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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)**

**ANNOUNCEMENT**  
**SETTLEMENT OF CIVIL ACTIONS**

This announcement is made pursuant to Rule 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Reference is made to China Oilfield Services Limited's (the "**Company**") announcements published on 6 March 2016, 20 March 2016, 14 December 2016, 20 January 2017, 15 May 2018 and 15 June 2018 in relation to civil actions filed by COSL Offshore Management AS ("**COM**"), one of the Company's subsidiary, before Oslo District Court (the "**Court**") against Equinor Energy AS ("**Equinor**") (previously named Statoil Petroleum AS) in relation to termination and suspension of drilling contracts for the drilling rigs COSLInnovator and COSLPromoter (the "**Disputes**"). The Court held in favour of COM on the main issue and concluded that the Company's drilling rigs were built in full compliance with rules, regulations and best market practice, thus holding Equinor's termination to be unlawful.

The Company is pleased to announce that COM and Equinor have signed a settlement agreement regarding the Disputes. Equinor agreed to pay COM an amount of US\$188 million. Furthermore, COM and Equinor have agreed, as a means of strengthening their cooperation, to enter into a master frame agreement. As at the date of this announcement, COM and Equinor have submitted a joint pleading to the Court to request the cases to be lifted with each party covering its own legal costs.

When it is virtually certain that the relevant economic benefits arising out of the settlement will flow into the Company, they will be recognized accordingly. Investors are advised to take note of investment risks.

By order of the Board  
**China Oilfield Services Limited**  
**Wu Yanyan**  
*Company Secretary*

8 January 2020

*As at the date of this announcement, the executive directors of the Company are Messrs. Qi Meisheng (Chairman) and Cao Shujie; the non-executive directors of the Company are Messrs. Meng Jun and Zhang Wukui; and the independent non-executive directors of the Company are Messrs. Law Hong Ping, Lawrence, Fong Chung, Mark and Wong Kwai Huen, Albert.*