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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 licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China Oilfield Services Limited, you should at once hand this circular, together with the enclosed proxy form, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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COSL**中海油田服务股份有限公司
China Oilfield Services Limited**

(Incorporated in the People's Republic of China as a joint stock limited liability company)

(Stock Code: 2883)

**AUDITED FINANCIAL STATEMENTS AND
THE REPORT OF THE AUDITOR FOR THE YEAR 2023
PROPOSED PROFIT DISTRIBUTION PLAN AND FINAL DIVIDEND DISTRIBUTION
PLAN FOR THE YEAR 2023
REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023
REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023
PROPOSED APPROVAL OF THE RE-APPOINTMENT OF THE AUDIT FIRMS
PROPOSED US DOLLAR LOANS EXTENSION BY THE WHOLLY-OWNED
SUBSIDIARY, COSL MIDDLE EAST FZE, AND THE PROVISION OF
GUARANTEE BY THE COMPANY THEREOF
PROPOSED RE-APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR
PROPOSED AMENDMENTS TO THE INDEPENDENT DIRECTOR SYSTEM
PROPOSED CHANGE OF THE SCOPE OF BUSINESS AND
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION
PROPOSED PROVISION OF GUARANTEES FOR THE WHOLLY-OWNED
SUBSIDIARIES OF THE COMPANY
PROPOSAL FOR GENERAL MANDATE TO ISSUE H SHARES
PROPOSAL FOR GENERAL MANDATE TO BUY BACK A SHARES AND H SHARES
AND
NOTICE OF ANNUAL GENERAL MEETING
NOTICE OF 2024 FIRST CLASS MEETING OF THE HOLDERS OF H SHARES**

A letter from the Board is set out on pages 4 to 35 of this Circular.

Notices convening the Annual General Meeting and the H Shareholders' Class Meeting to be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC on Tuesday, 28 May 2024 at 10:00 a.m. and 10:30 a.m., respectively, are set out on pages 56 to 63 of this circular.

Proxy form for use at the said meetings are enclosed herewith.

Shareholders who intend to appoint a proxy to attend the meetings are requested to complete the proxy form in accordance with the instructions printed thereon. The proxy form shall be lodged with the registrar of H Shares of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for the holding of the relevant meeting or any adjournment thereof (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting(s) or any adjournment thereof should you so wish.

29 April 2024

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DEFINITIONS

In this circular, the following expressions have the following meanings, unless the context otherwise requires:

“A Share(s)”	domestic share(s) of nominal value of RMB1.00 each in the capital of the Company which are listed on the Shanghai Stock Exchange;
“A Share Buy-back Mandate”	the general mandate to exercise the power of the Company to buy back A Shares not exceeding 10% of the number of A Shares in issue as at the date of passing the proposed resolution(s) approving the A Share Buy-back Mandate at the Annual General Meeting, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting, details of which are set out in the notice of the Annual General Meeting and the notice of the H Shareholders’ Class Meeting;
“A Shareholder(s)”	holders of A Share(s);
“A Shareholders’ Class Meeting”	the class meeting of the A Shareholders to be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC, at 10:15 a.m. on Tuesday, 28 May 2024;
“Annual General Meeting” or “AGM”	the Annual General Meeting of the Company to be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC, at 10:00 a.m. on Tuesday, 28 May 2024;
“Articles of Association”	the articles of association of the Company, as amended, modified or otherwise supplemented from time to time;
“Board”	the board of Directors;
“close associate”	has the meaning ascribed thereto under the Hong Kong Listing Rules;
“Company” or “COSL”	中海油田服務股份有限公司 (China Oilfield Services Limited), a joint stock company incorporated in the PRC with limited liability, the A-Shares of which are listed on the Shanghai Stock Exchange and the H-Shares of which are listed on the Main Board of the Stock Exchange;
“Company Law”	the Company Law of the PRC;
“CSRC”	China Securities Regulatory Commission;
“Directors”	the directors of the Company;

DEFINITIONS

“Ernst & Young”	refers collectively to Ernst & Young Hua Ming LLP and Ernst & Young, the independent auditor of the Company appointed in 2023;
“Group”	the Company together with its subsidiaries;
“H Share(s)”	overseas listed foreign share(s) of nominal value of RMB1.00 each in the share capital of the Company which are listed on the Main Board of the Stock Exchange and subscribed for in HK dollars;
“H Share Buy-back Mandate”	the general mandate to exercise the power of the Company to buy back H Shares not exceeding 10% of the number of H Shares in issue as at the date of passing the proposed resolution(s) approving the H Share Buy-back Mandate at the Annual General Meeting, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting, details of which are set out in the notice of the Annual General Meeting and the notice of the H Shareholders’ Class Meeting;
“H Shareholder(s)”	holders of H Share(s);
“H Shareholders’ Class Meeting”	the class meeting of the H Shareholders to be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC, at 10:30 a.m. on Tuesday, 28 May 2024;
“HK dollar(s)”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Independent Director System”	the independent director system of the Company, as amended, modified or supplemented from time to time;
“Latest Practicable Date”	22 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained therein;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“SAFE”	State Administration of Foreign Exchange of the PRC;

DEFINITIONS

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time;
“SSE”	Shanghai Stock Exchange;
“SSE Listing Rules”	the Rules Governing the Listing of Stocks on Shanghai Stock Exchange;
“Share(s)”	A Shares and H Shares of the Company;
“Shareholder(s)”	the holder(s) of the Share(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“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;
“%”	per cent.

LETTER FROM THE BOARD

COSL

中海油田服务股份有限公司
China Oilfield Services Limited

(Incorporated in the People's Republic of China as a joint stock limited liability company)

(Stock Code: 2883)

Board of Directors:

Zhao Shunqiang (*Chairman*)

Lu Tao

Xiong Min

Fan Baitao*

Liu Qiudong*

Chiu Lai Kuen, Susanna**

Kwok Lam Kwong, Larry**

Yao Xin**

Legal address in the PRC:

No.1581, Haichuan Road,
Tangu Ocean Hi-tech Zone,
Binhai Hi-tech Development District,
Tianjin, the PRC

Registered Office in Hong Kong:

65/F, Bank of China Tower,
1 Garden Road,
Hong Kong

* *Non-executive Director*

** *Independent non-executive Director*

29 April 2024

To the Shareholders

Dear Sir or Madam,

**AUDITED FINANCIAL STATEMENTS AND
THE REPORT OF THE AUDITOR FOR THE YEAR 2023
PROPOSED PROFIT DISTRIBUTION PLAN AND FINAL DIVIDEND DISTRIBUTION
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LETTER FROM THE BOARD

I. INTRODUCTION

The purposes of this circular are to give you notices to the Annual General Meeting and the H Shareholders' Class Meeting and to provide you with information regarding the resolutions relating to (1) the audited financial statements and the report of the auditor for the year 2023, (2) proposed profit distribution plan and final dividend distribution plan for the year 2023, (3) the report of the Board of Directors for the year 2023, (4) the report of the Supervisory Committee for the year 2023, (5) proposed approval of the re-appointment of the audit firms, (6) proposed US Dollar loans extension by the wholly-owned subsidiary, COSL Middle East FZE, and the provision of guarantee by the Company thereof, (7) proposed re-appointment of Independent Non-executive Director, (8) proposed amendments to the Independent Director System, (9) proposed change of the scope of business and proposed amendments to the Articles of Association, (10) proposed provision of guarantees for the wholly-owned subsidiaries of the Company, (11) the grant of general mandate to the Board to issue H Shares and (12) the grant of general mandate to the Board to buy-back A Shares and H Shares.

II. AUDITED FINANCIAL STATEMENTS AND THE REPORT OF THE AUDITOR FOR THE YEAR 2023

For the main content of the audited financial statements and the report of the auditor for the year 2023, please refer to the relevant parts of the 2023 annual report of the Company.

III. PROPOSED PROFIT DISTRIBUTION PLAN AND FINAL DIVIDEND DISTRIBUTION PLAN FOR THE YEAR 2023

The Board of the Company proposed to distribute a final dividend of RMB0.21 (tax inclusive) per share based on the total share capital of 4,771,592,000 shares on 31 December 2023. An aggregate final dividend of RMB1,002,034,320 (tax inclusive) will be distributed this time. The final dividend will be paid on or before 30 June 2024 upon approval at the AGM. The Board considered and approved the resolution in relation to the profit distribution of the Company for 2023 on 26 March 2024, and this resolution is now proposed to the AGM by way of ordinary resolution for consideration and approval.

In order to determine the Shareholders who are entitled to receive the above-mentioned final dividend, the share register of members of the Company will be closed from Wednesday, 12 June 2024 to Monday, 17 June 2024 (both days inclusive). To be eligible to receive the final dividend (subject to the approval of the Shareholders of the Company) for the year ended 31 December 2023, unregistered holders of H shares of the Company shall lodge relevant share transfer documents with the Company's H share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 11 June 2024.

IV. REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR 2023

For the main content of the report of the Board of Directors for the year 2023, please refer to the relevant parts of the 2023 annual report of the Company. This resolution was considered and passed at the Board meeting on 26 March 2024, and now is proposed to the AGM by way of ordinary resolution for consideration and approval.

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V. REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023

For the main content of the report of the Supervisory Committee for the year 2023, please refer to the relevant parts of the 2023 annual report of the Company. This resolution was considered and passed at the meeting of the Supervisory Committee on 26 March 2024, and now is proposed to the AGM by way of ordinary resolution for consideration and approval.

VI. PROPOSED APPROVAL OF THE RE-APPOINTMENT OF THE AUDIT FIRMS

The Board considered and approved the resolution in relation to proposing to the general meeting for approval of the re-appointment of the audit firms on 26 March 2024. The Board believes that the re-appointment of Ernst & Young Hua Ming LLP and Ernst & Young as the domestic and international auditors of the Company for the year 2024 complies with the provisions of laws, regulations and the Articles of Association, with a term from the conclusion of the AGM to the conclusion of the next annual general meeting, and proposes to the AGM for consideration and authorise the Board to fix their remuneration based on the audit workload and fair and reasonable pricing principles.

VII. PROPOSED US DOLLAR LOANS EXTENSION BY THE WHOLLY-OWNED SUBSIDIARY, COSL MIDDLE EAST FZE, AND THE PROVISION OF GUARANTEE BY THE COMPANY THEREOF

The Board considered and approved the resolution in relation to the US dollar loans extension by the wholly-owned subsidiary, COSL Middle East FZE, and the provision of guarantee by the Company on 26 March 2024.

The Board has agreed that COSL Middle East FZE (as the borrower), the overseas wholly-owned subsidiary of the Company, renewed the USD400 million loan agreement with Bank of China (Hong Kong) Limited, the USD98 million loan agreement with The Hongkong and Shanghai Banking Corporation Limited, and the USD200 million loan agreement with the Hong Kong Branch of Agricultural Bank of China Limited during the period from the 2023 AGM to the 2024 annual general meeting, with a term of 1 year, and the Company will provide guarantee for the above loans. Meanwhile, the Board will submit to the general meeting to approve the above loans and guarantees and to authorise the Board to deal with specific matters relating to the above loans and guarantees upon approval at the general meeting. Within the authorisation given by the general meeting, the Board will authorise executive Director or chief financial officer of the Company to deal with, in its absolute discretion, specific matters relating to the above loans and guarantees (including but not limited to determining the amount, the term and interest of the loan, signing relevant legal documents, loan extension and its guarantees, etc.).

VIII. PROPOSED RE-APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

The term of Ms. Chiu Lai Kuen, Susanna (“**Ms. Chiu**”), an Independent Non-Executive Director of the Company, will expire on 31 May 2024. Pursuant to the Company Law and the Articles of Association, the Board proposes the re-appointment of Ms. Chiu Lai Kuen, Susanna as an

LETTER FROM THE BOARD

Independent Non-Executive Director of the Company. If the above proposed re-appointment is considered and approved at the AGM, Ms. Chiu will continue to serve as the chairman of the Audit Committee and the member of the Remuneration and Assessment Committee with a term of three years.

Background of Ms. Chiu Lai Kuen, Susanna

Ms. Chiu Lai Kuen, Susanna, China (Hong Kong) by nationality, born in 1960, an Independent Non-executive Director of COSL, MH, JP., graduated from the University of Sheffield (United Kingdom) with First-Class Honours in Economics, and obtained an EMBA degree in business administration from the Chinese University of Hong Kong. Ms. Chiu is a Hong Kong certified public accountant, a Chinese certified public accountant, a qualified Chartered Accountant from England and a Certified Information System Auditor. She is a current member of the Chinese People's Political Consultative Conference (CPPCC) of Shanghai, an expert on government accounting standards at the Ministry of Finance and an executive member of the Guangdong Women's Federation. In respect of her professional career, Ms. Chiu was the former president of the Hong Kong Institute of Certified Public Accountant and the former president of the Information Systems Audit and Control Association (China Hong Kong Chapter). Ms. Chiu is devoted to social affairs and held a number of public service positions, including the council treasurer of the Education University of Hong Kong, and a member of the Women's Commission and the Equal Opportunities Commission and the Energy Advisory Committee. Ms. Chiu was awarded the Medal of Honor, the "Justice of Peace" and the "Justice of Peace NT" by the Hong Kong Government. She also obtained various awards including the Greater Bay Area Outstanding Women Entrepreneur Award for 2021, the Outstanding Women Professionals Award by the Hong Kong Women Professionals & Entrepreneurs Association, the "Distinguished Alumni" Award from the University of Sheffield (United Kingdom) and the "Outstanding Business Woman" by Hong Kong Commercial Daily, etc. Ms. Chiu currently serves as an executive director and the chief financial officer of Bonjour Holdings Limited (stock code: 653). From 2019 to 2023, she served as an independent non-executive director of Huijing Holdings Company Limited (stock code: 9968). From 2006 to 2019, Ms. Chiu successively served as Senior Vice President, Eastern China Chief Representative and Consultant under the Fung Group. From 2000 to 2005, she served as the Chief Operating Officer of DVN (Holdings) Limited (currently known as Frontier Services Group Limited, stock code: 00500). Ms. Chiu also served as an independent non-executive director of Huali University Group Limited (currently known as China Vocational Education Holdings Limited, stock code: 1756), which is listed on the Hong Kong Stock Exchange, and Nanyang Commercial Bank Limited. She has been an Independent Non-executive Director of COSL since June 2021.

Save as disclosed above, Ms. Chiu has not held any directorship in other listed companies in the past three years, and has not held any positions in the Company and its subsidiaries.

Save as disclosed above, Ms. Chiu has no relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this circular, Ms. Chiu does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

LETTER FROM THE BOARD

Subject to the approval by Shareholders of the Company at the AGM, Ms. Chiu will enter into a service contract with the Company for a term of three years. Ms. Chiu will receive a director's fee and remuneration of RMB400,000 per annum (before tax) for her directorship in the Company, which was determined with reference to her duties and responsibilities in the Company.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51(2) of the Hong Kong Listing Rules, and the Company is not aware of any other matters that need to be brought to attention of the Shareholders of the Company.

Ms. Chiu has confirmed that (a) she is independent as regards each of the factors as set out in Rule 3.13(1) to (8) of the Listing Rules; (b) she has no past or present financial or other interest in the business of the Company or any of its subsidiaries, and has no connection with any core connected person (as defined in the Listing Rules) of the Company; and (c) there are no other factors that may affect her independence at the time of her re-appointment.

The nomination is proposed by the Board of the Company in accordance with the provisions of the Articles of Association and in consideration of the candidate's biographical details, skill background, knowledge, experience, gender, independence and specific needs of the Company, and has been initially reviewed by the nomination committee of the Board and considered by the Board. Such nomination will be proposed to the general meeting for election and determination. Ms. Chiu Lai Kuen, Susanna has extensive experience in accounting, business management and operation, and energy consulting. The appointment of Ms. Chiu as an Independent Non-executive Director of the Company enables the maintenance of board diversity of the Company, which will contribute extensive internal control & audit and corporate governance expertise and experience to the Board, optimize the structure of the Board, guide the Company to further strengthen its compliance management and promote the Board to better supervise the Company's promotion and implementation of its development strategic planning.

IX. PROPOSED AMENDMENTS TO THE INDEPENDENT DIRECTOR SYSTEM

In order to further strengthen the corporate governance structure of the Company, promote the Company's operation in accordance with relevant regulations, and ensure that independent Directors perform their duties, the Company intends to amend the Independent Director System in accordance with the laws and regulations such as the Measures for the Administration of Independent Directors of Listed Companies released by the CSRC in August 2023 and the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations released by the Shanghai Stock Exchange and based on the actual situation of the Company. The resolution regarding amendments to the Independent Director System was considered and approved by the Board on 26 March 2024, and was proposed at the AGM for consideration and approval by way of an ordinary resolution.

The Independent Director System (revised edition) is set out in Appendix I to this circular.

LETTER FROM THE BOARD

X. PROPOSED CHANGE OF THE SCOPE OF BUSINESS AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board considered and approved the resolution in relation to the change of the scope of business of the Company and amendments to the Articles of Association on 26 March 2024, pursuant to which, the Company intends to put forward to the Shareholders a proposal to change the scope of business of the Company and amend the formulation basis, Article 1, Article 11, Article 14, Article 18, Article 19, Article 27, Article 32, Article 36, Article 104, Article 105, Article 204, Article 206, Article 208 and Article 209 of the Articles of Association (the “**Proposed Amendments**”).

(I). Proposed Change of the Scope of Business

Based on the actual needs of business development of the Company and in accordance with the normative requirements for administration of registration of the business scope of enterprises, the Company intends to change the scope of business and revise the corresponding article of the Articles of Association. The change will be subject to the final approval of the market supervision and management department with details as follows:

The scope of business before change	The scope of business after change
Dispatching workers overseas, to match with the capacity, scale and operation required by the foreign projects; transportation with cargo ships, oil tankers for coastal areas of the Mainland China, crude oil shipping transportation for the harbors in Bohai Bay; transportation by high-speed passenger liner along Tianjin water area; general cargo transportation (limited the operation of Tianjin Branch Company); provision of prospecting, exploration, development and mining services for oil, natural gas and other minerals; engineering survey, geotechnical engineering and soft ground handling, underwater remote mechanical operation, pipeline inspection and maintenance, orientation, surveying and mapping services, data processing and interpretation, well drilling, well completion, gamma logging, well testing, cementing, mud-logging, drilling mud preparation, wall perforation, core sampling, directional drilling project, downhole operation, well	Dispatching workers overseas, to match with the capacity, scale and operation required by the foreign projects; transportation with cargo ships, oil tankers for coastal areas of the Mainland China, crude oil shipping transportation for the harbors in Bohai Bay; transportation by high-speed passenger liner along Tianjin water area; general cargo transportation (limited the operation of Tianjin Branch Company); provision of prospecting, exploration, development and mining services for oil, natural gas and other minerals; engineering survey, geotechnical engineering and soft ground handling, underwater remote mechanical operation, pipeline inspection and maintenance, orientation, surveying and mapping services, data processing and interpretation, well drilling, well completion, gamma logging, well testing, cementing, mud-logging, drilling mud preparation, wall perforation, core sampling, directional drilling project, downhole

LETTER FROM THE BOARD

The scope of business before change	The scope of business after change
<p>repair, oil well stimulation, downhole sand control, running and pulling oil tubing, filtration and handling of underground incidents; provision of inspection, maintenance, leasing and sales of equipment, tools, instruments and pipes in relation to the above services; drilling fluids, cement additive, oilfield chemical additives, special tools, mechanical and electrical products, instrumentation, develop oil and gas well perforating equipment; contracting of overseas engineering projects; sales of mechanical and electrical products, communication products and chemical products (excluding hazardous chemicals); import and export business; provision of marine support, anchoring, equipment, facilities, maintenance, loading and unloading as well as other labor services for the exploration, development and production of oilfields; sales of accessories for vessels, machinery and electronic equipment; environmental protection engineering services; research and development, manufacturing, leasing and sales of environmental protection equipment; environmental protection process design; construction of environmental protection operation stations and provision of environmental protection operation services. (for items that are subject to approval according to the laws, the business activities can only be carried out upon approval from the relevant authorities)</p>	<p>operation, well repair, oil well stimulation, downhole sand control, running and pulling oil tubing, filtration and handling of underground incidents; provision of inspection, maintenance, leasing and sales of equipment, tools, instruments and pipes in relation to the above services; drilling fluids, cement additive, oilfield chemical additives, special tools, mechanical and electrical products, instrumentation, develop oil and gas well perforating equipment; contracting of overseas engineering projects; sales of mechanical and electrical products, communication products and chemical products (excluding hazardous chemicals); import and export business; provision of marine support, anchoring, equipment, facilities, maintenance, loading and unloading as well as other labor services for the exploration, development and production of oilfields; sales of accessories for vessels, machinery and electronic equipment; environmental protection engineering services; research and development, manufacturing, leasing and sales of environmental protection equipment; environmental protection process design; construction of environmental protection operation stations and provision of environmental protection operation services; <u>business trainings (excluding education training, vocational skills training and other trainings that require a license)</u>. (for items that are subject to approval according to the laws, the business activities can only be carried out upon approval from the relevant authorities)</p>

LETTER FROM THE BOARD

The proposed change of the scope of business shall be conditional upon the following conditions being satisfied:

- (1) approving the change of the scope of business by Shareholders at the AGM by way of a special resolution; and
- (2) obtaining all the necessary approval, authorization, filing and/or registration with respect to the change of the scope of business from the market supervision and management department.

Upon satisfaction of above conditions, the change of the scope of business shall take effect from the date when the market supervision and management department issued a new business license and the scope of business after change shall be subject to the approval of relevant government agency.

(II). Proposed Amendments to the Articles of Association

The Proposed Amendments are mainly corresponding amendments in response to the following adjustment to the relevant rules, taking into account the need to amend the corresponding article of the Articles of Association in response to the above-mentioned proposed change of the scope of business:

- (1) On 17 February 2023, the CSRC issued the Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies and related guidelines, which came into force on 31 March 2023. On the same day which the new regulation came into force, the Mandatory Provisions for the Articles of Association of Companies Seeking a Listing outside the PRC and the State Council Special Provisions on Companies Limited by Shares Issuing Shares and Seeking a Listing outside the People's Republic of China were abolished. In view of the above, the Stock Exchange has adopted certain corresponding amendments to the Hong Kong Listing Rules, which took effect on 1 August 2023;
- (2) In order to regulate the behavior of independent directors, give full play to the function of independent directors in corporate governance of listed companies and promote the improvement of the quality of listed companies, the CSRC issued the Measures for the Administration of Independent Directors of Listed Companies on 1 August 2023, which came into effect on 4 September 2023; and
- (3) In accordance with the Consultation Conclusions Paper on Proposals to Expand the Paperless Listing Regime and Other Listing Rules Amendments issued by the Stock Exchange in June 2023, relevant amendments to the Hong Kong Listing Rules took effect on 31 December 2023, among others, for the purpose of the "corporate communication" (as defined in the Hong Kong Listing Rules), to the extent permitted under all applicable laws and regulations, the listed issuer must (i) send or otherwise

LETTER FROM THE BOARD

make available the corporate communication to the relevant holders of its securities using electronic means or (ii) make the corporate communication available on its website and the Stock Exchange’s website.

In view of the latest requirements of relevant laws and regulations and regulatory documents above and taking into account the need to amend the corresponding article of the Articles of Association in response to the above-mentioned proposed change of the scope of business, the Board proposes to make amendments to the Articles of Association. The Proposed Amendments are mainly corresponding amendments in response to the adjustment to relevant rules above and the need to amend the corresponding article of the Articles of Association in response to the above-mentioned proposed change of the scope of business, and the impacts of the Proposed Amendments are consistent with those arising from the adjustment to relevant rules.

No.	Original Articles	Amended Articles
1	Formulation basis	Formulation basis
	These Articles of Association are formulated in accordance with the Guidelines for Articles of Association of Listed Companies (revised in 2022) (the “Guidelines”), Opinions Concerning the Further Promoting of the Standard Operation of the Company Listed outside the People’s Republic of China and the Deepening of Reform” (“Opinions”) and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”).	These Articles of Association are formulated in accordance with the Guidelines for Articles of Association of Listed Companies (revised in 2022) (the “Guidelines”), Opinions Concerning the Further Promoting of the Standard Operation of the Company Listed outside the People’s Republic of China and the Deepening of Reform” (“Opinions”) and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”).
2	Article 1	Article 1
	This Company is a company limited by shares established in accordance with the Company Law of the People’s Republic of China (“Company Law”), the Securities Law of the People’s Republic of China (“Securities Law”), the State Council Special Provisions on Companies Limited by Shares Issuing Shares and Seeking a Listing Outside the People’s Republic of China (“Special Provisions”) and other relevant State law and administrative regulations.	This Company is a company limited by shares established in accordance with the Company Law of the People’s Republic of China (“Company Law”), the Securities Law of the People’s Republic of China (“Securities Law”); the State Council Special Provisions on Companies Limited by Shares Issuing Shares and Seeking a Listing Outside the People’s Republic of China (“Special Provisions”) and other relevant State law and administrative regulations.

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No.	Original Articles	Amended Articles
	<p>Following approval by the People's Republic of China's State Economic and Trade Commission, as evidenced by Guo Jing Mao Qi Gai No. [2002]694 Approval of Establishing China Oilfield Services Limited, the Company was established on September 20, 2002 by means of sponsorship, was registered with the State Administration for Industry and Commerce on September 26, 2002, and obtained a company's business license, The number of the Company's business license is 1000001003612.</p> <p>The sole promoter of the Company is: China National Offshore Oil Corporation (CNOOC).</p>	<p>Following approval by the People's Republic of China's State Economic and Trade Commission, as evidenced by Guo Jing Mao Qi Gai No. [2002]694 Approval of Establishing China Oilfield Services Limited, the Company was established on September 20, 2002 by means of sponsorship, was registered with the State Administration for Industry and Commerce on September 26, 2002, and obtained a company's business license, The number of the Company's business license is 1000001003612.</p> <p>The sole promoter of the Company is: China National Offshore Oil Corporation (CNOOC).</p>
3	Article 11	Article 11
	<p>The scope of business of the Company is subject to the items authorized by the company registration authority.</p> <p>The scope of business of the Company includes: authorized operating items: dispatching workers overseas, to match with the capacity, scale and operation required by the foreign projects; transportation with cargo ships, oil tankers for coastal areas of the Mainland China, crude oil shipping transportation for the harbors in Bohai Bay; transportation by high-speed passenger liner along Tianjin water area; general cargo transportation (limited the operation of Tianjin Branch Company). General operating items: provision of prospecting, exploration, development and mining services for oil, natural gas and other minerals; engineering survey, geotechnical engineering and soft ground handling, underwater remote</p>	<p>The scope of business of the Company is subject to the items authorized by the company registration authority.</p> <p>The scope of business of the Company includes: authorized operating items: dispatching workers overseas, to match with the capacity, scale and operation required by the foreign projects; transportation with cargo ships, oil tankers for coastal areas of the Mainland China, crude oil shipping transportation for the harbors in Bohai Bay; transportation by high-speed passenger liner along Tianjin water area; general cargo transportation (limited the operation of Tianjin Branch Company). General operating items: provision of prospecting, exploration, development and mining services for oil, natural gas and other minerals; engineering survey, geotechnical engineering and soft ground handling, underwater remote</p>

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No.	Original Articles	Amended Articles
	<p>mechanical operation, pipeline inspection and maintenance, orientation, surveying and mapping services, data processing and interpretation, well drilling, well completion, gamma logging, well testing, cementing, mud-logging, drilling mud preparation, wall perforation, core sampling, directional drilling project, downhole operation, well repair, oil well stimulation, downhole sand control, running and pulling oil tubing, filtration and handling of underground incidents; provision of inspection, maintenance, leasing and sales of equipment, tools, instruments and pipes in relation to the above services; drilling fluids, cement additive, oilfield chemical additives, special tools, mechanical and electrical products, instrumentation, develop oil and gas well perforating equipment; contracting of overseas engineering projects; sales of mechanical and electrical products, communication products and chemical products (excluding hazardous chemicals); import and export business; provision of marine support, anchoring, equipment, facilities, maintenance, loading and unloading as well as other labor services for the exploration, development and production of oilfields; sales of accessories for vessels, machinery and electronic equipment; environmental protection engineering services; research and development, manufacturing, leasing and sales of environmental protection equipment; environmental protection process design; construction of environmental protection operation stations and provision of environmental protection operation services; safety/ skills and technical trainings.</p>	<p>mechanical operation, pipeline inspection and maintenance, orientation, surveying and mapping services, data processing and interpretation, well drilling, well completion, gamma logging, well testing, cementing, mud-logging, drilling mud preparation, wall perforation, core sampling, directional drilling project, downhole operation, well repair, oil well stimulation, downhole sand control, running and pulling oil tubing, filtration and handling of underground incidents; provision of inspection, maintenance, leasing and sales of equipment, tools, instruments and pipes in relation to the above services; drilling fluids, cement additive, oilfield chemical additives, special tools, mechanical and electrical products, instrumentation, develop oil and gas well perforating equipment; contracting of overseas engineering projects; sales of mechanical and electrical products, communication products and chemical products (excluding hazardous chemicals); import and export business; provision of marine support, anchoring, equipment, facilities, maintenance, loading and unloading as well as other labor services for the exploration, development and production of oilfields; sales of accessories for vessels, machinery and electronic equipment; environmental protection engineering services; research and development, manufacturing, leasing and sales of environmental protection equipment; environmental protection process design; construction of environmental protection operation stations and provision of environmental protection operation services; safety/ skills and technical trainings <u>business</u></p>

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No.	Original Articles	Amended Articles
	<p>According to the domestic and international market trends, business needs in the PRC and its own growth capability and its business performance, the Company may adjust its investment policies and business scope and mode on a timely basis; as well as set up branches and offices in and outside the PRC and areas including Hong Kong, Macau and Taiwan (whether wholly-owned or not), subject to approvals by resolution of the general meeting and relevant governmental authorities.</p>	<p><u>trainings (excluding education training, vocational skills training and other trainings that require a license).</u></p> <p>According to the domestic and international market trends, business needs in the PRC and its own growth capability and its business performance, the Company may adjust its investment policies and business scope and mode on a timely basis; as well as set up branches and offices in and outside the PRC and areas including Hong Kong, Macau and Taiwan (whether wholly-owned or not), subject to approvals by resolution of the general meeting and relevant governmental authorities.</p>
4	Article 14	Article 14
	<p>The Company may issue shares to investors inside the People’s Republic of China and to investors outside the People’s Republic of China following approval from the State Council authorities in charge of securities.</p> <p>For the purposes of the preceding paragraph, the term “investors outside the People’s Republic of China” shall refer to investors from foreign countries or from Hong Kong, Macao or Taiwan that subscribe for shares issued by the Company, and the term “investors inside the People’s Republic of China” shall refer to investors inside the People’s Republic of China, excluding the above-mentioned regions, that subscribe for shares issued by the Company.</p>	<p>The Company may issue shares to investors inside the People’s Republic of China and to investors outside the People’s Republic of China following approval from the State Council authorities in charge of securities <u>in accordance with the laws and file with the China Securities Regulatory Commission (the “CSRC”) according to relevant provisions.</u></p> <p>For the purposes of the preceding paragraph, the term “investors outside the People’s Republic of China” shall refer to investors from foreign countries or from Hong Kong, Macao or Taiwan that subscribe for shares issued by the Company, and the term “investors inside the People’s Republic of China” shall refer to investors inside the People’s Republic of China, excluding the above-mentioned regions, that subscribe for shares issued by the Company.</p>

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No.	Original Articles	Amended Articles
5	Article 18	Article 18
	<p>After the plan for issuing foreign investment shares listed outside the People's Republic of China and domestic investment shares has been approved by the State Council authorities in charge of securities, the board of directors of the Company may arrange for implementation of such plan by means of separate issues.</p> <p>The Company's plan for separate issues of foreign investment shares listed outside the People's Republic of China and domestic investment shares in accordance with the preceding paragraph may be implemented separately within 15 months from the date of being approved by the State Council authorities in charge of securities.</p>	Deleted.
6	Article 19	Article 19
	<p>Where the Company issues foreign investment shares listed outside the People's Republic of China and domestic investment shares separately within the total number of shares specified in the issue plan, such issues shall be fully subscribed for at their respective offerings. If the shares cannot be fully subscribed for all at once due to special circumstances, the shares may, subject to the approval of the State Council authorities in charge of securities, be issued in several stages.</p>	Deleted.
7	Article 27	Article 2 <u>5</u>
	<p>When the Company is to reduce its capital, it must prepare a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days since the date of adopting the resolution to reduce its registered</p>	<p>When the Company is to reduce its capital, it must prepare a balance sheet and an inventory of assets.</p> <p>The Company shall notify its creditors within 10 days since the date of adopting the resolution to reduce its registered</p>

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No.	Original Articles	Amended Articles
	<p>capital and shall publish a public announcement of the resolution in newspapers at least three times within 30 days since the said date. Creditors shall, within 30 days since the date of receiving a written notice or within 90 days since the date of the first public announcement for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee for repayment.</p> <p>The reduced registered capital of the Company may not be less than the statutory minimum.</p>	<p>capital and shall publish a public announcement of the resolution in newspapers <u>designated by the stock exchange(s) on which the shares of the Company are listed</u> at least three times within 30 days since the said date. Creditors shall, within 30 days since the date of receiving a written notice or <u>within 45 days since the date of the announcement</u> for those who have not received a written notice, be entitled to require the Company to pay off its debts in full or to provide a corresponding guarantee for repayment.</p> <p>The reduced registered capital of the Company may not be less than the statutory minimum.</p>
8	Article 32	Article 32
	<p>Unless the Company has already entered the liquidation stage, it must comply with the following provisions in buying back its issued and outstanding shares:</p> <p>(1) Where the Company buys back shares at their par value, the amount thereof shall be deducted from the book balance of distributable profit and/or from the proceeds of a fresh share issue made to buy back the old shares;</p> <p>(2) Where the Company buys back shares at a price higher than their par value, the portion corresponding to their par value shall be deducted from the book balance of distributable profit and/or from the proceeds of a fresh share issue made to buy back the old shares. The portion</p>	<p>Deleted.</p>

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No.	Original Articles	Amended Articles
	<p>in excess of the par value shall be handled according to the following methods:</p> <p>(i) Where the shares bought back were issued at their par value, the amount shall be deducted from the book balance of distributable profit;</p> <p>(ii) Where the shares bought back were issued at a price higher than their par value, the amount shall be deducted from the book balance of distributable profit and/or the proceeds of a fresh share issue made to buy back the old shares; however, the amount deducted from the proceeds of the fresh share issue may not exceed the total premium obtained at the time of issuance of the old shares nor may not exceed the amount in the Company's premium account or capital common reserve account (including the premiums from the fresh share issue) at the time of buy-back.</p> <p>(3) The sums paid by the Company for the purposes set forth below shall be paid out of the Company's distributable profits:</p> <p>(i) Acquisition of the right to buy back its own shares;</p> <p>(ii) Modification of any contract for buy-back of its own shares;</p> <p>(iii) Release from any of its obligations under any buy-back contract.</p>	

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No.	Original Articles	Amended Articles
	<p>(4) After the par value of the annulled shares has been deducted from the registered capital of the Company in accordance with relevant regulations, that portion of the amount deducted from the distributable profit and used to buy back shares at the par value of the bought back shares shall be included in the Company's premium account or capital common reserve account.</p> <p>(5) Before being cancelled or transferred, the shares brought back by the Company shall be managed as treasury stocks, and all the expenditures for such brought-back shares shall recorded as the costs of treasury stocks. The cancellation and transfer of such brought-back shares shall be subject to the regulations of the Ministry of Finance of the People's Republic of China in connection with the cancellation and registration of treasury stocks.</p>	
9	Article 36	Article <u>33</u>
	<p>The Company's shares shall be in registered form.</p> <p>The shares of the Company shall bear the following main items:</p> <p>(1) Name of the Company;</p> <p>(2) Date of registration and establishment of the Company;</p>	<p>The Company's shares shall be in registered form.</p> <p>The shares of the Company shall bear the following main items:</p> <p>(1) Name of the Company;</p> <p>(2) Date of registration and establishment of the Company;</p>

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No.	Original Articles	Amended Articles
	<p>(3) Type of shares, par value and the number of shares it represents;</p> <p>(4) Code of share certificates;</p> <p>(5) Other matters as required by the Company Law, Special Provisions and the securities exchange(s) on which the shares of the Company are listed.</p>	<p>(3) Type of shares, par value and the number of shares it represents;</p> <p>(4) Code of share certificates;</p> <p>(5) Other matters as required by the Company Law, Special Provisions and the securities exchange(s) on which the shares of the Company are listed.</p>
10	Article 104	Article 10 <u>1</u>
	<p>The Company shall establish a board of directors. The board of directors shall be composed of 8 directors, who shall include one chairman and may include one vice chairman of the board of directors.</p> <p>The board of directors is independent of the controlling organizations (herein meaning those corporations, enterprises or institutions with the status of legal person which control the Company).</p> <p>The external directors (herein meaning those directors who do not hold office in the Company) (including independent directors) shall represent the majority of the members of the board of directors, of which more than one-third directors shall be independent non-executive directors (herein meaning those directors who are independent to the shareholders and do not hold office in the Company).</p>	<p>The Company shall establish a board of directors. The board of directors shall be composed of 8 directors, who shall include one chairman and may include one vice chairman of the board of directors.</p> <p>The board of directors is independent of the controlling organizations (herein meaning those corporations, enterprises or institutions with the status of legal person which control the Company).</p> <p>The external directors (herein meaning those directors who do not hold office in the Company) (including independent directors) shall represent the majority of the members of the board of directors, of which more than one-third directors shall be independent non-executive directors (herein meaning <u>directors who do not hold any positions in the Company other than serving as directors and have no interest relationship, whether directly or indirectly, or other relationship which may affect their independent and objective judgment with the Company and its substantial shareholders and de facto controlling person</u>).</p>

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No.	Original Articles	Amended Articles
11	Article 105	Article 10 <u>2</u>
	<p>Directors shall be elected by the shareholders' general meeting and shall hold office for a term of three years. Upon the expiration of the term of office, the directors shall be eligible for re-election.</p> <p>The term of office of a director shall commence from the date of resolution of the shareholders' general meeting approving the appointment of such director.</p> <p>No written notice of an intent to nominate a director candidate and the willingness of such candidate to accept such nomination shall be sent prior to the date immediately following the date when the notice of the meeting for election of relevant director is sent or later than 7 days before the convening of the shareholders' general meeting for considering the election of such director.</p> <p>The chairman of the board and the vice chairman of the board shall be elected and removed by affirmative votes of majority of all the members of the board of directors. The chairman of the board and the vice chairman of the board shall serve a term of 3 years and may serve consecutive terms if reelected upon the expiration of their terms.</p> <p>A director may resign before expiry of his term of service. When a director resigns, he/she shall submit a written resignation to the board of directors. The board of directors shall disclose the relevant circumstances within two days. The director's resignation takes effect upon delivery of his/her resignation</p>	<p>Directors shall be elected by the shareholders' general meeting and shall hold office for a term of three years. Upon the expiration of the term of office, the directors shall be eligible for re-election.</p> <p>The term of office of a director shall commence from the date of resolution of the shareholders' general meeting approving the appointment of such director.</p> <p>No written notice of an intent to nominate a director candidate and the willingness of such candidate to accept such nomination shall be sent prior to the date immediately following the date when the notice of the meeting for election of relevant director is sent or later than 7 days before the convening of the shareholders' general meeting for considering the election of such director.</p> <p>The chairman of the board and the vice chairman of the board shall be elected and removed by affirmative votes of majority of all the members of the board of directors. The chairman of the board and the vice chairman of the board shall serve a term of 3 years and may serve consecutive terms if reelected upon the expiration of their terms.</p> <p>A director may resign before expiry of his term of service. When a director resigns, he/she shall submit a written resignation to the board of directors. The board of directors shall disclose the relevant circumstances within two days. The director's resignation takes effect upon delivery of his/her resignation</p>

LETTER FROM THE BOARD

No.	Original Articles	Amended Articles
	<p>report to the board of directors, except in the case of the following circumstances: (1) the resignation of directors results in members of the board falling below the minimum quorum; (2) the number of independent directors is less than one-third of the members of the board or there is no accounting professional among independent directors as a result of the resignation of independent directors.</p> <p>Where re-election procedures are not carried out in a timely manner on the expiration of the directors' term of office, or where the number of directors on the board of directors falls below the quorum due to a director's resignation, before the newly elected directors take office, the original directors shall perform their directors' duties in accordance with laws, administrative regulations, departmental rules and these Articles of Association.</p> <p>The shareholders' general meeting may remove any director whose term of office has not expired by adopting an ordinary resolution, subject to relevant laws, administrative regulations and departmental rules (provided however that no claim brought in accordance with any contract shall be affected by such removal).</p>	<p>report to the board of directors, except in the case of the following circumstances: (1) the resignation of directors results in members of the board falling below the minimum quorum; (2) <u>the proportion of independent directors of the Board or its special committees does not meet the statutory requirements, the requirements of the Listing Rules or provisions of these Articles of Association</u>, or there is <u>a lack of</u> accounting professional among independent directors as a result of the resignation of independent directors.</p> <p>Where re-election procedures are not carried out in a timely manner on the expiration of the directors' term of office, or where the number of directors on the board of directors falls below the quorum due to a director's resignation, before the newly elected directors take office, the original directors shall perform their directors' duties in accordance with laws, administrative regulations, departmental rules and these Articles of Association.</p> <p>The shareholders' general meeting may remove any director whose term of office has not expired by adopting an ordinary resolution, subject to relevant laws, administrative regulations and departmental rules (provided however that no claim brought in accordance with any contract shall be affected by such removal).</p>

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No.	Original Articles	Amended Articles
	<p>Not more than 2 persons of the chairman of the board, vice chairman (or vice chairmen), executive directors and senior management staff (general manager, deputy general manager and financial officer) of the controlling organizations may be the chairman of the board, vice chairman and executive director of the Company.</p> <p>Directors need not be Company shareholders.</p>	<p>Not more than 2 persons of the chairman of the board, vice chairman (or vice chairmen), executive directors and senior management staff (general manager, deputy general manager and financial officer) of the controlling organizations may be the chairman of the board, vice chairman and executive director of the Company.</p> <p>Directors need not be Company shareholders.</p>
12	Article 204	Article 20 <u>1</u>
	<p>The Company may amend its Articles of Association in accordance with laws, administrative regulations and its Articles of Association.</p> <p>The Company's Articles of Association shall be amended in the following manner:</p> <p>(1) The board of directors shall pass a resolution to draw up a proposal on amendment of the Company's Articles of Association by shareholders' general meeting in accordance with these Articles of Association;</p> <p>(2) The foregoing proposal shall be furnished to the shareholders in writing and a shareholders' general meeting shall be convened to examine the contents of the proposal;</p> <p>(3) The amendments shall be approved by a special resolution of a shareholders' general meeting.</p>	<p>The Company may amend its Articles of Association in accordance with laws, administrative regulations and its Articles of Association.</p> <p>The Company's Articles of Association shall be amended in the following manner:</p> <p>(1) The board of directors shall pass a resolution to draw up a proposal on amendment of the Company's Articles of Association by shareholders' general meeting in accordance with these Articles of Association;</p> <p>(2) The foregoing proposal shall be furnished to the shareholders in writing and a shareholders' general meeting shall be convened to examine the contents of the proposal;</p> <p>(3) The amendments shall be approved by a special resolution of a shareholders' general meeting.</p>

LETTER FROM THE BOARD

No.	Original Articles	Amended Articles
	<p>The board of directors may be authorized by an ordinary resolution of a shareholders' general meeting:</p> <p>(1) in the event that the Company increase/decrease its registered capital, to amend the Articles of Association of the Company in respect of the registered capital of the Company according to specific situations.</p> <p>(2) in the event that the Articles of Association of the Company approved by shareholders' general meeting need to be altered in letter and sequence of articles when submitted to the State Council authorities in charge of securities to be examined and approved, to make relevant amendments according to the requirements of the above-mentioned authorities.</p> <p>(3) on the basis of the registered capital has not been changed and there occur changes to the shareholding interests of the different classes of shareholders, the Board may amend the Articles of Association in accordance with the results of such changes.</p> <p>Where an amendment to the Company's Articles of Association involves matters provided for in the Mandatory Provisions for the Articles of Association of Companies Seeking a Listing Outside the PRC ("Mandatory Provisions") promulgated by the State Council authorities in charge of securities and State Commission for Economic Restructuring of the PRC on</p>	<p>The board of directors may be authorized by an ordinary resolution of a shareholders' general meeting:</p> <p>(1) in the event that the Company increase/decrease its registered capital, to amend the Articles of Association of the Company in respect of the registered capital of the Company according to specific situations.</p> <p>(2) in the event that the Articles of Association of the Company approved by shareholders' general meeting need to be altered in letter and sequence of articles when submitted to the State Council authorities in charge of securities to be examined and approved, to make relevant amendments according to the requirements of the above-mentioned authorities.</p> <p>(3) on the basis of the registered capital has not been changed and there occur changes to the shareholding interests of the different classes of shareholders, the Board may amend the Articles of Association in accordance with the results of such changes.</p> <p>Where an amendment to the Company's Articles of Association involves matters provided for in the Mandatory Provisions for the Articles of Association of Companies Seeking a Listing Outside the PRC ("Mandatory Provisions") promulgated by the State Council authorities in charge of securities and State Commission for Economic Restructuring of the PRC on</p>

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No.	Original Articles	Amended Articles
	<p>27th August, 1994, it shall become effective after being examined and approved by the authorities that are authorized by the State Council to examine and approve companies and the State Council authorities in charge of securities. Where an amendment to the Company's Articles of Association involves matters of company registration, the registration shall be amended according to law.</p>	<p>27th August, 1994, it shall become effective after being examined and approved by the authorities that are authorized by the State Council to examine and approve companies and the State Council authorities in charge of securities. Where an amendment to the Company's Articles of Association involves matters of company registration, the registration shall be amended according to law.</p>
13	Article 206	Article 20 <u>3</u>
	<p>Notices, materials or written statements ("Company Communication") issued to holders of foreign investment shares listed outside the People's Republic of China by the Company shall be delivered to every such holder by assigned persons or mail to the recipient's address shown in the register of shareholders or by being published on the website of the Company as described in Article 208. Company Communication given to holders of H shares (if by mail) shall be delivered in Hong Kong to the practical extent.</p>	<p>Notices, materials or written statements ("Company Communication") issued to holders of foreign investment shares listed outside the People's Republic of China by the Company <u>may</u> be delivered to every such holder by assigned persons or mail to the recipient's address shown in the register of shareholders or <u>subject to all provisions of the laws, regulations and regulatory documents and requirements of the stock exchange(s) on which the shares of the Company are listed, by publication on the Company's website and the website designated by the stock exchange(s), or any other means as approved by the stock exchange(s) on which the shares of the Company are listed or as specified in the Articles of Association.</u> Company Communication given to holders of H shares (if by mail) shall be delivered in Hong Kong to the practical extent.</p>

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No.	Original Articles	Amended Articles
	Company Communication given to holders of domestic investment shares by the Company shall be published with a public announcement in one or more newspapers or materials designated by the State Council authorities in charge of securities. The relevant notice shall be deemed to have been received by all of the holders of domestic investment shares once such a public announcement has been published.	Company Communication given to holders of domestic investment shares by the Company shall be published with a public announcement in one or more newspapers or materials designated by the State Council authorities in charge of securities. The relevant notice shall be deemed to have been received by all of the holders of domestic investment shares once such a public announcement has been published.
14	Article 208	Article 20 <u>5</u>
	<p>If the Company delivers Company Communication to the holders of foreign investment shares listed outside the People’s Republic of China by publishing the same on the website of the Company, then upon the completion of the following procedures, any holder of foreign investment shares listed outside the People’s Republic of China who has consented in writing or not objected to the delivery of Company Communication in such manner shall be deemed to accept the delivery of Company Communication by the Company in such manner:</p> <p>(1) the Company serves a written notice to each of the holders of foreign investment shares listed outside the People’s Republic of China, requesting for their consent to the delivery or provision of Company Communication by publishing the same on the website of the Company, and</p>	<p><u>Notwithstanding the preceding paragraph specifies that the Company is required to provide the Company Communication to the shareholders in written form, if the Company has obtained the shareholders’ prior written consent or implied consent according to relevant laws and regulations and the Listing Rules as amended from time to time, the Company may send the Company Communication to its shareholders by electronic means or by publication on its website and the website designated by the stock exchange.</u></p>

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No.	Original Articles	Amended Articles
	(2) the Company has not received any written reply from such holder of foreign investment shares listed outside the People's Republic of China making objections thereto, within 28 days of the service of the notice as described in paragraph (1) above.	
15	Article 209	Article 20 <u>6</u>
	If any holder of foreign investment shares listed outside the People's Republic of China who has been deemed to accept the delivery of Company Communication by publishing the same on the website of the Company is unable to collect or receive the Company Communication so delivered for whatsoever reason, then upon a written request to the Company, such holder may change its choice of the way to receive Company Communication and may also receive a hardcopy of Company Communication on a free basis.	If any holder of foreign investment shares listed outside the People's Republic of China who has been deemed to accept the delivery of Company Communication by <u>electronic means or by publication on the Company's website and the website designated by the stock exchange</u> is unable to collect or receive the Company Communication so delivered for whatsoever reason, then upon a written request to the Company, such holder may change its choice of the way to receive Company Communication and may also receive a hardcopy of Company Communication on a free basis.

Note: the sequential numbers and pages of the content, relevant chapters, articles and cross references will be adjusted accordingly.

The English version of the proposed change of the scope of business and proposed amendments to the Articles of Association is an unofficial translation of its Chinese version. In case of any discrepancy between the two versions, the Chinese version shall prevail.

The Board believes that the proposed change of the scope of business and proposed amendments to the Articles of Association have no material impact on Shareholders' rights, meet the needs of business development of the Company and have no adverse impact on the business operation of the Company. The Board believes that the proposed change of the scope of business and proposed amendments to the Articles of Association are in the interests of the Company and its Shareholders.

LETTER FROM THE BOARD

XI. PROPOSED PROVISION OF GUARANTEES FOR THE WHOLLY-OWNED SUBSIDIARIES OF THE COMPANY

In order to meet the demand of international market development and daily operation, on 26 March 2024, the Board considered and approved the proposal of provision of guarantees for the wholly-owned subsidiaries of the Company, specifically including:

Financial guarantee: the Company agreed that the subsidiaries may use part of its facility quota, by issuing the bank guarantee and letters of credit, for bidding, performing contracts and other daily operation such as payment. The Company agreed to provide reasonable and necessary guarantees and will bear the joint guarantee liability with its subsidiaries when they obtain independent bank credit. The maximum amount of joint guarantee liability undertaken by the Company during the guarantee period shall not exceed the equivalent of RMB6.4 billion, of which the amount of guarantee provided by the Company to its subsidiaries with a gearing ratio of 70% or more shall not exceed RMB5.3 billion and the respective guarantee limit shall be allocated by the Company according to the operating needs of each subsidiary. The amount of guarantee provided by the Company to its subsidiaries with a gearing ratio of below 70% shall not exceed RMB1.1 billion and the respective guarantee limit shall be allocated by the Company according to the operating needs of each subsidiary.

Performance guarantee: the Company agreed to provide the performance guarantee when its subsidiaries engage in the marketing of oilfield service, bidding activities, procurement business and signing of the contracts. The Company will perform the contracts when its subsidiaries fail to perform. The maximum amount of joint guarantee liability undertaken by the Company during the guarantee period shall not exceed the equivalent of RMB23.9 billion, of which the amount of guarantee provided by the Company to its subsidiaries with a gearing ratio of 70% or more shall not exceed RMB14.5 billion and the respective guarantee limit shall be allocated by the Company according to the operating needs of each subsidiary. The amount of guarantee provided by the Company to its subsidiaries with a gearing ratio below 70% shall not exceed RMB9.4 billion and the specific guarantee limit shall be allocated by the Company according to the operating needs of each subsidiary.

Guaranteed period: starts from the approval time at the 2023 AGM and ends on the conclusion of 2024 annual general meeting.

The Company will determine the type and amount of guarantees to be applied to the guaranteed parties according to its shareholding structure at the time of actual provision of the guarantees. If the Company has new subsidiaries (including but not limited to the establishment of a new wholly-owned subsidiary, the change of a subsidiary from a non-wholly-owned subsidiary to a wholly-owned subsidiary due to the adjustment to its shareholding structure, etc.) during such period, it may apply the amount of guarantee to the new subsidiaries depending on their gearing ratio of 70% or more or below 70%.

Pursuant to the SSE Listing Rules, the below guarantees shall be submitted to the general meeting after the approval of the Board: any guarantee incurred after the total amount of the external guarantee exceeds 50% of the latest audited net assets of the Company; a single guarantee amount

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exceeds 10% of the latest audited net assets of the Company; and the guarantee provided to the guaranteed parties with the gearing ratio above 70%. The total amount of external guarantee after providing this guarantee (if approved by the general meeting) is approximately RMB44.49 billion, which exceeds 50% of the latest audited net assets of the Company. The amount of this guarantee is RMB30.3 billion, exceeding 10% of the latest audited net assets of the Company, and some of the subsidiaries guaranteed by the Company hold a gearing ratio above 70%. Therefore, this guarantee shall be submitted to the 2023 AGM for approval. If approved, this guarantee will be valid from the approval time of the 2023 AGM to the conclusion of the 2024 annual general meeting.

The guaranteed parties are wholly-owned subsidiaries of the Company, the basic information of the guaranteed parties are as follows:

- COSL SINGAPORE LIMITED
- COSL OIL-TECH (SINGAPORE) LTD.
- COSL DRILLING PAN-PACIFIC LTD.
- COSL PROSPECTOR PTE. LTD.
- COSL PIONEER PTE. LTD.
- COSL INNOVATOR PTE. LTD.
- COSL PROMOTER PTE. LTD.
- COSL Drilling Pan Pacific (Malaysia) Sdn. Bhd.
- COSL Drilling Pan-Pacific (Labuan) Ltd
- MYANMAR COSL LIMITED
- COSL Middle East FZE
- Far East Oilfield Services Limited Liability Company
- COSL Offshore Management AS
- COSL Drilling Europe AS
- COSL Norwegian AS
- COSL America Inc.
- COSL CANADA LTD.

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- COSL MEXICO, S.A. DE C.V.
- CAIM SERVICES, S.A. DE C.V.
- COSL DRILLING BRASIL LTDA
- COSL Uganda SMC LTD
- COSL (Thailand) Co., Ltd.
- COSL UK LIMITED
- COSL (Kazakhstan) Limited Liability Partnership
- PT. COSL INDO
- COSL Deepwater Technology Co. Ltd.
- Tianjin Eco-friendly Technology Co., Ltd.
- COSL Trading (Tianjin), Ltd.
- Blue Ocean Boda Technology Co., Ltd.
- COSL Hainan Ltd.
- COSL Hainan Technical Services Ltd.
- Hainan Deep Drilling Ltd.
- COSL Leasing (Tianjin) Co., Ltd.

A special resolution will be proposed at the AGM to approve the provision of guarantees for the Company's wholly-owned subsidiaries as at the date of passing of the resolution.

XII. PROPOSAL FOR GENERAL MANDATE TO ISSUE H SHARES

At the Annual General Meeting, a special resolution will be proposed to the Shareholders to grant to the Board a general and unconditional mandate to allot, issue and deal in further H Shares, representing up to 20% of the total number of H Shares in issue as at the date of the passing of the resolution (the “**New General Mandate**”). Based on 1,811,124,000 H Shares in issue as at the Latest Practicable Date and assuming there is no change to the number of issued H Shares prior to the date of the Annual General Meeting, the Board will be authorised to issue a maximum of 362,224,800 H Shares pursuant to the new general mandate, representing a maximum of 20% of the total number of H Shares in issue or a maximum of approximately 7.59% of the entire issued share capital of the Company. The Shareholders have granted a general mandate to the Board to issue H Shares at the

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annual general meeting of the Company held on 24 May 2023. The Company did not issue any H Shares pursuant to the above general mandate granted and the above general mandate will lapse after the conclusion of the Annual General Meeting or 23 May 2024 (whichever is earlier). The Company proposes to seek Shareholders' approval for the New General Mandate at the Annual General Meeting so as to give the Board the flexibility to issue further H Shares.

The Board believes that it is in the best interests of the Company and the Shareholders to grant the New General Mandate to the Board to issue further H Shares. Whilst it is not possible to anticipate in advance any specific circumstances in which the Board might think it appropriate to issue further H Shares, the ability to do so would give the Board the flexibility to capture the opportunity if it so arises.

XIII. PROPOSAL FOR GENERAL MANDATE TO BUY BACK A SHARES AND H SHARES

(1) A Share Buy-back Mandate

The Company Law (to which the Company is subject) 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. In compliance with the Articles of Association, share buy backs may be effected by a joint stock limited company listed outside the PRC for the purpose of reducing its share capital or in connection with a merger between itself and another entity that holds its shares or in circumstances permitted by law or administrative regulations.

PRC laws and regulations and the SSE Listing Rules permit shareholders of a PRC joint stock limited company to grant a general mandate to the board of directors of the company 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 (A Shares) and overseas listed foreign shares (H Shares) in separate class meetings.

A special resolution will be proposed at the Annual General Meeting, A Shareholders' Class Meeting and H Shareholders' Class Meeting to grant to the Board the A Share Buy-back Mandate and H Share Buy-back Mandate, details of which will be set out in the notice of the Annual General Meeting and the notice of the H Shareholders' Class Meeting. The A Shares which may be bought back pursuant to the A Share Buy-back Mandate shall not exceed 10% of the total number of A Shares of the Company in issue as at the date of passing of the resolution(s) approving the A Share Buy-back Mandate.

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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 Annual General Meeting, the A Shareholders' Class Meeting and H Shareholders' Class Meeting, in the case of buy back of A Shares to be cancelled to reduce the registered capital, the Company will still be required, under applicable PRC laws and regulations and the SSE 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 SSE Listing Rules. The Company will at all times comply fully with all applicable PRC laws and regulations and the SSE 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.

(2) H Share Buy-back Mandate

The Company Law (to which the Company is subject) 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. In compliance with the Articles of Association, share buy backs may be effected by a joint stock limited company listed outside the PRC for the purpose of reducing its share capital or in connection with a merger between itself and another entity that holds its shares or in circumstances permitted by law or administrative regulations.

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 board of directors of the company to buy back H shares of such company that are listed on the 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 (A Shares) and overseas listed foreign shares (H Shares) in separate class meetings.

As the H Shares are traded on the Stock Exchange in HK dollars and the price payable by the Company upon any buy back of H Shares will, therefore, be paid in HK dollars, the approval of the Beijing Foreign Exchange Administrative Office of SAFE will be required for the Company to exchange and remit such amount of HK dollars to effect the buy back. Besides, the Company shall also carry out filings with the CSRC after the Company has bought back its Shares.

Accordingly, approval is being sought from the Shareholders for a general mandate to buy back H Shares in issue. In accordance with the legal and regulatory requirements described herein, the Board will convene the Annual General Meeting, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting. A special resolution will be proposed at the

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Annual General Meeting, A Shareholders' Class Meeting and H Shareholders' Class Meeting to grant to the Board the A Share Buy-back Mandate and H Share Buy-back Mandate, details of which will be set out in the notice of the Annual General Meeting and the notice of the H Shareholders' Class Meeting. The H Shares which may be bought back pursuant to the H Share Buy-back Mandate shall not exceed 10% of the total number of H Shares of the Company in issue as at the date of passing of the resolution(s) approving the H Share Buy-back Mandate.

(3) General

Both the A Share Buy-back Mandate and the H Share Buy-back Mandate would expire on the earlier of (a) the conclusion of the next annual general meeting of the Company following the passing of the relevant special resolution(s) at the Annual General Meeting, A Shareholders' Class Meeting and H Shareholders' Class Meeting; (b) the expiration of a period of twelve months following the passing of the relevant special resolution(s) at the Annual General Meeting, A Shareholders' Class Meeting and H Shareholders' Class Meeting; or (c) the date on which the authority conferred by the relevant special resolution(s) is revoked or varied by a special resolution of the Shareholders at a general meeting or by H Shareholders or A Shareholders at their respective class meetings.

Subject to obtaining the authorization from the Annual General Meeting, A Shareholders' Class Meeting, and H Shareholders' Class Meeting, the Board agrees to delegate the authority of execution of the above mandates to the Executive Directors or Chief Financial Officer, and agrees that the Executive Director or Chief Financial Officer act as the delegate of the Board to implement the relevant mandate matters for the buy-back of A shares and H shares. The mandate is effective from the date of approval of this resolution at the Annual General Meeting, 2024 First A Shareholders' Class Meeting and 2024 First H Shareholders' Class Meeting.

The Company will notify its creditors and issue announcements in accordance with the provisions of the Company Law, relevant laws and regulations, and the Articles of Association. If the resolution in relation to the proposed change of the scope of business and proposed amendments to the Articles of Association is approved by the Shareholders, in accordance with the requirements of the amended Articles of Association applicable to capital reduction, the Company shall notify its creditors of the passing of the resolution for the reduction of the registered capital of the Company within 10 days after the passing of such resolution and also by way of the publication on a newspaper recognized by the stock exchange where the Shares of the Company are listed within 30 days after the passing of the resolution. A creditor has the right within 30 days of receipt of the notice from the Company or, in the case of a creditor who does not receive such notice within 45 days of the notice being received, to require the Company to repay its debts or to provide a corresponding guarantee for such debt.

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

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XIV. THE ANNUAL GENERAL MEETING AND THE CLASS MEETINGS

Notices convening the Annual General Meeting and the H Shareholders' Class Meeting to be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC on Tuesday, 28 May 2024 at 10:00 a.m. and 10:30 a.m., respectively, are set out on pages 56 to 63 of this circular.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of the shareholders at a general meeting must be taken by poll. Accordingly, all resolutions to be proposed at the AGM, the A Shareholders' Class Meeting and the H Shareholders' Class Meeting will be voted by poll.

For the purpose of determining the entitlement for attendance and voting at the AGM and the H Shareholders' Class Meeting, the H Shares register of members of the Company will be closed from Wednesday, 22 May 2024 to Tuesday, 28 May 2024, both days inclusive, during which period no transfer of Shares will be effected. In order to attend and vote at the Annual General Meeting and the H Shareholders' Class Meeting, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Tuesday, 21 May 2024. Holders of A Shares should contact the secretary of the Board for details concerning registration of transfers of A Shares.

For the purpose of determining entitlement for the final dividend for the year ended 31 December 2023, the H Shares register of members of the Company will be closed from Wednesday, 12 June 2024 to Monday, 17 June 2024, both days inclusive, during which period no transfer of Shares will be effected. In order to be entitled for the final dividend for the year ended 31 December 2023, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Tuesday, 11 June 2024. Holders of A Shares should contact the secretary of the Board for details concerning registration of transfers of A Shares.

Shareholders is entitled to attend and vote at the Annual General Meeting or the H Shareholders' Class Meeting by himself or by proxy, if a proxy is appointed to attend the meeting, you are requested to complete the proxy form in accordance with the instructions set out therein and return it to the Office of the Secretary of the Board at the Company's principal place of business in the PRC (for holders of the A Shares) and at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) as soon as possible but in any event, not less than 24 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting (as the case may be). Completion and return of the proxy form will not prevent you from attending and voting in person at the Annual General Meeting or the H Shareholders' Class Meeting or any adjourned meeting (as the case may be) should you so wish.

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XV. RECOMMENDATION

The Directors consider that (1) the audited financial statements and the report of the auditor for the year 2023, (2) proposed profit distribution plan and final dividend distribution plan for the year 2023, (3) the report of the Board of Directors for the year 2023, (4) the report of the Supervisory Committee for the year 2023, (5) proposed approval of the re-appointment of the audit firms, (6) proposed US Dollar loans extension by the wholly-owned subsidiary, COSL Middle East FZE, and the provision of guarantee by the Company thereof, (7) proposed re-appointment of Independent Non-executive Director, (8) proposed amendments to the Independent Director System, (9) proposed change of the scope of business and proposed amendments to the Articles of Association, (10) proposed provision of guarantees for the wholly-owned subsidiaries of the Company, (11) the grant of general mandate to the Board to issue H Shares and (12) the grant of general mandate to the Board to buy-back A Shares and H Shares, are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

XVI. RESPONSIBILITY STATEMENT

This document, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purposes of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

Yours faithfully,
For and on behalf of
China Oilfield Services Limited
Sun Weizhou
Joint Company Secretary

**CHINA OILFIELD SERVICES LIMITED
THE INDEPENDENT DIRECTOR SYSTEM**

(This system was considered and approved at the 2024 first Board meeting convened on 26 March 2024; this system is subject to consideration at the 2023 Annual General Meeting)

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

Chapter 1 General Provisions

Article 1 To further improve the corporate governance structure of China Oilfield Services Limited (hereinafter referred to as the “Company”), promote the Company’s compliant operations and ensure the performance of duties by Independent Directors, this system is specially formulated in accordance with the relevant provisions of the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, the Measures for the Administration of Independent Directors of Listed Companies, the Guidelines for Self-regulation of Listed Companies on the Shanghai Stock Exchange No. 1 – Regulation of Operations, the Rules Governing the Listing of Securities on the Shanghai Stock Exchange, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Opinions of the General Office of the State Council on the Reform of the Independent Director System of Listed Companies.

Article 2 Independent Directors referred to in this system are Directors who do not take up any positions in the Company other than serving as a Director, and are not directly or indirectly interested with the Company and its substantial Shareholders, de facto controller, or who are prevented from exercising independent and objective judgments. The main risks needed to cope with in this system are to further improve the corporate governance structure, promote the Company’s standardized operation, prevent Independent Directors from failing to perform their duties, harm the whole interests of the Company, and infringe the legitimate rights and interests of minority shareholders. The Independent Directors of the Company shall strictly comply with the provisions of this system, execute the duties granted by the laws, administrative regulations, departmental regulations, the listing rules of the stock exchange where the Company’s shares are listed and the Articles of Association of China Oilfield Services Limited (hereinafter referred to as the “Articles of Association”).

Chapter 2 Qualifications for Election

Article 3 Independent Directors shall have high professional quality and good reputation, and shall meet the following requirements:

- (1) possess the qualifications for listed company directorships as provided in laws, administrative regulations, departmental regulations, the listing rules of the stock exchange where the Company’s shares are listed and other relevant provisions;
- (2) possess the independence required under the listing rules of the stock exchange where the Company’s shares are listed and Article 5 of this system;
- (3) possess basic knowledge on the operations of a listed company, and familiar with relevant laws, administrative regulations, provisions and rules;
- (4) possess over five years of work experience in the legal, accounting or economic fields or otherwise required for his/her service as an Independent Director;
- (5) to convince the Hong Kong Stock Exchange that his/her character, integrity, independence and experience are sufficient to effectively perform his/her duties as an Independent Director to ensure that the interests of all shareholders will be adequately represented;

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

- (6) other requirements stipulated in the laws, administrative regulations, departmental regulations, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Article 4 Candidates for Independent Directors shall have good personal moral characters, shall not be involved in any circumstances that prevent them from being nominated as directors of listed companies as stipulated by regulatory rules, and shall not have the following bad records:

- (1) administrative punishment imposed by the China Securities Regulatory Commission (hereinafter referred to as "CSRC") or criminal punishment by judicial organs due to the violations or crimes on securities and futures dealing in the last 36 months;
- (2) being placed on file for investigation by the CSRC or judicial organs due to suspected violations or crimes on securities and futures dealing, with no definite conclusions made;
- (3) being publicly condemned or criticised for more than three times by any stock exchange within the last 36 months;
- (4) having bad records such as serious breach of trust;
- (5) in less than 12 months, having been proposed by the Board to be removed at a general meeting due to failure to attend two consecutive board meetings in person without appointing another Independent Director to attend the meetings on his/her behalf during his/her previous tenure as an Independent Director;
- (6) other circumstances as determined by the stock exchange where the Company's shares are listed.

Article 5 Candidates for Independent Directors of the Company shall be independent. The following persons shall not serve as Independent Directors:

- (1) a person employed by the Company or its affiliated enterprises and the immediate family members and key relatives of such person (immediate family members shall mean, among others, spouse, parents and children; key relatives shall mean, among others, brothers and sisters, spouses of brothers and sisters, parents of spouses, brothers and sisters of spouses, spouses of children, parents of spouses of children, etc.);
- (2) the natural person shareholders directly or indirectly holding more than 1% of the issued shares of the Company or any of the top ten shareholders of the Company and their immediate family members;
- (3) a person employed by any shareholder directly or indirectly holding more than 5% of the issued shares of the Company or being one of the top five shareholders of the Company, and their immediate family members;

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- (4) a person employed by the Company's controlling shareholder, de facto controller and their subsidiaries, and their immediate family members;
- (5) a person having significant business dealings with the Company and its controlling shareholder, de facto controller or their respective subsidiaries, or persons employed by entities and their controlling shareholder, de facto controller with which they have significant business dealings;
- (6) a person that has been involved in the above five situations in the past year;
- (7) a person, currently or within two years before the proposed appointment as an Independent Director, offering financial, legal, consulting, sponsoring and other services to the Company, its controlling shareholder, de facto controller or their respective subsidiaries, including but not limited to all the members of the project team of an intermediary that renders services, checkers at different levels, persons signing reports, partners, directors, senior management and principal responsible persons;
- (8) a person receiving any interests (except for Director fees and share options recognized by securities regulatory authorities) in the securities of the Company as a gift or by means of other financial assistance from a core connected person (directors, supervisors, chief executives and substantial shareholders and their close associates of the Company or its holding subsidiaries) or the Company itself;
- (9) such Director currently or within one year before the proposed appointment as an Independent Director had a material interest in any principal business activity of the Company, its holding company or their respective subsidiaries; or was involved in any material business dealings with the Company, its holding company or their respective subsidiaries or with any core connected persons of the Company;
- (10) such Director serves as a Director in order to protect a certain entity whose interest is different from the interests of shareholders as a whole;
- (11) currently or within two years prior to being proposed to be an Independent Director, such Director was connected with the director, chief executive officer or substantial shareholders of the Company;
- (12) such Director is (or once was within two years prior to being proposed as an Independent Director) a senior management or a Director (save for an Independent Director) of the Company, its holding company or any of their respective subsidiaries or any core connected persons of the Company;
- (13) such Director is financially dependent on the Company, its holding company or any of their respective subsidiaries or the core connected persons of the Company;

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- (14) other person identified by laws, administrative regulations, departmental regulations, listing rules of the stock exchange where the Company's shares are listed, and the Articles of Association;
- (15) other person considered by securities regulatory authority or the stock exchange where the Company's shares are listed as having no independence.

When determining whether the Independent Directors are independent based on the above items (4 to 15), the relevant factors should also apply to the immediate family members of the Independent Director (spouses; their (or their spouses') children under the age of 18 (natural or adopted) or stepchildren).

Article 6 Where a person proposes a resolution to elect an individual as an Independent Director at the general meeting, to include the resume and background of the individual in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting.

Article 7 Independent Directors shall account for more than one-third of the members of the Board of the Company and shall include at least one accounting professional.

Accounting professionals refer to persons who meet one of the following conditions:

- (1) being qualified to practice as certified public accountant;
- (2) having senior professional title, associate professor and above title, or doctor's degree of accounting, auditing or financial management;
- (3) having senior professional title of economic management and more than 5 years of full time working experience in accounting, auditing, financial management or other professional positions.

The majority of the Audit Committee, the Nomination Committee, the Remuneration and Assessment Committee shall be Independent Directors and the meeting of which shall be convened by Independent Directors. The Audit Committee should be chaired by an Independent Director with an accounting background.

Article 8 At least one Independent Non-executive Director of the Company shall usually reside in Hong Kong.

Article 9 An Independent Director may be removed from his/her duties by the Company in accordance with legal procedures prior to the conclusion of his/her term of office. In the event of early termination of the duties of an Independent Director, the Company shall disclose the specific reasons and bases in a timely manner. The Company shall disclose in a timely manner in case of any dissent of such Independent Director.

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An Independent Director that does not meet the requirements of (1) or (2) under Article 3 of this system shall immediately cease performing his/her duties and resign from the position. Where no resignation has been rendered, the Board of Directors shall forthwith remove him/her from his/her duties after the occurrence of such event has, or should have, come to its attention.

In the event of resignation or removal from duties under circumstances set out in the foregoing paragraph resulting in the ratio of Independent Directors in the Board of Directors or the special committees thereunder not meeting the requirement under this system or the Articles of Association or provisions of the listing rules of the jurisdiction where the Company is listed, or the absence of any accounting professional amongst the Independent Directors, the Company shall immediately notify the stock exchange where the Company is listed, perform its disclosure obligations (if applicable), and complete a by-election within sixty days from the occurrence of the aforesaid event.

Article 10 The Board, Supervisory Committee, or the shareholders individually or jointly holding more than 1% of issued shares of the Company may nominate candidates for Independent Director. Then the Independent Director shall be elected by the general meeting. Nominators shall not nominate persons who have interests with them or persons who have other close relations that may affect their independent performance of duties as candidates for Independent Directors.

Investor protection institutions established in accordance with laws can publicly request shareholders to entrust them to exercise rights to nominate Independent Directors.

Article 11 Nominators shall acquire the consent from the nominees before nominating the Independent Directors. The nominators shall have a comprehensive understanding of the profession, educational background, title, specific work experience, all part-time jobs and any negative record such as major dishonest conduct of the nominees, and express their opinions on the independence and other qualifications of the nominees to be elected as Independent Directors. The nominees shall make public statements that they are independent and qualified for Independent Directors.

The Nomination Committee of the Board shall review the qualifications of nominees, and express clear review opinions. The Company shall disclose the qualification review of nominators, nominees and candidates before election at the general meeting.

Article 12 Before convening the shareholders' general meeting for election of Independent Directors, the Company shall submit the relevant information of all candidates of Independent Directors to the stock exchange. The submitted information shall be true, accurate and complete. The stock exchange may review the qualification and independence of the Independent Directors. In the case that the Board has objection to the relevant information on the nominees, a written opinion of the Board of Directors shall be submitted.

Article 13 Nominees disagreed by regulatory authorities may not be submitted by the Company to the general meeting.

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Article 14 When electing nominees as Independent Non-executive Directors, in the relevant information of the general meeting, the Company shall set out the process used for identifying the individual and why the Board believes the individual should be elected and the reasons why it considers the individual to be independent, the opinions, perspectives, skills and experience that the individual can bring to the Board and how the individual contributes to Board diversity, etc.

The cumulative voting system may be used when the Independent Directors are elected at the general meeting. The voting of minority shareholders shall be conducted separately and disclosed.

Article 15 The term of office of an Independent Director shall be three years, renewable upon re-election, but shall not serve for a consecutive period of more than 6 years.

Those who have been serving as Independent Directors in the Company for six consecutive years shall not be nominated as candidates for Independent Directors in the Company within 36 months from the date of occurrence.

Article 16 Independent Directors employed by the Company, in principle, can concurrently serve as the Independent Director in at most three PRC listed companies, and shall make sure they have enough time and energy to effectively perform the duties as Independent Directors.

Article 17 An Independent Director may resign prior to expiration of his term of office. Independent Directors shall tender resignation in writing to the Board, in which he shall give a description of any matter in relation to his resignation or to which he thinks that the shareholders and creditors of the Company shall be aware of. The Company shall disclose the reason why Independent Directors resign and its concerns. If resignation of an Independent Director renders the number of Independent Directors amongst the Board and the special committees of the Company to fall below the minimum requirement of this system or the Articles of Association or the listing rules of the stock exchange where the Company's shares are listed, or there is a lack of accounting professional among Independent Directors, the Independent Director shall continue to perform his duties until his successor takes his office. The Company shall immediately notify the stock exchange where the Company is listed and make immediate disclosure (if applicable), and complete the by-election within 60 days from the date the Independent Director tendered his resignation.

Chapter 3 Performance of Duties

Article 18 Independent Directors shall perform the following duties:

- (1) to be involved in the Board's decision-making and express specific opinions on the matters being discussed;
- (2) as stated in Article 22 of this system, Article 26, Article 27 and Article 28 in the Measures for the Administration of Independent Directors of Listed Companies, to supervise the potential material conflicts of interests between the Company and its controlling shareholder, de facto controller, directors and senior management, to make the Board's decisions in the whole interest of the Company, and to protect the legitimate rights and interests of minority shareholders;

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- (3) to provide professional and objective suggestions for the Company's operation and development, and improve the Board's decision-making levels;
- (4) other duties stipulated by laws, administrative regulations, CSRC rules, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Article 19 Independent Directors shall perform the following special duties and powers:

- (1) to independently engage intermediate agencies to audit, advise and inspect on specific matters of the Company;
- (2) to propose to the Board to convene an extraordinary general meeting;
- (3) to propose to convene the Board meetings;
- (4) to solicit on public shareholders' rights according to the law;
- (5) to express their independent opinions on the matters that may harm the interests of the Company and minority shareholders;
- (6) other duties and powers stipulated by laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the Company's shares are listed, other regulatory documents, and the Articles of Association.

Independent Directors shall seek the consent of more than half of all the Independent Directors before exercising the above duties and powers specified in above items (1), (2) and (3).

If the Independent Directors exercise duties and powers stated in paragraph 1, the Company shall make timely disclosure. Where any such proposal is not adopted or any such power can not be exercised normally, the Company shall disclose the relevant information and reasons.

Article 20 The Company shall, on a periodical or unscheduled basis, convene meetings attended solely by Independent Directors (hereinafter referred to as "Special Meetings of Independent Directors"). The matters specified in items (1) to (3) of paragraph 1 of Article 19 and Article 22 of this system shall be deliberated at the Special Meetings of Independent Directors.

The Special Meetings of Independent Directors may study and discuss other matters of the Company if necessary.

The Special Meetings of Independent Directors shall be convened and presided over by an Independent Director jointly elected by a majority of the Independent Directors. If the convener fails to or is unable to perform his or her duties, two or more Independent Directors may, on their initiative, convene a meeting and elect a representative to preside over the meeting.

The Company shall facilitate and support the convening of Special Meetings of Independent Directors.

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

Article 21 Independent Directors shall pay continuous attention to the implementation of the Board resolutions related to the matters stated in Article 22 of this system, Article 26, Article 27 and Article 28 of the Measures for the Administration of Independent Directors of Listed Companies. If Independent Directors find any violations of laws, administrative regulations, CSRC rules, business rules of the stock exchange where the shares of the Company are listed (if applicable) and the Articles of Association, or violations of the resolutions at the general meetings and the Board meetings, they shall report the violations to the Board in a timely manner, and require the Company to make a written explanation thereon. The Company shall promptly disclose any involved matter that shall be disclosed.

If the Company fails to make an explanation or a timely disclosure in accordance with the provisions of the preceding paragraph, the Independent Directors may report it to the CSRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange (if applicable).

Article 22 The following matters shall be submitted to the Board for consideration with the consent of more than half Independent Directors of the Company:

- (1) connected transactions that shall be disclosed;
- (2) the plans of the Company and the relevant parties for the modification or waiver of their undertakings;
- (3) the decisions made and measures taken by the board of directors of the acquired company;
- (4) other matters prescribed by laws, administrative regulations, CSRC rules, the listing rules of the stock exchange where the Company's shares are listed and the Articles of Association.

Article 23 Independent opinions expressed by the Independent Directors of the Company shall include one of the following opinions:

- (1) consent;
- (2) qualified opinion and the reasons therefor;
- (3) objection and the reasons therefor;
- (4) disclaimer of opinion and the obstacles therefor.

Article 24 When an Independent Director votes against or abstains from voting on a proposal of the Board, he or she shall explain the specific reasons and basis therefor, the legality and compliance of the matters involved in the proposal, potential risks, and the impact on the rights and interests of the Company and minority shareholders, among others. When the Company discloses the resolution of the Board, it shall disclose the dissenting opinions of Independent Directors at the same time and indicate such opinions in the resolution of the Board and the minutes of the meeting.

Article 25 During the formulation and disclosure of the annual report of the Company, the management shall report to and communicate with Independent Directors in a timely manner.

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

During the formulation and disclosure of the annual report of the Company, the Independent Directors shall perform the duties and obligations as an Independent Director in a diligent and faithful manner.

Article 26 The management of the Company shall fully report to each Independent Director on the operating conditions and the development of material events of the Company for the year in a timely manner. Meanwhile, the Company shall arrange each Independent Director to conduct on-site inspections.

Article 27 The accounting firm in charge of annual report audit shall submit to each Independent Director the arrangement of audit work for the current year and other relevant materials, before on-site audit work is commenced by the accounting firm providing the annual report audit for the Company. The Company shall arrange at least one meeting between each Independent Director and the accounting firm for annual auditing to communicate issues identified during the audit process after the accounting firm for annual auditing issued its preliminary audit opinion and before a Board meeting is held to consider the annual report. Independent Directors shall perform the duty of meeting.

Article 28 In the annual report, Independent Directors are required to confirm the annual execution status of the Company's daily continuing connected transactions. The confirmation covers:

- (1) whether the continuing connected transactions are conducted in the ordinary course of business of the Company;
- (2) whether the transactions are conducted on normal commercial terms or better or on terms no less favourable than those available from independent third parties;
- (3) whether the transactions are conducted in accordance with the terms of the continuing connected transaction agreement and whether the terms of the transaction are fair and reasonable and in the interests of the shareholders of the Company as a whole;
- (4) whether the transaction amount exceeds the caps approved and announced by the Company's general meeting or the Board.

Article 29 In the annual report, if the Company makes any changes to accounting policies, accounting estimates, or rectifies significant accounting errors, the Independent Directors are required to provide their independent opinions. These opinions should be disclosed by the Company in the annual report and submitted to the stock exchange where the Company is listed as required.

Article 30 Each Independent Director must submit a written confirmation to the stock exchange where the Company is listed, as required by regulations. This confirmation should affirm their independence and declare that, at the time of making statements and commitments in accordance with the listing rules of the stock exchange where the Company's shares are listed, there are no other factors that could affect their independence. If there are any changes in the future that may affect their independence, each Independent Director shall promptly notify the relevant stock exchange where the Company is listed to the extent practicable. Additionally, they shall annually confirm their independence to the Company. The Company shall confirm annually in the annual report whether it has received the aforementioned confirmations and whether it still considers the relevant Independent Directors to be independent individuals.

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

Article 31 Independent Directors in the special committees of the Board of the Company shall perform their duties in accordance with laws, administrative regulations, CSRC rules, business rules of stock exchanges where the Company is listed and the Articles of Association. Independent Directors shall attend the meetings of special committees in person. An Independent Director who is unable to attend such meetings in person for some reason shall review the meeting materials in advance, form specific opinions, and entrust another Independent Director in writing to attend the meeting on his/her behalf. If an Independent Director concerns any material matter of the Company which falls within the scope of duties of a special committee in the course of performing his/her duties, he/she may promptly submit them to special committees for discussion and deliberation under relevant procedures.

Article 32 The minutes of the meeting of the Board and its special committees or the Special Meetings of Independent Directors shall be made according to the relevant provisions, in which the opinions of Independent Directors shall be indicated. Independent Directors shall sign the meeting minutes for confirmation.

Independent Directors shall prepare work records and record detailed information on the performance of their duties. The information obtained in the process of an Independent Director's performance of his or her duties, relevant meeting minutes and records of communication with the personnel of the Company and intermediaries, among others, shall constitute parts of the work records. An Independent Director may require the secretary of the Board and other relevant personnel to confirm the important information in work records by signature, and the Company and relevant personnel shall cooperate.

The work records of an Independent Director and the information provided by the Company to the Independent Director shall be preserved for at least ten years.

Article 33 For the purpose of effective duty performance of Independent Directors, the Company shall furnish Independent Directors with the necessary conditions for their duty performance:

- (1) When Independent Directors are performing their duties, the directors, senior management and other relevant personnel of the Company shall actively provide assistance and shall not refuse, obstruct or conceal relevant information, or interfere with their independent duty performance. If Independent Directors encounter obstruction in performing their duties in accordance with the law, they may explain the situation to the Board, request cooperation from the directors, senior management and other relevant personnel, and record the details and resolution of the obstruction in their work record; if they still fail to remove the obstruction, they may report the matter to the CSRC, the Shanghai Stock Exchange and the Hong Kong Stock Exchange (if applicable). If the performance of duties by Independent Directors involves information that shall be disclosed, the Company shall make the disclosure in a timely manner.
- (2) The Company shall ensure that Independent Directors enjoy the equal right to know as other directors. The Company shall regularly report its operation to Independent Directors, provide relevant materials to Independent Directors, and organize or cooperate with them in on-site investigations and other work. Before the deliberation of any significant or complicated matter by the Board, the Company may organize its Independent Directors to participate in the research and argumentation of the matter, fully listen to the opinions of Independent Directors, and promptly report the adoption of their opinions to Independent Directors.

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

- (3) The Company shall provide its Independent Directors with necessary working conditions and personnel support for their performance of duties, and designate special departments and personnel, such as the office of the Board and the secretary of the Board, to assist Independent Directors in performing their duties. The secretary of the Board shall ensure smooth communication between Independent Directors and other directors, senior management, and other relevant personnel, and ensure that Independent Directors have access to sufficient resources and necessary professional opinions in the performance of their duties.
- (4) The Company shall give notice of a meeting of the Board to the Independent Directors in a timely manner, provide relevant meeting materials no later than the notice period for Board meetings as specified in laws, administrative regulations, CSRC rules, listing rules of the stock exchange where the Company's shares are listed or the Articles of Association, and create effective communication channels for the Independent Directors. In terms of a meeting convened by the special committees of the Board, the relevant materials and information shall, in principle, be provided no later than three days prior to the meeting of the special committees. The aforesaid meeting materials shall be kept by the Company for at least ten years. When two or more Independent Directors consider the meeting materials inadequate or the proof unclear or not provided in time, they may propose in writing to the Board for postponing the meeting or the consideration of the matters, and the Board shall adopt such proposal. In principle, the meetings of the Board and the special committees shall be convened by way of on-site meetings. When necessary, such meetings may also be convened through video, telephone or other methods according to the relevant procedures and on such a premise that all attending directors can fully communicate with each other and express their opinions.
- (5) Before a meeting of the Board is convened, an Independent Director may communicate with the secretary of the Board and inquire about, request the supplements of materials, or offer opinions and recommendations concerning the matters to be deliberated. The Board and relevant personnel shall conscientiously study the issues, requests, and opinions put forward by the Independent Director and promptly provide feedback on the implementation of amendments to the proposals and other matters to the Independent Director.
- (6) When Independent Directors are performing their duties, personnel of the Company shall actively provide assistance and shall not refuse, obstruct or conceal or interfere with their independent duty performance.
- (7) When a proposal is made to convene an extraordinary general meeting by Independent Directors, the Board shall, in accordance with the provisions of laws, administrative regulations and the Articles of Association, provide written feedback on whether they agree or disagree to convene the extraordinary general meeting within ten days of receiving the proposal. If the Board agrees to convene an extraordinary general meeting, they shall issue a notice for the general meeting within five days after making the Board resolution. If the Board disagrees to convene an extraordinary general meeting, they shall provide reasons for their decision and make a public announcement.

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

- (8) The Company shall improve the mechanism for communication between Independent Directors and minority shareholders. Independent Directors may verify the issues raised by investors with the Company in a timely manner.
- (9) The expenses for hiring professional institutions by Independent Directors and other expenses incurred in exercising their duties and powers shall be borne by the Company.
- (10) The Company shall pay Independent Directors with subsidies of appropriate sums. The standards of subsidies shall be proposed by the Board, considered and approved by the general meeting, and disclosed in annual reports of the Company. Apart from the aforesaid subsidies, Independent Directors shall acquire no other additional interests from the Company, its substantial shareholders, de facto controller or any entity or person being an interested party.

Chapter 4 Obligation, Responsibility and Guarantee

Article 34 An Independent Director has a fiduciary and diligent obligation toward the Company and all its shareholders. An Independent Director shall, pursuant to the requirements of the relevant laws, administrative regulations, CSRC rules, business rules of the stock exchanges where the Company is listed (if applicable) and the Articles of Association, conscientiously perform his/her duties and responsibilities, play the role of participating in decision-making, conducting supervision, checks and balances, and providing professional advice in the Board, safeguard the overall interests of the Company and protect the lawful rights and interests of minority shareholders. An Independent Director shall perform his/her duties independently and not be affected by the Company and its substantial shareholders, de facto controller and other entities or individuals that are interested in the Company.

The Independent Directors shall conduct a self-examination of their independence on an annual basis and submit the self-examination to the Board. The Board shall conduct an annual assessment of the independence of the incumbent Independent Directors and issue special opinions thereon, which shall be disclosed together with the annual report.

In case of any situation affecting the independence of identity, Independent Directors shall promptly notify the Company and eliminate it. If there is a conflict between shareholders or directors of the Company that has a material impact on the operation and management of the Company, the Independent Directors shall actively perform their duties to safeguard the overall interests of the Company.

Article 35 Management of the Company, in particular the secretary of the Board, shall communicate with the Independent Directors in a timely and adequate manner to ensure that the work of the Independent Directors is carried out smoothly.

An Independent Director shall work on-site at the Company for not less than 15 days each year. In addition to attending shareholders' general meetings, meetings of the Board and its special committees, and Special Meetings of Independent Directors according to the relevant provisions, Independent Directors may perform their duties by various means such as obtaining information on the operation of the Company on a periodical basis, hearing the reports of the management, communicating with the person in charge of the

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

internal audit office, the accounting firm providing audit services for the Company, and other intermediaries, conducting field visits, and communicating with minority shareholders. Independent Non-executive Directors and the Chairman shall hold a meeting at least once a year without the presence of any other Directors.

Article 36 Independent Directors shall attend the general meeting in person and communicate with the Company's shareholders on site; shall attend Board meetings on time, understand the business and operation conditions of the Company, actively investigate and obtain the relevant information required for making a decision, and shall not entrust non-Independent Directors to vote on their behalf. Independent Directors attend the meetings through electronic means such as telephone or video, which shall be deemed as their personal attendance at Board meetings. If an Independent Director is unable to attend a Board meeting in person for any reason, he or she shall review the meeting materials in advance, form specific opinions, and entrust in writing another Independent Director of the Company to attend the meeting on his or her behalf. One Independent Director shall not accept appointment by more than two Independent Directors to attend one Board meeting on his/her behalf.

If Independent Directors do not attend the Board meeting in person and do not appoint other Independent Directors to attend the meeting on their behalf, they shall review the resolutions and minutes of the meeting in a timely manner after the meeting. If Independent Directors have doubts about the legality of the content or procedures of the meeting resolutions, they shall raise enquiries to relevant personnel; if the resolutions of the Board meeting are found to be illegal, they shall immediately request the listed company to correct; if the company refuses to make corrections, they shall promptly report to the local branches of the CSRC in the region where the company is located or the stock exchange where the Company's shares are listed.

If any Independent Director fails to attend in person or entrust other Independent Directors as his/her representatives to attend meetings of the Board for two consecutive times, the Board shall propose to convene the general meeting within thirty days after the occurrence thereof to terminate the employment of such Independent Director.

Article 37 Independent Directors shall pay special attention to the connected transactions, external guarantees, the use of proceeds, the protection of public shareholders, mergers, acquisitions and reorganization, material investment and financing activities, financial management, remuneration of the senior management, profit distribution, information disclosure and other matters and shall propose to convene a Board meeting, propose resolutions to the general meeting for consideration or engage an accounting firm to conduct audit according to relevant rules when necessary.

Independent Directors shall review the Board resolutions included in the announcements of the Company and pay special attention to the reports and information relating to the Company, and shall make inquiry to the Company in writing concerning the reports or rumor that may have a significant impact on the development and trading price of securities of the Company in a timely manner and urge the Company to provide written statement or clarification if necessary.

Article 38 An Independent Director shall submit annual work reports to the annual general meeting of the Company, in which he/she shall make an explanation of the performance of his/her duties, and focus on the corporate governance matters such as internal control, standardized operation, and the protection of the rights and interests of minority investors.

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

The work report of an Independent Director shall contain the following items:

- (1) attendance at the Board meetings and general meetings in the previous year, including reasons and times for failure to present in person;
- (2) presentation and vote at the Board meetings, including circumstances of and reasons for waiver or veto;
- (3) participation in the work of the special committees of the Board and Special Meetings of Independent Directors;
- (4) deliberation on the matters specified in Articles 22 of this system, Article 26, Article 27 and Article 28 of the Measures for the Administration of Independent Directors of Listed Companies and exercising the special duties and powers of Independent Directors specified in paragraph 1 of Article 19 of this system;
- (5) major matters, methods, and results of communication with the internal audit office and the accounting firm providing audit service for the Company regarding the financial and business status of the Company;
- (6) investigations on the Company's production and operation, institutional improvement and implementation of Board meetings' resolutions; discussions with the Company's management; field researches on the Company's major investment, production and construction projects;
- (7) communication with minority shareholders, and the work done to protect the legitimate rights and interests of public shareholders;
- (8) information such as the time and content of on-site work at the Company;
- (9) participation in training;
- (10) other work done for performing Independent Directors' duties in accordance with relevant rules, regulations, normative documents and the Articles of Associations;
- (11) self-examination conclusion on whether he/she is still in compliance with provisions of independence and whether there is any change in his/her candidates' statements and commitments.

Independent Directors' work reports shall be signed and confirmed in person, then together with materials of the annual general meeting submitted to the Company for preserving and archiving.

Article 39 Independent Directors should comply with requirements as required by the CSRC and participate in the trainings organised by the CSRC and its authorized organizations; should attend relevant coaching, training, and examinations as required by the Shanghai Stock Exchange and the Hong Kong Stock Exchange, and maintain training records.

APPENDIX I THE INDEPENDENT DIRECTOR SYSTEM (REVISED EDITION)

Article 40 Independent Directors shall have committed a serious dereliction of duty in any of the following circumstances:

- (1) divulgence of trade secrets and impairment of the legitimate interests of the Company;
- (2) acceptance of illicit benefits in the performance of their duties, or the seeking of private benefits by taking advantage of the status of an Independent Director;
- (3) failure to raise an opposing opinion despite being fully aware that a Board resolution violates the laws, regulations or the Articles of Association;
- (4) failure to exercise the veto power to connected transactions which have caused material loss to the Company;
- (5) other serious derelictions of duty as defined by the laws and regulations of China or the place where the Company is listed.

Article 41 Independent Directors not proposing objections on the resolutions at the Board meetings that violate applicable laws, administrative regulations or the Articles of Association and result in serious losses to the Company shall be liable for compensations according to laws.

Article 42 The Company may purchase insurances for Directors, including Independent Directors, to minimize risks that may be incurred in Independent Directors' normal performance of responsibilities.

Chapter 5 Supplementary Provisions

Article 43 Matters not covered herein shall be implemented in accordance with relevant laws, administrative regulations, departmental rules, and listing rules of the stock exchange where the Company's shares are listed.

Article 44 In case of any conflict between the relevant provisions of this system and the laws, administrative regulations, departmental rules, the listing rules of the stock exchange where the Company's shares are listed or the Articles of Association promulgated or amended after the effective date, the latter shall prevail, and the Board will amend this system in a timely manner. In cases where the rights and obligations of Independent Directors are already specified in the Articles of Association, Rules of Procedure and Decision-making System for Connected Transactions, please adhere to those relevant provisions accordingly.

Article 45 This system shall come into effect and be implemented from the date of approval at the general meeting.

Article 46 This system shall be interpreted by the Board. Unless otherwise specified, terms used herein shall have the same meanings as those defined in the Articles of Association.

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 A Share Buy-back Mandate and H Share Buy-back Mandate to the Board.

A SHARE BUY-BACK MANDATE AND H SHARE BUY-BACK MANDATE

Reasons for Buying back A Shares and H Shares

The Board believes that the flexibility afforded by the A Share Buy-back Mandate and H Share Buy-back Mandate would be beneficial to and in the best interest 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 Board believes 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 RMB4,771,592,000 comprising 1,811,124,000 H Shares of RMB1.00 each and 2,960,468,000 A Shares of RMB1.00 each.

Exercise of the A Share Buy-back Mandate and H Share Buy-back Mandate

Subject to the passing of the special resolution(s) approving the grant to the Board of the A Share Buy-back Mandate and H Share Buy-back Mandate in the Annual General Meeting, A Shareholders' Class Meeting and H Shareholders' Class Meeting respectively, the Board will be granted the A Share Buy-back Mandate and H Share Buy-back Mandate until the earlier of: (a) the conclusion of the next annual general meeting of the Company following the passing of the relevant special resolution(s) at the Annual General Meeting, A Shareholders' Class Meeting and H Shareholders' Class Meeting; (b) the expiration of a period of twelve months following the passing of the relevant special resolution(s) at the Annual General Meeting, A Shareholders' Class Meeting and H Shareholders' Class Meeting; or (c) the date on which the authority conferred by the relevant special resolution(s) is revoked or varied by a special resolution of the Shareholders at a general meeting or by H Shareholders or A Shareholders at their respective class meetings ("**Relevant Period**"). The exercise of the A Share Buy-back Mandate and H Share Buy-back Mandate is subject to relevant approval(s) of and/or filings with SAFE and/or any other 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 1,811,124,000 H Shares in issue as at the Latest Practicable Date and there is no change to the number of issued H Shares on or prior to the date of the Annual General Meeting, the A Shareholders' Class Meeting and H Shareholders' Class Meeting) would result in a maximum of 181,112,400 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.

The exercise in full of the A Share Buy-back Mandate (on the basis of 2,960,468,000 A Shares in issue as at the Latest Practicable Date and there is no change to the total number of issued A Shares on or prior to the date of the Annual General Meeting, the A Shareholders' Class Meeting and H Shareholders' Class Meeting) would result in a maximum of 296,046,800 A Shares being bought back by the Company during the Relevant Period, being the maximum of 10% of the total A Shares in issue as at the date of passing the relevant resolution.

Funding of Buy Back

In buying back its A Share and H Share, 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 is empowered by its Articles of Association to buy back its A Shares and H Shares. Any buy backs by the Company may only be made out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the proceeds of a new issue of shares made for such purpose. Under PRC laws and Hong Kong Listing Rules, H Shares so bought back will be treated as cancelled and the Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the H Shares so cancelled. The Company may not buy back securities on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time. The A Shares bought back by the Company pursuant to the specific buy-back plan (if any) formulated by the Board under the A Share Buy-back Mandate will be transferred or cancelled in accordance with the specific buy-back plan (if any), subject to relevant PRC laws and regulations and relevant provisions.

GENERAL

The Directors consider that there would not be a material adverse impact on the working capital and on the gearing ratio of the Company in the event that the A Share Buy-back Mandate and H Share Buy-back Mandate is to be exercised in full at any time during the Relevant 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 Board does not propose to exercise the A Share Buy-back Mandate and 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 A Shares and 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 Board at the relevant time having regarded to the circumstances then prevailing, in the best interests of the Company.

The Board has confirmed that, so far as the same may be applicable, they will exercise the powers of the Company to make buy backs under the A Share Buy-back Mandate and 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 A Share Buy-back Mandate and H Share Buy-back Mandate has any unusual features.

A SHARES AND H SHARES PRICES

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

Date	A Shares Prices		H Shares Prices	
	Highest <i>RMB</i>	Lowest <i>RMB</i>	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023				
April	16.17	14.91	9.20	8.08
May	16.63	14.12	9.24	7.98
June	14.41	13.46	8.27	7.68
July	15.19	14.28	9.20	8.54
August	15.48	14.54	9.49	8.82
September	16.72	14.90	9.66	9.15
October	16.33	15.30	9.53	9.03
November	15.47	14.58	9.19	8.34
December	14.84	13.99	8.33	7.78
2024				
January	15.38	14.01	8.03	6.86
February	15.11	14.10	7.27	6.40
March	19.02	14.22	9.00	6.71
April (up to the Latest Practicable Date)	19.84	18.32	9.87	8.28

A SHARE AND H SHARE BOUGHT BACK BY THE COMPANY

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

Takeovers Code

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 A Share Buy-back Mandate and H Share Buy-back Mandate. Moreover, the Board 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.

DISCLOSURE OF INTERESTS

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 A Shares and H Shares to the Company under the A Share Buy-back Mandate and H Share Buy-back Mandate in the event that the A Share Buy-back Mandate and H Share Buy-back Mandate is approved by the Shareholders and the conditions (if any) to which the A Share Buy-back Mandate and 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 A Shares and H Shares to the Company, or that they have undertaken not to sell any A Shares and H Shares held by them to the Company in the event that the A Share Buy-back Mandate and H Share Buy-back Mandate is approved by its Shareholders and the conditions (if any) to which the A Share Buy-back Mandate and H Share Buy-back Mandate is subject are fulfilled.

NOTICE OF ANNUAL GENERAL MEETING



中海油田服务股份有限公司 China Oilfield Services Limited

(Incorporated in the People's Republic of China as a joint stock limited liability company)

(Stock Code: 2883)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (“AGM”) of China Oilfield Services Limited (the “Company”) will be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC, on Tuesday, 28 May 2024 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments the following resolutions:

AS ORDINARY RESOLUTIONS

1. To consider and approve the audited financial statements and the report of the auditor for the year ended 31 December 2023.
2. To consider and approve the proposed profit distribution plan and final dividend distribution plan for the year ended 31 December 2023.
3. To consider and approve the report of the Board of Directors for the year ended 31 December 2023.
4. To consider and approve the report of the Supervisory Committee for the year ended 31 December 2023.
5. To consider and approve the re-appointment of the audit firms.
6. To consider and approve the resolution in relation to the US Dollar loans extension by the wholly-owned subsidiary, COSL Middle East FZE, and the provision of guarantee by the Company thereof.
7. To consider and approve re-appointment of Ms. Chiu Lai Kuen, Susanna as an Independent Non-executive Director of the Company.
8. To consider and approve the amendments to the Independent Director System.

AS SPECIAL RESOLUTIONS

9. To consider and approve change of the scope of business and amendments to the Articles of Association.

NOTICE OF ANNUAL GENERAL MEETING

10. To consider and approve the provision of guarantees for the wholly-owned subsidiaries of the Company.

11. To consider and, if thought fit, to pass the following resolution:
 - (a) approve a general mandate to the Board to, by reference to market conditions and in accordance with needs of the Company, issue and allot, overseas-listed foreign invested shares (H shares) not exceeding 20% of the total number of H shares in issue at the time of passing this resolution at the annual general meeting.

 - (b) subject to compliance with applicable laws and regulations and rules of the relevant securities exchange, the Board be authorised to (including but not limited to the following):
 - (i) determine the issuance price, time of issuance, period of issuance, number of shares to be issued, allottees and use of proceeds, and whether to issue shares to existing shareholders;

 - (ii) engage the services of professional advisers for share issuance related matters, and to approve and execute all acts, deeds, documents or other matters necessary, appropriate or required for share issuance;

 - (iii) execute and deliver legal documents related to share issuance in accordance with the requirements of regulatory authorities and the place where the shares of the Company are listed, and to carry out relevant approval procedures;

 - (iv) after share issuance, make corresponding amendments to the Articles of Association relating to total share capital and shareholdings structure etc., and to carry out relevant registrations and filings.

 - (c) The above general mandate will expire on the earlier of (“**Relevant Period**”):
 - (i) the conclusion of the annual general meeting of the Company for 2024;

 - (ii) the expiration of a period of twelve months following the passing of this special resolution at the annual general meeting for 2023; or

 - (iii) the date on which the authority conferred by this resolution is revoked or varied by a special resolution of shareholders at a general meeting.

12. To consider and, if thought fit, to approve the following general mandate to buy back domestic shares (A shares) and overseas-listed foreign invested shares (H shares):
 - (a) approve a general mandate to the Board to, by reference to market conditions and in accordance with needs of the Company, buy back 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 annual general meeting and the relevant resolutions are passed at class meetings of

NOTICE OF ANNUAL GENERAL MEETING

shareholders. 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) approve a general mandate to the Board to, by reference to market conditions and in accordance with needs of the Company, buy back 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 annual general meeting and the relevant resolutions are passed at class meetings of shareholders.
- (c) the Board be authorised to (including but not limited to the following):
 - (i) determine time of buy back, period of buy back, buy back price and number of shares to buy back, etc.;
 - (ii) notify creditors and issue announcements;
 - (iii) open overseas share accounts and to carry out related change of foreign exchange registration procedures;
 - (iv) carry out relevant approval procedures and to carry out filings with the China Securities Regulatory Commission; and
 - (v) carry out cancellation procedures for buy back shares, make corresponding amendments to the Articles of Association relating to total share capital and shareholdings structure etc., carry out modification registrations, and to deal with any other documents and matters related to share buy-back.
- (d) The above general mandate will expire on the earlier of (“**Relevant Period**”):
 - (i) the conclusion of the annual general meeting of the Company for 2024;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution at the annual general meeting for 2023, the first A Shareholders’ Class Meeting in 2024 and the first H Shareholders’ Class Meeting in 2024; or
 - (iii) the date on which the authority conferred by this resolution is revoked or varied by a special resolution of shareholders at a general meeting, or a special resolution of shareholders at a class meeting of domestic share (A share) shareholders or a class meeting of overseas-listed foreign invested share (H share) shareholders.

NOTICE OF ANNUAL GENERAL MEETING

Subject to obtaining the authorization from the Annual General Meeting, A Shareholders' Class Meeting, and H Shareholders' Class Meeting, the Board agrees to delegate the authority of execution of above mandate matters to the Executive Directors or Chief Financial Officer, and agrees that the Executive Director or Chief Financial Officer act as the delegate of the Board to implement the relevant mandate matters for the buy-back of A shares and H shares. The mandate is effective from the date of approval of this resolution at the Annual General Meeting, 2024 First A Shareholders' Class Meeting and 2024 First H Shareholders' Class Meeting.

By Order of the Board
China Oilfield Services Limited
Sun Weizhou
Joint Company Secretary

29 April 2024

As at the date of this notice, the executive directors of the Company are Messrs. Zhao Shunqiang (Chairman), Lu Tao and Xiong Min; the non-executive directors of the Company are Messrs. Fan Baitao and Liu Qiudong; and the independent non-executive directors of the Company are Ms. Chiu Lai Kuen, Susanna, Messrs. Kwok Lam Kwong, Larry and Yao Xin.

Notes:

- (1) All resolutions at the meeting will be taken by poll pursuant to the Hong Kong Listing Rules and the results of the poll will be published on the Stock Exchange's and the Company's websites in accordance to the Hong Kong Listing Rules.
- (2) Holders of the Company's overseas listed foreign invested shares (H Shares) whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited at the close of business on Tuesday, 21 May 2024 are entitled to attend and vote at the AGM.
- (3) Each shareholder of the Company who has the right to attend and vote at the AGM is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the AGM. Where a shareholder has appointed more than one proxy to attend the general meeting, the shareholder shall specify the class and number of shares of the Company in respect of which each proxy is so appointed. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing. In the case that an appointer is a legal person, the power of attorney must be either under the common seal of the legal person or under the hand of its director or other person, duly authorised. If the instrument appointing a proxy is signed by an attorney of the appointer, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be certified by a notary public. For holders of H Shares, the power of attorney or other documents of authorisation and proxy forms must be delivered to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by post or facsimile, no less than 24 hours before the time appointed for the holding of the AGM in order for such documents to be valid. For holders of A Shares, the above-mentioned documents must be delivered to the Office of the Secretary of the Board of the Company before the above-mentioned time.
- (4) Holders of H Shares whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited and holders of A Shares whose name appear on the Company's register of members maintained by Shanghai branch of China Securities Depository and Clearing Corporation Limited at the close of business on Tuesday, 21 May 2024 are entitled to attend the AGM. The Company's register of members will be closed from Wednesday, 22 May 2024 to Tuesday, 28 May 2024 (both days inclusive), during which time no transfer of shares will be registered. Transferees of H Shares who wish to attend the AGM must deliver their duly stamped instruments of

NOTICE OF ANNUAL GENERAL MEETING

transfer, accompanied by the relevant share certificates, to Computershare Hong Kong Investor Services Limited by no later than 4:30 p.m. on Tuesday, 21 May 2024 for completion of the registration of the relevant transfer in accordance with the Articles of Association of the Company.

Computershare Hong Kong Investor Services Limited's address is as follows:

Shops 1712-1716
17th Floor,
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

- (5) For the purpose of determining entitlement for the final dividend for the year ended 31 December 2023, the H Shares register of members of the Company will be closed from Wednesday, 12 June 2024 to Monday, 17 June 2024, both days inclusive, during which period no transfer of shares will be effected. In order to be entitled for the final dividend for the year ended 31 December 2023, holders of H Shares whose transfers have not been registered shall deposit the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by no later than 4:30 p.m. on Tuesday, 11 June 2024. Holders of A Shares should contact the Secretary of the Board for details concerning registration of transfers of A Shares.
- (6) The cumulative voting method will be adopted by the Company for the election of directors at the AGM.

Cumulative voting method

When adopting the cumulative voting method for electing the director as proposed in Resolution 7, each of the shares held by a Shareholder shall carry the same number of votes corresponding to the number of directors to be elected. A shareholder may exercise his voting rights by splitting his votes evenly for each of the candidates of directors corresponding to the number of shares he holds; or by casting all his votes carried by each of his shares corresponding to the number of directors to be elected for a particular candidate of directors; or by casting a portion of his votes carried by each of his shares corresponding to the number of directors to be elected for a certain number of candidates of directors.

For example: under the cumulative voting method, the maximum valid votes that a Shareholder is entitled to cast are calculated on the basis of the total number of shares held by such Shareholder times the number of directors to be elected (2 persons). If such Shareholder holds 100 shares, then the maximum valid votes he can cast = 100 (the number of shares held by him) x 2 = 200. The Shareholder could use his discretion to cast 200 votes evenly among 2 candidates, or to place all his votes on one particular candidate, or to split his votes to 2 candidates.

Where the total number of votes cast by a Shareholder for one or several of the candidate(s) of directors is in excess of the number of votes carried by the total number of shares held by him, the votes cast by the Shareholder shall be invalid, and the Shareholder shall be deemed to have waived his voting rights. Where the total number of votes cast for one or several candidate(s) of directors by a Shareholder is less than the number of votes carried by the total number of shares held by such Shareholder, the votes cast by the Shareholder shall be valid, and the voting rights attached to the shortfall between the votes actually cast and the votes which the Shareholder is entitled to cast shall be deemed to have been waived by the Shareholder.

The candidate is elected when the obtained exceed half of the number of shares (on the basis of non-cumulative number of shares) held by the Shareholders (including their proxies) attending this general meeting.

- (7) Shareholders or their proxies must present proof of their identities upon attending the AGM. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.
- (8) The AGM is expected to last not more than one day. Shareholders or proxies attending the AGM are responsible for their own transportation and accommodation expenses.

NOTICE OF 2024 FIRST CLASS MEETING OF THE HOLDERS OF H SHARES



中海油田服务股份有限公司 China Oilfield Services Limited

(Incorporated in the People's Republic of China as a joint stock limited liability company)

(Stock Code: 2883)

NOTICE OF 2024 FIRST CLASS MEETING OF THE HOLDERS OF H SHARES

NOTICE IS HEREBY GIVEN that a class meeting of the holders of H Shares (the “**H Shareholders’ Class Meeting**”) of China Oilfield Services Limited (the “**Company**”) will be held at Room 311, Main Building of COSL, 201 Haiyou Avenue, Yanjiao Economic & Technological Development Zone, Sanhe City, Hebei Province, the PRC, on Tuesday, 28 May 2024 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolution:

AS SPECIAL RESOLUTION

To consider and, if thought fit, to approve the following general mandate to buy back domestic shares (A shares) and overseas-listed foreign invested shares (H shares):

- (a) approve a general mandate to the Board to, by reference to market conditions and in accordance with needs of the Company, buy back 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 annual general meeting and the relevant resolutions are passed at class meetings of shareholders. 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) approve a general mandate to the Board to, by reference to market conditions and in accordance with needs of the Company, buy back 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 annual general meeting and the relevant resolutions are passed at class meetings of shareholders.
- (c) the Board be authorised to (including but not limited to the following):
 - (i) determine time of buy back, period of buy back, buy back price and number of shares to buy back, etc.;
 - (ii) notify creditors and issue announcements;

NOTICE OF 2024 FIRST CLASS MEETING OF THE HOLDERS OF H SHARES

- (iii) open overseas share accounts and to carry out related change of foreign exchange registration procedures;
 - (iv) carry out relevant approval procedures and to carry out filings with the China Securities Regulatory Commission; and
 - (v) carry out cancellation procedures for buy back shares, make corresponding amendments to the Articles of Association relating to total share capital and shareholdings structure etc., carry out modification registrations, and to deal with any other documents and matters related to share buy back.
- (d) The above general mandate will expire on the earlier of (“**Relevant Period**”):
- (i) the conclusion of the annual general meeting of the Company for 2024;
 - (ii) the expiration of a period of twelve months following the passing of this special resolution at the annual general meeting for 2023, the first A Shareholders’ Class Meeting in 2024 and the first H Shareholders’ Class Meeting in 2024; or
 - (iii) the date on which the authority conferred by this resolution is revoked or varied by a special resolution of shareholders at a general meeting, or a special resolution of shareholders at a class meeting of domestic share (A share) shareholders or a class meeting of overseas-listed foreign invested share (H share) shareholders.

Subject to obtaining the authorization from the Annual General Meeting, A Shareholders’ Class Meeting, and H Shareholders’ Class Meeting, the Board agrees to delegate the authority of execution of above mandate matters to the Executive Directors or Chief Financial Officer, and agrees that the Executive Director or Chief Financial Officer act as the delegate of the Board to implement the relevant mandate matters for the buy-back of A shares and H shares. The mandate is effective from the date of approval of this resolution at the Annual General Meeting, 2024 First Class Meeting of the Holders of A Shares and 2024 First Class Meeting of the Holders of H Shares.

By Order of the Board
China Oilfield Services Limited
Sun Weizhou
Joint Company Secretary

29 April 2024

As at the date of this notice, the executive directors of the Company are Messrs. Zhao Shunqiang (Chairman), Lu Tao and Xiong Min; the non-executive directors of the Company are Messrs. Fan Baitao and Liu Qiudong; and the independent non-executive directors of the Company are Ms. Chiu Lai Kuen, Susanna, Messrs. Kwok Lam Kwong, Larry and Yao Xin.

NOTICE OF 2024 FIRST CLASS MEETING OF THE HOLDERS OF H SHARES

Notes:

- (1) All resolutions at the meeting will be taken by poll pursuant to the Hong Kong Listing Rules and the results of the poll will be published on the Stock Exchange's and the Company's websites in accordance to the Hong Kong Listing Rules.
- (2) Holders of H Shares whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited at the close of business on Tuesday, 21 May 2024 are entitled to attend and vote at the H Shareholders' Class Meeting.
- (3) Each shareholder of the Company who has the right to attend and vote at the H Shareholders' Class Meeting is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the H Shareholders' Class Meeting. Where a shareholder has appointed more than one proxy to attend the general meeting, the shareholder shall specify the class and number of shares of the Company in respect of which each proxy is so appointed. The instrument appointing a proxy must be in writing under the hand of the appointer or his attorney duly authorised in writing. In the case that an appointer is a legal person, the power of attorney must be either under the common seal of the legal person or under the hand of its director or other person, duly authorised. If the instrument appointing a proxy is signed by an attorney of the appointer, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be certified by a notary public. For holders of H Shares, the power of attorney or other documents of authorisation and proxy forms must be delivered to the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by post or facsimile, no less than 24 hours before the time appointed for the holding of the H Shareholders' Class Meeting in order for such documents to be valid. For holders of A Shares, the above-mentioned documents must be delivered to the Office of the Secretary of the Board of the Company before the above-mentioned time.
- (4) Holders of H Shares whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited at the close of business on Tuesday, 21 May 2024 are entitled to attend the H Shareholders' Class Meeting. The Company's register of members will be closed from Wednesday, 22 May 2024 to Tuesday, 28 May 2024 (both days inclusive), during which time no transfer of shares will be registered. Transferees of H Shares who wish to attend the H Shareholders' Class Meeting must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to Computershare Hong Kong Investor Services Limited by no later than 4:30 p.m. on Tuesday, 21 May 2024 for completion of the registration of the relevant transfer in accordance with the Articles of Association of the Company.

Computershare Hong Kong Investor Services Limited's address is as follows:

Shops 1712-1716
17th Floor,
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

- (5) Shareholders or their proxies must present proof of their identities upon attending the H Shareholders' Class Meeting. Should a proxy be appointed, the proxy must also present copies of his/her proxy form, or copies of appointing instrument and power of attorney, if applicable.
- (6) The H Shareholders' Class Meeting is expected to last no more than one day. Shareholders or proxies attending the H Shareholders' Class Meeting are responsible for their own transportation and accommodation expenses.