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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 THE PROGRESS OF JUDICIAL REORGANIZATION OF AN INDIRECTLY WHOLLY-OWNED OVERSEAS SUBSIDIARY

This announcement is made pursuant to Part XIVA of the Securities and Future Ordinance and Rules 13.09(2)(a) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

References are made to the Overseas Regulatory Announcement - Announcement Regarding the Proposed Judicial Reorganization by an Indirectly Wholly-owned Overseas Subsidiary dated 3 September 2018 and the Announcement on Approval of Judicial Reorganization Plan of an Indirectly Wholly-owned Overseas Subsidiary by Overseas Court dated 18 July 2019 (collectively, the "**Relevant Announcements**") made by Sinopec Oilfield Service Corporation (the "**Company**").

On 15 July 2019 (Brazil time), Sinopec (Brazil) Co., Ltd., an indirectly wholly-owned overseas subsidiary of the Company (the "**Brazil Subsidiary**"), received a ruling from the Third State Court of Commercial Enterprises in Rio de Janeiro, Brazil (the "**Court of Rio**") on the approval of the judicial reorganization plan of the Brazil Subsidiary (the "**Judicial Reorganization Plan**"). The Brazil Subsidiary shall perform its obligations under the Judi-

cial Reorganization Plan within 2 years from the date of approval. As of 14 July 2021 (Brazil time), due to the impact of the COVID-19 pandemic, certain labour-related lawsuits and a few lawsuits with suppliers, service providers and subcontractors ("**Lawsuits from Three Suppliers**") remain unsettled, and the obligations prescribed by the Judicial Reorganization Plan are not fully performed. In combination with the Brazil judicial reorganization practice, the Brazil Subsidiary will not apply for the closure of the judicial reorganization procedure, and the judicial reorganization procedure will be automatically deferred.

I. Overview on the Progress of Judicial Reorganization Plan of the Brazil Subsidiary

The Brazil Subsidiary applied to the Court of Rio for judicial reorganization according to the relevant laws of Brazil on 16 August 2018, and received a ruling from the Court of Rio on the approval of the Judicial Reorganization Plan on 15 July 2019 (Brazil time). Please refer to the Relevant Announcements for details.

From 15 July 2019 to 14 July 2021, the Judicial Reorganization Plan of the Brazil Subsidiary was implemented as follows:

As of 14 July 2021, in terms of labour-related lawsuits, 1,395 cases have been closed down by the Brazil Subsidiary accumulatively, the remaining 162 cases have not yet been closed down. In terms of Lawsuits from Three Suppliers involving the Brazil Subsidiary, all of 226 cases with court judgement for enforcement have been applied for closure, the remaining 66 cases are still on trial, involving a total amount of approximately USD3.6 million. The final trial results of these cases shall be executed pursuant to the Judicial Reorganization Plan. As of 30 June 2021, Brazil Subsidiary has paid approximately RMB147 million in total in relation to the Judicial Reorganization Plan.

II. Impact of Automatically Deferring the Judicial Reorganization Plan of the Brazil Subsidiary on the Company

According to the Relevant Announcements, the Company initially estimated that the cost relating to the Brazil Subsidiary's reorganization plan would be approximately RMB370 million. Such estimated expenditure has been included in the Company's 2018 annual accounts and is not expected to have a significant impact on the profit and loss of the Company in future. If the actual expenditure is less than the accrued amount or exceeds the accrued amount, the difference will be included in the future profit and loss.

In order to continue to be protected by the judicial reorganization, the Brazil Subsidiary will not apply for the closure of the judicial reorganization procedure, the judicial reorganization procedure will be automatically deferred. The Company has instructed the Brazil Subsidiary to actively communicate and negotiate with relevant creditors in accordance with the approved Judicial Reorganization Plan, and to promote the judicial reorganization in a prudent and appropriate manner.

The Company shall promptly fulfill its information disclosure obligation based on the progress of the judicial reorganization procedure. Investors are advised to be aware of the risks.

By Order of the Board
Shen Zehong
Company Secretary

15 July 2021, Beijing

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*