

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中港石油有限公司*

CHK OIL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE

This voluntary announcement is made by CHK Oil Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) to inform the shareholders (the “**Shareholders**”) and potential investors of the Company of the latest business development of the Group.

On 24 November 2025, Liaoning Port Oil Technology Co., Ltd.* (“**Port Oil**”), an indirectly wholly-owned subsidiary of the Company and incorporated in the People’s Republic of China (the “**PRC**”) with limited liability, entered into a market development service agreement with Zhejiang Dumei Electronics Technology Co., Ltd.* (“**Dumei**”) and Palm Energy (Hainan) Co., Ltd.* (“**Palm Energy**”), an indirectly wholly-owned subsidiary of the Company and incorporated in the PRC with limited liability, entered into a technical service and development agreement with Dumei. Pursuant to the (i) market development service agreement and (ii) technical service and development agreement, Port Oil agreed to provide market development service and Palm Energy agreed to provide technical services and development respectively to Dumei for its sales of intelligent oil and gas extraction equipment to the oil fields located in the PRC and overseas.

A. THE MARKET DEVELOPMENT SERVICE AGREEMENT

The principal terms of the market development service agreement are summarised as follows:

Date: 24 November 2025

Parties: (1) Port Oil; and
(2) Dumei

Term: 10 years

Subject matter

Pursuant to the market development service agreement, Port Oil agreed to provide market development service to Dumei for its sale of intelligent oil and gas extraction equipment to oil fields located in the PRC and overseas. Port Oil is required to utilize its possession of abundant market resources, information channels, and market development capabilities in the oil extraction field so as to assist Dumei for solicitation of customers from oil fields located in the PRC and overseas.

Service fee

The service fee is calculated as 15% of the total sales revenue as stated in the sales contracts signed by Dumei with its customers for the sales of intelligent oil and gas extraction equipment. Due to market competition causing price fluctuations, the specific percentage of the aforementioned service fee shall be negotiated and agreed upon separately by both parties. The final amount of the service fee is subject to the actual settlement amount between Dumei and its customers.

Exclusivity

During the term of this agreement, Dumei shall exclusively appoint Port Oil for the market development services to Dumei. In return, Port Oil shall not provide any services that directly compete with the services provided under the market development service agreement to the direct competitors of Dumei during this period.

B. THE TECHNICAL SERVICE AND DEVELOPMENT AGREEMENT

The principal terms of are summarised as follows:

Date: 24 November 2025

Parties: (1) Palm Energy; and
(2) Dumei

Term: 10 years

Subject matter

Pursuant to the technical service and development agreement, Palm Energy agreed to provide technical service and development to Dumei for its sale of intelligent oil and gas extraction equipment to oil fields located in the PRC and overseas. Leveraging with the extensive technical service capabilities in the oil extraction field of the Group, Palm Energy is required to provide customized technical service to the customers of Dumei based on the specific circumstances of each oil field and even each oil well of the customers. While providing customized technical services, Palm Energy collaborates with Dumei to improve and refine the existing patented technologies of Dumei and develop new patented technologies together.

Service fee and intellectual property

The service fee is calculated as 10% of the total sales revenue as stated in the sales contracts signed by Dumei with its customers for the sales of intelligent oil and gas extraction equipment. The final amount of the service fee is subject to the actual settlement amount between Dumei and its customers. Regarding any new patented technologies jointly developed and invested in by both parties, Dumei and Palm Energy shall be the joint inventors and joint owners of such patented technologies, and Dumei and Palm Energy shall jointly apply for (the application fees shall be shared equally by both parties) and jointly own such patented technologies.

Exclusivity

During the term of this agreement, Dumei shall exclusively appoint Palm Energy to provide technical service and development to its customers whom are solicited by Port Oil.

INFORMATION ABOUT THE DUMEI

As at the date of this announcement, Dumei is a company incorporated in the PRC with limited liability. Dumei is principally engaged in manufacturing and sales of intelligent oil and gas extraction equipment. To the best knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, Dumei is independent of and not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE AGREEMENTS

The Company is an investment holding company and its subsidiaries are principally engaged in exploring, exploiting and sale of oil and natural gas, and trading of oil, oil-related and other products.

Under the current geopolitical climate, there is a significant uncertainty in the US-China relations, leading to a layer of political risk. The Group maintains basic operational levels in its gas and oil fields in Utah, while the oil trading business in China is facing a slow economic growth in weak demand in China. In response to the uncertainties in US-China relations and slow recovery in China's economy, the Group is constantly exploring opportunities for business expansion and diversification. Capitalizing on its exploration and production knowledge and expertise, the Group has identified the provision of market development service and technical service and development to manufacturer of intelligent oil and gas extraction equipment as a key area with strong growth potential and synergy with its existing business operations. The agreements are entered into in the ordinary and usual course of business of the Group. By entering into of the agreements, it allows the Group to formally establish the provision of market development service and technical service and development as one of its principal business segments, thereby enhancing its financial income base.

Taking into account the above, the directors of the Company are of the view that the agreements are on normal commercial terms, in the ordinary and usual course of business of the Group and in the interest of the Company and the Shareholders as a whole.

By Order of the Board
CHK Oil Limited
Yu Zhibo
Chairman and Executive Director

Hong Kong, 24 November 2025

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Yu Zhibo, Mr. Jin Ailong and Ms. Wong Wai Sze, two non-executive Directors, namely Mr. Zheng Ye and Ms. Wong Wai Yin, Viola, and three independent non-executive Directors, namely Ms. Zhong Bifeng, Ms. Huang Qingwei and Mr. Chen Yawei.

* *For identification purpose only*