

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.



Sinopec Oilfield Service Corporation

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

(Stock code: 1033)

Announcement on the Preliminary Financial Data for 2020

This announcement is made by Sinopec Oilfield Service Corporation (the “**Company**”) pursuant to the Inside Information Provision under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09(2)(a) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board and all directors of the Company warrant that there are no false representations, misleading statements or material omissions contained in this announcement and severally and jointly accept full responsibility for the authenticity, accuracy and completeness of the information contained herein.

I. Principal Financial Data and Indicators for 2020 (Extracted from the financial statements prepared in accordance with the PRC Accounting Standards for Business Enterprises)

Unit: RMB'000

Item	Current reporting period	Corresponding period of last year	Rate of increase/decrease (%)
Total operating income	68,073,394	69,870,147	-2.6
Operating profit	283,335	1,251,242	-77.4
Profit before income tax	348,054	1,355,768	-74.3
Net profit attributable to equity shareholders of	78,978	914,244	-91.4

the Company			
Net profit deducted extraordinary gain and loss attributable to equity shareholders of the Company	-266,584	503,704	-152.9
Basic earnings per share (RMB)	0.004	0.048	-91.7
Weighted average return on net assets (%)	1.16	14.66	Decrease by 13.5 percentage points
	End of the current reporting period	Beginning of the current reporting period	Rate of increase/decrease (%)
Total assets	61,091,195	62,069,378	-1.6
Total equity attributable to owners of the Company	6,722,866	6,763,872	-0.6
Share capital	18,984,340,033	18,984,340,033	0.00
Net assets per share attributable to owners of the Company	0.35	0.36	-2.8

II. Details of Operating Results and Financial Position

(I) Business operation and financial position during the reporting period

Due to the impacts of the COVID-19 epidemic and the plunge of oil prices in 2020, oil companies reduced expenditure in upstream exploration and exploitation. The workload of the Company in the main profession decreased year-on-year while the expenses in epidemic prevention increased, resulting in a year-on-year decrease of 0.7 percentage point in the gross profit margin of the principal business. Financial expenses recorded a year-on-year increase of RMB250 million due to exchange rate fluctuations. Due to the abovementioned factors, the Company's consolidated revenue was RMB68,073,394,000, representing a year-on-year decrease of 2.6%, and net profit attributable to shareholders of the Company amounted to RMB78,978,000, representing a year-on-year decrease of 91.4%. Basic earnings per share was RMB0.004, representing a year-on-year decrease of

91.7%. Through the increase in clearance of inventories and account receivable, the strict control of cost and expense and capital expenditure, the Company maintained sound cash flow conditions and the net cash flow in operating activities reached RMB4.47 billion.

(II) Main reasons for the rate of increase/decrease by more than 30%

During the reporting period, the operating profit, profit before income tax, net profit attributable to equity shareholders of the Company, net profit deducted extraordinary gain and loss attributable to equity shareholders of the Company and basic earnings per share decreased by 77.4%, 74.36%, 91.4%, 152.9%, 91.7%, respectively, compared with the corresponding period of previous year. Such decreases were mainly due to the facts that oil companies reduced expenditure in upstream exploration and exploitation due to dual impacts of the COVID-19 epidemic and the low oil prices, and the workload of the Company in the main profession decreased year-on-year while the expenses in epidemic prevention of the Company increased.

III. Risk Alert

The principal financial data for 2020 of the Company as set out in this announcement is only preliminary accounting data and has not been audited by an accounting firm. There may be discrepancies between the data contained herein and those data to be disclosed in the preliminary annual results announcement for 2020 and the 2020 annual report of the Company, but such discrepancies are not expected to exceed 10%. The specific financial data will be disclosed in detail in the preliminary annual results announcement for 2020 and the 2020 annual report of the Company. Investors are advised to pay attention to the investment risks involved.

For and on behalf of the Board of Directors
Shen Zehong
Company Secretary

Beijing, PRC, 22 March 2021

As at the date of this announcement, the Board of Directors comprises Mr. Chen Xikun#, Mr. Yuan Jianqiang#, Mr. Lu Baoping+, Mr. Fan Zhonghai+, Mr. Wei Ran+, Mr. Zhou Meiyun+, Mr. Chen Weidong, Mr. Dong Xiucheng* and Mr. Zheng Weijun*.*

Executive Director

+ *Non-Executive Director*

* *Independent Non-Executive Director*