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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 Company's A Shares Being Implemented Delisting Risk Warning**

The board of directors of the Company and all its directors guarantee that, this announcement does not contain any false information, misleading statement or material omission, and severally and jointly accept responsibility for the authenticity, accuracy and completeness of the contents of this announcement.

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

#### **IMPORTANT INFORMATION:**

- The commencement date for implementation of risk warning of the Company's A shares (the "**Shares**"): 29 March 2018
- The short name of the Shares after implementation of risk warning: "**\*ST SSC**"; stock code: "**600871**", the daily price limit of the Shares: "**5%**"
- After the implementation of risk warning, the Shares will be traded in risk warning board

Since the Company was loss-making in 2016 and 2017, and the net assets value as at the end of year 2017 is negative, according to the Listing Rules of Shanghai Stock Exchange, the Company's A shares will be implemented delisting risk warning (\*ST).

## **I. Class of shares, stock short name, stock code and the commencement date for implementation of risk warning**

1. Class of shares: A shares;
2. The stock short name of the Shares will be changed from “SINOPEC SSC” to “\*ST SSC”
3. The stock code is still “600871”;
4. The commencement date for implementation of risk warning of the Shares: 29 March 2018.

## **II. Applicable circumstance of implementation of risk warning**

Since the Company record the losses in 2016 and 2017, and the audited net assets value as at the end of year 2017 is negative, according to Rule 13.2.1 (1) and (2) of Listing Rules of Shanghai Stock Exchange, the Shares will be implemented delisting risk warning (\*ST) special treatment after the publication of the 2017 A Share annual report.

## **III. Related matters of implementation of risk warning**

According to Rule 13.2.4 of Listing Rules of Shanghai Stock Exchange, the A shares of the Company will be suspended for one day on 28 March 2018 and be implemented of risk warning with effective from 29 March 2018. After implementation of risk warning, the daily price limit of the Shares will be 5%, and the Shares will be traded in risk warning board.

## **IV. Opinions and measures for revoking the risk warning treatment by the board of directors of the Company**

The Company will take the following measures to achieve a turnaround in profitability for the year 2018: firstly, the Company will use its best endeavor to expand the current market share and improve the revenue and profit. The newly entered contract value for this year is expected to reach RMB57.8 billion. Secondly, the Company will continue to deepen the reform and focus on the quality of the main business; develop the technology service area and other new business effectively, separate and activate ancillary business and achieve the structural optimization and upgrade. Thirdly, the Company will strengthen the internal management; clear the responsibility for cost saving and efficiency improvement; and improve the management and efficiency level. Fourthly, the Company will strengthen the guiding effect of market demand for exploration and development in science and technology innovation; accelerate the industrialization of the technology; improve our service quality and strengthen our core competitiveness.

## **V. Risk warning of the Company's Shares probability of being suspended or delisted**

According to relevant rules of Listing Rules of Shanghai Stock Exchange, if the Company's audited net profit for the year 2018 continue to be negative, or the audited net assets value as at the end of year 2018 is negative, the Company's A shares would be suspended after the disclosure of the 2018 A Share annual report. If the Company still

records a loss in the annual report for the statutory financial period (i.e. a year ended 31 December 2019), the Company's A shares would be delisted after the disclosure of the 2019 A Share annual report.

**VI. During the implementation risking warning period, the contact details for investors relationship are as below:**

1. Contact person: Rong Liming
2. Correspondence address: No.9 Jishikou Road, Changyang District, Beijing
3. Telephone number: 010-59965998
4. Facsimile number: 010-59965997
5. Post Code:100728

By Order of the Board  
Mr. Li Honghai  
*Company Secretary*

Beijing, PRC, 27 March 2018

*As at the date of this announcement, the Board of Directors comprises Mr. Jiao Fangzheng+, Mr. Sun Qingde#, Mr. Chen Xikun#, Mr. Ye Guohua+, Mr. Lu Baoping+, Mr. Fan Zhonghai+, Ms. Jiang Bo\*, Mr. Zhang Huaqiao\* and Mr. Pan Ying\*.*

+ *Non-Executive Director*

# *Executive Director*

\* *Independent Non-Executive Director*