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## **Sinopec Oilfield Service Corporation**

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

**(Stock code: 1033)**

### **ANNOUNCEMENT ON APPLICATION FOR THE CANCELLATION OF THE DELISTING RISK WARNING ON THE A SHARES OF THE COMPANY**

The board of directors of the Company and all its directors guarantee that, this announcement does not contain any false information, misleading statement or material omission, and severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the contents of this announcement.

#### **Important notice:**

- The Shanghai Stock Exchange will determine whether to cancel the implementation of delisting risk warning on the A shares of Sinopec Oilfield Service Corporation (the "Company") according to the actual situation within five trading days after receiving the application of the Company.
- During the vetting period by the Shanghai Stock Exchange, the Company will not apply for suspension in the trading of its A shares. The A shares (600871) will remain open for trading.

#### **I. The Company's A shares are subject to delisting risk warning**

As the Company recorded negative audited net profit attributable to the shareholders of the Company for the years of 2016 and 2017, and the net assets for the year 2017 are negative, pursuant to the requirement under Rule 13.2.1 of the Listing Rules of Shanghai Stock Exchange (the "Shanghai Listing Rules"), the Shanghai Stock Exchange imposed a delisting risk warning on the Company's A shares starting from 29 March 2018.

#### **II. The audited financial report of the Company for the year 2018**

Pursuant to the standard unqualified audit report for the year 2018 issued by Grant Thornton (Special General Partnership): as of 31 December 2018, the Company

recorded net assets attributable to the shareholders of listed company of RMB 5,778,410,000, operating income of RMB 58,409,078,000 and net profits attributable to the shareholders of listed company of RMB 142,056 ,000.

The Company's 2018 annual report was considered and approved at the eleventh meeting of the ninth session of the board of directors of the Company (the "Board") on 25 March 2019, and was disclosed in Shanghai Securities News, China Securities Journal and Securities Times, and on the websites of Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)) on 26 March 2019 and on the website of The Hong Kong Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) on 25 March 2019.

### **III. Application for cancellation of delisting risk warning by the Company**

Pursuant to the relevant requirements under Rule 13.2.14 of the Shanghai Listing Rules, none of the indications including audited net profit, and net asset of the Company as set out in the Company's annual report for the year 2018 trigger the conditions of the delisting risk warning nor other conditions subject to delisting risk warning.

In addition, the financial and accounting reports of the Company do not contain material accounting errors or false information and it is not ordered by the China Securities Regulatory Commission for corrections. The Company is not subject to events that may cause it to be dissolved. The Company does not have corporate restructuring, settlement or bankruptcy or liquidation nor shareholding distribution that does not satisfy the listing conditions.

At present, The Company has formed a relatively stable market position, whose main business is stable and the scale is large. The Company is the domestic leader in providing integrated and full industrial-chain services of oil and gas field exploration. The Company has the ability of sustainable operation. The production and operation activities are not materially affected; the major bank accounts are not frozen; there are no situations such as the board meetings cannot be convened regularly or cannot form valid resolution. There is no non-operating appropriation of funds by the controlling shareholder or its associates. The external guarantees provided by the Company do not violate prescribed decision procedures.

In view of the above reasons, the Resolution of Application for Cancellation of the Delisting Risk Warning on the A shares of the Company to the Shanghai Stock Exchange was considered and approved at the eleventh meeting of the ninth session of the Board. On 25 March 2019, the Company applied to the Shanghai Stock Exchange for cancellation of the delisting risk warning imposed on the Company's A shares. During the vetting period by the Shanghai Stock Exchange for deciding whether to cancel the delisting risk warning imposed on the Company's A Shares, the Company will not apply for suspension in the trading of Company's A shares. The A shares (600871) will remain open for trading.

The Company will perform disclosure obligations in a timely manner according to the progress of such application matter. The Company's designated media for information disclosure are the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)), China Securities Daily, Shanghai Securities News, The Securities Times and the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)). Investors are advised to pay attention to the investment risks.

By Order of the Board

**Li Honghai**

Company Secretary

25 March 2019, Beijing

*As at the date of this announcement, the Board of Directors comprises Mr. Liu Zhongyun<sup>+</sup>, Mr. Sun Qingde<sup>#</sup>, Mr. Chen Xikun<sup>#</sup>, Mr. Lu Baoping<sup>+</sup>, Mr. Fan Zhonghai<sup>+</sup>, Mr. Wei Ran<sup>+</sup>, Ms. Jiang Bo<sup>\*</sup>, Mr. Pan Ying<sup>\*</sup>, Mr. Chen Weidong<sup>\*</sup> and Mr. Dong Xiucheng<sup>\*</sup>.*

<sup>+</sup> *Non-Executive Director*

<sup>#</sup> *Executive Director*

<sup>\*</sup> *Independent Non-Executive Director*