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安東油田服務集團
Anton Oilfield Services Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3337)

EXEMPTED CONNECTED TRANSACTION

On 13 September 2012, Anton Oil, a wholly owned subsidiary of the Company, and Schlumberger Oilfield entered into the Contract for the establishment of the Joint Venture to engage in the provision of integrated project management services for major oil and gas exploration and development projects in the PRC's onshore market.

Schlumberger Oilfield is a wholly owned subsidiary of Schlumberger. Schlumberger holds a beneficial interest in approximately 20.1% of the issued share capital of the Company as at the date of this announcement and hence is a connected person of the Company. Schlumberger Oilfield is an associate of a connected person of the Company and the establishment of the Joint Venture constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios in respect of the Company's capital commitment for the establishment of the Joint Venture are more than 0.1% but less than 5%, the establishment of the Joint Venture is subject to the reporting and announcement requirements and exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

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THE CONTRACT

Date:

13 September 2012

Parties:

- (A) Anton Oil, a wholly owned subsidiary of the Company, which is principally engaged in the provision of oilfield services in the PRC;
- (B) Schlumberger Oilfield, a wholly-owned subsidiary of Schlumberger, which is principally engaged in the business of providing financial and investment support to Schlumberger oilfield services in the region.

Establishment of the Joint Venture

Under the terms of the Contract, Anton Oil and Schlumberger Oilfield have agreed to establish the Joint Venture. The Joint Venture will provide integrated project management services to oil and gas exploration of oil companies, including design, resources procurement and supervision of operations.

Registered capital of the Joint Venture

The registered capital of the Joint Venture will be US\$12 million (equivalent to approximately HK\$93 million) and will be contributed in cash as to 60% by Schlumberger Oilfield and as to 40% by Anton Oil. The registered capital was determined after arm's length negotiations between the parties and is based on the expected funding requirements of the Joint Venture.

The capital commitment of Anton Oil to the registered capital of the Joint Venture in the amount of US\$4.2 million (equivalent to approximately HK\$32.55 million) will be satisfied by the internal resources of the Group.

Board of directors/ Management of the Joint Venture

The board of directors of the Joint Venture will comprise 5 directors. Schlumberger Oilfield will have the right to nominate 3 directors and Anton Oil will have the right to nominate 2 directors. The management of the Joint Venture will be seconded by the parties and will operate independently.

The Joint Venture will be accounted for as an associated company of the Company upon its establishment.

REASON FOR THE TRANSACTION

With the PRC onshore oil and gas sector entering a new phase of development, especially in emerging energy resources, stand-alone services can no longer meet market demand in delivering higher productivity and cost savings at the same time. Integrated project management best addresses this latest requirement. As a result, customers are in greater demand for integrated solutions. The Group is a leading oilfield services provider in the PRC. Schlumberger is the world's leading oilfield services company. The establishment of the Joint Venture is to combine the strengths of the two companies in providing integrated project management services to meet the development needs of the industry. The Directors (including the independent non-executive Directors) consider that the Joint Venture Contract has been entered into on normal commercial terms, that such terms are fair and reasonable so far as the Company and the Shareholders are concerned and that the establishment of the Joint Venture is in the interests of the Company and the Shareholders as a whole.

GENERAL

Schlumberger Oilfield is a wholly owned subsidiary of Schlumberger. Schlumberger holds a beneficial interest in approximately 20.1% of the issued share capital of the Company as at the date of this announcement and is hence a connected person of the Company. Schlumberger Oilfield is an associate of a connected person of the Company and the establishment of the Joint Venture constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the Company's capital commitment for the establishment of the Joint Venture are more than 0.1% but less than 5%, the establishment of the Joint Venture is subject to the reporting and announcement requirements and exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As none of the Directors is interested in the transaction, no Director is required to abstain from voting for the Board resolution to approve the establishment of the Joint Venture.

DEFINITIONS

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

“Anton Oil”	Anton Oilfield Services (Group) Limited, a limited liability company established in the PRC and is a wholly-owned subsidiary of the Company;
“associate”	has the meaning ascribed to it under the Listing Rules;
“Board”	the board of directors of the Company;
“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 meaning ascribed to it under the Listing Rules;
“Contract”	the joint venture contract dated 13 September 2012 between Anton Oil and Schlumberger Oilfield;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HKS”	Hong Kong dollar, the lawful currency of Hong Kong;
“Joint Venture”	the joint venture enterprise to be established in the PRC pursuant to the terms of the Contract;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China and for the purpose of this announcement shall exclude the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan;

“Schlumberger”	Schlumberger NV, a company listed on the New York Stock Exchange, the London Stock Exchange, Paris Euronext and SVX Swiss Stock Exchange, and is the ultimate holding company of Schlumberger Oilfield;
“Schlumberger Oilfield”	Schlumberger Oilfield (S) Pte. Ltd., a company incorporated in Singapore;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“US\$”	United States dollar, the lawful currency of the United States of America.

In this announcement, an exchange rate of US\$1.00 to HK\$7.75 is used for illustration purpose only.

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

13 September 2012

As at the date of this notice, the executive Directors of the Company are Mr. Luo Lin, Mr. Wu Di and Mr. Liu Enlong; and the independent non-executive Directors are Mr. Zhang Yongyi, Mr. Zhu Xiaoping and Mr. Wang Mingcai.