

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.

ANTON 安東

安東油田服務集團

Anton Oilfield Services Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3337)

VOLUNTARY ANNOUNCEMENT STRATEGIC PLAN FOR THE NEXT THREE YEARS AND STRATEGIC GUIDELINE FOR 2020

This announcement is made by the Company on a voluntary basis.

The Board hereby announces the Group's strategic plan for the next three years and the strategic guideline for 2020.

This announcement is made by Anton Oilfield Services Group (the “**Company**”, and together with its subsidiaries, the “**Group**”) on a voluntary basis. The Board of Directors (the “**Board**”) of the Company hereby announces the Group's strategic plan for the next three years and the strategic guideline for 2020 as follows:

STRATEGIC PLAN FOR THE NEXT THREE YEARS

The Board has formulated the Group's strategic plan for the next three years as follows:

Long-term strategic objective: To become a global leading oilfield technical services company.

Strategic objective for the next three years: To become the most influential comprehensive integrated oilfield technical services company in the global emerging market for oil and gas development, with geological technology as its core, increasing production and lowering costs as its characteristics.

Vision: To be a model of efficient and harmonious development between people and environment.

To create direct value for customers and contribute to social progress

Mission: To help others succeed.

To cooperate and share internally and make win-win development externally

Core values: Customer oriented, overcoming difficulties with hard work and perseverance, eager to learn and innovate.

Building a talent family: All employees are proactive to undertake responsibilities, empower cooperation, and build a common home.

KEY STRATEGIES FOR 2020

The Board has formulated the Group's key strategies for 2020 as follows:

In the field of oil and gas development, provide comprehensive services to customers by adopting a totally new service model to satisfy the needs of customers comprehensively. Realize quality and comprehensive growth at high rate through enhancing business quality continuously and establishing stronger capability to transform free cash flows.

Totally new service model and comprehensive services:

1. Tailor made: use targeted technology that combines geology and engineering.
2. Entire process: use critical technology that covers the entire process of oil and gas development.
3. Full package: provide a full package of services with efficient resources mainly based on resources in China.
4. Integration: use a service model characterized by the integration of multiple patterns.
5. Globalization: use global management standards.

With respect to markets, in China, as the Chinese government places more importance on energy safety, the major customers of the Group will exert full efforts to increase investments in exploration and development and increase reserve and production proactively. More projects and opportunities will be available to private oilfield service companies. The Group will fully support the demand from customers by fully exploiting technical advantages on the natural gas market and non-conventional energy market to provide high-end and quality comprehensive integrated technical services, and help customers to enhance production capacity rapidly, maximizing the value of oil and gas resources obtained. In Iraq, the Group will seek more cooperation opportunities with international oil companies proactively, promote the "integrated general contracting" model and develop the business of integrated oilfield management services strongly by enhancing service efficiency continuously and helping customers to expand production capacities to realize an overall breakthrough in the Iraqi market. In other global emerging markets, the Group will strictly control risks, strengthen cooperation with the "Belt and Road" political financial institutions to ensure capital safety while seeking opportunities to cooperate with more international oil companies and national oil companies. By fully utilizing the successful experience from existing oilfield management projects, more project orders relating to daily operating expenses of customers will be sought to realize diversified development in business.

With respect to products, technologies and service capabilities, centered on geological engineering technology, oilfield management services and oilfield technology services are our two main businesses, and inspection technology services and asset leasing services are our two auxiliary businesses. Focusing on all aspects of oil and gas development, geology is combined with engineering, providing a full range of products and technical services. Services featuring one “integration”, three “plus”, two “strong” are thus formed:

One “integration”: Construction of technical service integrity to meet various service needs and adapt to more market needs;

Three “plus”: Products + services, equipment + technology, core technology + related technologies;

Two “strong”:

1. Strong performance: possession of unique technologies and breakthrough technologies as well as technical transformation of regular services, bringing technical characteristics;
2. Strong price competitiveness.

With respect to package of strategic resources, positive free cash flows and high return on equity are adopted as the core objectives, investments with high return are made and package of strategic resources are built up, investment in technologies and projects is increased, and low efficiency investments are ruled out strictly to realize optimized allocation of resources. With respect to technology, the self-developed sweet spot searching technology using geology technology as its core and the oilfield management technology are combined with engineering services to enhance engineering efficiency with technical measures, while cooperation with international leading technology companies are fostered to pursue joint development and introduction of high-end technologies. With respect to conventional equipment and assets, adherence to the “light-asset” operation model continues, with focus on realizing a higher return on equity. Capital expenditure are strictly controlled, demand for equipment and assets is fulfilled by leasing and external cooperation. With respect to human resources, the partnership and sharing mechanism has been established, the restricted employee share award scheme is adopted to encourage staff to fully participate in corporate governance and motivate employees to a maximum extent.

With respect to finance, free cash flows and return on equity are the core means for operational management, through promoting overall enhancement in the quality of orders, revenue and profit, high quality growth is realized. By strengthening good cooperation with financial institutions such as commercial banks, sufficient liquidity is ensured while the size of debts is also under strict control. Through enhancing business quality and operational efficiency, positive free cash flows are obtained continuously. By improving the capability of transforming cash flows, and deleveraging in an organic manner, the optimized structure of assets and liabilities is gradually realized.

With respect to Environment, Society and Governance (ESG), the Group takes “to be a model of efficient and harmonious development between human and environment” as its vision, adheres to the policy of “QHSE (quality, health, safe and environment) is the first priority in Anton”, and attaches great importance to protecting environment, saving resources, harmonizing ecology, caring employees and taking corporate social responsibilities, maximizing the value of customers and the industry. The Group will try its best to promote the development of local community and improvement of society. The Company will strive to pursue a green and low-carbon development, further reduce the emission of green-house gas and keep it at a lower level, continue to benchmarking the international best practices in global oil industry and promoting a sustained improvements.

The above statements are made according to the Group's current operations and the prevailing market conditions. Such statements are not guarantee to the performance of the Group, and the performance of the Group is mainly subject to the market and financial environments.

By Order of the Board
Anton Oilfield Services Group
LUO Lin
Chairman

Hong Kong, 20 January 2020

As at the date of this announcement, the executive Directors of the Company are Mr. LUO Lin, Mr. PI Zhifeng and Mr. FAN Yonghong; the non-executive Director is Mr. John William CHISHOLM; and the independent non-executive Directors are Mr. ZHANG Yongyi, Mr. ZHU Xiaoping and Dato WEE Yiaw Hin.