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Sinopec Oilfield Service Corporation

(a joint stock limited company established in the People's Republic of China)

(Stock code: 1033)

VOLUME OF BUSINESS AND CAPITAL EXPENDITURE FOR 2018

This announcement is made by Sinopec Oilfield Service Corporation (the “Company”) pursuant to Rules 13.09(2) and 13.10B 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 (Chapter 571 of the Laws of Hong Kong).

Based on the operation conditions and the budgets of 2018, the board of directors of the Company (the “Board”) wishes to announce the estimation on the volume of business and capital expenditure of the Company for 2018.

As of the date of announcement published, the relevant institutions predicted that the average annual price of international crude oil would be higher to some extent than that of 2017, which will lead oilfield services industry to enter uptrend channel after bottoming out. With the further recovery of oil price and the growing demand for natural gas, oil companies will increase the capital expenditure on exploration and development. It is expected that the main work volume and related service rates will increase to a certain degree in 2018, and the expected business income will also increase significantly.

Company will seize the market opportunity from the recovery of oilfield service industry, further explore domestic and overseas markets, serve the demand of the domestic oil companies who aim to keep oil production stable and greatly increase the natural gas production in the domestic market, focus on the three large overseas markets in Middle

East, Africa and America with expanding service scope and service type. The company will enhance the major business, accelerate specialization of ancillary business, to realize higher business margin. At the same time, the company will stick to deepening the reform, and the fixed cost will be significantly reduced as result of redundant personnel reassigned in various ways and measures on cutting overcapacity gradually taking effect.

At the same time the company will further enhance and regulate equipment sharing and utilization, improve the utilization rate of equipment, and strictly control the capital expenditure. It is estimated that the capital expenditure of the Company for 2018 will be approximately RMB1,500 million which will be mainly used in equipment upgrading and market development.

Shareholders and investors of the Company are advised to exercise caution when dealing in securities of the Company.

For and on behalf of the Board of Directors

Li Honghai

Company Secretary

Beijing, PRC, 30 January 2018

As at the date of this announcement, the Board of Directors comprises Mr. Jiao Fangzheng⁺, Mr. Sun Qingde[#], Mr. Zhou Shiliang[#], Mr. Li Lianwu⁺, Ms. Jiang Bo^{}, Mr. Zhang Huaqiao^{*} and Mr. Pan Ying^{*}.*

+ Non-Executive Director

Executive Director

** Independent Non-Executive Director*