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## **SPT Energy Group Inc.**

**華油能源集團有限公司\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 01251)**

### **PROFIT WARNING**

This announcement is made by SPT Energy Group Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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, Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company hereby informs the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, the Group is expected to record a loss for the year. The net loss attributable to shareholders of the Company may reach RMB90 million to RMB100 million, as compared to the net profit attributable to shareholders of the Company of approximately RMB200 million for the corresponding period ended 31 December 2019. Based on the preliminary assessment of the management accounts and the information currently available to the Company, the Board considers that the above situation is mainly attributable to the following reasons:

1. Since the beginning of 2020, the outbreak of the Coronavirus Pandemic (the “**COVID-19 outbreak**”) around the world has forced all major countries around the globe to implement the policy of “city or country lockdown”, and the economic growth has declined significantly. As a result, demand for crude oil saw a sharp decline and the oil prices decreased significantly. The Group’s major customers significantly reduced the investment in exploration and development, and the price of investment project services fell; and
2. Due to the COVID-19 outbreak, the Group’s project plans, operation arrangements and worker mobilisation in major oil production areas were severely affected.

Since 2021, the COVID-19 vaccination work has been carried out globally and the COVID-19 outbreak is expected to be under effective control. With the gradual recovery of the global economy, the gradual stabilisation and recovery of oil prices and the expected increase in energy demand, the Group will continue to leverage on its own advantages, adhere to technology-driven development, implement cost reduction and efficiency enhancement strategies, enhance its business level and achieve steady development.

The information contained in this announcement is only based on the preliminary assessment of the information currently available by the Board, including the unaudited consolidated management accounts of the Group for the year ended 31 December 2020, which have not been confirmed or reviewed or finalised by the Company's auditors or the audit committee of the Company as at the date of this announcement. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2020, which is expected to be published before the end of March 2021.

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

By Order of the Board  
**SPT Energy Group Inc.**  
**Wang Guoqiang**  
*Chairman*

The PRC, 26 February 2021

*As of the date of this announcement, the executive directors are Mr. Wang Guoqiang, Mr. Ethan Wu and Mr. Li Qiang, the non-executive directors are Mr. Wu Jiwei and Ms. Chen Chunhua, and the independent non-executive directors are Ms. Zhang Yujuan, Mr. Wu Kwok Keung Andrew and Mr. Wan Kah Ming.*

\* *For identification purpose only*