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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, 15 July 2021 and 21 January 2022 (the “**Relevant Announcements**”) 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**”). Unless otherwise defined, the terms used in this announcement shall have the same meanings as those defined in the Relevant Announcements.

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

The Brazil Subsidiary continues to proceed with the judicial reorganization work in accordance with the approved judicial reorganization plan based on Brazil's judicial reorganization practice. Upon communication and consultation with relevant creditors and in accordance with relevant Brazilian laws and regulations, the Brazil Subsidiary has applied to the competent court to close the judicial reorganization process. Recently, the Brazil Subsidiary received a final ruling from the Court of Rio, which ruled that it had fulfilled its judicial reorganization obligations and the judicial reorganization process shall be terminated and the normal operations of the Brazil Subsidiary was resumed.

As of the date of the final ruling, most of the labor-related lawsuits and Lawsuits from Three Suppliers involved in Brazil No.3 chemical fertilizer plant have been settled. As at 30 June 2024, the Brazil Subsidiary has paid an accumulated amount of approximately USD37.79 million (equivalent to approximately RMB259 million) for the Judicial Reorganization Plan, of which, a total of approximately USD28.98

million (equivalent to approximately RMB199 million) has been paid to 1,474 creditors cumulatively, and a total of approximately USD8.81 million (equivalent to approximately RMB60 million) has been paid for other fees involved in the judicial reorganization. Such other fees include fees for the negotiation between the professional reorganization agency and creditors, operation fees, etc. The Brazil Subsidiary has resumed its normal operations.

## **II. Impact on the Company**

Based on the Judicial Reorganization Plan and preliminary estimation of the Brazil Subsidiary, the Company accrued estimated judicial reorganization expenses of USD69.25 million (equivalent to approximately RMB475 million of that year) in 2018 and reversed the estimated liability of USD10.83 million (equivalent to approximately RMB69 million of that year) at the end of 2021 based on the progress of the Judicial Reorganization Plan. As at 30 June 2024, the Brazil Subsidiary has actually paid USD37.79 million in the judicial reorganization. The Brazil Subsidiary is also expected to pay creditors another USD7.27 million in total based on estimation and the Company will reverse an estimated liability of USD13.36 million in the first half of 2024. The specific accounting treatment and financial data in the Company's financial statement to be published shall prevail. Investors are advised to be aware of the investment risks.

By Order of the Board  
**Shen Zehong**  
Company Secretary

10 July 2024, Beijing

*As at the date of this announcement, the Board of Directors comprises Mr. Wu Baizhi#, Mr. Zhang Jiankuo#, Mr. Zhao Jinhai+, Ms. Zhang Lili+, Mr. Du Kun+, Mr. Xu Keyu+, Mr. Zheng Weijun\*, Mr. Wang Pengcheng\* and Ms. Liu Jiangning\*.*

*# Executive Director*

*+ Non-Executive Director*

*\* Independent Non-Executive Director*