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## THE CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licenced securities dealer or registered securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sinopec Oilfield Service Corporation, you should at once hand this circular to the purchaser or to the transferee or to the bank, licenced securities dealer or registered institution or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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### Sinopec Oilfield Service Corporation

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

**(Stock code: 1033)**

**I. PROPOSED RE-APPOINTMENT OF DOMESTIC AND  
INTERNATIONAL AUDITORS AND  
INTERNAL CONTROL AUDITOR OF THE COMPANY  
FOR THE YEAR 2024**

**II. CONTINUING RELATED TRANSACTIONS WITH PIPECHINA**

**III. REMUNERATION OF THE DIRECTORS AND  
SUPERVISORS OF THE COMPANY FOR THE YEAR 2023**

**IV. PROPOSED PROVISION OF COUNTER-GUARANTEE  
FOR CHINA PETROCHEMICAL CORPORATION**

**V. PROPOSED ELECTION OF THE DIRECTORS OF THE  
11TH SESSION OF THE BOARD, THE NON-EMPLOYEE  
REPRESENTATIVE SUPERVISORS OF THE 11TH SESSION  
OF THE SUPERVISORY COMMITTEE AND THEIR  
REMUNERATION POLICY**

**VI. PROVISION OF GUARANTEE FOR WHOLLY-OWNED  
SUBSIDIARIES AND JOINT VENTURE**

**VII. AUTHORISATION TO THE  
BOARD TO REPURCHASE DOMESTIC SHARES AND/OR  
OVERSEAS-LISTED FOREIGN SHARES OF THE COMPANY  
AND**

**NOTICE OF 2023 ANNUAL GENERAL MEETING AND  
FIRST H SHAREHOLDERS CLASS MEETING FOR 2024**

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The Company proposes to convene the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting at Beijing Shengli Hotel, No. 3 Beishatan, Deshengmen Wai, Chaoyang District, Beijing, the PRC on Wednesday, 12 June 2024 at 9:00 a.m., 10:00 a.m. and 10:15 a.m. The notices, proxy forms and reply slips in connection with the AGM and the H Shareholders Class Meeting are enclosed with this circular.

Whether or not you are able to attend the AGM and/or the H Shareholders Class Meeting in person, please complete the proxy forms of the Company in accordance with the instructions printed thereon and return them to the business address of the Company or to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event no later than 24 hours before the time for holding the AGM or H Shareholders Class meeting or any adjournment. Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM and/or the H Shareholders Class Meeting or any adjournment thereof (as the case may be) as you wish.

22 April 2024

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## DEFINITIONS

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*In this circular, except where the context otherwise requires, the following expressions shall have the following meanings:*

“2022 Mexican Guarantee Agreement”	On 17 June 2022, the Company entered into the guarantee agreement with Mexican National Hydrocarbons Commission, providing performance guarantee for Mexico DS Company
“2022 Mexican Guarantee Mandate”	On 28 March 2023, the Board has considered and approved the resolution on the provision of guarantee for wholly-owned subsidiaries and the joint venture of the Company and such resolution was also approved by the 2022 annual general meeting of the Company convened on 6 June 2023. The valid period of the guarantee commenced from the date of approval by the shareholders at the 2022 annual general meeting until the conclusion of the AGM
“A Share Buy-back Mandate”	the general mandate to the Board to buy back A shares not exceeding 10% of the total number of domestic shares (A shares) in issue at the time when the relevant resolution is passed at the AGM and Class Meetings
“A Shareholders Class Meeting”	the first A shareholders class meeting for 2024 of the Company to be held at Beijing Shengli Hotel, No. 3 Beishatan, Deshengmen Wai, Chaoyang District, Beijing, the PRC on Wednesday, 12 June 2024 at 10:00 a.m. or any adjournment thereof
“AGM”	the annual general meeting for 2023 to be held at Beijing Shengli Hotel, No. 3 Beishatan, Deshengmen Wai, Chaoyang District, Beijing, the PRC on Wednesday, 12 June 2024 at 9:00 a.m. or any adjournment thereof
“Articles of Association”	the articles of association of the Company
“Board”	the board of directors of the Company
“Class Meetings”	the A Shareholders Class Meeting and the H Shareholders Class Meeting

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## DEFINITIONS

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“Company”	Sinopec Oilfield Service Corporation (中石化石油工程技术服务股份有限公司), a joint stock limited company established in the PRC and its A shares are listed on the SSE and its H shares are listed on the Main Board of the Hong Kong Stock Exchange
“Continuing Related Transactions”	the continuing related transactions between the Company and PipeChina, which include long distance pipeline construction, natural gas stations construction, pipeline operation, maintenance and protection and relevant technology services
“CSRC”	the China Securities Regulatory Commission
“DIAVAZ”	DIAVAZ DEP, S.A.P.I. de C.V.
“Director(s)”	Directors of the Company
“Group”	the Company and its subsidiaries
“Guarantee Agreement”	the guarantee agreement in relation to JV Performance Guarantee entered into by the Company or IPSC, the Beneficiary and Mexico DS Company
“H Share Buy-back Mandate”	the general mandate to the Board to buy back H shares not exceeding 10% of the total number of overseas-listed foreign shares (H shares) in issue at the time when the relevant resolution is passed at the AGM and Class Meetings
“H Shareholders Class Meeting”	the first H shareholders class meeting for 2024 of the Company to be held at Beijing Shengli Hotel, No. 3 Beishatan, Deshengmen Wai, Chaoyang District, Beijing, the PRC on Wednesday, 12 June 2024 at 10:15 a.m. or any adjournment thereof
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

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## DEFINITIONS

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“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Independent Director(s)”	the independent non-executive directors of the Company
“IPSC”	Sinopec International Petroleum Service Corporation, a subsidiary of the Company
“JV Performance Guarantee”	in the event that Mexico DS Company loses its contract performance capability, the joint and several liabilities guarantee of no more than US\$275 million for the performance obligation to be provided by the Company whenever Mexico DS Company engages in market development, tenders bidding activities for oilfield services locally and signs a business contract
“Latest Practicable Date”	17 April 2024
“Mexican National Hydrocarbons Commission” or the “Beneficiary”	COMISIÓN NACIONAL DE HIDROCARBUROS
“Mexico DS Company”	DS Servicios Petroleros, S.A. de C.V. (DS石油服務有限公司)
“Non-employee Representative Supervisor(s)”	the non-employee representative supervisor(s) of the Company
“PipeChina”	China Oil&Gas Pipeline Network Corporation
“PRC”	People’s Republic of China
“PRC Company Law”	the Company Law of the People’s Republic of China
“Production Sharing Contract”	the Exploration and Development Contract under the Production Sharing Model in relation to the Mexico EBANO Project entered into by the beneficiary, Petróleos Mexicanos and Mexico DS Company
“RMB”	the lawful currency of the PRC
“Shanghai Listing Rules”	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange
“Shareholder(s)”	shareholder(s) of the Company

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## DEFINITIONS

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“Sinopec Corp Group”	China Petroleum & Chemical Corporation and its subsidiaries
“SSE”	The Shanghai Stock Exchange
“subsidiary(ies)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“US\$”	United States Dollars, the lawful currency of the United States of America
“%”	per cent

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LETTER FROM THE BOARD

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**Sinopec Oilfield Service Corporation**

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

**(Stock code: 1033)**

*Directors:*

Chen Xikun  
Fan Zhonghai  
Wei Ran  
Zhou Meiyun

*Registered address:*

22 Chaoyangmen North Street  
Chaoyang District  
Beijing, the PRC

*Independent Non-executive Directors:*

Chen Weidong  
Dong Xiucheng  
Zheng Weijun

*Principal place of business  
in Hong Kong:*

26th Floor Jardine House  
1 Connaught Place, Central  
Hong Kong

22 April 2024

*To the Shareholders*

Dear Sir or Madam:

- I. PROPOSED RE-APPOINTMENT OF DOMESTIC AND  
INTERNATIONAL AUDITORS AND  
INTERNAL CONTROL AUDITOR OF THE COMPANY  
FOR THE YEAR 2024**
- II. CONTINUING RELATED TRANSACTIONS WITH PIPECHINA**
- III. REMUNERATION OF THE DIRECTORS AND  
SUPERVISORS OF THE COMPANY FOR THE YEAR 2023**
- IV. PROPOSED PROVISION OF COUNTER-GUARANTEE  
FOR CHINA PETROCHEMICAL CORPORATION**
- V. PROPOSED ELECTION OF THE DIRECTORS OF THE  
11TH SESSION OF THE BOARD, THE NON-EMPLOYEE  
REPRESENTATIVE SUPERVISORS OF THE 11TH SESSION  
OF THE SUPERVISORY COMMITTEE AND THEIR  
REMUNERATION POLICY**
- VI. PROVISION OF GUARANTEE FOR WHOLLY-OWNED  
SUBSIDIARIES AND JOINT VENTURE**
- VII. AUTHORISATION TO THE  
BOARD TO REPURCHASE DOMESTIC SHARES AND/OR  
OVERSEAS-LISTED FOREIGN SHARES OF THE COMPANY  
AND  
NOTICE OF 2023 ANNUAL GENERAL MEETING AND  
FIRST H SHAREHOLDERS CLASS MEETING FOR 2024**

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## LETTER FROM THE BOARD

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References are made to the announcements of the Company dated 26 March 2024 in relation to (i) continuing related transactions with PipeChina; (ii) the provision of guarantee for wholly-owned subsidiaries and joint venture; and (iii) the provision of counter-guarantee for China Petrochemical Corporation. Reference is also made to the announcement of the Company dated 22 April 2024 on the proposed election of the Directors of the 11th session of the Board and the Non-employee Representative Supervisors of the 11th session of the Supervisory Committee.

The purpose of this circular is to provide you with, inter alia, further information on (i) the proposed re-appointment of domestic and international auditors and internal control auditor of the Company for the year 2024; (ii) continuing related transactions with PipeChina; (iii) the remuneration of the Directors and Supervisors of the Company for the year 2023; (iv) the proposed provision of counter-guarantee for China Petrochemical Corporation; (v) the proposed election of the Directors of the 11th session of the Board, the Non-employee Representative Supervisors of the 11th session of the Supervisory Committee and their remuneration policy; (vi) the provision of guarantee for wholly-owned subsidiaries and joint venture; and (vii) the authorisation to the Board to repurchase domestic shares and/or overseas-listed foreign shares of the Company, so that you can make informed decisions on whether or not to vote for relevant resolutions to be proposed at the AGM and the H Shareholders Class Meeting.

### **I. PROPOSED RE-APPOINTMENT OF DOMESTIC AND INTERNATIONAL AUDITORS AND INTERNAL CONTROL AUDITOR OF THE COMPANY FOR THE YEAR 2024**

On 26 March 2024, the Board has considered and approved the resolutions on re-appointment of BDO China Shu Lun Pan Certified Public Accountants LLP (“**Shu Lun Pan CPAs**”) and BDO Limited (“**BDO**”) as the Company’s domestic and international auditors for the year of 2024, respectively, and the re-appointment of Shu Lun Pan CPAs as the Company’s internal control auditor for the year of 2024. After negotiation, the Company proposes to pay RMB7.2 million and RMB1.3 million to Shu Lun Pan CPAs and BDO for the audit of financial statements and internal control for the year 2024, which are the same as the remuneration in 2023. The Board hereby requests Shareholders to approve the aforesaid matters at the AGM and authorize the Board to adjust the remuneration of domestic and international auditors and internal control auditor in 2024 in accordance with industry standards and the actual situation, and in accordance with the fair and reasonable pricing principles in the market, if necessary.

### **II. CONTINUING RELATED TRANSACTIONS WITH PIPECHINA**

Mr. Lv Liangong, an existing director of PipeChina, serves as the deputy general manager of the Company’s controlling shareholder China Petrochemical Corporation. Pursuant to the Shanghai Listing Rules, 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 2024, which include long-distance pipeline construction, natural gas stations construction, pipeline operation, maintenance and protection and relevant technology services. It is expected that the annual cap for the relevant Continuing Related Transactions from 1 January 2024 to 31 December 2024

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## LETTER FROM THE BOARD

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is RMB5.5 billion. The annual cap above is mainly based on the following considerations: (i) the actual amount of the continuing related transactions between the Company and PipeChina in 2023 was RMB4.473 billion; (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 RMB4.2 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 2023 to 31 December 2023, the annual cap of the continuing related transactions between the Company and PipeChina was RMB5.5 billion and the actual amount incurred was RMB4.473 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 Hong Kong Listing Rules.

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 26 March 2024, the Company convened the nineteenth meeting of the tenth session of 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 2024 (the "**Resolution**") was approved. The related directors, Mr. Fan Zhonghai and Mr. Zhou Meiyun, abstained from voting on the Resolution. Pursuant to the Shanghai Listing Rules, the estimated annual cap of the Continuing Related Transactions is subject to consideration at the AGM. Prior to the consideration on the Continuing Related Transactions by the Board, the Resolution was considered at the first independent director special meeting of the tenth 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 2023 were RMB940.495 billion and RMB584.868 billion, respectively; the operating revenue and net profit for the year 2023 were RMB120.943 billion and RMB34.054 billion, respectively (unaudited).

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## LETTER FROM THE BOARD

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### III. REMUNERATION OF THE DIRECTORS AND SUPERVISORS FOR THE YEAR 2023

The resolution on the remuneration of the Directors and Supervisors of the Company for the year 2023 was approved at the 19th meeting of the tenth session of the Board, and will be submitted to the AGM for consideration. The details are set out below:

#### (1) Directors

Name	Position	Remuneration for the year 2023 (RMB)
Chen Xikun	Chairman of the Board; Executive Director	1,030,200
Fan Zhonghai	Non-executive Director	–
Wei Ran	Non-executive Director	–
Zhou Meiyun	Non-executive Director	–
Chen Weidong	Independent Director	200,000
Dong Xiucheng	Independent Director	200,000
Zheng Weijun	Independent Director	200,000
Yuan Jianqiang	Former Executive Director; Former General manager	1,030,200
Lu Baoping	Former Non-executive Director	35,000

*Notes:*

1. Mr. Chen Xikun received 12 months of salary in 2023.
2. Mr. Chen Weidong, Mr. Dong Xiucheng and Mr. Zheng Weijun all received 12 months of director's fee in 2023.
3. Mr. Yuan Jianqiang resigned as an executive Director, general manager and member of the strategy committee of the Company on 8 December 2023 and received 12 months of salary in 2023.
4. Mr. Lu Baoping reached the retirement age in May 2022 and received 7 months of subsidy in 2022 from the Company since June; He resigned as a non-executive Director and member of the strategy committee of the Company on 27 July 2023 and received 7 months of subsidy in 2023.

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## LETTER FROM THE BOARD

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### (2) Supervisors

Name	Position	Remuneration
		for the year 2023 (RMB)
Wang Jun	Chairman of the Supervisory Committee	876,000
Du Jiangbo	Supervisor	–
Zhang Qin	Supervisor	55,000
Sun Yongzhuang	Employee Representative Supervisor	970,700
Zhang Bailing	Employee Representative Supervisor	821,400
Du Guangyi	Employee Representative Supervisor	1,029,300
Zhang Jianbo	Former Supervisor	–

*Notes:*

1. Mr. Wang Jun started to serve as the chairman of the Supervisory Committee on 26 May 2022, received 12 months of salary in 2023.
2. Ms. Zhang Qin reached the retirement age in January 2023 and received 11 months of subsidy in 2023 from the Company since February.
3. Mr. Sun Yongzhuang, Mr. Zhang Bailing, and Mr. Du Guangyi started to serve as the employee representative Supervisors on 2 February 2021 and all received 12 months of salary in 2023.

## IV. PROPOSED PROVISION OF COUNTER-GUARANTEE FOR CHINA PETROCHEMICAL CORPORATION

### (I). Summary of the Guarantee

As approved at the second extraordinary general meeting in 2021 of the Company, the Company provided corresponding counter guarantee to China Petrochemical Corporation in relation to the joint guarantee liability undertaken by China Petrochemical Corporation for no more than RMB300 million credit line used by the Company for 3 years commencing from 2 November 2021. The Company expects that it will continue to use the credit line granted by China Construction Bank Corporation (“CCB”) to China Petrochemical Corporation after 1 November 2024 and that China Petrochemical Corporation will undertake the joint guarantee liability for no more than RMB100 million credit line. Thus, according to the requirements of internal management, the Company still needs to provide corresponding counter guarantee to China Petrochemical Corporation.

On 26 March 2024, the 19th meeting of the tenth session of the Board of the Company considered and approved the Resolution on Provision of Counter-guarantee to China Petrochemical Corporation, and approved the Company to provide corresponding counter-guarantee in respect of the joint guarantee liability under the financing credit line of no more than RMB100 million provided by China Petrochemical Corporation to the Company (the “Guarantee”).

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## LETTER FROM THE BOARD

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As of 26 March 2024, China Petrochemical Corporation directly and indirectly holds 13,323,683,351 shares of the Company in total, accounting for 70.18% of the total issued share capital of the Company, and is therefore a controlling shareholder and a related party of the Company. The Guarantee constitutes a related party guarantee and is subject to consideration and approval at the AGM. Pursuant to the Hong Kong Listing Rules, as the Guarantee is a financial assistance provided by the Company in favour of the interests of the Group, the Guarantee is exempted from each of the requirements under Chapter 14A of the Hong Kong Listing Rules.

### **(II). Basic Information of the Guaranteed Party in the Counter-guarantee**

The basic information of China Petrochemical Corporation is as follows:

Date of establishment:	14 September 1983
Type of enterprise:	Limited liability company (wholly state owned)
Domicile:	22 Chaoyangmen North Street, Chaoyang District, Beijing
Legal representative:	Ma Yongsheng
Registered capital:	RMB326,547.222 million

China Petrochemical Corporation, formerly known as China National Petrochemical Corporation (中國石油化工總公司), is an enterprise owned by the whole people established according to Reply of the State Council on Relevant Issues concerning the Establishment of China Petrochemical Corporation. It is an institution approved by the State Council to carry out state-authorized investments and is a state-controlling company. China Petrochemical Corporation is principally engaged in organising its affiliated companies' exploration, exploitation, storage and transportation (including pipeline transportation), sales and comprehensive utilization of oil and natural gas; oil refining; wholesale and retail of refined oil products; production, sales, storage and transportation of petrochemical and other chemical products; industrial investment and investment management; exploration design, construction and installation of petroleum and petrochemical engineering projects; repairing and maintenance of petroleum and petrochemical equipment; manufacture of mechanical and electrical equipment; research, development, application and consultation services of technology, information and alternative energy products; import and export business.

According to the Audit Report (XHSBZ (2023) No. ZK20582) issued by Shu Lun Pan CPAs on 25 April 2023, as of 31 December 2022, China Petrochemical Corporation had total consolidated assets of RMB2,543,346 million, total liabilities of RMB1,230,287 million and total net assets of RMB1,313,058 million. In 2022, China Petrochemical Corporation recorded a total consolidated operating income of RMB3,366,866 million, total profits of RMB120,474 million and net cash flows generating from operating activities of RMB130,300 million.

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## LETTER FROM THE BOARD

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### **(III). Principal Terms of Letter of Counter-guarantee**

1. Scope of the counter-guarantee: the indemnity and compensation for the corresponding joint guarantee liability assumed by China Petrochemical Corporation for the financing credit business of the Company with CCB.
2. Amount of the counter-guarantee: the amount of the counter-guarantee provided by the Company is the same as the amount of the joint guarantee liability assumed by China Petrochemical Corporation, and the equivalent amount is RMB100 million.
3. Term of the counter-guarantee: the term of the counter-guarantee provided by the Company is the same as that of the joint guarantee liability assumed by China Petrochemical Corporation. That is, it shall take effect on the effective date of the relevant joint guarantee liability and shall expire on the date of termination of the relevant joint guarantee liability. For the joint guarantee liability actually assumed by China Petrochemical Corporation for the financing credit business of the Company with CCB prior to the effective date of this letter of counter-guarantee, the actual effective date of this counter-guarantee can be traced back.
4. Claim method: demand guarantee. When China Petrochemical Corporation actually incurs joint guarantee liability compensation for the financing credit business of the Company with CCB, China Petrochemical Corporation may directly claim compensation from the Company. Within 10 days from the date of receipt of the written notice of compensation claim from China Petrochemical Corporation, the Company shall unconditionally pay in a lump sum the full amount of the joint guarantee liability assumed by China Petrochemical Corporation.
5. Validity period of the letter of counter-guarantee: this letter of counter-guarantee is valid for two years from the effective date.
6. Conditions for effectiveness: This letter of counter-guarantee shall become effective upon being signed by the authorized representative of the Company and affixed with the official seal, and after being considered and approved at the AGM.

### **(IV). Necessity and Reasonableness of the Guarantee**

China Petrochemical Corporation, the controlling shareholder of the Company, provides joint liability guarantee for the Company's comprehensive credit line of not more than RMB100 million, and the provision of corresponding counter-guarantee by the Company to China Petrochemical Corporation is a normal economic practice of the Company, which is beneficial for the Company to conduct relevant credit business successfully, and is in line with the needs of the business development and internal management of the Company.

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## LETTER FROM THE BOARD

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### **(V). Opinions of the Special Meeting of Independent Directors and the Board**

The first special meeting of the independent directors of the tenth session of the Board considered and approved the Guarantee and related party guarantee, and approved to submit the Resolution on Provision of Counter-guarantee to China Petrochemical Corporation to the Board for consideration and approval.

At the 19th meeting of the tenth session of the Board, the Resolution on Provision of Counter-guarantee to China Petrochemical Corporation was considered and passed with 5 votes in favor, 0 votes against and 0 abstentions. During the voting process, the related directors Mr. Fan Zhonghai and Mr. Zhou Meiyun have abstained from voting. The Board is of the opinion that the Guarantee is beneficial for the Company to conduct relevant credit business successfully, that the Company is able to control and prevent risks effectively, and that there are no circumstances under which the Guarantee is detrimental to the interests of the Company.

### **(VI). The Accumulated Amount of External Guarantees and the Amount of Overdue Guarantees**

As of 26 March 2024, the accumulated total amount of external guarantees provided by the Company and its controlled subsidiaries is RMB29,447 million, accounting for 367.03% of the latest audited net assets of the Company. The total amount of guarantees provided by the Company to its controlled subsidiaries is RMB27,497 million, accounting for 342.73% of the latest audited net assets of the Company. As of the Last Practicable Date, the Company has no overdue guarantee.

## **V. PROPOSED ELECTION OF THE DIRECTORS OF THE 11TH SESSION OF THE BOARD, THE NON-EMPLOYEE REPRESENTATIVE SUPERVISORS OF THE 11TH SESSION OF THE SUPERVISORY COMMITTEE AND THEIR REMUNERATION POLICY**

### **(I) Proposed Election of the Directors of the 11th Session of the Board and the Non-employee Representative Supervisors of the 11th Session of the Supervisory Committee**

The tenure of office of the 10th session of the Board and the Supervisory Committee has expired. The Board hereby announces that:

1. The following candidates are proposed to be elected as the Directors (not including independent non-executive Directors) of the 11th session of the Board:

- Mr. Wu Bozhi
- Mr. Zhang Jiankuo
- Mr. Zhao Jinhai

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## LETTER FROM THE BOARD

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- Mr. Du Kun
  - Ms. Zhang Lili
  - Mr. Xu Keyu
2. The following candidates are proposed to be elected as the independent non-executive Directors of the 11th session of the Board:
- Mr. Zheng Weijun
  - Mr. Wang Pengcheng
  - Ms. Liu Jiangning
3. The following candidates are proposed to be elected as the Non-employee Representative Supervisor of the 11th session of the Supervisory Committee:
- Mr. Wang Jun
  - Mr. Zhang Kun
  - Mr. Zhang Xiaofeng
  - Mr. Li Wei

The biographic details of each of the above candidates for Directors and the Non-employee Representative Supervisors of the Company are set out in the Appendix I and Appendix II to this circular.

Other than disclosed in the biographic details, each of the above candidates for election as Directors and Non-employee Representative Supervisors did not hold any positions in the Company or any of its subsidiaries, nor did the candidates hold any other directorship in other listed companies in the past three years. Other than disclosed in the biographic details, the above candidates do not have any relationship with any Directors, senior management, supervisors, substantial shareholders or controlling shareholder of the Company.

As at the Latest Practicable Date, except that Mr. Zhang Jiankuo holds 57,252 A shares of the Company through Qi Xin Gong Ying Scheme of the management of the Company, the above candidates for Directors and Non-employee Representative Supervisors have no relevant interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance and have not received any regulatory sanction imposed by the CSRC and any other government authority or any disciplinary action imposed by the stock exchanges.

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## LETTER FROM THE BOARD

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The nomination of the independent non-executive directors is proposed by the nomination committee of the Board in accordance with the provisions of the Articles of Association and in consideration of the gender, past performance, skill background, knowledge, experience, independence of each of the candidates for the independent non-executive directors and the specific needs of the Company, and has been considered and approved by the Board. Such nomination will be proposed to the AGM for election. Mr. Zheng Weijun, Mr. Wang Pengcheng and Ms. Liu Jiangning have extensive experience in various fields, including economy, accounting, corporate governance and ESG etc. In addition, their respective gender, education, background, experience and practice enable them to provide valuable insights and contribute to the diversity of the Board. The Company is of the view that each of the candidates for the independent non-executive directors is able to devote sufficient time and attention to the Company.

The election of the candidates for the Directors and Non-employee representative Supervisors is subject to the shareholders' consideration and approval at the AGM. Pursuant to the service contract, the term of each of the Directors and Non-employee Representative Supervisors shall start from the date on which the appointment is approved at the AGM to the date when the terms of the 11th session of the Board and/or Supervisory Committee expire. The remuneration of each Director and Supervisor is to be formulated by the remuneration committee under the Board and to be approved at the AGM. The details of remuneration received by the Directors and Supervisors from the Company during the reporting period will be disclosed in the annual report of the Company.

Other than disclosed above, there are no other matters in relation to the election of the Directors and the Non-employee Representative Supervisors which would require disclosure under rule 13.51(2)(h) to 13.51(2)(v) of the Hong Kong Listing Rules or matters should be disclosed to the shareholders of the Company.

### **(II) The Remuneration Policy for the 11th Session of the Board and 11th Session of the Supervisory Committee**

Each of the candidates for the election of Directors of the 11th session of the Board and as Supervisors of the 11th session of the Supervisory Committee of the Company once elected at the AGM (the employees representative supervisor shall be elected at the employee representative meeting of the Company democratically), will enter into a service contract with the Company (the “**Service Contract**”). The remuneration policy in relation to the Directors and Supervisors is proposed as follows:

- (1) The Company will offer remuneration for the executive Directors, Mr. Wang Jun as the Non-employee Representative Supervisor and employee representative Supervisors under their service contracts. The remuneration will be determined according to relevant state regulations and Measures for Implementation of Remuneration Packages for Senior Management of the Company. Pursuant to such Measures for Implementation of Remuneration Packages for Senior Management of the Company, the specific amount of remuneration will consist of base salary,

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performance bonus and mid-term and long-term incentive, with specific reference to the functions, responsibilities of the respective employee and also the performance of the Company as a whole. The directors' fee of each Independent Director of the Company are RMB200,000 each year (before tax). The details of remuneration received by the Directors and Supervisors from the Company during the reporting period will be disclosed in the annual report of the Company.

- (2) The non-executive Directors and Mr. Zhang Kun, Mr. Zhang Xiaofeng and Mr. Li Wei of Non-employee Representative Supervisors will not receive any remuneration from the Company.
- (3) In order to protect the interests of the Directors and Supervisors, the Company has purchased liability insurance for all the Directors and Supervisors.

### VI. PROVISION OF GUARANTEE FOR WHOLLY-OWNED SUBSIDIARIES AND JOINT VENTURE

#### Overview of Guarantee

##### *(I) Basic Information*

On 28 March 2023, the Board has considered and approved the resolution on the provision of guarantee for wholly-owned subsidiaries and joint venture of the Company and such resolution was also approved by the 2022 annual general meeting of the Company convened on 6 June 2023. The valid period of the guarantee commenced from the date of approval by the shareholders at the 2022 annual general meeting until the conclusion of the AGM.

In order to satisfy the needs of international market expansion and day-to-day operation, the Company expects that after the conclusion of the AGM, the Company needs to continue to provide guarantee for wholly-owned subsidiaries of the Company. Meanwhile, in order to satisfy the needs of Mexico EBANO Project, the Company may need to continue to provide performance guarantee for its joint venture, Mexico DS Company. Therefore, the Board considered and approved the resolution on the provision of guarantee for wholly-owned subsidiaries and joint venture of the Company on 26 March 2024, including:

1. Credit guarantee for wholly-owned subsidiaries (and their subsidiaries): The Company has agreed that its wholly-owned subsidiaries (and their subsidiaries) may use part of the credit facilities of the Company to issue bank acceptance, letter of bank guarantee and letter of credit and other financing and non-financing credit facilities to external parties for use in day-to-day business operation, such as tender bidding, contract performance and payments, and that the Company will undertake the corresponding joint and several guarantee liabilities. The maximum amount of joint and several guarantee liabilities undertaken by the Company during the guarantee period shall not exceed the equivalent value of RMB20 billion (Renminbi

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Twenty Billion Yuan), and the specific amount of the guarantee will be allocated by the Company according to the operation needs of each subsidiary (and their subsidiaries) and subject to the relevant regulatory requirements.

2. Performance guarantee for wholly-owned subsidiaries: The Company has agreed that whenever its wholly-owned subsidiary engages in market development and tender bidding activities for oilfield services locally and signs a business contract, the Company will provide performance guarantee to ensure that when the wholly-owned subsidiary loses its contract performance capability, the Company will perform the contract on its behalf. The maximum amount of joint and several guarantee liabilities undertaken by the Company during the guarantee period shall not exceed the equivalent value of RMB26.5 billion (Renminbi Twenty-Six-and-a-Half Billion Yuan), and the specific amount of the guarantee will be allocated by the Company according to the operation needs of each subsidiary and subject to the relevant regulatory requirements.
3. JV Performance Guarantee: The Company has agreed that whenever the joint venture, Mexico DS Company, engages in market development and tender bidding activities for oilfield services locally and signs a business contract, the Company will provide performance guarantee to ensure that when Mexico DS Company loses its contract performance capability, the Company will perform the contract on its behalf. The maximum amount of joint and several guarantee liabilities undertaken by the Company during the guarantee period shall not exceed US\$275 million.

The Board has resolved to propose to the AGM to authorise the Board in turn authorising the management to handle the filing procedures in relation to the guarantees, including but not limited to the signing of relevant guarantee agreements, in accordance with relevant regulatory regulations and internal control system of the Company, within the scope of the guarantee amount and guaranteed entities as approved by the AGM.

Guarantee period: commencing from the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting.

### ***(II) Internal Decision Procedure***

According to the relevant requirements of the Shanghai Listing Rules, since the maximum amount of the guarantee is approximately RMB48.45 billion (including the maximum amount of JV Performance Guarantee of US\$275 million, approximately RMB1.95 billion calculated based on the exchange rate as of 29 December 2023), which has exceeded 30% of the audited total assets of the Company for the latest reporting period (i.e. RMB75.163 billion), and has exceeded 50% of the audited net assets of the Company for the latest reporting period (i.e. RMB8.023 billion), and the gearing ratio of some guaranteed wholly-owned subsidiaries have exceeded 70%, the guarantee shall be submitted to the AGM for approval after consideration

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and approval by the Board. If the approval is granted by the shareholders, the valid period of the guarantee will commence on the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting.

Pursuant to the Hong Kong Listing Rules, the provision of performance guarantee by the Company in favour of Mexico DS Company, a joint venture of the Company, may constitute a transaction under Chapter 14 of the Hong Kong Listing Rules. Based on (i) the maximum amount of JV Performance Guarantee and (ii) the applicable financial data of the Company as at the date of this announcement for the size test, one or more of the applicable percentage ratios in respect of JV Performance Guarantee exceed 5% but all fall below 25%, and thus the guarantee agreement and the transaction contemplated thereunder will potentially constitute a disclosable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Hong Kong Listing Rules. Pursuant to the 2022 Mexican Guarantee Mandate, the Company entered into the 2022 Mexican Guarantee Agreement with Mexican National Hydrocarbons Commission on 17 June 2022 to provide performance guarantee for Mexico DS Company and has published a disclosable transaction announcement. The 2022 Mexican Guarantee Agreement will remain in effect after the conclusion of the AGM.

If the JV Performance Guarantee is approved by the AGM, the Company will fulfill other requirements in addition to the requirements for disclosable transactions under Chapter 14 of the Hong Kong Listing Rules upon signing of the guarantee agreement (if applicable).

### **Estimated Basic Information of the Guarantee and Basic Information of the Guaranteed Entities**

The estimated basic information of the guarantee is the estimated guarantee amount that the Company will provide during the guarantee period. The specific guarantee limit may be allocated by the Company according to the operation needs of each subsidiary and subject to the relevant regulatory requirements. The guaranteed entities are wholly-owned subsidiaries of the Company (and their subsidiaries) and the joint venture, Mexico DS Company. Please refer to Appendix III to this circular for the estimated basic information of the guarantee and basic information of the guaranteed entities.

### **Guarantee Agreement**

#### ***(I) Credit guarantee for wholly-owned subsidiaries (and their subsidiaries):***

Method of Guarantee: guarantee with joint and several liabilities.

Type of Guarantee: provision of guarantee to wholly-owned subsidiaries (and their subsidiaries) of the Company which will use part of the credit facilities of the Company to issue bank acceptance, letter of bank guarantee and letter of credit and other financing and non-financing credit facilities to external parties for use in day-to-day business operation, such as tender bidding, contract performance and payments.

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Guarantee Period: commencing from the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting.

Guarantee Amount: the maximum amount of joint and several guarantee liabilities undertaken by the Company for the guarantee during the guarantee period shall not exceed the equivalent value of RMB20 billion.

***(II) Performance guarantee for wholly-owned subsidiaries:***

Method of Guarantee: guarantee with joint and several liabilities.

Type of Guarantee: provision of performance guarantee to wholly-owned subsidiaries of the Company when they engage in market development and tender bidding activities for oilfield services locally and sign business contracts to ensure that when the subsidiaries lose their contract performance capabilities, the Company will perform the contracts on their behalf.

Guarantee Period: commencing from the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting.

Guarantee Amount: the maximum amount of joint and several guarantee liabilities undertaken by the Company for the guarantee during the guarantee period shall not exceed the equivalent value of RMB26.5 billion.

***(III) JV Performance Guarantee:***

According to the provisions of the Production Sharing Contract for Mexico EBANO Project, Mexico DS Company needs to submit the parent company's performance guarantee to the owner, namely Mexican National Hydrocarbons Commission. As shareholders of Mexico DS Company, DIAVAZ and IPSC agreed that both parties will provide the parent company's performance guarantee on an annual basis alternately for the EBANO project executed by Mexico DS Company.

According to the Production Sharing Contract signed by the Beneficiary with Petróleos Mexicanos and Mexico DS Company, the Company agreed to provide performance guarantee for Mexico DS Company whenever it engages in market development, tender bidding activities for oilfield service locally and signs a business contract, to ensure that when it loses contract performance capability, the Company will perform the contracts on its behalf. Accordingly, the Company will then enter into the guarantee agreement under which the Mexican National Hydrocarbons Commission shall be the Beneficiary.

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*Major contents of JV Performance Guarantee are as follows:*

- Parties: (1) The Company or IPSC (as guarantor; the guarantor's net assets as stated in the latest audited financial statements shall not be less than US\$275 million)
- (2) Mexican National Hydrocarbons Commission (as Beneficiary)

To the best of the Directors' knowledge, information and belief after making all reasonable enquiries, the Mexican National Hydrocarbons Commission and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Method of Guarantee: guarantee with joint and several liabilities.

Guarantee Period: The authorization for the JV Performance Guarantee shall become effective from the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting. The effective period of the JV Performance Guarantee shall commence from the date of signing the guarantee agreement until the termination of the Production Sharing Contract (the maximum term of the Production Sharing Contract is 40 years). IPSC and DIAVAZ provide performance guarantee for Mexico DS Company on an annual basis alternately. Regarding the amount of JV Performance Guarantee that the Company may provide each year, the Company will perform the required procedures such as announcement or shareholders' general meeting approval (if applicable).

Guarantee Amount: The maximum amount of joint and several guarantee liabilities undertaken by the Company for the guarantee during the guarantee period shall not exceed US\$275 million. According to the agreement between IPSC and DIAVAZ, the shareholder who has not provided guarantee shall issue a unilateral guarantee letter for 50% of the guarantee amount for the shareholder who provides guarantee.

*Reasons for and benefits of the provision of JV Performance Guarantee:*

Mexico DS Company is a joint venture established by IPSC and DIAVAZ. It is mainly engaged in the businesses of oil and gas exploration and development, and is responsible for the development, production and maintenance of the EBANO oilfield in Mexico. The Company provides the JV Performance Guarantee for Mexico DS Company to meet the needs of projects of the EBANO oilfield development, production and maintenance, which will facilitate the successful development of the project and promote the development of the Company's business in Mexico, thereby further expanding the scale of the Company's international market.

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## LETTER FROM THE BOARD

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The Board is of the view that the terms of JV Performance Guarantee and the transactions contemplated thereunder are entered into on normal commercial terms, are fair and reasonable, and are in the interests of the Company and its shareholders as a whole.

### *General information:*

#### Company

The Company is a joint stock limited company established in the PRC and a leading provider of petroleum and gas engineering and technical services in the PRC. The Group has engineering equipment and technology for, among other things, geophysics, drilling, logging, mud logging, cementing, special downhole operations, oilfield ground surface construction, petroleum and natural gas pipeline construction, and is capable of providing comprehensive engineering and technical services to cover the entire life-cycle of oil and gas fields. The Group has over 50 years of solid operating results, its oil and gas engineering services have been conducted successively in 76 basins across the PRC, and its business is distributed over 14 provinces in China.

#### IPSC

IPSC is a company incorporated under the law of the PRC and is a wholly-owned subsidiary of the Company. Its main business is dispatch of labor force necessary for the implementation of overseas projects; contracting overseas petroleum and chemical engineering, highway and bridge engineering, housing construction engineering, water conservancy and hydropower engineering, municipal utilities engineering, steel structure engineering, fire protection facilities engineering and electrical engineering; industrial installation engineering and domestic and international bidding projects; petroleum engineering equipment leasing and sale; import and export business.

#### Mexico DS Company

Mexico DS Company is a joint stock limited company incorporated and established under the Mexican laws, and is a joint venture established by IPSC and DIAVAZ. As at the date of this announcement, the Company holds 50% equity interest in Mexico DS Company through IPSC. DIAVAZ holds the other 50% equity interest in Mexico DS Company. Mexico DS Company is mainly engaged in the businesses of oil and gas exploration and development.

#### DIAVAZ

DIAVAZ is a local company incorporated and established under the Mexican laws, and is mainly engaged in the businesses of oil and gas exploration and development. As at the Latest Practicable Date, the top three shareholders of DIAVAZ are Luis Vázquez Senties, Pedro Alfredo Bejos Checa and Proja Holding, S.à.r.l., who are all natural persons and hold 34.391%, 34.391% and 7.642% of shares of DIAVAZ, respectively.

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Mexican National Hydrocarbons Commission

Mexican National Hydrocarbons Commission is the coordinated regulatory authority of the Mexican government on energy matters. It has its own legal personality, technical autonomy and management rights, and is entitled to sign contracts with private or state-owned oil companies on behalf of the country.

### **Opinions of the Board**

After consideration, the Board considered that the guarantee is beneficial to the successful development of the business of the wholly-owned subsidiaries and the joint venture, that the Company is able to effectively control and prevent risks and that there is no situation in relation to the counter-guarantee arrangement detrimental to the interests of the Company and the minority shareholders, and the Board unanimously approved the resolution on the provision of guarantee for the wholly-owned subsidiaries and the joint venture of the Company. The decision of the Board complies with the relevant regulations and the procedures stipulated in the articles of association of the Company.

### **Accumulated Amount of External Guarantee and Amount of Overdue Guarantee**

As of 31 December 2023, the balance of credit guarantees and performance guarantees actually provided by the Company for its wholly-owned subsidiaries during the guarantee period amounted to RMB18.057 billion and RMB9.44 billion, respectively. The balance of performance guarantee provided by the Company for the joint venture was US\$275 million. The guarantee amount actually provided by the Company did not exceed the relevant amount approved by the 2022 annual general meeting of the Company.

As at 26 March 2024, the total amount of the external guarantee provided by the Company and its controlled subsidiaries is approximately RMB29.447 billion, and the total amount of the guarantee provided by the Company to the controlling shareholder and the de facto controller and their affiliates is zero. The Company has no overdue external guarantee.

## **VII. AUTHORISATION TO THE BOARD TO REPURCHASE DOMESTIC SHARES AND/OR OVERSEAS-LISTED FOREIGN SHARES OF THE COMPANY**

### **(1) A Share Buy-back Mandate**

The PRC Company Law, to which the Company is subject and which has been incorporated into the Articles of Association, provides that a joint stock limited company incorporated in the PRC may not buy back its shares unless such buy back is effected for the purpose of (a) reducing its registered share capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) granting shares as reward to the staff of the company; (d) the buy back is made at the request of its shareholders who disagrees with

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shareholders' resolutions in connection with a merger or division; (e) utilising the shares for conversion of corporate bonds which are convertible into shares issued by the Company; or (f) where it is necessary for safeguarding the value of the Company and the interests of its shareholders.

PRC laws and regulations and the Shanghai Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the directors to buy back the A shares of such company that are listed on the Shanghai Stock Exchange. Such mandate is required to be given by way of a special resolution passed by shareholders in general meeting and special resolutions passed by holders of domestic shares and overseas listed foreign shares in separate class meetings.

The Company would like to draw the Shareholders' attention to the fact that, even if the A Share Buy-back Mandate is approved at the AGM, the A Shareholders Class Meeting and H Shareholders Class Meeting, in the case of buy back of A shares to be canceled to reduce the registered capital, the Company will still be required, under applicable PRC laws and regulations and the Shanghai Listing Rules, to seek additional, specific and prior approval from its Shareholders in general meeting by way of special resolution(s) for each buy back of A shares and to provide further information and details of such buy back of A shares in accordance with the requirements under applicable PRC laws and regulations and the Shanghai Listing Rules. The Company will at all times comply fully with all applicable PRC laws and regulations and the Shanghai Listing Rules and will seek additional, specific and prior approval from its Shareholders in general meeting by way of special resolution(s) for each buy back of A shares (if applicable).

### **(2) H Share Buy-back Mandate**

The PRC Company Law, to which the Company is subject and which has been incorporated into the Articles of Association, provides that a joint stock limited company incorporated in the PRC may not buy back its shares unless such buy back is effected for the purpose of (a) reducing its registered share capital; (b) in connection with a merger between itself and another entity that holds its shares; (c) granting shares as reward to the staff of the company; (d) the buy back is made at the request of its shareholders who disagrees with shareholders' resolutions in connection with a merger or division; (e) utilising the shares for conversion of corporate bonds which are convertible into shares issued by the Company; or (f) where it is necessary for safeguarding the value of the Company and the interests of its shareholders.

PRC laws and regulations and the Hong Kong Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the Directors to buy back H shares of such company that are listed on the Hong Kong Stock Exchange. Such mandate is required to be given by way of a special resolution passed by shareholders in general meeting and special resolutions passed by holders of domestic shares and overseas listed foreign shares in separate class meetings. Besides, the Company shall also carry out filings with the CSRC, if applicable, after the Company has bought back its Shares.

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### (3) General

Pursuant to the relevant regulatory requirements, it is proposed to the Shareholders at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting to consider and approve a general mandate to buy back domestic shares (A shares) and overseas-listed foreign invested shares (H shares) (the “**Buy-Back Mandate**”) to be granted to the Board by way of a special resolution so as to:

- (a) buy back, by reference to market conditions and in accordance with needs of the Company, domestic shares (A shares) not exceeding 10% of the total number of domestic shares (A shares) in issue at the time when this resolution is passed at the AGM and the relevant resolutions are passed at the Class Meetings, and use such shares for, including but not limited to, employee stock ownership plan or equity incentives, conversion of the corporate bonds issued by the Company that can be converted into shares, or maintenance of the value of the Company and the interests of its shareholders as necessary. Pursuant to PRC laws and regulations, in the case of buy back of A shares to be cancelled to reduce the registered capital, the Board of the Company will seek further approval from its shareholders in general meeting for each buy back of domestic shares (A shares) even where the general mandate is granted, but will not be required to seek shareholders’ approval at class meetings of domestic share (A share) shareholders or overseas-listed foreign invested share (H share) shareholders.
- (b) buy back, by reference to market conditions and in accordance with needs of the Company, overseas-listed foreign invested shares (H shares) not exceeding 10% of the total number of overseas-listed foreign invested shares (H shares) in issue at the time when this resolution is passed at the AGM and the relevant resolutions are passed at the Class Meetings.
- (c) and, including but not limited to the following:
  - (i) develop and implement specific buy-back plans, including but not limited to determining the timing, duration, price and quantity of such repurchases;
  - (ii) notify creditors and issue announcements;
  - (iii) open domestic and overseas share accounts and carry out related change of foreign exchange registration procedures;
  - (iv) carry out relevant approval procedures and filings with the CSRC following the repurchases, if applicable; and

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- (v) carry out the transfer or cancellation procedures for buy back shares based on the actual circumstances, make corresponding amendments to the Articles of Association relating to share capital and shareholdings etc, carry out modification registrations, and to deal with any other documents and matters related to share buy back (if involved).

The above Buy-back Mandate will expire on the earlier of (“**Relevant Period**”):

- (i) the conclusion of the 2024 annual general meeting of the Company;
- (ii) the expiration of a period of twelve months from the date of passing this special resolution at the AGM, A Shareholders Class Meeting and the H Shareholders Class Meeting; or
- (iii) the revocation or variation of the authority conferred by this resolution by a special resolution of shareholders at a general meeting, or at a class meeting of domestic share (A share) shareholders or overseas-listed foreign invested share (H share) shareholders.

Except where the Board has resolved to buy back domestic shares (A shares) or overseas-listed foreign invested shares (H shares) during the Relevant Period and the share buy-back is to be continued or implemented after the Relevant Period.

In accordance with the requirements of the Articles of Association applicable to capital reduction, the Company will have to notify its creditors of the passing of the resolution for the reduction of the registered capital of the Company within 10 days commencing from the day of such resolution being passed and also by way of the publication on a newspaper designated by the relevant regulatory authority in the place where the Company’s shares are listed within 30 days commencing from the day of the resolution. Creditors then have a period of up to 30 days after receiving the Company’s notice or if no such notice has been received, up to 45 days after the publication of the press announcement to require the Company to repay amounts due to them or to provide guarantees in respect of such amounts.

An explanatory statement giving certain information regarding the H Share Buy-back Mandate is set out in Appendix IV to this circular.

### VIII. AGM AND THE H SHAREHOLDERS CLASS MEETING

The Company proposes to convene the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting at Beijing Shengli Hotel, No. 3 Beishatan, Deshengmen Wai, Chaoyang District, Beijing, the PRC on Wednesday, 12 June 2024 at 9:00 a.m., 10:00 a.m. and 10:15 a.m. The notices, proxy forms and reply slips in connection with the AGM and the H Shareholders Class Meeting has been dispatched together with this circular to the Shareholders.

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Whether or not you are able to attend the AGM and/or the H Shareholders Class Meeting in person, please complete the proxy forms of the Company in accordance with the instructions printed thereon and return them to the office address of the Company or to Hong Kong Registrars Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as practicable and in any event no later than 24 hours before the time for holding the AGM or H Shareholders Class Meeting or any adjournment. Completion and return of the proxy forms will not preclude you from attending and voting in person at the AGM and/or the H Shareholders Class Meeting or any adjournment thereof (as the case may be) as you wish.

China Petrochemical Corporation and its associates (holding a total of approximately 70.18% equity interest in the Company's issued share capital, including approximately 56.51% shares of the Company held by China Petrochemical Corporation, and 13.67% shares of the Company held by Sinopec Century Bright Capital Investment Limited, a wholly-owned overseas subsidiary of China Petrochemical Corporation, through Hong Kong Securities Clearing Company (Nominees) Limited) will abstain from voting on the ordinary resolution in relation to the provision of counter-guarantee for China Petrochemical Corporation at the AGM.

Votes on the resolutions to be proposed at the AGM and the H Shareholders Class Meeting shall be taken by way of poll. The Company is required to notify Shareholders of any material changes to information contained in this circular as soon as possible subsequent to the publish of this circular and prior to the AGM and the H Shareholders Class Meeting.

### **IX. RECOMMENDATION**

The Board is of the view that all resolutions to be proposed at the AGM and the H Shareholders Class Meeting are in the interests of the Company and its Shareholders as a whole. Accordingly, the Directors advise the Shareholders to vote in favor of all resolutions proposed at the AGM and the H Shareholders Class Meeting.

**Mr. WU Bozhi<sup>#</sup>**, aged 53, is currently Secretary of the Party Committee of the Company. Mr. Wu is a professor-level senior engineer with a doctoral degree. Mr. Wu joined Shengli Petroleum Administrative Bureau of China Petrochemical Corporation in 1993, and was appointed as Deputy Manager of No. 3 Downhole Operation Company, Deputy Director of Exploration and Development Supervision Department, Deputy Head of Oil Production Department, Director of Tight Oil Reservoir Development Program Department, Head of Oil Production Department, Director and Safety Director of the Engineering Technology Management Center of Shengli Petroleum Administration Bureau consecutively; in January 2017, he was appointed as Deputy Director of Safety Supervision Bureau of China Petrochemical Corporation; in November 2018, he was appointed as General Manager and Deputy Secretary of the Party Committee of Sinopec Zhongyuan Oil Engineering Company Limited; in April 2021, he was appointed as Executive Director, Secretary of the Party Committee and General Manager of Sinopec Jingwei Company Limited; in September 2023, he was appointed as Executive Director and Secretary of the Party Committee of Sinopec Jingwei Company Limited. Since April 2024, he has served as Secretary of the Party Committee of the Company.

**Mr. ZHANG Jiankuo<sup>#</sup>**, aged 49, is currently Deputy General Manager of the Company. Mr. Zhang is a professor-level senior engineer with a master's degree. In 1999, Mr. Zhang joined Shengli Petroleum Administration Bureau of China Petrochemical Corporation and successively served as Deputy Manager of the Fourth Drilling Company, Manager of the Third Drilling Company, Deputy Chief Engineer, Deputy Manager and Manager of Yellow River Drilling Company of Shengli Petroleum Administration Bureau; in December 2018, he served as deputy general manager of Sinopec Shengli Oil Engineering Company Limited; in October 2020, he has been appointed as the Deputy General Manager of the Company; in June 2022, he was appointed as Deputy General Manager of Exploration & Production Department of China Petroleum & Chemical Corporation (“**Sinopec Corp.**”). Since December 2023, he has been appointed as the General Manager of the Company.

**Mr. ZHAO Jinhai<sup>+</sup>**, aged 53, is currently Executive Director and General Manager of Petroleum Engineering Technology Research Institute Co., Ltd. of China Petrochemical Corporation, and President of Petroleum Engineering Technology Research Institute of Sinopec Corp. Mr. Zhao is a professor-level senior engineer with a doctoral degree. Mr. Zhao joined Shengli Petroleum Administrative Bureau of China Petrochemical Corporation in 1996, and was appointed as Chief Engineer and Vice President of the Drilling Technology Research Institute of Shengli Petroleum Administrative Bureau consecutively; in March 2018, he was appointed as General Manager of Sinopec Houston R&D Center; in April 2021, he was appointed as Deputy General Manager of Petroleum Engineering Technology Research Institute Co., Ltd. of China Petrochemical Corporation and Vice President of Petroleum Engineering Technology Research Institute Sinopec Corp. Since May 2022, he has been appointed as Executive Director and General Manager of Petroleum Engineering Technology Research Institute Co., Ltd. of China Petrochemical Corporation, and President of Petroleum Engineering Technology Research Institute of Sinopec Corp.

**Mr. DU Kun<sup>+</sup>**, aged 45, is currently Deputy General Manager of Exploration & Production Department of Sinopec Corp. Mr. Du is a senior engineer with a master's degree. Mr. Du joined Shengli Petroleum Administrative Bureau of China Petrochemical Corporation in 2000, and was appointed as Manager of Yan'an Project Management Department of Sinopec Shengli Oil Engineering Company Limited (middle-level deputy position), Manager of Fuling Project Management Department (middle-level deputy position), Manager of Southwest Branch & Manager of Fuling Project Management Department consecutively; in December 2020, he was appointed as Deputy General Manager of Sinopec Shengli Oil Engineering Company Limited; in August 2022, he was appointed as Deputy General Manager of the Company. Since April 2024, he has served as Deputy General Manager of Exploration & Production Department of Sinopec Corp.

**Ms. ZHANG Lili<sup>+</sup>**, aged 50, is currently Deputy General Manager of the Finance Department of China Petrochemical Corporation. Ms. Zhang is a professor-level senior accountant with a bachelor's degree. In 1995, Ms. Zhang joined Sinopec Corp. Tianjin Branch, and was appointed as Deputy Head and Head of the Finance Department of China Petrochemical Corporation Chemical Commercial Holding Company Limited; in April 2018, she was appointed as Chief Accountant of Sinopec Corp. Guangxi Petroleum Branch; in December 2020, she was appointed as Chief Accountant of Sinopec Corp. Beijing Yanshan Branch. Since December 2022, she has served as Deputy General Manager of the Finance Department of China Petrochemical Corporation.

**Mr. XU Keyu<sup>+</sup>**, aged 35, is currently a director of the second investment department of China Chengtong Fund Management Co., Ltd. He is graduated with a master's degree. Mr. Xu served as a senior manager of the investment banking department of Hua Chuang Securities Co., Ltd. in July 2014; a deputy general manager of the investment banking department of Minsheng Royal Asset Management Co., Ltd. in May 2016; and a director of the second investment department of China Chengtong Fund Management Co., Ltd. in August 2017. He has concurrently served as a director of CIX Technology (Shanghai) Co., Ltd. since October 2023.

**Mr. ZHENG Weijun\***, aged 57, is currently an independent non-executive Director of the Company and supervisor of ShineWing International Investment Group Co., Ltd. Mr. Zheng graduated from MBA and is a certified public accountant, certified tax agent, senior accountant, senior member of the Chinese Institute of Certified Public Accountants, a leading talent in the national certified public accountant industry of the Ministry of Finance and an extracurricular tutor for master's degree students in the college of accounting, Central University of Finance and Economics. Mr. Zheng served as a full-time member of the 13th, 14th and 15th Main Board Issuance Review Committee of the CSRC, and a member of the Professional Ethics Standards Committee and Professional Technical Steering Committee of the Chinese Institute of Certified Public Accountants. From November 2001 to September 2023, he was a partner of ShineWing Certified Public Accountant. Since October 2023, he has been a supervisor of ShineWing International Investment Group Co., Ltd. Since September 2018, he has been a director of Hehui Group Co., Ltd. Since July 2021, he served as an

independent director of Shanghai Yaohua Pilkington Glass Group Co., Ltd. Since April 2023, Mr. Zheng served as an independent director of Huachuang Yunxin Digital Technology Service Co., Ltd, and he has been appointed as the independent non-executive Director of the Company since February 2021.

**Mr. WANG Pengcheng\***, aged 53, holds a doctoral degree. He is currently a professor and doctoral supervisor at the Business School of Beijing Technology and Business University, and concurrently serves as the director of the Corporate Accounting Standards Specialized Committee of Accounting Society of China, expert member of the ESG Specialized Committee and vice chairman of the CFO Specialized Committee of China Association for Public Companies. Mr. Wang has served successively as a partner of Pan-China Certified Public Accountants, a partner of Deloitte Touche Tohmatsu, and the chief operating officer and the managing partner of audit services of Greater China of Ernst & Young. Since August 2023, he has served as an independent director, the chairman of the audit committee, and a member of each of the nomination and remuneration committee and the related party transactions control committee of the board of the People’s Insurance Company (Group) Of China Limited.

**Ms. LIU Jiangning\***, aged 45, is currently a vice dean, professor and doctoral supervisor of Institute of Common Prosperity, University of International Business and Economics. Ms. Liu is a post-doctoral fellow in economics at Peking University and a doctor of Law at Shandong University. In October 2017, Ms. Liu was selected by the Ministry of Education for the honour of “National Ideological and Political Theory Teaching Expert in Colleges and Universities”, and won the award of “Outstanding Paper of Chinese Young Economic Scholars” in 2018 and 2019. Her main research area is the theory and practice of socialist economy with Chinese characteristics.

# Candidate for Executive Director

+ Candidate for Non-executive Directors

\* Candidate for Independent Non-executive Director

**Mr. WANG Jun**, aged 56, is currently Chairman of the Supervisory Committee of the Company. Mr. Wang is a professor-level senior administration engineer with a master's degree. In 1990, Mr. Wang joined Shengli Petroleum Administrative Bureau of China Petrochemical Corporation, and was appointed as Deputy Secretary of Youth League Committee of Shengli Petroleum Administrative Bureau, Deputy Secretary of the Party Committee and Secretary of the Party Committee of Bohai Drilling Corporation, Deputy Secretary of Discipline Inspection Committee and Head of Supervision Department of Shengli Petroleum Administrative Bureau consecutively; in August 2017, he was appointed as Deputy Secretary of the Party Committee, Secretary of Discipline Inspection Committee, Chairman of Labour Union and Supervisor of Sinopec Shengli Oil Engineering Company Limited. Since January 2022, he has served as Deputy Secretary of the Party Committee, Secretary of Discipline Inspection Committee and Chairman of Labour Union of the Company; since May 2022, he has served as Chairman of the Supervisory Committee of the Company.

**Mr. ZHANG Kun**, aged 50, is currently Secretary of Youth League Committee (department chief), Deputy Director of the Political Work Department and Direct Secretary of the Discipline Inspection Committee of China Petrochemical Corporation. Mr. Zhang is a professor-level senior administration engineer with a bachelor's degree. In 1996, Mr. Zhang joined Sinopec Corp. Beijing Design Institute, and was appointed as Deputy Head and Head of the Ideological and Political Work Department of China Petrochemical Corporation consecutively; in December 2012, he was appointed as Deputy Secretary of the Party Committee, Secretary of the Discipline Inspection Committee and Chairman of Labour Union of Sinopec Corp. Cangzhou Petroleum Refinery; in January 2018, he was appointed as Secretary of the Party Committee and Vice President of Sinopec Corp. Cangzhou Petroleum Refinery; in December 2019, he was appointed as Secretary of Youth League Committee and Deputy Director of the Political Work Department of China Petrochemical Corporation; in May 2021, he concurrently served as the Direct Secretary of Discipline Inspection Committee. Since September 2023, he has served as Secretary of the Youth League Committee (department chief), Deputy Director of the Political Work Department and Direct Secretary of the Discipline Inspection Committee of China Petrochemical Corporation.

**Mr. ZHANG Xiaofeng**, aged 54, is currently Deputy General Manager of the Business Reform and Legal Affairs Department of China Petrochemical Corporation. Mr. Zhang is a senior economist with a bachelor's degree. In 1995, he joined Sinopec Corp. Yihua Company, and was appointed as Deputy Head and Head of the Legal Affairs Department of China Petrochemical Corporation; in January 2018, he was appointed as Deputy Director of the Legal Affairs Department of China Petrochemical Corporation; since August 2019, he has concurrently served as Supervisor of Sinopec Oilfield Equipment Corporation; since December 2019, he has served as Deputy General Manager of the Business Reform and Legal Affairs Department of China Petrochemical Corporation; and since June 2020, he has concurrently served as Supervisor of Sinopec Shanghai Petrochemical Company Limited.

**Mr. LI Wei**, aged 47, is currently Deputy General Manager of the Audit Department and Deputy Director of the Audit Committee Office of the Party Committee of China Petrochemical Corporation. Mr. Li is a senior auditor with a master's degree. In 1999, Mr. Li joined the Audit Bureau of China Petrochemical Corporation, and was appointed as Deputy Head and Head of the Audit Bureau of China Petrochemical Corporation, and Head and Director of the Audit Department of China Petrochemical Corporation. Since January 2022, he has served as Deputy General Manager of the Audit Department of China Petrochemical Corporation, and Deputy Director of the Audit Committee Office of the Party Committee.

Unit: 100 million Currency: RMB

Guarantor	Guaranteed entities	Shareholding percentage held by the guarantor	Gearing ratio of guaranteed entities as of the latest reporting period	Balance of guarantee as of the end of 2023	Guarantee amount	Proportion of guarantee amount to the net assets of listed company for the latest reporting period	Estimated validity period of the guarantee	Related guarantee	Counter guarantee
I. Guarantees to subsidiaries are estimated to:									
1. Subsidiaries with a gearing ratio of 70% or more									
Company	Sinopec Shengli Oil Engineering Company Limited	100.00%	96.70%	17.95	23.00	28.67%	commencing from the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting	No	No
	Sinopec Zhongyuan Oil Engineering Company Limited	100.00%	99.31%	24.84	50.00	62.32%		No	No
	Sinopec Jiangnan Oil Engineering Company Limited	100.00%	75.17%	7.55	7.00	8.72%		No	No
	Sinopec East China Oil Engineering Company Limited	100.00%	88.79%	10.67	14.00	17.45%		No	No
	Sinopec Oil Engineering and Construction Corporation	100.00%	95.75%	25.92	50.00	62.32%		No	No

Guarantor	Guaranteed entities	Shareholding percentage held by the guarantor	Gearing ratio of guaranteed entities as of the latest reporting period	Balance of guarantee as of the end of 2023	Guarantee amount	Proportion of guarantee amount to the net assets of listed company for the latest reporting period	Estimated validity period of the guarantee	Related guarantee	Counter guarantee
	Sinopec Oil Engineering Geophysical Company Limited	100.00%	93.90%	7.23	9.00	11.22%		No	No
2. Subsidiaries with a gearing ratio less than 70%									
Company	Sinopec Southwest Oil Engineering Company Limited	100.00%	48.90%	1.80	3.15	3.93%	commencing from the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting	No	No
	Sinopec North China Oil Engineering Company Limited	100.00%	58.11%	11.58	10.00	12.46%		No	No
	Sinopec Jingwei Co., Ltd.	100.00%	66.64%	3.73	8.00	9.97%		No	No
	Sinopec Shanghai Offshore Oil Engineering Company Limited	100.00%	9.79%	–	1.00	1.25%		No	No
	Sinopec International Petroleum Service Corporation	100.00%	55.73%	163.70	289.85	361.27%		No	No

Guarantor	Guaranteed entities	Shareholding percentage held by the guarantor	Gearing ratio of guaranteed entities as of the latest reporting period	Balance of guarantee as of the end of 2023	Guarantee amount	Proportion of guarantee amount to the net assets of listed company for the latest reporting period	Estimated validity period of the guarantee	Related guarantee	Counter guarantee
Company	Mexico DS Company	50.00%	67.86%	19.5	19.5	24.31%	commencing from the date of approval by the shareholders at the AGM until the conclusion of the 2024 annual general meeting	No	Yes

II. Guarantee for the joint venture and associates is estimated to:

*Note:* The guarantee amount of the Company provided to Mexico DS Company above involves foreign currencies, which are calculated at the mid-rate of RMB7.0827 to US\$1 in the interbank foreign exchange market as of 29 December 2023 as announced by the China Foreign Exchange Trade Center, and the actual exchange rate at that time when the guarantee actually occurs shall prevail.

In accordance with the Hong Kong Listing Rules, this appendix serves as the explanatory statement to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the special resolution(s) to be proposed at the AGM, the A Shareholders Class Meeting and the H Shareholders Class Meeting for the grant of the H Share Buy-back Mandate to the Directors.

## **H SHARE BUY-BACK MANDATE**

### **Reasons for Buying back H Shares**

The Directors believe that the flexibility afforded by the H Share Buy-back Mandate would be beneficial to and in the best interests of the Company and its Shareholders. Such buy backs may, depending on market conditions and funding arrangements at such time, lead to an enhancement of the net asset value per share and/or earnings per share of the Company. Such buy backs will only be made when the Directors believe that such buy backs will benefit the Company and its Shareholders.

### **Registered Capital**

As at the Latest Practicable Date, the registered capital of the Company was RMB18,984,340,033 comprising 5,414,961,482 H Shares of RMB1.00 each and 13,569,378,551 A Shares of RMB1.00 each.

### **Exercise of the H Share Buy-back Mandate**

Subject to the passing of the relevant special resolution(s) set out in the notice of AGM, the special resolution(s) approving the grant to the Board of the H Share Buy-back Mandate at the A Shareholders Class Meeting and H Shareholders Class Meeting respectively, the Board will be granted the H Share Buy-back Mandate until the earlier of: (a) the conclusion of the 2024 annual general meeting of the Company; (b) the expiration of a period of twelve months from the date of passing this special resolution at the AGM, A Shareholders Class Meeting and H Shareholders Class Meeting; or (c) the revocation or variation of the authority conferred by the relevant special resolution by a special resolution of shareholders at a general meeting, or at a class meeting of domestic share (A share) shareholders or overseas-listed foreign invested share (H share) shareholders (“**Relevant Period**”). The exercise of the H Share Buy-back Mandate is subject to relevant approval(s) of and/or filings with regulatory authorities as required by the laws, rules and regulations of the PRC being obtained and/or carried out.

The exercise in full of the H Share Buy-back Mandate (on the basis of 5,414,961,482 H Shares in issue as at the Latest Practicable Date and there is no change to the number of issued H Shares prior to the date of the AGM, the A Shareholders Class Meeting and H Shareholders Class Meeting) would result in a maximum of 541,496,148 H Shares being bought back by the Company during the Relevant Period, being the maximum of 10% of the total H Shares in issue as at the date of passing the relevant resolution(s).

The Company may cancel the Shares bought back under the H Share Buy-back Mandate, and/or (subject to the amendments to the Hong Kong Listing Rules relating to treasury shares published by the Hong Kong Stock Exchange on 12 April 2024 becoming effective on 11 June 2024) hold them as treasury shares subject to, for example, market conditions, purposes of buy backs and its capital management needs at the relevant time of the buy backs.

### **Funding of Buy Backs**

In buying back its H Shares, the Company intends to apply funds from the Company's internal resources (which may include surplus funds and retained profits) legally available for such purpose in accordance with the Articles of Association and the applicable laws, rules and regulations of the PRC. The Company may not buy back securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange from time to time.

### **GENERAL**

The Directors consider that there would not be a material adverse impact on the working capital and on the gearing position of the Company in the event that the H Share Buy-back Mandate is to be exercised in full at any time during the proposed buy back period (as compared with the position disclosed in the latest published audited accounts contained in the annual report of the Company for the year ended 31 December 2023). However, the Directors do not propose to exercise the H Share Buy-back Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels of the Company. The number of H Shares to be bought back on any occasion and the price and other terms upon which the same are bought back will be decided by the Directors at the relevant time having regarded to the circumstances then prevailing, in the best interests of the Company.

The Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make buy backs under the H Share Buy-back Mandate in accordance with the Hong Kong Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC. Neither the Explanatory Statement nor the proposed share buy-back has any unusual features.

**H SHARES PRICES**

The highest and lowest prices at which the H shares have been traded on the Hong Kong Stock Exchange during each of the twelve months preceding the Latest Practicable Date were as follows:

<b>Date</b>	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
<b>2023</b>		
April	0.68	0.61
May	0.68	0.56
June	0.58	0.52
July	0.60	0.53
August	0.62	0.57
September	0.66	0.60
October	0.62	0.55
November	0.56	0.50
December	0.51	0.46
<b>2024</b>		
January	0.51	0.415
February	0.49	0.43
March	0.51	0.465
April (up to the Latest Practicable Date)	0.55	0.48

**H SHARE BOUGHT BACK BY THE COMPANY**

No buy back of H Shares has been made by the Company in the previous six months preceding the Latest Practicable Date (whether on the Hong Kong Stock Exchange or otherwise).

**DISCLOSURE OF INTERESTS**

If as a result of a share buy back by the Company, a substantial shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a shareholder, or group of shareholders acting in concert, could obtain or consolidate control of the Company or become obligated to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The Directors are not aware of any consequences which will arise under the Takeovers Code and/or any similar applicable law, as a result of any buy backs to be made under the H Share Buy-back Mandate. Moreover, the Directors will not make share buy back on the Hong Kong Stock Exchange if such buy back would result in the requirements under Rule 8.08 of the Hong Kong Listing Rules not being complied with.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates presently intends to sell H Shares to the Company under the H Share Buy-back Mandate in the event that the H Share Buy-back Mandate is approved by the Shareholders and the conditions (if any) to which the H Share Buy-back Mandate is subject are fulfilled.

The Company has not been notified by any core connected persons (as defined in the Hong Kong Listing Rules) of the Company that they have a present intention to sell any H Shares to the Company, or that they have undertaken not to sell any H Shares held by them to the Company in the event that the H Share Buy-back Mandate is approved by its Shareholders and the conditions (if any) to which the H Share Buy-back Mandate is subject are fulfilled.

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## Sinopec Oilfield Service Corporation

(a joint stock limited company established in the People's Republic of China)  
(Stock code: 1033)

### Notice of 2023 Annual General Meeting

**Notice Is Hereby Given** that 2023 Annual General Meeting (the “AGM”) of Sinopec Oilfield Service Corporation (the “Company”) will be held at Beijing Shengli Hotel, No. 3 Beishatan, Deshengmen Wai, Chaoyang District, Beijing, the People’s Republic of China (the “PRC”) on Wednesday, 12 June 2024 at 9:00 a.m. in the form of on-site meeting. The AGM will be convened by the board of the directors of the Company (the “Board”). The following resolutions will be considered and approved at the AGM:

<b>Non-cumulative Voting Resolutions</b>	
1.	To consider and approve the Report of the Board of the Directors of the Company for the year 2023
2.	To consider and approve the Report of the Supervisory Committee of the Company for the year 2023
3.	To consider and approve the audited financial statements and the auditor’s report of the Company for the year 2023
4.	To consider and approve the profit distribution plan of the Company for the year 2023
5.	To consider and approve the resolution to re-appoint the Company’s external auditor for the year 2024
6.	To consider and approve the annual cap of continuing related transactions between the Company and China Oil & Gas Pipeline Network Corporation for 2024
7.	To consider and approve the resolution on the remuneration of the directors and supervisors of the Company for the year 2023
8.	To consider and approve the resolution on the provision of counter-guarantee to China Petrochemical Corporation
9.	To consider and approve the resolution on the remuneration policy for the 11th session of the board of directors and the 11th session of the supervisory committee of the Company
10.	To consider and approve the resolution on the provision of guarantee for wholly-owned subsidiaries and joint venture
11.	To consider and approve the resolution on the authorisation to the Board to repurchase domestic shares and/or overseas-listed foreign shares of the Company

<b>Cumulative Voting Resolutions</b>	
12.	To consider and approve the resolution on the election of the directors (excluding independent non-executive directors) of the 11th session of the board of directors of the Company
12.01	Mr. Wu Bozhi
12.02	Mr. Zhang Jiankuo
12.03	Mr. Zhao Jinhai
12.04	Mr. Du Kun
12.05	Ms. Zhang Lili
12.06	Mr. Xu Keyu
13.	To consider and approve the resolution on the election of the independent non-executive directors of the 11th session of the board of directors of the Company
13.01	Mr. Zheng Weijun
13.02	Mr. Wang Pengcheng
13.03	Ms. Liu Jiangning
14.	To consider and approve the resolution on the election of the non-employee representative supervisors of the 11th session of the supervisory committee of the Company
14.01	Mr. Wang Jun
14.02	Mr. Zhang Kun
14.03	Mr. Zhang Xiaofeng
14.04	Mr. Li Wei

The details of the resolutions No. 1, 2, 3 and 4 are available in the annual report of the Company for the year 2023 to be published. The details of the resolutions No. 5 to 14 are included in the AGM circular issued by the Company to H shareholders and resolutions No. 10 and 11 are special resolutions. The Board considers that the resolutions hereto are in the interests of the Company and its shareholders as a whole. Accordingly, the Board recommends the shareholders to vote in favour of all the resolutions to be proposed at the AGM as set out in this notice.

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

Beijing, PRC, 22 April 2024

Notes:

## **I. ATTENDEE OF AGM**

### **1. Eligibility for attending the AGM**

Holders of A shares of the Company whose names appear on the domestic shares register maintained by China Securities Depository & Clearing Corporation Limited, Shanghai Branch and holders of H shares of the Company whose names appear on the register of members maintained by Hong Kong Registrars Limited at the close of business on Monday, 13 May 2024 (Hong Kong time) are eligible to attend the AGM. The H share register of members of the Company will be closed from Saturday, 11 May 2024 to Wednesday, 12 June 2024 (both days inclusive), during which period no transfer of H shares will be effected. Holders of H shares who wish to attend the AGM shall lodge their share certificates accompanied by the transfer documents with Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 10 May 2024 (Hong Kong time).

### **2. Proxy**

- (1) A shareholder of the Company (“**Shareholder(s)**”) eligible to attend and vote at the AGM is entitled to appoint, in written form, one or more proxies to attend and vote on its behalf. A proxy need not be a Shareholder.
- (2) A proxy should be appointed by a written instrument signed by the Shareholder or its attorney duly authorised in writing. If the form of proxy is signed by the attorney duly authorised by the Shareholder, the power of attorney authorising that attorney to sign or other authorisation document(s) must be notarised.
- (3) To be valid, the power of attorney or other authorisation document(s) which have been notarised together with the completed form of proxy must be delivered to the business address of the Company or the Share Registrar of H shares of the Company, Hong Kong Registrars Limited, not less than 24 hours before the designated time for holding the AGM (no later than Hong Kong time 9 a.m. on 11 June 2024) or any adjournment. Business address of the Company is No. 9 Jishikou Road, Chaoyang District, Beijing, the PRC, the address of Hong Kong Registrars Limited is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment if he or she so desires and in such event, the form of proxy shall be deemed to be revoked.
- (4) Shareholders or their proxies may exercise the right to vote by poll.

### **3. The directors, supervisors and senior management of the Company**

### **4. Legal advisors of the Company**

## **II. REGISTRATION PROCEDURES FOR ATTENDING THE AGM**

1. A Shareholder or his/her/its proxy shall produce proof of identity when attending the AGM. If a Shareholder is a legal person, its legal representative or other persons authorised by the board of directors or other governing body of such Shareholder may attend the AGM by producing a copy of the resolution of the board of directors or other governing body of such Shareholder appointing such persons to attend the AGM.
2. Shareholders intending to attend the AGM should return the reply slip for attending the AGM to the Company on or before Thursday, 23 May 2024.
3. Shareholders may send the reply slip to the Company in person, by post or by fax.

## **III. CUMULATIVE VOTING SYSTEM**

In respect of resolutions No. 12 and 13 regarding election of directors and resolution No. 14 regarding election of supervisors, as required under Article 134 of the articles of association of the Company, the “cumulative voting system” shall be adopted to vote and tally the voting results for those resolutions.

In the election of directors, independent non-executive directors (the “**Independent Directors**”) and other Board members shall be elected separately. To ensure that your voting rights are fully exercised, the following notes basing on resolution No. 12 as an example briefly explain the matters that you should be aware of when filling in the “cumulative voting system” (matters to be aware of in respect of resolutions No. 13 and 14 are the same as those for resolution No. 12). Please refer to the following explanation and fill in your votes for resolutions No. 12, 13 and 14:

1. In respect of resolution No. 12, each share you hold has voting rights equal to the total number of directors to be elected. For example, if you hold 1 million shares of the Company, and the total number of directors to be elected is 6, the total number of shares for which you have the voting rights under resolution No. 12 will be 6 million shares (i.e. 1 million shares  $\times$  6 = 6 million shares).
2. Please state the number of votes with voting rights in the column “for” and/or “against” you give to each of the candidates for election as director. Please note that you may vote for each of the director candidates with the same number of shares held by you, or you may vote for a particular director candidate with all the voting rights represented by all the shares held by you corresponding to the number of directors to be elected, or you may vote for a certain number of director candidates (one, two, three up to six, as hereinafter referred to) with a part of voting rights represented by all the shares held by you corresponding to the number of directors to be elected respectively. For example, if you own 1 million shares of the Company, and 6 directors (excluding Independent Directors) shall be elected at the AGM, the total number of shares for which you have the voting rights under resolution No. 12 is 6 million shares. Out of the 6 million shares, you can either share your voting rights equally to 6 candidates for election as directors so that you may vote 1 million shares to each candidate (either for or against), or give all of the 6 million votes to one particular director candidate (either for or against), or give 2 million shares to candidate A (either for or against), 1 million shares to candidate B (either for or against), 0.5 million shares to candidate C (either for or against), and the remaining 2.5 million shares to candidate D (either for or against) as director.
3. After you have allocated all the voting rights represented by all the shares held by you corresponding to the number of directors to be elected to a certain number of director candidates (excluding Independent Directors), you do not have further voting rights in respect of other director candidates (excluding Independent Directors). The sum of all the voting rights you voted for or against the six candidates for election as directors (excluding Independent Directors) shall not exceed the total number of voting rights represented by the shares held by you.
4. Please note with particular attention that, if the total number of votes you have exercised and allocated to a certain number of candidates for non-Independent Director exceeds the total number of voting rights represented by the shares held by you, all your votes shall become void, and you will be deemed to be abstained from voting. If the total number of votes you have exercised and allocated to a certain number of candidates for non-Independent Director is less than the total number of voting rights represented by the shares held by you, your votes are valid, and those votes not exercised will be deemed as being abstained from voting. For example, if you own 1 million shares, and 6 directors (excluding Independent Directors) shall be elected in this election, the total number of votes as represented by your shares under resolution No. 12 will be 6 million: (a) if you have stated “6 million shares” in the column “for” (or “against”) in the cumulative voting system in favour of one particular director candidate, then your voting rights are fully utilized, and you do not have any further votes in relation to other director candidates. If you have states the number of shares (other than 0 shares) in other corresponding columns under resolution No. 10, then all your votes in respect of resolution No. 10 will become void; or (b) if you have stated “4 million shares” in the column “for” (or “against”) in the column voting system in favour of director candidate A, and “1 million shares” in the column “for” (or “against”) in the cumulative voting system in favour of director candidate B, then your votes as represented by such 5 million shares are valid, whilst the remaining 1 million shares which have not been allocated shall be deemed to have been abstained from voting.
5. Where the total number of votes in favour of a director candidate exceeds one-half of the total number of shares with voting rights represented by shareholders attending the AGM (based on the non-cumulative number of shares) will be elected as a director. If the number of directors so elected exceeds the number of directors to be elected, then those receiving the most number of votes in favour shall be elected as directors. If an insufficient number of directors to be elected, then a further round of voting will be conducted among the unsuccessful candidates for the remaining director vacancy, until all the directors have been elected.

#### IV. MISCELLANEOUS

1. The Board considers that the AGM is an important opportunity for Shareholders to participate and express their views by raising questions and voting. As such, the Board wishes to emphasize that the Shareholders can raise questions during the AGM. The questions raised by Shareholders at the AGM and those submitted beforehand will be addressed by the Company as far as possible.
2. The AGM will not last for more than one working day. Shareholders and proxies attending the AGM shall be responsible for their own traveling, food and accommodation expenses.
3. The address of the Share Registrar for A shares of the Company, China Securities Registration and Clearing Company Limited, Shanghai Branch Company is at No. 188 Yanggao South Road, China (Shanghai) Pilot Free Trade Zone.
4. The address of the Share Registrar of H shares of the Company, Hong Kong Registrars Limited is at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
5. Business Address of the Company:  
No. 9 Jishikou Road, Chaoyang District, Beijing, the PRC  
Telephone: 86-10-59965998  
Facsimile: 86-10-59965997  
Postal Code: 100728

*As at the date of this announcement, the Board of Directors comprises Mr. Chen Xikun<sup>#</sup>, Mr. Fan Zhonghai<sup>+</sup>, Mr. Wei Ran<sup>+</sup>, Mr. Zhou Meiyun<sup>+</sup>, Mr. Chen Weidong<sup>\*</sup>, Mr. Dong Xiucheng<sup>\*</sup> and Mr. Zheng Weijun<sup>\*</sup>.*

- <sup>#</sup> Executive Director
- <sup>+</sup> Non-Executive Director
- <sup>\*</sup> Independent Non-Executive Director

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**Sinopec Oilfield Service Corporation**  
(a joint stock limited company established in the People's Republic of China)  
(Stock code: 1033)

**Notice of the First H Shareholders Class Meeting for 2024**

**Notice is Hereby Given** that the first H shareholders class meeting for 2024 (the “**H Shareholders Class Meeting**”) of Sinopec Oilfield Service Corporation (中石化石油工程技術服務股份有限公司) (the “**Company**”) will be held at Beijing Shengli Hotel, No. 3 Beishatan, Deshengmen Wai, Chaoyang District, Beijing, the People's Republic of China (the “**PRC**”) on Wednesday, 12 June 2024 at 10:15 a.m. for the purpose of considering and, if thought fit, passing the following resolution. This notice should be read together with the circular of the Company in relation to the annual general meeting for 2023.

**By way of special resolution:**

1. To consider and approve the authorisation to the Board to repurchase domestic shares and/or overseas-listed foreign shares of the Company.

Details of the abovementioned resolution are included in the circular despatched by the Company to H shareholders. Unless otherwise stated, terms defined in the circular shall have the same meanings as in this notice.

For and on behalf of the Board of Directors  
**Shen Zehong**  
Company Secretary

Beijing, PRC, 22 April 2024

*Notes:*

1. According to the Articles of Association, a holder of H share whose name is in the register of members of the Company as at the close of business on Monday, 13 May 2024 shall be entitled to attend and vote at the H Shareholders Class Meeting. The register of holders of H shares of the Company will be closed from Saturday, 11 May 2024 to Wednesday, 12 June 2024, both days inclusive, for the purpose of determining a shareholders' list for the H Shareholders Class Meeting. In order to qualify for attending the H Shareholders Class Meeting, holders of H shares who wish to attend the H Shareholders Class Meeting must lodge their transfer documents together with the relevant share certificates with the Company's H share registrars in Hong Kong, Hong Kong Registrars Limited at Rooms 1712-1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Friday, 10 May 2024.
2. Those H shareholders intending to attend the H Shareholders Class Meeting shall return the reply slip to the business address of the Company on or before Thursday, 23 May 2024. Eligible shareholders as shown in Note 1 who fail to return the reply slip can still attend and vote at the H Shareholders Class Meeting.
3. Shareholders attending the H Shareholders Class Meeting shall present their own identity cards as well as their shareholding account cards (if applicable).
4. A shareholder or his proxy may exercise the right to vote by poll.
5. Any shareholder eligible to attend and vote at the H Shareholders Class Meeting is entitled to appoint one or more proxies to attend and on its behalf. A proxy need not be a shareholder of the Company. In the event the shareholder is a body corporate, such shareholder shall be represented in the H Shareholders Class Meeting by the legal representative or such person authorised by the resolution of the board of directors or decision-making body of such shareholder.
6. The form of proxy shall be in writing signed by the appointing shareholder or his/her attorney duly authorised in writing. If the appointing shareholder is a body corporate, the form of proxy shall either be under seal or signed by the director or attorney duly authorised. If form of proxy is signed by a person under a power of attorney or other authorisation document on behalf of the appointing shareholder. Such power of attorney or authorisation document must be notarised.
7. To be valid, the original power of attorney or other authorisation document(s) which has been notarised together with the completed form of proxy must be returned to the Company's business address or the Hong Kong Registrars Limited (the address is 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong) no less than 24 hours before the designated time for holding the H Shareholders Class Meeting (i.e. before 10:15 a.m. on 11 June 2024 Hong Kong time). Holders of H Shares who have completed and returned their forms of proxy may, at their sole discretion, attend in person and vote at the H Shareholders Class Meeting or any adjourned meeting.
8. H shareholders or their proxies attending the H Shareholders Class Meeting when voting on any resolution shall clearly signify whether he or she is voting for or against such resolution. When the Company is counting the votes on any resolution, those who abstain from voting would not be regarded as having a right to vote.
9. The Board considers that the H Shareholders Class Meeting is an important opportunity for H shareholders to participate and express their views by raising questions and voting. As such, the Board wishes to emphasize that the H shareholders can raise questions during the H Shareholders Class Meeting. The questions raised by H shareholders at the H Shareholders Class Meeting and those submitted beforehand will be addressed by the Company as far as possible.
10. The H Shareholders Class Meeting is expected to last for a half day. Shareholders and proxies attending the H Shareholders Class Meeting shall bear for their own traveling, food and accommodation expenses.

11. Business Address of the Company:

#9 Jishikou Road, Chaoyang District, Beijing, the PRC  
Postal Code: 100728  
Telephone: 86-10-59965998  
Facsimile: 86-10-59965997

*As at the date of this notice, the Board of Directors comprises Mr. Chen Xikun<sup>#</sup>, Mr. Fan Zhonghai<sup>+</sup>, Mr. Wei Ran<sup>+</sup>, Mr. Zhou Meiyun<sup>+</sup>, Mr. Chen Weidong<sup>\*</sup>, Mr. Dong Xiucheng<sup>\*</sup> and Mr. Zheng Weijun<sup>\*</sup>.*

- # Executive Director
- + Non-Executive Director
- \* Independent Non-Executive Director