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Sinopec Oilfield Service Corporation

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

(Stock code: 1033)

OVERSEAS REGULATORY ANNOUNCEMENT

ANNOUNCEMENT ON PROPOSED REDUCTION OF SHAREHOLDING

This announcement is made pursuant to the Inside Information Provision under Part XIVA of the Securities and Futures Ordinance and Rule 13.09(2) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company and all directors warrant that there are no false representations, misleading statements and material omissions in this announcement, and are severally and jointly responsible for the truthfulness, accuracy and completeness of the content herein.

Significant contents reminder:

- Basic information on the shareholding of shareholder: As at the date of this announcement, CITIC Corporation Limited* (中國中信有限公司) (“**CITIC Corporation**”) was interested in 1,035,000,000 shares of Sinopec Oilfield Service Corporation (the “**Company**”), representing 5.45% of the total share capital of the Company. The above shares are acquired by CITIC Corporation prior to the initial public offering of A shares of the Company. Such portion of shares have been released from selling restrictions and qualified for listing and trading on 22 August 2016.
- Main contents of the proposed reduction of shareholding: CITIC Corporation proposed to reduce shares in aggregate of no more than 1% of the total number of shares of the Company (i.e. no more than 189,840,000 shares) by way of centralised bidding and/or commodity trading within six months after 15 trading days from the date of this announcement based on the market price. During the implementation of the proposed reduction of shareholding, CITIC Corporation shall make corresponding adjustment to the number of shares subject to the aforesaid reduction in the event of ex-dividend matters including distribution of dividend, bonus issue, capitalisation of reserves, placing of shares, etc.

I. BASIC INFORMATION OF THE ENTITY SUBJECT TO REDUCTION OF SHAREHOLDING

Name of shareholder	Capacity of shareholder	Number of shares held	Shareholding percentage	Source of shares held currently
CITIC Corporation	Shareholder holding more than 5% interest other than the largest shareholder	1,035,000,000	5.45%	Acquired prior to the initial public offering of A shares

The entity subject to the aforesaid reduction of shareholding has not party acting in concert and no reduction of shareholding has been taken place since the A Share listing of the Company.

II. MAIN CONTENTS OF THE PROPOSED REDUCTION OF SHAREHOLDING

Name of shareholder	Number of shares proposed to be reduced	Percentage of reduction of shareholding	Mean of reduction of shareholding	Duration of reduction of shareholding	Reasonable price range	Source of shares proposed to be reduced	Reason(s) for the proposed reduction of shareholding
CITIC Corporation	No more than 189,840,000 shares	No more than 1% of the total share capital of the Company	Centralised bidding or commodity trading	28 May 2020-24 November 2020	market price	Shares acquired prior to the initial public offering of A shares	For its own operational needs

- (1) Does the relevant shareholder have other arrangements ☐ Yes ☒ No
- (2) Has the shareholder made any prior undertaking with respect to the shareholding percentage, number of shares held, duration of shareholding, means of reduction of shareholding, number of shares to be reduced and price of reduction of shareholding ☐ Yes ☒ No

III. RELEVANT RISK REMINDER:

- (1) The proposed reduction of shareholding is conducted based on CITIC Corporation's own operational needs and will have no material impact on the corporate structure and business development of the Company. During the reduction of shareholding, CITIC Corporation will decide whether or not to implement and how to implement the proposed reduction of shareholding based on factors including the market conditions and share price of the Company. Uncertainties exist in the number of shares to be reduced and the relevant pricing.
- (2) Whether the implementation of the proposed reduction of shareholding will be associated with the risk of change of control of the listed company ☐ Yes ☒ No
- (3) Other risk reminder

The proposed reduction of shareholding is in compliance with the relevant requirements of the applicable laws and regulations including the Several Provisions on the Reduction of Shares Held in a Listed Company by Shareholders, Directors, Supervisors and Senior Management promulgated by China Securities Regulatory Commission, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and the Implementation Measures on the Reduction of Shares Held in a Listed Company by Shareholders, Directors, Supervisors and Senior Management issued by the Shanghai Stock Exchange. During the implementation of the proposed reduction of shareholding, CITIC Corporation will be in strict compliance with the requirements of the applicable laws and regulations and timely perform its obligations of information disclosure.

By Order of the Board
Li Honghai
Company Secretary

Beijing, the PRC, 6 May 2020

As at the date of this announcement, the current directors of the Company comprise Mr. Chen Xikun[#], Mr. Yuan Jianqiang[#], Mr. Lu Baoping⁺, Mr. Fan Zhonghai⁺, Mr. Wei Ran⁺, Ms. Jiang Bo^{}, Mr. Chen Weidong^{*} and Mr. Dong Xiucheng^{*}.*

⁺ Non-Executive Director

[#] Executive Director

^{*} Independent Non-Executive Director