

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中港石油有限公司*

CHK OIL LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 632)

POSITIVE PROFIT ALERT

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 six months ended 30 June 2021, the Group expects to record a net profit attributable to the Shareholders of the Company of approximately HK\$30.0 million for the six months ended 30 June 2021 (“**1H 2021**”), as compared with the net loss attributable to owners of the Company of approximately HK\$13.4 million for the six months ended 30 June 2020 (“**1H 2020**”).

The expected increase in the net profit is mainly attributable to (i) the significant increase in the revenue and the gross profit of the Group for 1H 2021 as compared to the results of 1H 2020 following the material increase in the sales of oil and oil related products; (ii) decrease in administrative expenses for the 1H 2021 by strengthening measures in administrative cost control of the Group; and (iii) decrease in finance cost as the unsecured loan of HK\$25,000,000 with interests accrued on it was paid off last year.

In respect of the net profits of the Group for 1H 2021, it is still subject to the results of the assessment on the impairment of the receivables and the cash-generating unit (including oil and gas properties and intangible assets) of the oil and gas segment.

* For identification purposes only

The Company is still in the process of finalising the interim results of the Group for 1H 2021. The information contained in this announcement is only a preliminary assessment by the management of the Company based on figures and information made available to the Board as at the date hereof and it has not been audited or reviewed by the auditors of the Company nor reviewed by the audit committee of the Board, and may be subject to adjustments and changes. Finalised interim results of the Group and other details will be disclosed in the 2021 interim results announcement to be published by the Company in late August 2021.

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

By Order of the Board

CHK Oil Limited

Yu Jiyuan

Chairman and Executive Director

Hong Kong, 10 August 2021

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