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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 announcements of Sinopec Oilfield Service Corporation (the "**Company**"). dated 3 September 2018, 18 July 2019 and 15 July 2021 in relation to the overseas judicial reorganization and its progress of Sinopec (Brazil) Co., Ltd. (中國石化集團巴西有限公司), an indirectly wholly-owned overseas subsidiary of the Company (the "**Brazil Subsidiary**").

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

As of 31 December 2021, according to the progress of the judicial reorganization, a majority of the labour-related lawsuits and the lawsuits with suppliers, service providers and subcontractors in relation to the Brazil No.3 chemical fertilizer plant were settled. Brazil Subsidiary had already paid a total of USD27.93 million to 1,781 creditors and is expected to pay another USD 10.97 million to the remaining creditors.

Regarding other fees of the judicial reorganization, including negotiation fee between the reorganization agency and creditors, operation administration fee and expected joint liability for related company in the relevant lawsuit, due to the factors that a favorable expert witness statement has been obtained in relation to the Brazil No.3 chemical fertilizer plant lawsuit, the depreciation of the Brazil currency due to the pandemic and an effective decrease of the operation administration cost, as of 31 December 2021, Brazil Subsidiary had already paid USD5.67 million and is expected to pay another USD13.85 million.

II. Impact of the Proposed Liability Reversal on the Company

In 2018, the Company has accrued an estimated judicial restructuring expenses of USD 69.25 million (equivalent to approximately RMB 475 million in the year). According to the progress of the judicial restructuring plan, the Company estimated that the Brazil Subsidiary will pay a total of approximately USD 58.42 million (equivalent to RMB 389 million) for the restructuring plan. Therefore, the Company proposed to reverse an estimated liability of USD10.83 million (equivalent to approximately RMB 69 million) by the end of 2021, which will increase the net profit of the Company by approximately RMB 69 million for the period ended 31 December 2021.

The Company has instructed the Brazil Subsidiary to continue to actively communicate and negotiate with relevant creditors in accordance with the approved judicial restructuring plan, and prudently and properly advance the judicial restructuring. 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

21 Januaray 2022, 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*