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**中港石油有限公司\***

**CHK OIL LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 632)**

## **PROFIT WARNING**

This announcement is made by CHK Oil Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that based on its preliminary assessment of the Company and its subsidiaries’ (the “**Group**”) unaudited consolidated management accounts for the year ended 31 December 2022 (the “**FY2022**”) and the preliminary valuation of the cash-generating unit (including oil and gas properties and intangible assets) in the oil and gas segment currently available as at the date of this announcement as prepared by the independent valuers, the Group expects to record a net loss attributable to the Shareholders of the Company not more than HK\$10,000,000 for FY2022, as compared with the net profit attributable to owners of the Company of approximately HK\$147.8 million for the year ended 31 December 2021 (the “**FY2021**”).

The expected decrease in the net profit for FY2022 is mainly attributable to approximately more than 75% decrease in both the revenue and the gross profit of the Group for FY2022 in the sales of oil and oil-related products as compared to that of FY2021, such decrease in revenue for FY2022 is partially offset by approximately HK\$8 million of the reversal of impairment loss on the cash-generating unit (including oil and gas properties and intangible assets) in the oil and gas segment.

In respect of the final amount of the impairment loss resulting from the reversal of the impairment of the cash-generating unit (including oil and gas properties and intangible assets) in the oil and gas segment, which would eventually affect the net loss of the Group for FY2022, it is still subject to adjustments (if any) after final assessment.

As the Company is still in the process of finalising the financial results for FY2022, the information contained in this announcement is solely based on the preliminary assessment by the management of the Company with reference to the unaudited consolidated management accounts of the Group for FY2022, the preliminary valuation by the independent valuers and the information currently available to the Company, and is not based on any figures or information reviewed by the Company's audit committee and/or audited by the independent auditors of the Company. Shareholders and potential investors of the Company are advised to refer to the details of the Group's annual results announcement for FY2022, which is expected to be published on or before 31 March 2023 in accordance with the Listing Rules.

**Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.**

By Order of the Board

**CHK Oil Limited**

**Yu Jiyuan**

*Chairman and Executive Director*

Hong Kong, 13 March 2023

*As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Yu Jiyuan, Mr. Lin Qing Yu, Ms. Chen Junyan, Mr. Li Songtao, Ms. Yang Yuyan, Ms. Sun Xiaoze; two non-executive Directors, namely Mr. Yu Zhibo and Mr. Zheng Ye; and four independent non-executive Directors, namely Ms. Zhong Bifeng, Mr. Pang Jun, Ms. Huang Qingwei and Mr. Shen Shigang.*

\* *For identification purposes only*