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## **Sinopec Oilfield Service Corporation**

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

**(Stock code: 1033)**

### **Continuing Related Transactions with PipeChina**

References are made to the announcement of Sinopec Oilfield Service Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 26 March 2024 and the poll results announcement of the 2023 annual general meeting dated 12 June 2024, in relation to the continuing related transactions between the Company and China Oil & Gas Pipeline Network Corporation (“**PipeChina**”).

Mr. Lv Lianggong, an existing director of PipeChina, serves as the deputy general manager of the Company’s controlling shareholder China Petrochemical Corporation. Pursuant to the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, PipeChina thus constitutes the related party of the Company. Based on the needs of the production and operation, the Company expects that the continuing related transactions between the Company and PipeChina will continue in 2025, which include long-distance pipeline construction, natural gas stations construction, pipeline operation, maintenance and protection and relevant technology services (the “**Continuing Related Transactions**”). It is expected that the annual cap for the relevant Continuing Related Transactions from 1 January 2025 to 31 December 2025 is RMB6.5 billion. The annual cap above is mainly based on the following considerations: (i) the amount of new contracts between the Company and PipeChina in 2024 exceeded RMB10.0 billion, representing a year-on-year increase of over 90%, with revenue from these newly signed projects expected to be recognized progressively in 2025; (ii) it is expected that the amount of new contracts in respect of the Continuing Related Transactions between the Company and PipeChina in 2024 will be approximately RMB7.0 billion; and (iii) the Company has increased the expected amount of contracts by a certain degree of buffer to allow room for further growth and flexibility in the future. From 1 January 2024 to 31 December 2024, the annual cap of the Continuing Related Transactions between the Company and PipeChina was RMB5.5 billion and the actual amount incurred was RMB3.978 billion, and those transactions were performed normally. The Continuing Related Transactions between the Group and PipeChina do not constitute the connected transactions of the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Continuing Related Transactions are mainly determined based on the principle of tender and bidding price. The Continuing Related Transactions between the Company

and PipeChina are normal business activities required by the Company's daily operation, which complies with the principle of openness, fairness and justice and are conducted based on the professional collaboration and complementary advantages of both parties. The Continuing Related Transactions will not affect the Company's normal production and operation. The price of the Continuing Related Transactions between the Company and PipeChina is fair and does not harm the interests of the Company or its minority shareholders. The Continuing Related Transactions do not affect the independence of the Company and the principal businesses of the Company do not become dependent on the related party as a result of the Continuing Related Transactions.

On 18 March 2025, the Company convened the seventh meeting of the eleventh session of the board of directors (the "**Board**"), at which the Resolution on the Annual Cap of Continuing Related Transactions between the Company and China Oil & Gas Pipeline Network Corporation for 2025 (the "**Resolution**") was approved. The related directors, Ms. Zhang Lili and Mr. Du Kun, abstained from voting on the Resolution. Pursuant to the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the estimated annual cap of the Continuing Related Transactions is subject to consideration at the 2024 annual general meeting of the Company. Prior to the consideration on the Continuing Related Transactions by the Board, the Resolution was considered at the third independent director special meeting of the eleventh session of the Board of the Company, and all of the independent non-executive directors unanimously approved the Resolution and agreed to submit the Resolution to the Board for consideration.

PipeChina was established on 6 December 2019 in China with other limited liability. The State-owned Assets Supervision and Administration Commission of the State Council held 100% equities at the time of PipeChina's establishment. In July 2020, PipeChina increased capital and shares and its de facto controller is the State-owned Assets Supervision and Administration Commission of the State Council. The business scope of PipeChina includes pipeline transportation; warehousing services; equipment import; technology import and export; scientific and technological research; information technology research and application; technology consulting, technology services, technology transfer and promotion. The total assets and net assets of PipeChina as at 31 December 2024 were RMB928.176 billion and RMB597.668 billion, respectively; the operating revenue and net profit for the year 2024 were RMB119.800 billion and RMB34.010 billion, respectively (unaudited).

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

Beijing, PRC, 18 March 2025

*As at the date of this announcement, the Board of Directors comprises Mr. Wu Baizhi#, Mr. Zhang Jiankuo#, 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*