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*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 632)**

## **PROFIT WARNING**

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

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that based on its preliminary assessment of the Company and its subsidiaries’ (the “**Group**”) unaudited consolidated management accounts for the year ended 31 December 2019, it is expected that the net loss attributable to owners of the Company for the year ended 31 December 2019 would be approximately HK\$269 million, as compared with the net loss for the year ended 31 December 2018 of HK\$59 million. The Board considers that the net loss is mainly attributable to (i) the difference between the fair values of the new shares issued at HK\$0.02 per subscription share on 8 July 2019 for the settlement of unsecured loans due from the Company to Xin Hua Petroleum (Hong Kong) Limited of HK\$80,000,000 (“**HK\$80M Loan**”) and the HK\$80M Loan and (ii) the impairment losses of the Group’s intangible assets due to the significant decline in the price of the natural gas worldwide. The financial information as disclosed in this announcement is not yet finalised and it is subject to the further discussion among the Company, the auditors and the independent valuers.

The Company is in the process of finalizing the annual results of the Group for the year ended 31 December 2019. The information contained in this announcement is only based on a preliminary assessment by the Company on the unaudited consolidated management accounts of the Group for the year ended 31 December 2019 and the information currently available to the Company which have not yet been audited or reviewed by the auditors and the audit committee of the Company and may be subject to adjustments.

The annual results announcement of the Company for the year ended 31 December 2019 is expected to be published by the end of March 2020 in compliance with the requirements under the Listing Rules.

**Shareholders and prospective investors are advised to exercise cautions when dealing in the shares of the Company.**

By Order of the Board  
**CHK Oil Limited**  
**Liu Gui Feng**  
*Chairlady and Executive Director*

Hong Kong, 20 March 2020

*As at the date of this announcement, the Board comprises six executive Directors, namely Ms. Liu Gui Feng, Mr. Chen Bin, Mr. Lin Qing Yu, Ms. Chen Junyan, Mr. Yu Jiyuan and Mr. Yun Guangrui; and four independent non-executive Directors, namely Mr. Cao Wei, Mr. Xu Guoqiang, Ms. Zhong Bifeng and Mr. Li Songtao.*

\* *For identification purpose only*