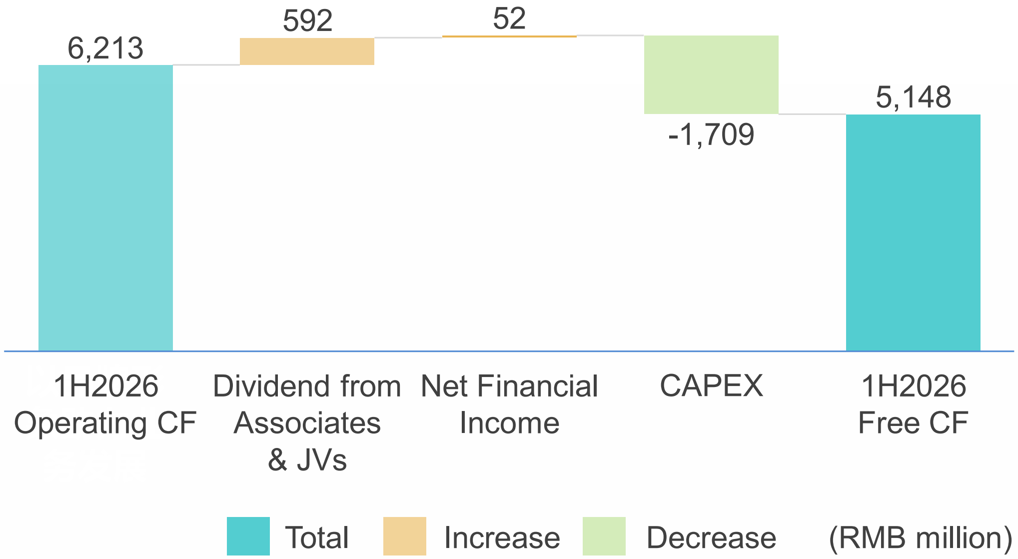
	2026/06/30	2025/06/30	Change
Average Financing Cost	**2.51%**	2.82%	(31 bps)

Rating Agencies	Rating
Moody's	Stable A2→A1
S&P Global Ratings	Stable A
FitchRatings	Stable A

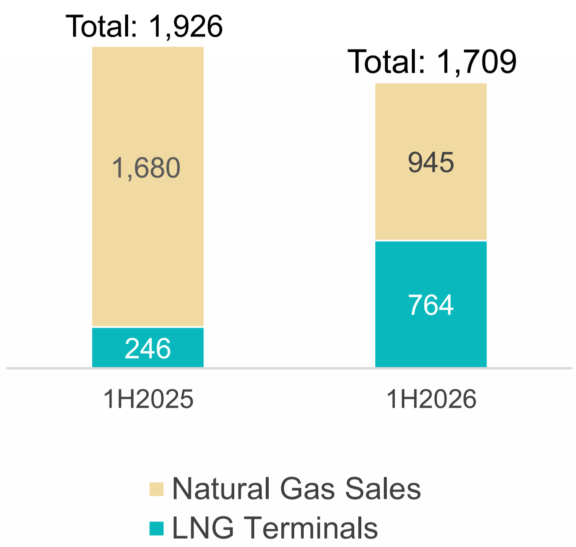
Solid credit ratings help reduce financing costs, underpinning the Company's high-quality development with a robust financial base.

CF & CAPEX | Adequate & Prudent

Analysis of Cash Flow



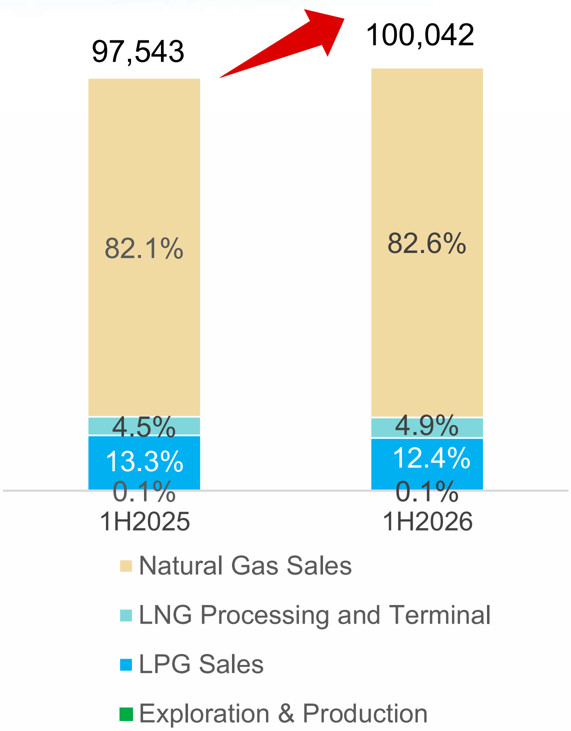
CAPEX



Business Segment Analysis

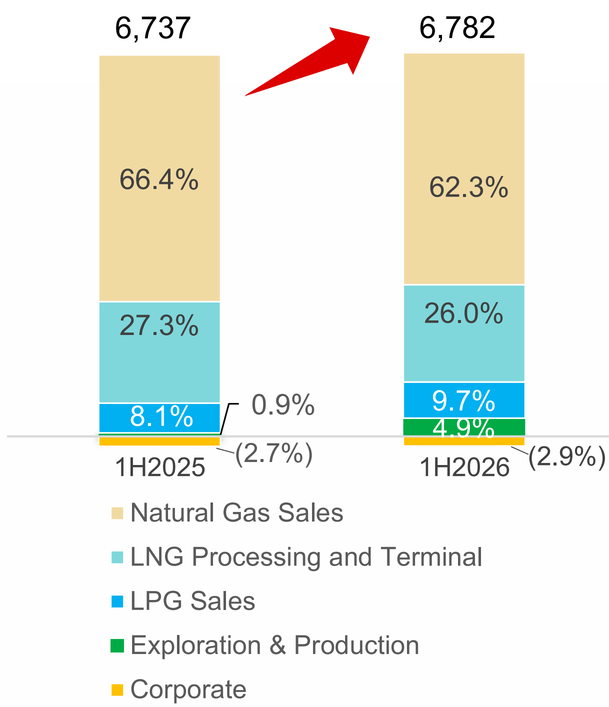
Sales Revenue Mix

(RMB million)



Profit before Tax Mix

(RMB million)



Natural Gas Sales

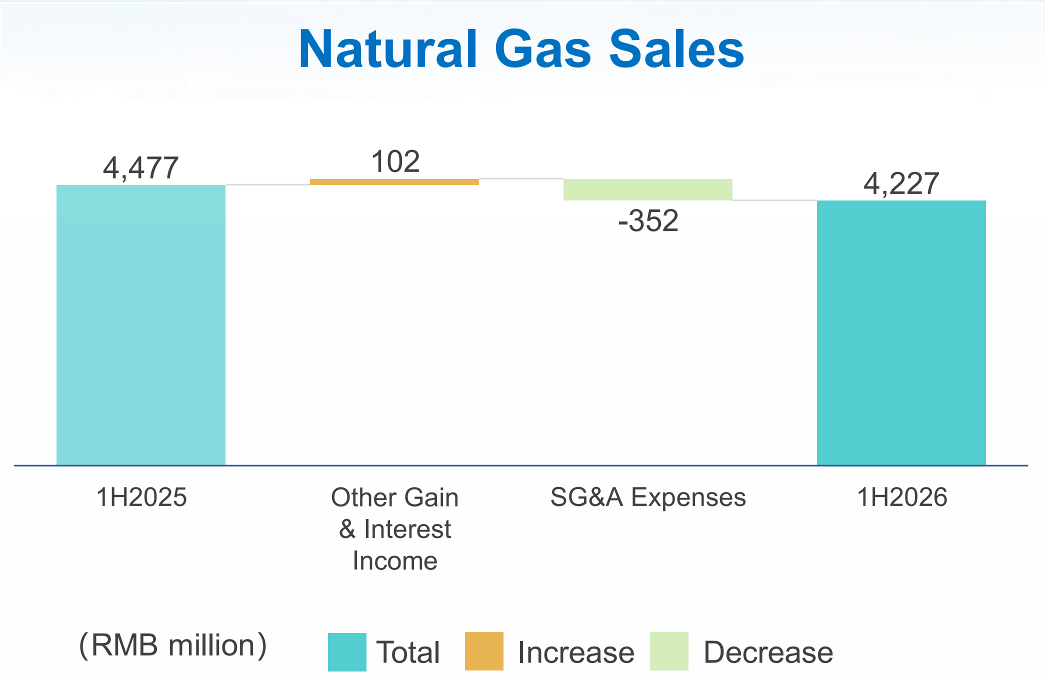
Revenue

82,678.7 million

↑ 3.3% yoy

Profit before Income Tax

4,227.0 million



LNG Processing and Terminal

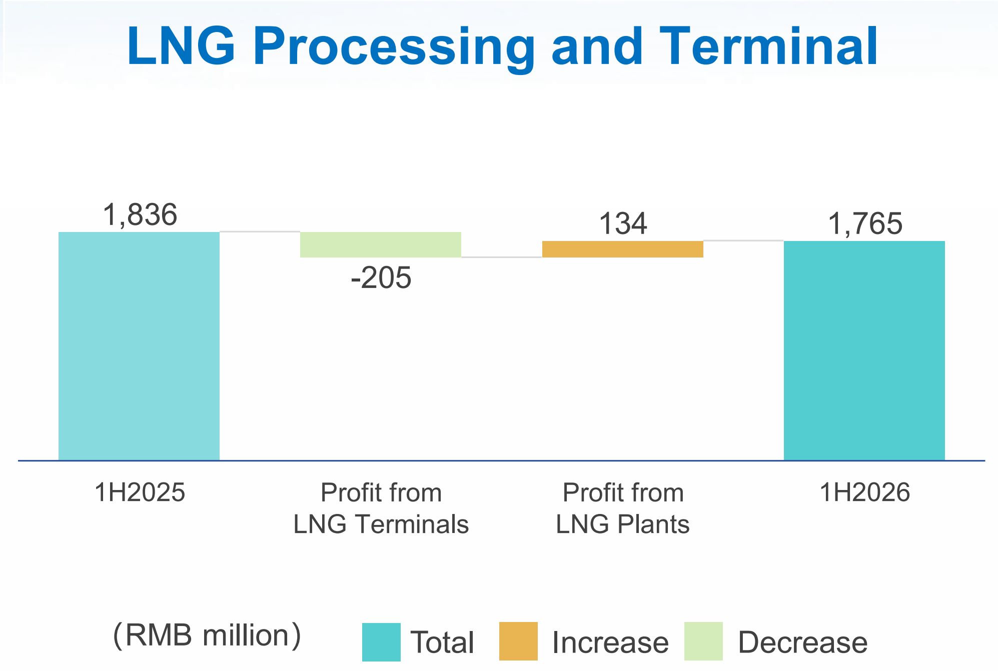
Revenue

4,872.6 million

↑ 11.5% yoy

Profit before Income Tax

1,765.2 million



LPG Sales

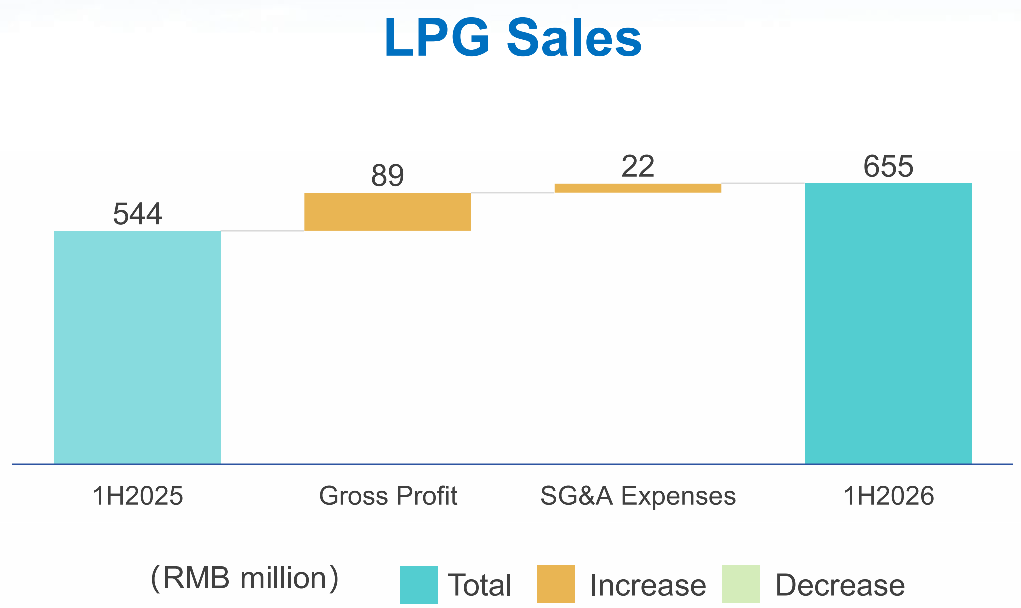
Revenue

12,396.5 million

Profit before Income Tax

655.1 million

↑ 20.4% yoy



Exploration and Production

Revenue

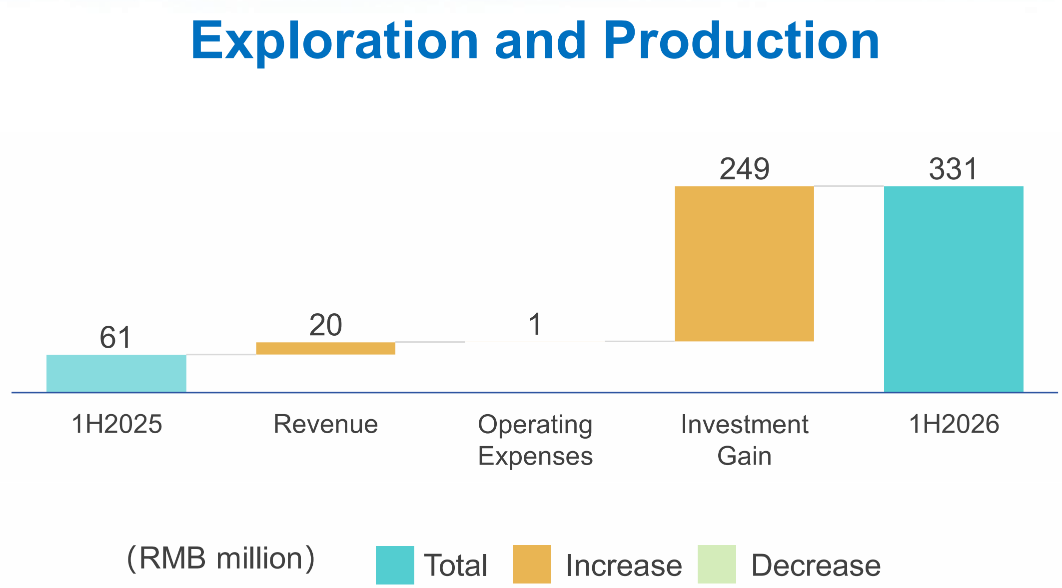
94.2 million

↑ 27.6% yoy

Profit before Income Tax

331.1 million

↑ 442.6% yoy



Shareholder Returns | Sustained Growth

EMPOWERING CHINA ENRICHING LIVES

2026-2028 Dividend Payout Plan

≥50%

2026-2028

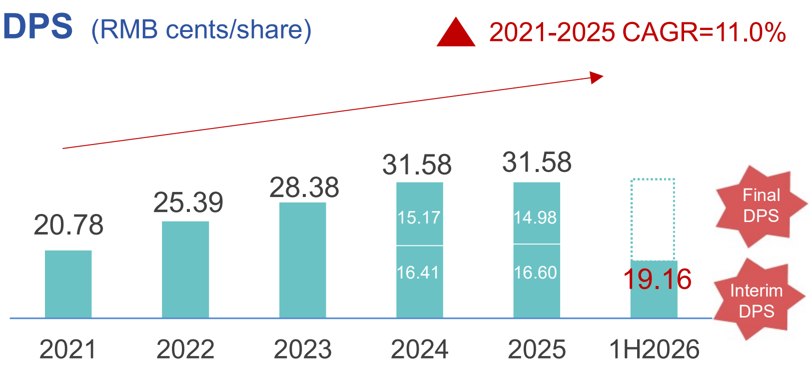
1 **Annual Dividend Payout Ratio**:
≥ 50% of the year's attributable profit

2 **Total Annual Dividend Payout:**
≥ the total dividend payout for 2025

2026 Share Repurchase Plan

Prior to the commencement of the quiet period: 38.95 million shares repurchased (45% of planned volume).

DPS (RMB cents/share)



(RMB cents/share)

Item	1H2026	1H2025	1H2024
Basic EPS	**38.31**	36.51	38.17
Interim DPS	**19.16**	16.60	16.41
Dividend Amount (RMB million)	**1,651.6**	1,437.0	1,420.9

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Business Outlook

01 Strengthen Core End-user Gas Business to Consolidate Profit Base

- ❑ Deep-dive core city-gas business; target high-value industrial clients
- ❑ Boost retail gas recovery; implement price pass-through to maintain dollar margins
- ❑ Diversity LPG import resources, lift industrial direct-sales share for stable volume & higher efficiency

02 Unlock Full-chain LNG Value to Boost Integrated Operational Benefits

- ❑ Standardize LNG plant maintenance; lift unit throughput with AI dispatching & energy-saving retrofits
- ❑ Coordinate Tangshan & Rudong LNG terminals for stable high-level operation
- ❑ Advance Fujian LNG terminal to unlock LNG segment's medium-to-long-term profit upside
- ❑ Speed up marine bunkering facilities; optimize business layout & market expansion

Business Outlook

03 Advance Green Low-carbon Transition and Empower Whole Value Chain via Digital-intelligent Technologies

- ❑ Upgrade equity-participated gas-power assets; advance controlled gas-power projects
- ❑ Capture key-region new-energy quotas, speed up Shandong Liaocheng wind-solar projects for scaled new-energy cash flow & revenue
- ❑ Expand "AI+" deployment; digital-intelligence for operational cost reduction & efficiency gains

04 Strengthen Risk-control Safeguards to Enhance Overall Operational Control Quality

- ❑ Finalize city-gas pipeline remediation & three-year safety drive; uphold safety red lines
- ❑ Implement full-value-chain cost control for systematic cost reduction
- ❑ Observe strict capex discipline; pursue modern governance & high-standard ESG framework

Business Outlook

Business Segment	Sub-segment	2026 Operational Guidance
Natural Gas Sales	Retail natural gas sales volume	Flat
	New connected users	600-700 thousand
LNG Processing and Terminal	Average utilization rate of LNG terminals	80%
	Processing volume of LNG plants	↑ 13%
LPG Sales	LPG sales volume	5.8 million tons
Exploration & Production	Equity sales volume of Crude oil	8 million barrels

Disclaimer

This presentation of Kunlun Energy includes historical facts and forward-looking statements. Forward-looking statements are based on assumptions and expectations, management experience, assessments and observations on historical trends, current conditions, predictable future trends, and other factors. Due to a wide range of risks and uncertainties, future actual results may not be consistent with the forward-looking statements. These risk and uncertainty factors include, but are not limited to, overall economic and commercial conditions, pricing pressures caused by competition and processes, labor conditions, political uncertainty, unpredictable regulatory changes, trade protection measures, tax and legal regulations changes, fluctuations in foreign exchange rates, capabilities on forecasting and planning of future demand, dependence on a single source supply relationship, and the impact of terrorist activities, natural disasters and public health issues.

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The Chinese version shall prevail.

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