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If you have sold or transferred all your shares in **Sinopec Oilfield Service Corporation**, you should at once hand this circular and its accompanying forms to the purchaser or to the transferee or to the bank, licenced securities dealer or registered institution or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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Sinopec Oilfield Service Corporation

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

(Stock code: 1033)

I. PROPOSED PROVISION OF COUNTER-GUARANTEE FOR CHINA PETROCHEMICAL CORPORATION

II. FULFILLMENT OF UNDERTAKINGS RELATED TO THE EXPLORATION IV DRILL RIG BY LEASE

III. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION AND ITS RELEVANT APPENDICES

The Company proposes to convene the EGM at the Meeting Room 6, the Third Floor of Kun Tai Royal Hotel B12 Chaowai Street, Chaoyang District, Beijing, PRC on Wednesday, 6 November 2019 at 9:00 a.m. The notice of EGM, proxy form and reply slip will be dispatched along with this circular.

Whether or not you are able to attend the EGM in person, please complete the proxy form of the Company in accordance with the instructions printed thereon and return it to the business address of the Company or to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 24 hours before the time for holding the EGM (i.e. 9:00 a.m. on 5 November 2019, Hong Kong time). Completion and return of the forms of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) as you wish.

Beijing, the PRC
19 September 2019

CONTENTS

DEFINITIONS	1
LETTER FROM THE BOARD	4
NOTICE OF EGM	26

DEFINITIONS

In this circular, except where the context otherwise requires, the following expressions shall have the following meanings:

“A Shares”	domestic share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, and the relevant shares are listed on the Shanghai Stock Exchange
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors of the Company
“CCB”	China Construction Bank Corporation
“China Petrochemical Corporation”	China Petrochemical Corporation (中國石油化工集團有限公司), a wholly state-owned enterprise incorporated in the PRC and the Controlling Shareholder of the Company
“Circular”	the circular of the Company dated 27 October 2014, regarding major assets reorganisation of the Group
“Company” or “SSC”	Sinopec Oilfield Service Corporation (中石化石油工程技術服務股份有限公司), a joint stock limited company established in the PRC and its A shares are listed on the Shanghai Stock Exchange and its H shares are listed on the Main Board of the Hong Kong Stock Exchange
“Connected Person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Controlling Shareholder(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Director(s)”	Directors of the Company
“EGM”	the first extraordinary general meeting for 2019 of the Company to be convened
“Exploration IV Drill Rig”	the “Exploration IV” drill rig
“Group”	SSC and its subsidiaries
“Guarantee”	the corresponding counter-guarantee to be provided to China Petrochemical Corporation by the Company

DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“IFRS”	the International Financial Reporting Standards, which include standards and interpretations approved by the International Accounting Standards Board (IASB), and the International Accounting Standards (IAS) and interpretations issued by the International Accounting Standards Committee (IASC)
“Independent Non-executive Director(s)”	independent non-executive director(s) of the Company
“Independent Shareholder(s)”	Shareholder(s) of the Company other than China Petrochemical Corporation and its related parties
“Latest Practicable Date”	16 September 2019
“Lease”	the lease of Exploration IV Drill Rig by the Lessee under the terms and conditions of the Lease Agreement
“Lease Agreement”	an agreement entered into by the Lessee and the Lessor on 27 August 2019 in relation to the lease of the Exploration IV Drill Rig
“Lessee” or “Ocean Petroleum Engineering”	Sinopec Ocean Petroleum Engineering Co., Ltd., a wholly-owned subsidiary of the Company
“Lessor” or “Shanghai Offshore Petroleum Bureau”	Sinopec Group Shanghai Offshore Petroleum Bureau Co., Ltd. (中國石化集團上海海洋石油局有限公司), a subsidiary of China Petrochemical Corporation
“Major Assets Reorganisation”	the assets reorganisation arrangements conducted by the Company in 2014, the details of which are set out in the Circular
“PRC”	People’s Republic of China
“RMB”	the lawful currency of the PRC

DEFINITIONS

“Rules of Procedure for the Board of Directors”	the rules of procedure for the board of directors of Sinopec Oilfield Service Corporation
“Rules of Procedure for the Shareholders’ Meeting”	the rules of procedure for the shareholders’ meeting of Sinopec Oilfield Service Corporation
“Share(s)”	ordinary shares of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Sinopec Star”	Sinopec Star Petroleum Company Limited
“SSE Listing Rules”	Rules Governing the Listing of Stocks on Shanghai Stock Exchange
“subsidiary(ies)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“%”	per cent

LETTER FROM THE BOARD



Sinopec Oilfield Service Corporation

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

(Stock code: 1033)

Non-executive Directors:

Liu Zhongyun

Lu Baoping

Fan Zhonghai

Wei Ran

Xiao Yi

Executive Directors:

Chen Xikun

Yuan Jianqiang

Independent Non-executive Directors:

Jiang Bo

Pan Ying

Chen Weidong

Dong Xiucheng

Registered address:

22 Chaoyangmen North Street

Chaoyang District

Beijing, the PRC

Principal place of business

in Hong Kong:

26th Floor Jardine House

1 Connaught Place, Central

Hong Kong

19 September 2019

To the Shareholders

Dear Sir or Madam:

**I. PROPOSED PROVISION OF COUNTER-GUARANTEE FOR CHINA
PETROCHEMICAL CORPORATION**

**II. FULFILLMENT OF UNDERTAKINGS RELATED TO THE
EXPLORATION IV DRILL RIG BY LEASE**

**III. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION
AND ITS RELEVANT APPENDICES**

References are made to the overseas regulatory announcement of the Company in relation to the related party transaction announcement on provision of counter-guarantee to Controlling Shareholders by the Company dated 27 August 2019, the connected transaction announcement on the lease of the Exploration IV Drill Rig dated 27 August 2019 and the announcement regarding the proposed amendments to the Articles of Association dated 19 September 2019.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with, inter alia, further information on (i) the proposed provision of counter-guarantee to China Petrochemical Corporation, (ii) the fulfillment of undertakings related to the Exploration IV Drill Rig by lease, and (iii) the proposed amendments to Articles of Association and its relevant appendices, so that you can make informed decisions on whether or not to vote for relevant resolutions to be proposed at the EGM.

I. PROPOSED PROVISION OF COUNTER-GUARANTEE TO CHINA PETROCHEMICAL CORPORATION

(I.) Summary of the Guarantee

The Company, as a controlling subsidiary of China Petrochemical Corporation, was granted a comprehensive credit line of no more than RMB500 million under the total financing credit lines granted to China Petrochemical Corporation by CCB, and China Petrochemical Corporation undertakes joint guarantee liability for the Company's above-mentioned financing credit line of no more than RMB500 million. According to the requirements of internal management, the Company will provide corresponding counter-guarantee.

On 27 August 2019, the 15th meeting of the ninth session of the Board of Directors of the Company considered and approved Resolution on Provision of Counter-guarantee to China Petrochemical Corporation by the Company, and approved the Company to provide corresponding counter-guarantee in respect of joint guarantee liability under the financing credit line of no more than RMB500 million provided by China Petrochemical Corporation to the Company. As Mr. Liu Zhongyun, Mr. Fan Zhonghai, Mr. Lu Baoping and Mr. Xiao Yi are related Directors, the aforesaid Directors are required to abstain from voting on the aforesaid board resolutions of the Company.

As of the Latest Practicable Date, China Petrochemical Corporation directly and indirectly holds 13,323,683,351 shares of the Company in total, accounting for 70.18% of the total issued share capital of the Company, therefore is a controlling shareholder and a related party of the Company under the SSE Listing Rules. The Guarantee constitutes a related party transaction of the Company under the SSE Listing Rules and is therefore subject to approval at the first extraordinary general meeting for 2019 of the Company. The related shareholder China Petrochemical Corporation and its related parties shall abstain from voting in considering such resolution at the first extraordinary general meeting for 2019. Pursuant to the Hong Kong Listing Rules, as the Guarantee is a financial assistance provided by the Company in favour of the interests of the Group, the Guarantee is exempt from each of the requirements under Chapter 14A of the Hong Kong Listing Rules.

LETTER FROM THE BOARD

(II.) Basic Information of the Guaranteed Party in the Counter-guarantee

The basic information of China Petrochemical Corporation is as follows:

Date of establishment:	14 September 1983
Type of enterprise:	Limited liability company (wholly state-owned)
Domicile:	22 Chaoyangmen North Street, Chaoyang District, Beijing
Legal representative:	Dai Houliang
Registered capital:	RMB274,900 million

China Petrochemical Corporation, formerly known as China National Petrochemical Corporation (中國石油化工總公司), is an enterprise owned by the whole people established according to Reply of the State Council on Relevant Issues concerning the Establishment of China Petrochemical Corporation. It is an institution approved by the State Council to carry out state-authorized investments and is a state-controlling company. China Petrochemical Corporation was incorporated in the State Administration for Industry and Commerce on 4 July 2012. It is principally engaged in organising its affiliated companies' exploration, exploitation, storage and transportation (including pipeline transportation), sales and comprehensive utilization of oil and natural gas; oil refining; wholesale and retail of refined oil products; production, sales, storage and transportation of petrochemical and other chemical products; industrial investment and investment management; exploration design, construction and installation of petroleum and petrochemical engineering projects; repairing and maintenance of petroleum and petrochemical equipment; manufacture of mechanical and electrical equipment; research, development, application and consultation services of technology, information and alternative energy products; import and export business.

According to the Audit Report (GTCSZ (2019) No. 110ZA5256) issued by Grant Thornton (Special General Partnership) on 23 April 2019, as of 31 December 2018, China Petrochemical Corporation had total consolidated assets of RMB2,260,094 million, total liabilities of RMB1,171,491 million and total net assets of RMB1,088,604 million. During 2018, China Petrochemical Corporation recorded a total consolidated operating income of RMB2,936,841 million, total profits of RMB96,738 million and net cash flows generating from operating activities of RMB206,751 million.

(III.) Principal Terms of Letter of Counter-guarantee

1. Scope of the counter-guarantee: the indemnity and compensation for the corresponding joint guarantee liability assumed by China Petrochemical Corporation for the financing credit business of the Company with CCB.

LETTER FROM THE BOARD

2. Amount of the counter-guarantee: the amount of the counter-guarantee provided by the Company is the same as the amount of the joint guarantee liability assumed by China Petrochemical Corporation, and the equivalent amount is RMB500 million.
3. Term of the counter-guarantee: the term of the counter-guarantee provided by the Company is the same as that of the joint guarantee liability assumed by China Petrochemical Corporation, that is, it shall take effect on the effective date of the relevant joint guarantee liability and shall expire on the date of termination of the relevant joint guarantee liability. For the joint guarantee liability actually assumed by China Petrochemical Corporation for the financing credit business of the Company with CCB prior to the effective date of this letter of counter-guarantee, the actual effective date of this counter-guarantee can be traced back.
4. Claim method: demand guarantee. When China Petrochemical Corporation actually incurs joint guarantee liability compensation for the financing credit business of the Company with CCB, China Petrochemical Corporation may directly claim compensation from the Company. Within 10 days from the date of receipt of the written notice of compensation claim from China Petrochemical Corporation, the Company shall unconditionally pay in a lump sum, the full amount of the joint guarantee liability assumed by China Petrochemical Corporation.
5. Validity period of the letter of counter-guarantee: the letter of counter-guarantee is valid for two years from the effective date.
6. This letter of counter-guarantee shall become effective upon being signed by the authorized representative of the Company and affixed with the official seal, and after being considered and approved at the first extraordinary general meeting for 2019 of the Company.

(IV.) Opinions of the Independent Non-executive Directors

The Independent Non-executive Directors of the Company have given their prior approval for the Guarantee and the related party transaction, and have expressed their independent opinions that: (1) China Petrochemical Corporation, the controlling shareholder of the Company, provides joint liability guarantee for the Company's comprehensive credit line of not more than RMB500 million, and the provision of corresponding counter-guarantee by the Company to China Petrochemical Corporation is a normal economic practice of the Company, which is beneficial for the Company to conduct relevant business with credit line, and is in line with the needs of the business development and internal management of the Company; (2) the decision-making procedures of the board of directors of the Company for considering the relevant resolution on the Guarantee are in compliance with relevant laws, regulations and the Articles of Association, and there is no circumstance that is detrimental to the interests of the Company and all shareholders.

LETTER FROM THE BOARD

(V.) The Accumulated Amount of External Guarantees and the Number of Overdue Guarantees

As of the Latest Practicable Date, the accumulated total amount of external guarantees provided by the Company and its controlled subsidiaries is RMB12,925 million, accounting for 223.69% of the latest audited net assets of the Company, among which, the total amount of guarantees provided by the Company to its controlled subsidiaries is RMB12,925 million, accounting for 223.69% of the latest audited net assets of the Company. As of the Latest Practicable Date, the Company has no overdue guarantee.

II. FULFILLMENT OF UNDERTAKINGS RELATED TO THE EXPLORATION IV DRILL RIG BY LEASE

Background

Reference is made to the Circular. As disclosed in the Circular, in order to avoid the competition of China Petrochemical Corporation with the Group, China Petrochemical Corporation issued the “Non-competition Undertaking” on 12 September 2014, and undertook that (i) it will not, and will endeavour to procure its controlled enterprises through the exercise of its shareholder rights not to compete with the Company in its core business; (ii) after the completion of Major Assets Reorganisation, if Sinopec Star’s new business opportunity compete, or is likely to compete, directly or indirectly with the core business of the Company, an option to take up the above-mentioned new business opportunity will be given to the Company. In addition, China Petrochemical Corporation undertakes to dispose the Exploration IV Drill Rig of Sinopec Star when appropriate within the 5 years after the completion of the Major Assets Reorganisation (i.e. prior to 12 September 2019); (iii) after the completion of the Major Assets Reorganisation, if China Petrochemical Corporation and its subsidiaries become aware of any new business opportunity which competes, or is likely to compete, directly or indirectly with the core business of the Company, an option to take up such new business opportunity will be given to the Company. If China Petrochemical Corporation intends to transfer, sell, lease, license or otherwise transfer or permit to use any of the business interest which may compete with the Company’s core business, the Company may exercise its pre-emptive rights to avoid such competition; and (iv) it will pay the damages to the Company caused by its breach of the undertakings.

Since its undertakings, China Petrochemical Corporation has strictly complied with the aforementioned undertakings, has not engaged in activities that compete with the production and operations of the Company, and if it became aware of any new business opportunity which competes, or is likely to compete, directly or indirectly with the core business of the Company, SSC shall be given pre-emptive rights by China Petrochemical Corporation.

In December 2016, China Petrochemical Corporation transferred the Exploration IV Drill Rig and its supporting facilities owned by Sinopec Star to Shanghai Offshore Petroleum Bureau. The Company recently received a letter from China Petrochemical Corporation regarding the fulfillment of undertakings related to the “Exploration IV” drill rig. China

LETTER FROM THE BOARD

Petrochemical Corporation intends to fulfill the aforementioned undertakings related to the Exploration IV Drill Rig, and relevant procedures shall be performed by the Company as soon as possible. Subject to relevant laws and regulations and based on our actual conditions, the Company will make comprehensive consideration and research to solve the problem of industry competition between the petroleum engineering services engaged in by the Exploration IV Drill Rig and that of the Company.

Exploration IV Drill Rig is a semi-submersible drill rig. It was built in Singapore in 1983, and was introduced by the formerly Geology and Mine Ministry in February 1994. Such asset was transferred to Sinopec Star in 1997 and merged into China Petrochemical Corporation along with Sinopec Star in 2000. Up to now, the Exploration IV Drill Rig has been used for over 20 years. The performance of diesel generator unit, power station and electric drive system equipment of the rig is degraded and aging, and the generator unit has high energy consumption, maintenance cost, and limited normal operating capacity. In order to restore the normal operating capability of the Exploration IV Drill Rig as soon as possible, China Petrochemical Corporation has agreed to renovate the Exploration IV Drill Rig in July 2019 with a planned amount of investment of approximately RMB100 million. Based on the abovementioned factors of the Exploration IV Drill Rig, and considering that if the Company purchases the rig now, it shall bear all renovation costs of the rig. Upon comprehensive consideration, the Board proposed to solve the relevant non-competition matters by leasing the Exploration IV Drill Rig.

The Lease Agreement

The Board is pleased to announce that on 27 August 2019, Ocean Petroleum Engineering (a subsidiary of the Company) entered into a Lease Agreement with Shanghai Offshore Petroleum Bureau in relation to the Exploration IV Drill Rig for a term of 3 years, the principal terms of which are as follows:

Date

27 August 2019

Parties

- (1) Ocean Petroleum Engineering (as the “Lessee”); and
- (2) Shanghai Offshore Petroleum Bureau (as the “Lessor and owner”);

(Together, the “**Parties**”)

Shanghai Offshore Petroleum Bureau is a subsidiary of China Petrochemical Corporation.

LETTER FROM THE BOARD

Subject Matter of the Lease

The Lessee agreed to lease a semi-submersible rig (Exploration IV) to Lessor for drilling operations in the Xihu Trough in the East China Sea of the PRC.

Name, sign and flag of the vessel	Kan Tan IV-HO2806-Panama Flag
Vessel model	Mobile Offshore Drilling Unit – Semi-submersible Drilling Rig of Friede & Goldman/L-927
Net carrying amount of assets as at 31 July 2019	RMB38.47 million
Construction time/place	Britain's far east lipston shipyard/1983
Time of delivery	15 days before lease commencement date

Lease Term

The lease term is 3 years from the lease commencement date, which shall be the effective date of the Lease Agreement.

Rental and Payment Method

Ocean Petroleum Engineering shall pay rental to the Lessor on a monthly basis since the lease commencement date. The rental for 2019 and 2020 shall be calculated at the daily rental of RMB15,500 per day. As the Exploration IV Drill Rig is planned to be renovated at the end of 2020, and its renovation will be completed in the first half of 2021, therefore, the rental after the completion of the renovation in 2021 will be calculated at the daily rental of no more than RMB109,500 per day (i.e. the annual rental for 2021 will be no more than RMB40 million), and the Lessee is not required to pay the rental during the renovation period.

The Lessee shall pay rental to the Lessor within thirty (30) consecutive days after the end of each work month. The last installment of rental, if less than thirty (30) consecutive days, shall be calculated at proportion of days of the calendar month prior to delivery of the vessel and shall be paid in advance. If the Lessee delays the payment of rental, the Lessor shall be entitled to charge an overdue fine of 0.5% of the interest rate. The Company intends to pay the rental with internal resources of the Group.

The rental under the Lease Agreement was determined after arm's length negotiations between Ocean Petroleum Engineering and Shanghai Offshore Petroleum Bureau upon a comprehensive consideration of costs, taxes and management fees, as well as reasonable profits. According to the IFRS, fixed rental payments are capital in nature, and the leased property will be recognised as the right-of-use asset of the Group on the lease commencement date, and the amount recognised will be RMB44 million.

LETTER FROM THE BOARD

The Rights and Obligations of Parties to the Lease

Shanghai Offshore Petroleum Bureau shall be responsible for the annual fixed asset investment of the Exploration IV Drill Rig, and Ocean Petroleum Engineering shall bear the expenses such as maintenance, management and insurance of the Exploration IV Drill Rig.

Upon the expiry of the leasing terms, if the Lessee proposes to continue to lease the Exploration IV Drill Rig in accordance with the terms and conditions of the Lease Agreement, the Lessor shall agree.

Effective Conditions

The Lease Agreement shall take effect upon signing by the legal representatives or authorized representatives of the Parties thereto (or affixing their personal chops) thereon with the company seal, and the consideration and approval of the Resolution on Fulfillment of Undertakings Related to the “Exploration IV” Drill Rig by lease at the first extraordinary general meeting of the Company in 2019.

Reasons for and Benefits of Entering into the Lease Agreement

The Board considers that the fulfillment of undertakings related to the Exploration IV Drill Rig by lease is based on the principles of solving the non-competition, and is also taking account the current actual situation of the Exploration IV Drill Rig in an objective and comprehensive manner. Having considered the above factors, the Directors consider that the terms of the Lease Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole

As Mr. Liu Zhongyun, Mr. Fan Zhonghai, Mr. Lu Baoping and Mr. Xiao Yi, the connected Directors are interested in the Lease Agreement and the transactions contemplated thereunder, the aforesaid Directors are required to abstain from voting on the aforesaid board resolutions of the Company.

Information of Ocean Petroleum Engineering

Ocean Petroleum Engineering is a company established in the PRC with limited liability, which is principally engaged in offshore oil and gas exploration and development, marine geological survey, marine and geological engineering design, construction services, vessel repair, international lease of exploration equipment and international vessel management business.

Information of Shanghai Offshore Petroleum Bureau

Shanghai Offshore Petroleum Bureau is a company established in the PRC with limited liability, which is principally engaged in offshore oil exploration and development, marine geological survey, engineering geological survey, mineral geological survey and exploration.

LETTER FROM THE BOARD

Information of the Group

The Company is a joint stock limited company established in the PRC and a leading provider of petroleum and gas engineering and technical services in the PRC. The Group has engineering equipment and technology for, among other things, geophysics, drilling, logging, mud logging, cementing, special downhole operations, oilfield ground surface construction, petroleum and natural gas pipeline construction, and is capable of providing comprehensive engineering and technical services to cover the entire life-cycle of oil and gas fields. The Group has over 50 years of solid operating results, its oil and gas engineering services have been conducted successively in 76 basins across the PRC, and its business is distributed over 14 provinces in China.

Information of China Petrochemical Corporation

China Petrochemical Corporation was established in July 1998, and it is an authorized investment organization with a current registered capital of RMB274.87 billion. Its controlling shareholder is the State. Upon reorganization in 2000, China Petrochemical Corporation transferred its principal petrochemical business to China Petroleum & Chemical Corporation. The principal operations of China Petrochemical Corporation include: exploration, exploitation, storage and transportation (including pipeline transportation), sales and comprehensive utilization of oil and natural gas; oil refining; wholesale and retail of oil products; production, sales, storage, transportation of petrochemical and other chemical products; industrial investment and investment management; exploration and design, construction and installation of petroleum and petrochemical engineering; repairing and maintenance of petroleum and petrochemical equipment; manufacture of mechanical and electrical equipment; technology and information, research and development, application and consultation services of alternative energy products; import and export business.

Hong Kong Listing Rules Implication

Shanghai Offshore Petroleum Bureau is a connected person of the Company under the Hong Kong Listing Rules as it is a subsidiary of China Petrochemical Corporation, the Controlling Shareholder of the Company. As such, under Chapter 14A of the Hong Kong Listing Rules, the Lease contemplated under the Lease Agreement constitutes a one-off connected transaction of the Company.

As the highest applicable percentage ratio in respect of the value of the right-of-use assets under the Lease Agreement exceeds 0.1% but is less than 5%, the Lease contemplated under the agreement is subject to the reporting and announcement requirements but are exempt from independent shareholders' approval requirement under Chapter 14A of the Hong Kong Listing Rules.

According to the relevant provisions of the A Shares of the Company, the fulfillment of undertakings related to the Exploration IV Drill Rig by lease shall be subject to the consideration at the first extraordinary general meeting for 2019 of the Company. The related shareholder China Petrochemical Corporation and its related parties shall abstain from voting in considering such resolution at the first extraordinary general meeting for 2019.

LETTER FROM THE BOARD

III. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION AND ITS RELEVANT APPENDICES

As amendments were made to the Company Law of the People’s Republic of China, Guidelines on the Bylaws of Listed Companies and relevant laws and regulations, to further improve corporate governance, and taking into account its actual situation, the Company proposes to make amendments to relevant contents of the Articles of Association and its appendices, including the Rules of Procedure for the Shareholders’ Meeting and the Rules of Procedure for the Board of Directors. Details of the proposed amendments are set out below:

Proposed amendments to Articles of Association

No.	Original Article	Revised Article
1	<p>Article 31</p> <p>The Company may, in the following circumstances, repurchase its own issued and outstanding shares following internal approval in accordance with the procedures provided for in these Articles of Association and approval by the relevant State authorities:</p> <p>(1) cancelling shares in order to reduce its capital;</p> <p>(2) merging with another company holding shares in the Company;</p> <p>(3) granting shares to the employees of the Company as rewards;</p> <p>(4) at the request of any shareholder who objects to any resolution made at the shareholders’ meeting on the merger or division of the Company;</p> <p>(5) other circumstances permitted by the laws and administrative regulations or approved by the relevant State authorities.</p>	<p>Article 31</p> <p>The Company may, in the following circumstances, repurchase its own issued and outstanding shares following internal approval in accordance with the procedures provided for in these Articles of Association and approval by the relevant State authorities:</p> <p>(1) cancelling shares in order to reduce its capital;</p> <p>(2) merging with another company holding shares in the Company;</p> <p>(3) <u>using the shares to set up the share option scheme for employees or as equity incentives;</u></p> <p>(4) at the request of any shareholder who objects to any resolution made at the shareholders’ meeting on the merger or division of the Company;</p> <p>(5) <u>for the purpose of converting the corporate bonds issued by the listed company which are convertible into the shares of the Company;</u></p>

LETTER FROM THE BOARD

No.	Original Article	Revised Article
	<p>Apart from the foregoing, the Company shall not purchase its own shares.</p> <p>The Company shall deal with any repurchase of its issued and outstanding shares in accordance with Articles 32 to 35.</p>	<p><u>(6) for the purpose of maintaining the corporate value and safeguarding the shareholders' interests of the listed company;</u></p> <p><u>(7)</u> other circumstances permitted by the laws and administrative regulations or approved by the relevant State authorities.</p> <p>Apart from the foregoing, the Company shall not purchase its own shares.</p> <p>The Company shall deal with any repurchase of its issued and outstanding shares in accordance with Articles 32 to 35.</p>
2	<p>Article 32</p> <p>After the Company is approved by the relevant State authorities to repurchase its own shares, it may proceed in any of the following manners:</p> <p>(1) offering to buy a same proportion of shares from all of its shareholders;</p> <p>(2) repurchasing through open transactions on a securities exchange;</p> <p>(3) repurchasing by an agreement outside a securities exchange;</p> <p>(4) by any other means provided by laws and administrative regulations and approved by competent securities regulatory authorities under the State Council.</p>	<p>Article 32</p> <p>After the Company is approved by the relevant State authorities to repurchase its own shares, it may proceed in any of the following manners:</p> <p>(1) offering to buy a same proportion of shares from all of its shareholders;</p> <p>(2) repurchasing through open transactions on a securities exchange;</p> <p>(3) repurchasing by an agreement outside a securities exchange;</p> <p>(4) by any other means provided by laws and administrative regulations and approved by competent securities regulatory authorities under the State Council.</p> <p><u>For repurchase of the shares of the Company as provided in items (3), (5) and (6) of Article 31, it shall be conducted through open centralized trading.</u></p>

LETTER FROM THE BOARD

No.	Original Article	Revised Article
3	<p>Article 34</p> <p>If the Company repurchases shares of the Company due to reasons provided in Articles 31 (1) to (3) of these Articles of Association, such purchase shall be approved by resolutions at the shareholders' meetings.</p> <p>Where shares of the Company are repurchased in the circumstance described in item (1) of Article 31 of these Articles of Association, the shares purchased shall be canceled within 10 days of the date of purchase; where shares of the Company are repurchased in the circumstances described in item (2) or (4) of Article 31, the shares purchased shall be transferred or canceled within six months.</p> <p>Shares repurchased in line with Item (3) of Article 31 shall not exceed 5% of the total number of issued shares of the Company; the capital used for its repurchase shall come from the after-tax profit of the Company; the repurchased shares shall be transferred to the staff of the Company within 1 year.</p> <p>In the event of shares cancellation, the Company shall apply to the original companies registry authority for registration of the change in its registered capital.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company's registered capital.</p>	<p>Article 34</p> <p>If the Company repurchases shares of the Company due to reasons provided in Articles 31 (1) to (2) of these Articles of Association, such purchase shall be approved by resolutions at the shareholders' meetings; <u>for repurchase of the shares of the Company as provided in items (3), (5) and (6) of Article 31, it shall be approved by resolutions of the meeting of the board of directors attended by more than two thirds of the directors in accordance with the authorization of the shareholders' meeting.</u></p> <p>Where shares of the Company are repurchased in the circumstance described in item (1) of Article 31 of these Articles of Association, the shares purchased shall be canceled within 10 days of the date of purchase; where shares of the Company are repurchased in the circumstances described in item (2) or (4) of Article 31, the shares purchased shall be transferred or canceled within six months; <u>for the circumstances provided in items (3), (5) and (6) of Article 31, the total number of shares held by the Company shall not exceed 10% of the total issued shares of the Company and shall be transferred or cancelled within 3 years.</u></p> <p>In the event of shares cancellation, the Company shall apply to the original companies registry authority for registration of the change in its registered capital.</p> <p>The aggregate par value of the cancelled shares shall be deducted from the Company's registered capital.</p>

LETTER FROM THE BOARD

No.	Original Article	Revised Article
4	<p>Article 61 The shareholders' meeting exercises the following functions and powers:</p> <ol style="list-style-type: none"> (1) to decide on the business policies and investment plans of the Company; (2) to elect and replace directors and decide on the remuneration of directors; (3) to elect and replace the supervisors not served by representatives of the employees of the Company and to decide on the remuneration of supervisors; (4) to examine and approve the report of the board of directors; (5) to examine and approve the report of the supervisory board; (6) to examine and approve the Company's annual financial budgets and final account proposals (including the balance sheets, profit statements and other financial statements); (7) to examine and approve the Company's plans for profit distribution and making up losses; (8) to pass resolutions on the increase or reduction of the Company's registered capital, the issue of any kind of shares, warrants and other similar securities; (9) to pass resolutions on matters such as the merger, division, dissolution and liquidation of the Company or change of the corporate form of the Company; 	<p>Article 61 The shareholders' meeting exercises the following functions and powers:</p> <ol style="list-style-type: none"> (1) to decide on the business policies and investment plans of the Company; (2) to elect and replace directors and decide on the remuneration of directors; (3) to elect and replace the supervisors not served by representatives of the employees of the Company and to decide on the remuneration of supervisors; (4) to examine and approve the report of the board of directors; (5) to examine and approve the report of the supervisory board; (6) to examine and approve the Company's annual financial budgets and final account proposals (including the balance sheets, profit statements and other financial statements); (7) to examine and approve the Company's plans for profit distribution and making up losses; (8) to pass resolutions on the increase or reduction of the Company's registered capital, the issue of any kind of shares, warrants and other similar securities; (9) to pass resolutions on matters such as the merger, division, dissolution and liquidation of the Company or change of the corporate form of the Company;

LETTER FROM THE BOARD

No.	Original Article	Revised Article
	(10) to pass resolutions on the issuance of corporate bonds by the Company;	(10) to pass resolutions on the issuance of corporate bonds by the Company;
	(11) to pass resolutions on any engagement, dismissal or non-renewal of engagement of an accounting firm;	(11) <u>to pass resolutions or make authorization on the Company's repurchase of its shares in accordance with Article 34;</u>
	(12) to amend these Articles of Association and its appendices, including the <i>Rules of Procedures for the Shareholders' meeting</i> , the <i>Rules of Procedures for the Board of Directors</i> and the <i>Rules of Procedures for the Supervisory Board</i> ;	(12) to pass resolutions on any engagement, dismissal or non-renewal of engagement of an accounting firm;
	(13) to examine proposals raised by the board of directors, the supervisory board or the shareholders holding 3% or more of the total number of voting shares of the Company;	(13) to amend these Articles of Association and its appendices, including the <i>Rules of Procedures for the Shareholders' meeting</i> , the <i>Rules of Procedures for the Board of Directors</i> and the <i>Rules of Procedures for the Supervisory Board</i> ;
	(14) to examine and approve the guarantee matters prescribed in Article 62 of these Articles of Association;	(14) to examine proposals raised by the board of directors, the supervisory board or the shareholders holding 3% or more of the total number of voting shares of the Company;
	(15) to examine matters relating to the purchase or disposal of the Company's material assets within one year, which exceeds 30% of the Company's latest audited total assets;	(15) to examine and approve the guarantee matters prescribed in Article 62 of these Articles of Association;
	(16) to examine and approve matters relating to the change of use of the funds raised;	(16) to examine matters relating to the purchase or disposal of the Company's material assets within one year, which exceeds 30% of the Company's latest audited total assets;
	(17) to examine share incentive plans; and	(17) to examine and approve matters relating to the change of use of the funds raised;
	(18) to decide on other matters which, according to the laws, administrative regulations, regulations of the competent authorities or these Articles of Association and its appendices, need to be resolved by the shareholders' meeting.	(18) to examine share incentive plans; and
		(19) to decide on other matters which, according to the laws, administrative regulations, regulations of the competent authorities or these Articles of Association and its appendices, need to be resolved by the shareholders' meeting.

LETTER FROM THE BOARD

No.	Original Article	Revised Article
5	<p>Article 128</p> <p>The shareholders' meeting shall not dismiss without reason a director from his position prior to the expiry of his term of office, but the shareholders' meeting may, subject to the provisions of the relevant laws and administrative regulations, dismiss a director whose term of office has not yet expired by an ordinary resolution (without prejudice to any potential claim which may be raised under any contract).</p>	<p>Article 128</p> <p><u>The shareholders' meeting may dismiss a director from his position prior to the expiry of his term of office.</u> The shareholders' meeting may, subject to the provisions of the relevant laws and administrative regulations, dismiss a director whose term of office has not yet expired by an ordinary resolution (without prejudice to any potential claim which may be raised under any contract).</p>
6	<p>Article 135</p> <p>The board of directors shall be accountable to the shareholder's shareholders' meeting and shall exercise the following functions and powers:</p> <p>Other than the board of directors' resolutions in respect of the matters specified in sub-paragraphs (6), (7) and (12) of this Article which shall be passed by the affirmative votes of more than two thirds of all the directors, resolutions in respect of all other matters may be passed by the affirmative votes of over half of the directors (matters specified in sub-paragraph (15) should be approved by more than two thirds of the directors attending the meeting).</p>	<p>Article 135</p> <p>The board of directors shall be accountable to the shareholder's shareholders' meeting and shall exercise the following functions and powers:</p> <p>Other than the board of directors' resolutions in respect of the matters specified in sub-paragraphs (6), (7) and (12) of this Article which shall be passed by the affirmative votes of more than two thirds of all the directors, resolutions in respect of all other matters may be passed by the affirmative votes of over half of the directors (matters specified in sub-paragraph (15) should be approved by more than two thirds of the directors attending the meeting).</p>

LETTER FROM THE BOARD

No.	Original Article	Revised Article
		<p><u>The board of directors of the Company shall set up special committees such as the Audit Committee, Strategy Committee, and Remuneration Committee. The special committees are responsible to the board of directors, and shall perform their duties in accordance with the Articles of Association and within the authorization of the board of directors, with their proposals submitted to the board of directors for consideration and approval. The special committees shall be composed of directors, among which, independent directors shall constitute the majority of the members of the Audit Committee and Remuneration Committee and serve as the convener, while the convener of the Audit Committee shall be an accounting professional. The board of directors is responsible for formulating the work procedures and regulating the operation of the special committees.</u></p>
7	<p>Article 138 The board of directors shall determine the extent of authority for external investments, purchase or sale of assets, mortgage of assets, external guarantees, entrusted wealth management and connected transactions of the Company, and establish strict procedures for examination and decision-making in respect of the aforesaid matters. For major investment projects, it shall organize the relevant experts and professionals to conduct assessment of such project and submit the same to the shareholders' meeting for approval.</p>	<p>Article 138 The board of directors shall determine the extent of authority for external investments, purchase or sale of assets, mortgage of assets, external guarantees, entrusted wealth management and connected transactions of the Company, which shall be clearly provided in the Rules of Procedures for the Meeting of the Board of Directors, and establish strict procedures for examination and decision-making in respect of the aforesaid matters. For major investment projects, it shall organize the relevant experts and professionals to conduct assessment of such project and submit the same to the shareholders' meeting for approval.</p>
8	<p>Article 178 A person holding positions other than directors in the Company's controlling shareholder or <i>de facto</i> controller shall not act as senior management personnel of the Company.</p>	<p>Article 178 A person holding administrative supervisors in the Company's controlling shareholder or <i>de facto</i> controller shall not act as senior management personnel of the Company.</p>

LETTER FROM THE BOARD

Proposed amendments to the appendices to the Articles of Association

1. Amendments to the Rules of Procedure for the Board of Directors

No.	The original rules	The revised rules
1	<p>Rule 9 The powers and authority of the board of directors on asset disposals shall include the following:</p> <p>(i) When the Company acquires or sells assets, it has to take into account of the following 5 testing indices: 1. total asset ratio: the total amount of the assets in relation to the transaction (if both book value and valuation value exist, the higher one shall be applied) divided by the latest audited total asset value of the Company; 2. transaction amount ratio: the transaction amount (taking into account of the assumed liabilities and costs) of the acquired assets divided by the total amount of the latest audited net asset value of the Company; 3. transaction net profit (loss) ratio: the absolute value of the net profit or loss relating to the assets of the transaction divided by the absolute value of the audited net profit or loss of the Company for the preceding financial year; 4. revenue ratio: the revenue for the preceding financial year relating to the subject matter of the transaction divided by the audited revenue of the Company for the preceding financial year; 5. object net profit (loss) ratio: the absolute value of the net profit or loss for the preceding financial year relating to the object of the transaction divided by the absolute value of the audited net profit or loss of the Company for the preceding financial year.</p> <p>The board of directors shall examine and approve projects with a ratio of less than 50 per cent according to all the above 5 testing indices. The chairman of the board of directors is authorised to examine and approve projects with a ratio of less than 10 per cent according to all the above 5 testing indices.</p>	<p>Rule 9 The powers and authority of the board of directors on asset disposals shall include the following:</p> <p>(i) When the Company acquires or sells assets, it has to take into account of the following 5 testing indices: 1. total asset ratio: the total amount of the assets in relation to the transaction (if both book value and valuation value exist, the higher one shall be applied) divided by the latest audited total asset value of the Company; 2. transaction amount ratio: the transaction amount (taking into account of the assumed liabilities and costs) of the acquired assets divided by the total amount of the latest audited net asset value of the Company; 3. transaction net profit (loss) ratio: the absolute value of the net profit or loss relating to the assets of the transaction divided by the absolute value of the audited net profit or loss of the Company for the preceding financial year; 4. revenue ratio: the revenue for the preceding financial year relating to the subject matter of the transaction divided by the audited revenue of the Company for the preceding financial year; 5. object net profit (loss) ratio: the absolute value of the net profit or loss for the preceding financial year relating to the object of the transaction divided by the absolute value of the audited net profit or loss of the Company for the preceding financial year.</p> <p>The board of directors shall examine and approve projects with a ratio of less than 50 per cent according to all the above 5 testing indices. The chairman of the board of directors is authorised to examine and approve projects with a ratio of less than 10 per cent according to all the above 5 testing indices.</p>

LETTER FROM THE BOARD

No.	The original rules	The revised rules
	<p>(ii) In disposing of fixed assets, where the aggregate amount of the expected value of the fixed assets to be disposed of and the value of the fixed assets having been disposed of in the four months prior to such proposed disposal does not exceed 33 per cent of the value of the fixed assets as shown in the latest balance sheet examined by the shareholders' general meeting, the board of directors shall examine and approve such disposal, and the Chairman of the board of directors is authorised to examine and approve those fixed asset disposals of less than 10 per cent.</p>	<p>(ii) In disposing of fixed assets, where the aggregate amount of the expected value of the fixed assets to be disposed of and the value of the fixed assets having been disposed of in the four months prior to such proposed disposal does not exceed 33 per cent of the value of the fixed assets as shown in the latest balance sheet examined by the shareholders' general meeting, the board of directors shall examine and approve such disposal, and the Chairman of the board of directors is authorised to examine and approve those fixed asset disposals of less than 10 per cent.</p> <p><u>Notwithstanding the above, matters relating to the purchase or disposal of the Company's material assets within one year, which exceeds 30% of the Company's latest audited total assets shall be submitted to the shareholders' meeting for consideration in accordance with the provisions of the Articles of Association.</u></p>

LETTER FROM THE BOARD

2. Amendments to the Rules of Procedure for the Shareholders' Meeting

No.	The original rules	The revised rules
1	<p>Rule 6 The shareholders' meeting exercises the following functions and powers:</p> <p>(i) to decide on the business policies and investment plans of the Company;</p> <p>(ii) to elect and replace directors and decide on the remuneration of directors;</p> <p>(iii) to elect and replace the supervisors not served by representatives of the employees of the Company and to decide on the remuneration of supervisors;</p> <p>(iv) to examine and approve the report of the board of directors;</p> <p>(v) to examine and approve the report of the supervisory board;</p> <p>(vi) to examine and approve the Company's annual financial budgets and final account proposals (including the balance sheets, profit statements and other financial statements);</p> <p>(vii) to examine and approve the Company's plans for profit distribution and making up losses;</p> <p>(viii) to pass resolutions on the increase or reduction of the Company's registered capital, the issue of any kind of shares, warrants and other similar securities;</p> <p>(ix) to pass resolutions on matters such as the merger, division, dissolution and liquidation of the Company or change of the corporate form of the Company;</p>	<p>Rule 6 The shareholders' meeting exercises the following functions and powers:</p> <p>(i) to decide on the business policies and investment plans of the Company;</p> <p>(ii) to elect and replace directors and decide on the remuneration of directors;</p> <p>(iii) to elect and replace the supervisors not served by representatives of the employees of the Company and to decide on the remuneration of supervisors;</p> <p>(iv) to examine and approve the report of the board of directors;</p> <p>(v) to examine and approve the report of the supervisory board;</p> <p>(vi) to examine and approve the Company's annual financial budgets and final account proposals (including the balance sheets, profit statements and other financial statements);</p> <p>(vii) to examine and approve the Company's plans for profit distribution and making up losses;</p> <p>(viii) to pass resolutions on the increase or reduction of the Company's registered capital, the issue of any kind of shares, warrants and other similar securities;</p> <p>(ix) to pass resolutions on matters such as the merger, division, dissolution and liquidation of the Company or change of the corporate form of the Company;</p>

LETTER FROM THE BOARD

No.	The original rules	The revised rules
	<p>(x) to pass resolutions on the issuance of corporate bonds by the Company;</p> <p>(xi) to pass resolutions on any engagement, dismissal or non-renewal of engagement of an accounting firm;</p> <p>(xii) to amend these Articles of Association and its appendices, including the <i>Rules of Procedures for the Shareholders' meeting</i>, the <i>Rules of Procedures for the Board of Directors</i> and the <i>Rules of Procedures for the Supervisory Board</i>;</p> <p>(xiii) to examine proposals raised by the board of directors, the supervisory board or the shareholders holding 3% or more of the total number of voting shares of the Company;</p> <p>(xiv) to examine and approve the guarantee matters prescribed in Article 61 of these Articles of Association;</p> <p>(xv) to examine matters relating to the purchase or disposal of the Company's material assets within one year, which exceeds 30% of the Company's latest audited total assets;</p> <p>(xvi) to examine and approve matters relating to the change of use of the funds raised;</p> <p>(xvii) to examine share incentive plans; and</p>	<p>(x) to pass resolutions on the issuance of corporate bonds by the Company;</p> <p>(xi) <u>to pass resolutions or make authorization on the Company's repurchase of its shares in accordance with Article 34;</u></p> <p>(xii) to pass resolutions on any engagement, dismissal or non-renewal of engagement of an accounting firm;</p> <p>(xiii) to amend these Articles of Association and its appendices, including the Rules of Procedures for the Shareholders' meeting, the Rules of Procedures for the Board of Directors and the Rules of Procedures for the Supervisory Board;</p> <p>(xiv) to examine proposals raised by the board of directors, the supervisory board or the shareholders holding 3% or more of the total number of voting shares of the Company;</p> <p>(xv) to examine and approve the guarantee matters prescribed in Article 61 of these Articles of Association;</p> <p>(xvi) to examine matters relating to the purchase or disposal of the Company's material assets within one year, which exceeds 30% of the Company's latest audited total assets;</p> <p>(xvii) to examine and approve matters relating to the change of use of the funds raised;</p>

LETTER FROM THE BOARD

No.	The original rules	The revised rules
	(xviii) to decide on other matters which, according to the laws, administrative regulations, regulations of the competent authorities or these Articles of Association and its appendices, need to be resolved by the shareholders' meeting.	(xviii) to examine share incentive plans; and (xix) to decide on other matters which, according to the laws, administrative regulations, regulations of the competent authorities or these Articles of Association and its appendices, need to be resolved by the shareholders' meeting.

(The English version of the above proposed amendments are an unofficial translation of its Chinese version prepared for reference only. In case of discrepancy between the two versions, the Chinese version shall prevail.)

LETTER FROM THE BOARD

IV. EGM

The Company proposes to convene the EGM at the Meeting Room 6, the Third Floor of Kun Tai Royal Hotel B12 Chaowai Street, Chaoyang District, Beijing, PRC on Wednesday, 6 November 2019 at 9:00 a.m. The EGM notice, proxy form and reply slip will be dispatched along with this circular.

Whether or not you are able to attend the EGM in person, please complete the proxy form of the Company in accordance with the instructions printed thereon and return it to the office address of the Company or to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event not less than 24 hours before the time for holding the EGM (i.e. 9:00 a.m. on 5 November 2019, Hong Kong time). Completion and return of the forms of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof (as the case may be) as you wish.

China Petrochemical Corporation and its related parties (holding a total of approximately 70.18% equity interest in the Company's issued share capital as at the Latest Practicable Date) will abstain from voting on (i) the ordinary resolution in relation to the provision of counter-guarantee for China Petrochemical Corporation, and (ii) the ordinary resolution in relation to the fulfillment of undertakings related to the Exploration IV Drill Rig by lease at the EGM.

Votes on the resolutions to be proposed at the EGM shall be taken by way of poll. The Company is required to notify Shareholders of any material changes to information contained in this circular as soon as possible subsequent to its despatch and prior to the EGM.

V. RECOMMENDATION

The Directors (including the Independent Non-executive Directors) are of the view that all resolutions to be proposed at the EGM are in the interests of the Company and its shareholders as a whole. Accordingly, the Directors advise the Shareholders to vote in favor of all resolutions proposed at the EGM.

NOTICE OF EGM



Sinopec Oilfield Service Corporation

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

(Stock code: 1033)

Notice of the First Extraordinary General Meeting for 2019

Notice Is Hereby Given that the first extraordinary general meeting for 2019 (the “**EGM**”) of Sinopec Oilfield Service Corporation (中石化石油工程技术服务有限公司) (the “**Company**”) will be held at Meeting Room 6, the Third Floor of Kun Tai Royal Hotel B12 Chaowai Street, Chaoyang District, Beijing, the People's Republic of China on Wednesday, 6 November 2019 at 9:00 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

Ordinary Resolutions:

1. “THAT the resolution in relation to the provision of counter-guarantee to China Petrochemical Corporation be and is hereby approved”
2. “THAT the resolution in relation to the fulfillment of undertakings related to the Exploration IV Drill Rig by lease be and is hereby approved”

Special Resolution:

3. “THAT the resolution in relation to the amendments to Articles of Association and its relevant appendices be and is hereby approved”.

Details of the above-mentioned resolutions have been included in the circular of the EGM to be dispatched to the holders of H shares of the Company.

By the order of the Board
Li Honghai
Company Secretary

Beijing, 19 September 2019

NOTICE OF EGM

Notes:

1. According to the articles of association of the Company, a holder of H share whose name is in the register of members of the Company as at the close of business on Tuesday, 8 October 2019 shall be entitled to attend and vote at the EGM. The register of holders of H shares of the Company will be closed from Monday, 7 October 2019 to Wednesday, 6 November 2019, both days inclusive, for the purpose of determining a shareholders' list for the EGM. In order to qualify for attending the EGM, holders of H shares whose transfers have not been registered must deliver their transfer documents together with the relevant share certificates to the Company's H share registrars in Hong Kong, Hong Kong Registrars Limited at Rooms 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Friday, 4 October 2019.
2. Those shareholders entitled to attend the EGM shall return the reply slip to the registered address of the Company on or before Thursday, 17 October 2019, although the reply slip will not affect the shareholders' entitlement to attend and vote at the EGM as shown in Note 1.
3. Shareholders attending the EGM shall present their own identity cards as well as their shareholding account cards (if applicable).
4. Any shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company. In the event the appointor is a body corporate, such shareholder shall be represented in the EGM by the legal representative or such person authorized by the resolution of the board of directors or decision-making body of such appointor.
5. A shareholder or his proxy may exercise the right to vote by poll.
6. Pursuant to the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the ordinary resolutions No. 1-2 of the EGM are subject to the Independent Shareholders' approval. China Petrochemical Corporation and its related parties will abstain from voting on the resolutions No. 1-2 at the EGM.
7. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorized. In the event the appointor is a body corporate, the instrument appointing a proxy shall either be under seal or signed by the director or his/her attorney duly authorized. If the instrument appointing a proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, such power of attorney or other authority must be notarized. To be valid, the notarially certified power of attorney or other authority and form of proxy must be returned to the Company's office address or to the Company's H share registrars in Hong Kong, Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no less than 24 hours before the designated time for holding the EGM.
8. The form of proxy/original certified power of attorney or other authority shall be completed and returned to the office address of the Company not less than 24 hours before the time for holding the EGM (i.e. 9:00 a.m. on 5 November 2019, Hong Kong time), in order to be valid. Completion and return of the forms of proxy will not preclude H Shareholders from attending and voting in person at the EGM or any adjournment thereof (as the case may be) as they wish.
9. Shareholders or their proxies attending the EGM when voting on any resolution, shall clearly signify whether he or she is voting for or against such resolution. The shares "withheld" or "abstained" from voting will not be counted in the calculation of the required majority.
10. The EGM is expected to last for a half day. Shareholders and proxies attending the EGM shall be responsible for their own traveling, food and accommodation expenses.
11. Office Address of the Company: 9 Jishikou Road, Chaoyang District, Beijing, the PRC.

Postal Code: 100728
Telephone: 86-10-5996 5998
Facsimile: 86-10-5996 5997

As at the date of this notice, the Board of Directors comprises Mr. Liu Zhongyun+, Mr. Chen Xikun#, Mr. Yuan Jianqiang#, Mr. Lu Baoping+, Mr. Fan Zhonghai+, Mr. Wei Ran+, Mr. Xiao Yi+, Ms. Jiang Bo, Mr. Pan Ying*, Mr. Chen Weidong* and Mr. Dong Xiucheng*.*

+ Non-Executive Director

Executive Director

** Independent Non-Executive Director*