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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)

REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS

This announcement is made pursuant to Rule 14A.54 of the Listing Rules.

Reference is made to the announcement of the Company dated 23 December 2015 in relation to the continuing connected transactions under the 2015 Master Agreement.

On 13 April 2016, the Company and Schlumberger entered into the Supplemental Agreement to revise the annual caps of the continuing connected transactions under the 2015 Master Agreement.

As the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules for the revised annual caps under the Supplemental Agreement on an annual basis will exceed 5%, the revision to the annual caps is subject to the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Reference is made to the announcement of the Company dated 23 December 2015 in relation to the continuing connected transactions under the 2015 Master Agreement.

THE SUPPLEMENTAL AGREEMENT

On 23 December 2015, the Company and Schlumberger entered into the 2015 Master Agreement pursuant to which the Group will supply the Products and Services to the Schlumberger Group and Schlumberger will supply and will procure its Affiliates to supply the Products and Services to the Group.

As Schlumberger is a substantial shareholder of the Company, the transactions under the 2015 Master Agreement constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

The 2015 Master Agreement has a term of three financial years ending 31 December 2018, subject to, among other things, the aggregate annual transaction amounts not being exceeded for each of the financial years of the term of the 2015 Master Agreement.

As under the current market environment, the Company's overseas markets grow significantly and the revenue ratio from the overseas markets increases continuously. As such, the Company and Schlumberger expect that the cooperation between the two parties in the overseas markets will also see a significant growth, and the annual transaction amount between the Group and Schlumberger under the 2015 Master Agreement will exceed the stated annual caps based on their respective business projections. In this connection, the Company and Schlumberger have on 13 April 2016 entered into the Supplemental Agreement to revise the annual caps under the 2015 Master Agreement as follows:

Supply of Products and Services by the Group to Schlumberger or Affiliates

	For the year ended 31 December 2016 US\$'000	For the year ended 31 December 2017 US\$'000	For the year ended 31 December 2018 US\$'000
Original annual caps	7,000	7,000	7,000
Revised annual caps	80,000	100,000	120,000

Supply of Products and Services by Schlumberger or Affiliates to the Group

	For the year ended 31 December 2016 US\$'000	For the year ended 31 December 2017 US\$'000	For the year ended 31 December 2018 US\$'000
Original annual caps	7,000	7,000	7,000
Revised annual caps	80,000	100,000	120,000

The revised annual amounts were determined with reference to the anticipated demand for Products and Services by the Group and Schlumberger, respectively.

Save for the revisions to the annual caps, the other terms of the 2015 Master Agreement remain unchanged.

Conditions

The Supplemental Agreement is conditional upon approval by the Independent Shareholders at a general meeting in accordance with the requirements of the Listing Rules.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules for the revised annual caps under the Supplemental Agreement on an annual basis will exceed 5%, the revision to the annual caps is subject to the Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

An Independent Board Committee has been established to advise the Independent Shareholders on the terms of the Supplemental Agreement. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders on the terms of the Supplemental Agreement. A circular containing, among other things, (i) further details about the Supplemental Agreements, (ii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the terms of the Supplemental Agreement, (iii) the recommendation from the Independent Board Committee to the Independent Shareholders on the terms of the Supplemental Agreement, together with (iv) the notice of extraordinary general meeting will be dispatched to the Shareholders on or before 5 May 2016.

DEFINITIONS

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

“2015 Master Agreement”	the master mutual supply and purchase agreement dated 23 December 2015 between the Company and Schlumberger;
“Affiliates”	all companies from time to time directly or indirectly owned or controlled by Schlumberger Limited, where “control” means the holding of 30% or more of the shares, stock or voting rights of such company;
“associate”	has the meaning ascribed to it under the Listing Rules

“Board”	the board of Directors;
“Company”	Anton Oilfield Services Group, a company incorporated in the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange;
“connected person”	has the same meaning as given to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors;
“Independent Shareholders”	shareholders of the Company other than Schlumberger and its associates;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“Products”	relevant products required for the provision of oilfield services;
“Schlumberger”	Schlumberger Far East Inc., a company established in the British Virgin Islands, a substantial shareholder interested in approximately 19.10% of the issued share capital of the Company;
“Schlumberger Group”	Schlumberger and the Associates;
“Services”	relevant labour and technical services required for the provision of oilfield services;
“Share(s)”	ordinary share(s) of nominal value of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the same meaning ascribed to it under the Listing Rules;

“Supplemental
Agreement”

the supplemental agreement to the 2015 Master Agreement dated 13 April 2016 entered into between the Company and Schlumberger; and

“%”

per cent.

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

Hong Kong, 13 April 2016

As at the date of this announcement, the executive Directors of the Company are Mr. LUO Lin, Mr. WU Di and Mr. PI Zhifeng, and the independent non-executive Directors of the Company are Mr. ZHANG Yongyi, Mr. ZHU Xiaoping and Mr. WANG Mingcai.