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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Anton Oilfield Services Group, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

CONTINUING CONNECTED TRANSACTIONS

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

*Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders*



PLATINUM
Securities

A letter from the Board is set out on pages 3 to 9 of this circular and a letter from the Independent Board Committee containing its recommendations to the Independent Shareholders is set out on pages 10 to 11 of this circular. A letter from Platinum, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 12 to 22 of this circular.

A notice convening the Extraordinary General Meeting of the Company which is to be held immediately after the conclusion of the annual general meeting of the Company which is scheduled to be held at 9 a.m. on Monday, 3 June 2013 at No. 8 Pingcui West Road, Donghuqu Chaoyang District, Beijing China is set out on pages 28 to 29 of this circular. A form of proxy for use at the Extraordinary General Meeting is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk). Whether or not you are able to attend the Extraordinary General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Extraordinary General Meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the Extraordinary General Meeting or any adjournment if they so wish.

16 May 2013

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DEFINITIONS

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

“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 Chapter 14A of 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 (stock code: 3337);
“connected person”	has the same meaning as given to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Extraordinary General Meeting”	an extraordinary general meeting of the Company to be convened to approve the Master Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, established to advise the Independent Shareholders in relation to the Master Agreement and the relevant annual caps in relation to the continuing connected transactions thereunder;
“Independent Financial Adviser” or “Platinum”	Platinum Securities Company Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Master Agreement and the relevant annual caps in relation thereto;
“Independent Shareholders”	Shareholders of the Company other than Schlumberger and its associates;

DEFINITIONS

“Latest Practicable Date”	15 May 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Master Agreement”	the master mutual supply and purchase agreement dated 24 April 2013 between the Company and Schlumberger;
“PRC” or “China”	the People’s Republic of China (for the purposes of this circular, excludes Hong Kong, the Macao Special Administrative Region and Taiwan);
“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 19.67% of the issued share capital of the Company;
“Schlumberger Group”	Schlumberger and Affiliates;
“Services”	relevant labour and technical services required for the provision of oilfield services;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholders”	has the meaning as given to it under the Listing Rules; and
“%”	per cent.

Translations of US\$ into HK\$ are made in this circular for illustration purpose at the rate of US\$1.00 to HK\$7.80. No representation is made that any amounts in US\$ or HK\$ could have been or could be converted at that rate or at any other rate or at all.

LETTER FROM THE BOARD



安東油田服務集團
Anton Oilfield Services Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3337)

Executive Directors:

Mr. Luo Lin
Mr. Wu Di
Mr. Liu Enlong

Registered Office:

PO Box 309, Uglan House
Grand Cayman KY1-1104
Cayman Islands

Non-executive Director:

Mr. Jean Francois Poupeau

*Principal place of business in
Hong Kong:*

Unit 2109 Cosco Tower
183 Queen's Road Central
Hong Kong

Independent Non-executive Directors:

Mr. Zhang Yongyi
Mr. Zhu Xiaoping
Mr. Wang Mingcai

16 May 2013

To: the Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

The Board announced on 24 April 2013 that the Company has entered into a master mutual supply and purchase agreement with Schlumberger, pursuant to which the Group has agreed to supply the Products and Services to the Schlumberger Group and Schlumberger has agreed to supply and procure the Affiliates to supply the Products and Services to the Group for a period of three financial years until 31 December 2015.

The purposes of this circular are:

- (a) to provide you with further information relating to the Master Agreement and the relevant annual caps in relation to the continuing connected transactions thereunder;

LETTER FROM THE BOARD

- (b) to set out the recommendations of the Independent Board Committee relating to the Master Agreement and the relevant annual caps in relation to the continuing connected transactions thereunder;
- (c) to set out the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders relating the Master Agreement and the relevant annual caps in relation to the continuing connected transactions thereunder; and
- (d) to give you notice of the Extraordinary General Meeting to consider and, if thought fit, to approve the Master Agreement and the relevant annual caps in relation to the continuing connected transactions thereunder.

THE MASTER AGREEMENT

Date: 24 April 2013

Parties: The Company; and
Schlumberger

Schlumberger's principal business is investment holding. Schlumberger is a subsidiary of Schlumberger Limited, which is a global oilfield services company. Schlumberger is a substantial shareholder of the Company interested in approximately 19.67% of the issued share capital of the Company as at the Latest Practicable Date. Accordingly, Schlumberger is a connected person of the Company for the purpose of the Listing Rules and the entering into of the Master Agreement between the Company and Schlumberger constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules.

Subject: Pursuant to the Master Agreement, the Group will supply the Products and Services to the Schlumberger Group and Schlumberger will supply and will procure the Affiliates to supply to the Group the Products and Services for a period of three financial years until 31 December 2015. The Products and Services are products and services to be provided or procured by the Group in relation to drilling technology, well completion, down-hole operation and integrated services categories of oilfield services, as well as other oilfield services related to the business of the Group.

LETTER FROM THE BOARD

Price: The basis of determining the prices for the Products and Services to be supplied by the Company or Schlumberger or Affiliates under the Master Agreement will be in accordance with the prevailing market prices of similar products or services and on the following principles:

- (i) by reference to the prevailing market price of the same or substantially similar products or services, taking into account of the price of the same or substantially similar products or services with comparable order quantities and quality offered by other purchasers;
- (ii) if there are not sufficient comparable transactions in (i) above, on normal commercial terms comparable to those offered to/received from independent third parties in respect of the same or substantially similar products or services with comparable quantities and
- (iii) if both (i) and (ii) above are not applicable, by reference to the average price of similar products or services previously supply by a party, and on normal commercial terms comparable to those offered by the relevant party to independent third parties.

In determining the prevailing market price for the Services or Products for a particular contract, the Company will:

- (a) in respect of procurement of Services or Products from Schlumberger or Affiliates, invite quotations from independent suppliers to give a reference on the prevailing market prices for the relevant services or products to be procured from Schlumberger or Affiliates. Such quotations will be reviewed and evaluated from both the technical and commercial perspectives by qualified personnel of the Company to ensure that the Services or Products to be procured from Schlumberger or Affiliates are comparable to the prices for such services or products being offered by independent third parties; and
- (b) in respect of provision of Services or Products to Schlumberger or Affiliates, evaluate and assess the scope of the relevant project and prepare a detailed cost calculation by reference to cost of materials, products and labours, technical difficulties and expertise involved, quotes of the Group to other independent third party customers and the level of fees charged by competitors of the Group in the market (if available) to ensure that the prices of the Services or Products that the Group will be charging Schlumberger or Affiliates are competitive and comparable to those being offered to independent third party customers of the Group.

LETTER FROM THE BOARD

Annual Caps: The parties have agreed that the annual transaction amount under the Master Agreement will not exceed the following annual caps:

	For the financial year ending		
	31 December	31 December	31 December
	2013	2014	2015
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Supply of Products and Services by the Group to Schlumberger or Affiliates	80,000	100,000	120,000
Supply of Products and Services by Schlumberger or Affiliates to the Group	80,000	100,000	120,000

The cap amounts for the procurement from the Schlumberger Group by the Group are determined with reference to the historical transactional amount and the projected demand for Products and Services as the Group grows its business.

The Company and the Schlumberger Group had business transactions in previous years. The historical transactional amounts between the Group and the Schlumberger Group are as follows:

	Year	
	2011	2012
	<i>US\$'000</i>	<i>US\$'000</i>
Supply of Products and Services by the Schlumberger Group to the Group	693	21,880

Notes:

1. Schlumberger became a substantial shareholder of the Company in July 2012. Transactions between the Group and the Schlumberger Group in 2012 were attributable to contracts entered between the Group and the Schlumberger Group before Schlumberger became a connected person of the Company.
2. The numbers are unaudited.

The Group has not supplied Products or Services to the Schlumberger Group before. The Group and the Schlumberger Group established a joint venture in September 2012 to provide integrated project management services. As the joint venture is owned as to 60% by the Schlumberger Group and as to 40% by the Group, the joint venture is a subsidiary of Schlumberger and an associate of Schlumberger for the purpose of the Listing Rules and the supply of Products and Services by the Group to the joint venture will become connected transactions for the Group. The cap amounts for the sales to the Schlumberger Group from the Group are determined with reference to the projected demand for the Group's Products and Services from the potential projects to be undertaken by the joint venture, and sales of the Group's Products and Services to Schlumberger and/or Affiliates.

LETTER FROM THE BOARD

Payment terms

Payment for the Products and Services supplied by the Group and Schlumberger or Affiliates will be settled on a project basis.

Condition Precedent

The Master Agreement is conditional upon approval of the Independent Shareholders of the Company.

If the condition precedent to the Master Agreement is not satisfied by 30 June 2013 or such other date as the parties thereto may otherwise agree in writing, the Master Agreement will be forthwith terminated.

REASONS FOR THE TRANSACTION

The Schlumberger Group is a leading global oilfield services provider. Through purchasing Products and Services from the Schlumberger Group, the Group can introduce the technologies and global experience of the Schlumberger Group to assist customers in China in developing oil and gas resources in a more efficient way. Through selling Products and Services to the Schlumberger Group, the Group can apply its Products and Services more extensively in the China and global markets to help customers reduce their costs in the use of technology.

The Group is a leading independent oilfield services provider in China. Through purchasing Products and Services from the Group, the Schlumberger Group can leverage on the Group's local experience, supply chain network and cost advantages in China to help customers reduce their costs in the use of technology. Through selling Products and Services to the Group, the Schlumberger Group can apply its technologies and global experience more extensively in the China market to assist customers in China in developing oil and gas resources in a more efficient way.

In view of the above advantages and that the transactions will be carried out in the ordinary course of business of each party, the parties consider that it is reasonable and beneficial to enter into the Master Agreement to govern the continuing connected transactions.

Given that the Master Agreement is entered into in the usual and ordinary course of business of the Group and the transactions under the Master Agreement will be conducted on an arm's length basis and on normal commercial terms, the Directors consider that the terms of the Master Agreement are fair and reasonable and the entering into of the Master Agreement is in the interests of the Group and the Shareholders as a whole. The views of the independent non-executive Directors, after considering the advice from the independent financial adviser, is set out on pages 12 to 22 of the circular.

LETTER FROM THE BOARD

LISTING RULES IMPLICATIONS

Schlumberger is a substantial shareholder of the Company interested in approximately 19.67% of the issued share capital of the Company as at the Latest Practicable Date. Accordingly, Schlumberger is a connected person of the Company for the purpose of the Listing Rules and the entering into of the Master Agreement between the Company and Schlumberger constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the aggregate annual amount of the transactions under the Master Agreement is expected to exceed 5% of the applicable ratios, the Master Agreement is subject to the reporting, announcement and Independent Shareholders' approval requirements under Rule 14A.35 of the Listing Rules.

The Independent Board Committee comprising the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Master Agreement and the Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Master Agreement and the relevant cap amounts in relation to the transactions under the Master Agreement.

Mr. Jean Francois Poupeau, a non-executive Director, is considered to be interested in the transactions contemplated under the Master Agreement and has abstained from voting at the Board meeting in respect of the resolution proposed to approve the Master Agreement.

GENERAL

The Group is principally engaged in the provision of one-stop oilfield services and products covering the drilling, well completion and production stages of field development.

EXTRAORDINARY GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the Extraordinary General Meeting is set out on pages 28 to 29 of this circular.

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. An announcement on the poll vote results will be published by the Company after the Extraordinary General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

Schlumberger is considered to be interested in the transactions contemplated under the Master Agreement. Accordingly, Schlumberger and its associates will abstain from voting for the resolution proposed at the Extraordinary General Meeting to approve the Master Agreement.

A form of proxy for use at the Extraordinary General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk). Whether or not you are able to attend the Extraordinary General Meeting, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority at the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's

LETTER FROM THE BOARD

Road East, Wanchai, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for holding the Extraordinary General Meeting or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the Extraordinary General Meeting if you so wish.

CLOSURE OF THE SHAREHOLDERS' REGISTER

For the purpose of determining the list of shareholders who are entitled to attend and vote at the Extraordinary General Meeting, the shareholders' register of the Company will be closed from Thursday, 30 May 2013 to Monday, 3 June 2013. No transfer of shares of the Company will be registered during that day. In order to qualify to attend and vote at the Extraordinary General Meeting, all instruments of transfer together with the relevant share certificate(s) must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 29 May 2013.

GENERAL INFORMATION

Your attention is drawn to the appendix headed "General Information" to this circular.

RECOMMENDATIONS

Your attention is drawn to (i) the letter from the Independent Board Committee set out on pages 10 to 11 of this circular, which contains the recommendations of the Independent Board Committee to the Independent Shareholders regarding the proposed resolution to approve the Master Agreement, and (ii) the letter from Platinum set out on pages 12 to 22 of this circular, which contains its advice to the Independent Board Committee and the Independent Shareholders in respect of the fairness and reasonableness of the terms of the Master Agreement.

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Master Agreement and the relevant annual caps in relation to the continuing connected transactions thereunder are in the interests of the Company and the Shareholders as a whole and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the Extraordinary General Meeting to approve of the Master Agreement.

Yours faithfully,
By order of the Board of
ANTON OILFIELD SERVICES GROUP
LUO Lin
Chairman

LETTER FROM INDEPENDENT BOARD COMMITTEE

The following is the text of the letter of recommendations, prepared for the purpose of incorporation in the circular, from the Independent Board Committee to the Independent Shareholders regarding the Master Agreement.



安東油田服務集團
Anton Oilfield Services Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3337)

16 May 2013

To the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

We refer to the circular of the Company to the Shareholders dated 16 May 2013 (the “**Circular**”), in which this letter forms part. Unless the context requires otherwise, capitalized terms used in this letter will have the same meanings as defined in the Circular unless the context otherwise requires.

We have been appointed by the Board as the Independent Board Committee to advise the Independent Shareholders on whether the terms of the Master Agreement and the relevant annual caps in relation to the continuing connected transactions are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole.

We wish to draw your attention to the letter of advice from Platinum as set out on pages 12 to 22 of the Circular and the letter from the Board as set out on pages 3 to 9 of the Circular.

Having considered the terms of the Master Agreement, the situation of the Company, the factors and reasons considered by Platinum and its opinion as stated in its letter of advice, we consider that the terms of the Master Agreement and the relevant annual caps in relation to the continuing connected transactions thereunder are fair and reasonable so far as the Independent Shareholders are concerned

LETTER FROM INDEPENDENT BOARD COMMITTEE

and in the interests of the Group and the Shareholders as a whole, and accordingly recommend the Independent Shareholders to vote in favour of the ordinary resolution proposed to approve the Master Agreement.

Yours faithfully,
For and on behalf of
**The Independent Board Committee of
Anton Oilfield Services Group**
Mr. Zhang Yongyi
Mr. Zhu Xiaoping
Mr. Wang Mingcai
Independent Non-executive Directors

LETTER FROM PLATINUM

The following is the text of the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders for the purpose of incorporation into this circular.



PLATINUM Securities Company Limited

21/F LHT Tower
31 Queen's Road Central
Hong Kong

Telephone (852) 2841 7000
Facsimile (852) 2522 2700
Website www.platinum-asia.com

16 May 2013

To the Independent Board Committee and the Independent Shareholders

Dear Sir or Madam,

CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our engagement as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Master Agreement and the relevant annual caps in relation to the continuing connected transactions contemplated under the Master Agreement (the “**Transactions**”). Details of the Transactions are contained in the letter from the Board as set out in the circular of the Company dated 16 May 2013 (the “**Circular**”). Terms used in this letter shall have the same meanings as defined in the Circular unless the context requires otherwise.

In our capacity as the Independent Financial Adviser, our role is to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Master Agreement and the relevant annual caps in relation to the Transactions are entered into in the ordinary and usual course of business of the Company, on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole; and to give independent advice to the Independent Board Committee.

In formulating our opinion, we have relied on the information and facts supplied to us by the Directors and/or management of the Company. We have reviewed, among other things: (i) the Master Agreement; (ii) the strategic cooperation agreement dated 1 August 2011 between the Group and Schlumberger in relation to the cooperation in PRC's onshore market in the area of drilling, well completion and stimulation (“**Cooperation Agreement**”); (iii) the announcements of the Company dated 8 July 2012 and 13 September 2012; and (iv) the audited 2012 annual report of the Company.

LETTER FROM PLATINUM

We have assumed that all information, facts, opinions and representations contained in the Circular are true, complete and accurate in all material respects and we have relied on the same. The Directors have confirmed that they take full responsibility for the contents of the Circular and have made.

We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy or completeness of the information of all facts as set out in the Circular and of the information and representations provided to us by the Directors and/or management of the Company. Furthermore, we have no reason to suspect the reasonableness of the opinions and representations expressed by the Directors and/or management of the Company which have been provided to us. In line with normal practice, we have not, however, conducted a verification process of the information supplied to us, nor have we conducted any independent in-depth investigation into the business and affairs of the Company. We consider that we have reviewed sufficient information to enable us to reach an informed view and to provide a reasonable basis for our opinion regarding the Transactions.

We are independent from, and are not associated with the Company or any other party to the Transactions, or their respective substantial shareholder(s) or connected person(s), as defined under the Listing Rules and accordingly, are considered eligible to give independent advice on the Transactions. We will receive a fee from the Company for our role as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Transactions. Apart from this normal professional fee payable to us in connection with this appointment, no arrangements exist whereby we will receive any fees or benefits from the Company or any other party to the Transactions or their respective substantial shareholder(s) or connected person(s), as defined under the Listing Rules.

Schlumberger is a substantial shareholder of the Company interested in approximately 19.67% of the issued share capital of the Company as at the Latest Practicable Date. Accordingly, Schlumberger is a connected person of the Company for the purpose of the Listing Rules and the entering into of the Master Agreement between the Company and Schlumberger constitutes continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the aggregate annual amount of the transactions under the Master Agreement is expected to exceed 5% of the applicable ratios, the Master Agreement is subject to the reporting, announcement and Independent Shareholders' approval requirements under Rule 14A.35 of the Listing Rules.

The Independent Board Committee, comprising Mr. Zhang Yongyi, Mr. Zhu Xiaoping and Mr. Wang Mingcai, has been established to advise the Independent Shareholders as to whether the terms of the Master Agreement and the relevant annual caps in relation to the Transactions are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole.

Mr. Jean Francois Poupeau, a non-executive Director, is considered to be interested in the transactions contemplated under the Master Agreement and has abstained from voting at the Board meeting in respect of the resolution proposed to approve the Master Agreement.

LETTER FROM PLATINUM

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating and giving our independent financial advice to the Independent Board Committee and the Independent Shareholders, we have taken into account the following principal factors:

1. Background of the Transactions

The Group is a leading independent oilfield services provider in the PRC, with two major segments, namely oil and gas field development technical services and tubular services. The services and products of drilling technology, well completion and down-hole operation belong to oil and gas field development technical services. The services and products provided to the customers in respect of the use of oil tubular (drilling tools, tubing and casing), including technical services such as testing, repair, coating and leasing, and production and sale of tubular belong to the tubular services. The Group has been witnessing fast growth since its listing, with CAGR of revenue over the 5-year period from 2007 to 2012 of approximately 32.4%, largely driven by the accelerating development of natural gas in the PRC and growing presence in overseas markets. In the PRC, the Group's services serve to address the drilling engineering challenges of conventional resources and the stimulation challenges of low-permeability unconventional resources. In the overseas markets, the Group has implemented a "follow-up" strategy to provide essential technical services to the Chinese customers in overseas oilfields as their indispensable technical partner.

During the past few years, the PRC's onshore oil and gas sector entered a new phase of development, demand for oil and gas is growing at a fast pace but the development challenge is growing even faster than it, especially the drilling engineering challenges of conventional resources and the stimulation challenges of low-permeability unconventional resources. As a result, PRC needs to import international technologies and experiences. But, as international services companies have weak services capacity in the PRC's onshore market, they cannot either lower their costs nor cover PRC's tremendous demand in the oil and gas field. On 1 August 2011, the Group and Schlumberger, a leading global services provider, entered into a strategic cooperation agreement, to cooperate in PRC's onshore market in the area of drilling, well completion and stimulation. Under the Cooperation Agreement, both parties combine their individual advantage, so that they can design the solution to customers' challenge based on the understanding of local environment and provide suitable technology with customers at a lower cost. Meanwhile, with the demand for improving efficiency and lowering total cost of well construction is growing, stand-alone services can no longer meet market demand in delivering higher productivity and cost savings. As a result, there is greater demand from customers for integrated solutions. Since 2010, the Group has been developing an integrated service strategy. To this end, the Group was committed to expand the breadth of its services under its core business strategy.

Reference is made to the announcement of the Company dated 13 September 2012 in relation to the establishment of the joint venture. On 13 September 2012, the Group and Schlumberger, a leading global services provider, entered into the contract for the establishment of the joint venture, to jointly offer integrated project management ("IPM") services to the PRC's onshore oil and gas market. The joint venture provides an effective platform that combines international and local expertise, experience and talent for the provision of IPM services to meet the development needs of the industry.

LETTER FROM PLATINUM

The joint venture will also target the growing number of large-scale IPM projects in the PRC, such as multiple well integrated projects, block integrated projects, ultra complex wells, shale gas wells and sub-contract blocks. Upon successful bidding of the projects, the joint venture will subcontract services from both the Group and the Schlumberger Group to fulfill the product design.

In light of the above, the Group entered into the Master Agreement with Schlumberger pursuant to which the Group will supply the Products and Services to the Schlumberger Group and Schlumberger will supply and will procure the Affiliates to supply to the Group the Products and Services for a period of three financial years until 31 December 2015.

2. Reasons and benefits of the Transactions

As we understand from the management of the Company and as stated in the letter from the Board in the Circular, the Schlumberger Group can leverage on the Group's local experience, supply chain network and cost advantages in the PRC to help customers reduce their costs in the use of technology whereas the Group can leverage on the Schlumberger's Group technologies, global experience and overseas markets. Cooperation between the two companies will combine their advantage and complement each other, so that they can enter into the market which they cannot without cooperation.

During the past few years, the scale of IPM services in the PRC has been developing rapidly and it is expected to keep growing at a fast pace in the future. Compared with the developed countries, there is huge room for the development of the IPM services model in the PRC both in terms of scale and penetration rate. On a global scale, the IPM service model is very popular among large international oil companies. IPM service model applies in large-scale projects that require stringent cost control and higher production by end-to-end management of oil and gas exploration and development, from project design to resource allocation to project implementation, and integrating individual services into the entire process to achieve production increases and cost savings. In line with this trend in the oil and gas industry, the Group and Schlumberger are increasing focus on the IPM business in the PRC, they have established a joint venture targeting IPM projects. Based on the designing, the joint venture is a business platform, it will only provide project designing, management and supervision with customers and it will subcontract every single technical services to third parties under the IPM designing, the Group and Schlumberger will be its preferred subcontractor.

Given that (i) cooperation between the Group and Schlumberger will combine their advantage and complement each other, so that they can enter into the market which they cannot without cooperation; and (ii) during the past few years, the scale of IPM services in the PRC has been developing rapidly and it is expected to keep growing at a fast pace in the future. We consider that, by entering into the Master Agreement, the Group can further benefit from a combined international and local expertise, experience and talent, and leverage on the existing IPM joint venture platform to capture the fast developing IPM services in the PRC and on larger scales. As such, we are of the view that the transactions as contemplated under the Master Agreement are in the usual and ordinary course of business of the Group, and are in the interest of the Group and the Shareholders as a whole.

LETTER FROM PLATINUM

3. Principal terms of the Master Agreement

Set out below are the principal terms of the Master Agreement:

Date: 24 April 2013

Parties: (1) the Company; and

(2) Schlumberger

Subject matter: The Group will supply the Products and Services to the Schlumberger Group and Schlumberger will supply and will procure the Affiliates to supply to the Group the Products and Services for a period of three financial years until 31 December 2015. The Products and Services are products and services to be provided or procured by the Group in relation to drilling technology, well completion, down-hole operation and IPM categories of oilfield services, as well as other oilfield services related to the business of the Group.

Payment terms: Will be settled on a project basis, provided that the terms of sale offered to the other party will be no more favourable to those offered to independent third party purchasers of such product or services.

Basis of price determination:

Pursuant to the Master Agreement, the basis of determining the prices for the Products and Services to be supplied by the Company or Schlumberger or Affiliates will be in accordance with the prevailing market price of similar products or services.

(a) *Supply of Products and Services by the Group to Schlumberger or Affiliates*

The management of the Company has also confirmed to us that the price of the Products and Services to be supplied to Schlumberger or Affiliates will be determined from time to time after arm's length negotiations between Schlumberger and the Group and on normal commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as whole.

The price of Products or Services will be determined on an individual sales order basis and on the following principles:

- (i) by reference to the prevailing market price of the same or substantially similar products or services, taking into account of the price of the same or substantially similar products or services with comparable order quantities and quality offered by other purchasers;
- (ii) if there are not sufficient comparable transactions in (i) above, on normal commercial terms comparable to those offered by the Group to independent third parties in respect of the same or substantially similar products or services with comparable quantities; and

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- (iii) if both (i) and (ii) above are not applicable, by reference to the average price of similar products or services previously supply by the Group, and on normal commercial terms comparable to those offered by the Group to independent third parties.

In determining the prevailing market price for the Services or Products for a particular contract, the Company will in respect of provision of Services or Products to Schlumberger or Affiliates, evaluate and assess the scope of the relevant project and prepare a detailed cost calculation by reference to cost of materials, products and labours, technical difficulties and expertise involved, quotes of the Group to other independent third party customers and the level of fees charged by competitors of the Group in the market (if available) to ensure that the prices of the Services or Products that the Group will be charging Schlumberger or Affiliates are competitive and comparable to those being offered to independent third party customers of the Group.

Based on our discussion with the management of the Company and we have reviewed the internal control policy regarding the review process for quotations charged by the Group to other independent third party. We note that a review committee will be established to conduct the review and evaluation process, including detailed cost calculation by reference to cost of materials, products and labours, technical difficulties and expertise involved, quotes of the Group to other independent third party customers and the level of fees charged by competitors of the Group in the market (if available), then the quotations will be ranked based on the review and evaluation process to ensure that a clear reference for the prevailing market price can be determined.

Taking into account the internal control policy, the general pricing policy and the detailed pricing principles as disclosed above, we are of the view that price determination regarding the Products and Services to be supplied by the Group under the Master Agreement will be on normal commercial terms and will be no more favourable to those offered to independent third party purchasers of such products and services and in the interests of the Company and the Shareholders as a whole.

(b) *Supply of Products and Services by Schlumberger or Affiliates to the Group*

The management of the Company has confirmed to us that the price of the Products and Services to be purchased by the Group from Schlumberger or Affiliates will be determined from time to time after arm's length negotiations between the parties and on normal commercial terms that are fair and reasonable and in the interests of the Company and the Shareholders as whole.

The price of Products or Services will be determined on an individual purchase order basis and on the following principles:

- (i) by reference to the prevailing market price of the same or substantially similar products or services, taking into account of the price of the same or substantially similar products or services with comparable order quantities and quality offered by other suppliers;
- (ii) if there are not sufficient comparable transactions in (i) above, on normal commercial terms comparable to those offered by independent third parties to the Group in respect of the same or substantially similar products or services with comparable quantities; and

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- (iii) if both (i) and (ii) above are not applicable, by reference to the average price of similar products or services previously purchased by the Group, and on normal commercial terms comparable to those offered by independent third parties to the Group.

In determining the prevailing market price for the Services or Products for a particular contract, the Company will in respect of procurement of Services or Products from Schlumberger or Affiliates, invite quotations from independent suppliers to give a reference on the prevailing market prices for the relevant services or products to be procured from Schlumberger or Affiliates. Such quotations will be reviewed and evaluated from both the technical and commercial perspectives by qualified personnel of the Company to ensure that the Services or Products to be procured from Schlumberger or its Affiliates are comparable to the prices for such services or products being offered by independent third parties.

Based on our discussion with the management of the Company and we have reviewed the internal control policy of the relevant quotation invitation review process, we note that a review committee will be established to conduct the review and evaluation process, including evaluation from both technical and commercial perspectives by qualified personnel, then the quotations will be ranked based on the review and evaluation process to ensure that a clear reference for the prevailing market price can be determined.

Taking into account the internal control policy, the general pricing policy and the detailed pricing principles as disclosed above, we are of the view that price determination regarding the Products and Services to be purchased by the Group under the Master Agreement will be on normal commercial terms and will be no more favourable to those offered by independent third party suppliers of such products and services and in the interests of the Company and the Shareholders as a whole.

4. Proposed annual caps under the Master Agreement

A. *Proposed annual caps for the supply of Products and Services by the Group to Schlumberger or Affiliates under the Master Agreement*

Table 1 below sets forth the proposed annual caps for the sales of Products and Services by the Group to Schlumberger or Affiliates for the three years ending 31 December 2015:

Table 1: Proposed annual caps for the sales of Products and Services under the Master Agreement (FY2013-FY2015)

	FY 2013	FY 2014	FY 2015
	(US\$)	(US\$)	(US\$)
	(HK\$)'million	(HK\$)'million	(HK\$)'million
Proposed transaction amounts for the sales of Products and Services by the Group to Schlumberger or Affiliates	80.0 (624.0)	100.0 (780.0)	120.0 (936.0)

Source: the Circular

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B. Basis of the proposed annual caps for the supply of Products and Services by the Group to Schlumberger or Affiliates under the Master Agreement

As stated in the letter from the Board in the Circular, the Group has not supplied Products or Services to the Schlumberger Group before. The Group and the Schlumberger Group established a joint venture in September 2012 to provide IPM services. The cap amounts for the sales to the Schlumberger Group from the Group are determined with reference to the projected demand for the Group's Products and Services from the potential projects to be undertaken by the joint venture and the project to be undertaken by Schlumberger Group in the world. As the IPM services are entirely new transactions of the Group and the Group only began to establish oversea cooperation channel, there are no historical transaction amounts between the Group, Schlumberger or Affiliates.

We note that the proposed annual caps for the supply of Products and Services by the Group to Schlumberger or Affiliates under the Master Agreement are expected to increase from 100% in 2013 to 25% and 20% for 2014 and 2015, respectively.

Based on our discussion with the management of the Company, we understand that the proposed annual caps for the supply of Products and Services by the Group to Schlumberger or Affiliates for the years ending 31 December 2013, 2014 and 2015 were determined after taking into consideration the Group's: (a) average revenue per IPM project; (b) the anticipated number of IPM projects per year; (c) the average sales of Products and Services to the joint venture; and (d) the average sales of Products and Services to the Schlumberger overseas business unit. Moreover, the formation of the joint venture aims to provide IPM service for oilfield development in the PRC, in a bid to expand the Company's large-scale IPM projects (with revenue of more than RMB100 million). Going forward, the management of the Company expects that at least 1 incremental project each year to be won by the joint venture.

In light of the above, we are of the view that the above-mentioned assumptions are fair and reasonable and the proposed annual caps for the supply of Products and Services by the Group to Schlumberger or Affiliates under the Master Agreement are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole.

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C. *Proposed annual caps for the procurement of Products and Services by Schlumberger or Affiliates to the Group under the Master Agreement:*

Table 2 below sets forth the proposed annual caps for the procurement of Products and Services by Schlumberger or Affiliates to the Group for the three years ending 31 December 2015:

Table 2: Proposed annual caps for the procurement of Products and Services under the Master Agreement (FY2013-FY2015)

	FY 2013	FY 2014	FY 2015
	(US\$)	(US\$)	(US\$)
	(HK\$)'million	(HK\$)'million	(HK\$)'million
Proposed transaction amounts for the procurement of Products and Services by Schlumberger or Affiliates to the Group	80.0 (624.0)	100.0 (780.0)	120.0 (936.0)

Source: the Circular

D. *Basis of the proposed annual caps for the procurement of Products and Services by Schlumberger or Affiliates to the Group under the Master Agreement*

As stated in the letter from the Board in the Circular, the cap amounts for the procurement from Schlumberger or Affiliates by the Group are determined with reference to historical transaction amounts and the projected demand for the Group's Products and Services as the Group grows its business. The Company and the Schlumberger Group had business transactions for the two years ended 31 December 2012. Historical transaction amounts for the procurement of products and services by the Schlumberger Group to the Group was approximately US\$0.69 million (equivalent to approximately HK\$5.4 million) and approximately US\$21.9 million (equivalent to approximately HK\$170.8 million) for the two years ended 31 December 2012, respectively. Schlumberger became a substantial shareholder of the Company in July 2012. Transactions between the Group and the Schlumberger Group in 2012 were attributable to contracts entered between the Group and the Schlumberger Group before Schlumberger became a connected person of the Company. We note that historical annual cap amount for the year ended 31 December 2012 increased by approximately 3,073.9% as compared to the year ended 31 December 2011 and the proposed annual cap amount for the procurement of Products and Services under the Master Agreement for the year ending 31 December 2013 will increase by approximately 265.3% from the historical annual cap amount for the year ended 31 December 2012. Such increase was mainly due to the Group's establishment of strategic cooperation with Schlumberger as a result of strong demand of procurement of drilling fluid and materials in 2012. The Group also expects the proposed annual caps to increase to 25% for the year ending 31 December 2014 and 20% for the year ending 31 December 2015.

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According to our discussion with the management of the Company, we understand that with reference to historical transaction amounts for the two years ended 31 December 2012 and the proposed annual caps for the three years ending 31 December 2015 in relation to the Products and Services that the Group procured and will procure from the Schlumberger Group can be grouped mainly in four categories, namely drilling technology category, well completion category, down-hole operation category and IPM category. From the historical data in 2012, we note that the drilling category accounted for over 50% of the total procurement, which was explained by the strong growth of the Group's drilling technology (119.2% YoY growth in 2012). With reference to the growing number of wells drilled in the PRC and the increasing complexities of the new wells drilled especially the ultra-deep HPHT (high-temperature high-pressure wells) in the Tarim Basin, the Group will continue to see a stable growth of demand for drilling-related services and thus the procurement for the drilling category products and services.

From the historical data in 2012, we note that down-hole operation category accounted for less than 50% of the total procurement. In the meantime, according to public data released by the China National Petroleum Corporation in April 2011, low-permeability oil and gas accounted for over 80% of the incremental proven reserves in the PRC over recent years. Products and Services in down-hole operation category will be in high demand since this category is effective in addressing the stimulation challenges of low-permeability unconventional resources and achieving production increases. The Group has already established a strong exposure to the development of low-permeability unconventional resources, and it has been seeking to broaden the service offerings in the stimulation area. In view of the growing prospect of this market, it will increase the procurement of Products and Services in down-hole operation category to help its customers to enhance the production of the low-permeability oil and gas. Furthermore, from the historical data in 2012, we note that the well completion category accounted for less than 50% of total procurement but well completion category will be expected to grow due to the well completion services that are indispensable to any oil and gas development.

From the historical data in 2012, we note that the IPM category accounted for less than 50% of total procurement. As the Group continues to pursue the integrated service strategy, it will look to leading service providers with world-class IPM experience to support its services. As stated in the letter from the Board in the Circular, the Group has not supplied Products or Services to the Schlumberger Group before. The Group and the Schlumberger Group established a joint venture in September 2012 to provide IPM services. The joint venture is owned as to 60% by the Schlumberger Group and as to 40% by the Group, the joint venture is a subsidiary of Schlumberger and an associate of the Group. The joint venture provides an effective platform that combines international and local expertise, experience and talent for the provision of IPM services to meet the development needs of the industry. Moreover, the joint venture will also target the growing number of large-scale IPM projects in the PRC. Upon successful bidding of the projects, the joint venture will subcontract services from both the Group and the Schlumberger Group to fulfill the product design. In view of this, the Group also estimates the procurement for Products and Services in the IPM category from Schlumberger, which has a wealth of in-depth expertise in IPM around the world will grow.

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Given that each of the Group's drilling technology category, well completion category, down-hole operation category and IPM category is on a steady growth and the Group will place new procurement orders in the above categories due to the strong demand of such service by customers, and with the procurement matching that of the growth in revenue, we are of the view that the above-mentioned assumptions are fair and reasonable and the proposed annual caps for the procurement of Products and Services by Schlumberger or Affiliates to the Group under the Master Agreement are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole.

RECOMMENDATIONS

We have considered the above principal factors and reasons and, in particular, having taken into account the following in arriving at our opinions:

- (i) the entering into the Master Agreement is in the usual and ordinary course of business of the Group and in the interests of Group and the Shareholders as a whole;
- (ii) the terms of the Master Agreement are on normal commercial terms, fair and reasonable and in the interests of Group and the Shareholders as a whole; and
- (iii) the annual caps under the Master Agreement are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of Group and the Shareholders as a whole.

Having considered the above, we are of the view that the terms of the Master Agreement and the relevant annual caps in relation to the Transactions are entered into in the ordinary and usual course of business of the Group, on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Group and the Shareholders as a whole. Accordingly, we advise the Independent Board Committee to vote in favour of the resolution to be proposed at the Extraordinary General Meeting to approve the Master Agreement and the relevant annual caps in relation to the Transactions.

Yours faithfully,
For and on behalf of
Platinum Securities Company Limited
Lenny Li
Director

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors and Chief Executive

As at the Latest Practicable Date, the interests and short positions, if any, of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were deemed or taken to have under provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies adopted by the Company (the “**Model Code**”) were as follows:

Long positions in shares and underlying shares of the Company

Name of Director	Note	Capacity	Number of ordinary shares	Approximate percentage of shareholdings
Luo Lin	1	Founder of a discretionary trust and beneficial owner	709,544,150	32.96%
Wu Di	2	Beneficial owner	2,034,000	0.09%
Liu Enlong	2	Beneficial owner	2,234,000	0.10%
Zhang Yongyi	2	Beneficial owner	1,500,000	0.07%
Zhu Xiaoping	2	Beneficial owner	1,000,000	0.05%
Wang Mingcai	2	Beneficial owner	1,250,000	0.06%
	3	Beneficial owner	150,000	0.01%

Notes:

1. Mr. Luo Lin is the founder of the Loles Trust, which is indirectly interested in the entire issued share capital of Pro Development Holdings Corp., which in turn is interested in 696,946,150 shares of the Company. Mr. Luo Lin and his family members are the beneficiaries of the Loles Trust. Mr. Luo Lin also holds 12,598,000 shares in the capacity of a beneficial owner.
2. The interest is options granted under the share option scheme of the Company which enable the grantee to subscribe for shares in the Company.
3. The beneficial interest in 150,000 ordinary shares of the Company upon the exercise of share options.

(b) Substantial Shareholders

So far as is known to any Director or the chief executive of the Company, as at the Latest Practicable Date, Shareholders other than Directors or chief executive of the Company who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO were as follows:

Long positions in the shares or underlying shares of the Company

Name	Note	Capacity	Number of ordinary shares	Approximate percentage of shareholdings
Credit Suisse Trust Limited	1	Trustee	696,946,150	32.38%
Seletar Limited	1	Trustee	696,946,150	32.38%
Serangoon Limited	1	Trustee	696,946,150	32.38%
Avalon Assets Limited	1	Trustee	696,946,150	32.38%
Pro Development Holdings Corp	1	Beneficial owner	696,946,150	32.38%
Schlumberger NV	2	Interest of controlled corporation	423,361,944	19.67%

Notes:

1. The 696,946,150 shares referred to the same batch of shares.
2. Schlumberger Far East Inc. directly holds 423,361,944 Shares. Schlumberger Far East Inc. is a wholly owned subsidiary of Schlumberger Holding Limited. Schlumberger Holding Limited is a wholly owned subsidiary of Schlumberger Oilfield Holding Limited which in turn is a wholly owned subsidiary of Schlumberger NV.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation, other than statutory compensation).

4. COMPETING BUSINESS INTEREST OF DIRECTORS

Mr. Jean Francois Poupeau is an executive vice president of Schlumberger Limited, the world's leading oilfield services company, which is engaged in similar business as the Company. Save as disclosed, as at the Latest Practicable Date, none of the Directors or their respective associates was beneficially interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

5. LITIGATION

So far as the Company is aware, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors pending or threatened by or against any member of the Group.

6. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2012, being the date to which the latest published audited consolidated financial statements of the Company were made up.

7. EXPERT'S QUALIFICATIONS AND CONSENTS

Platinum has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter and references to its name in the form and context in which it appears.

The following is the qualification of the expert or professional adviser who has given its opinion or advice contained in this circular:

Name	Qualification
Platinum	A licensed corporation to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

As at the Latest Practicable Date, Platinum did not have any direct or indirect interest in any assets which had been acquired, disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group, since 31 December

2012, the date to which the latest audited financial statements of the Group was made up; and was not beneficially interested in the share capital of any member of the Group and did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

8. GENERAL

- (a) None of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of by or leased to any member of the Group since 31 December 2012, being the date to which the latest published audited accounts of the Company were made up, and up to the Latest Practicable Date.
- (b) Mr. Jean Francois Poupeau is an executive vice president of Schlumberger Limited, the ultimate holding company of Schlumberger and is considered to be interested in the Master Agreement. Save for the Master Agreement, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which was subsisting and was significant in relation to the business of the Group.
- (c) The company secretary of the Company is Dr. Ngai Wai Fung.
- (d) The registered office of the Company is PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands.
- (e) The principal place of business of the Company in Hong Kong is Unit 2109, Cosco Tower, 183 Queen's Road Central, Hong Kong.
- (f) The share registrars of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited.
- (g) The principal share registrars of the Company is Royal Bank of Canada Trust Company (Cayman) Limited.
- (h) The English text of this circular shall prevail over their respective Chinese text for the purpose of interpretation.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's principal place of business in Hong Kong at Hong Kong is Unit 2109, Cosco Tower, 183 Queen's Road Central, Hong Kong during normal business hours on any weekdays, except public holidays, from the date of this circular up to and including the date of the Extraordinary General Meeting:

- (a) the Master Agreement;

- (b) the letter from the Independent Board Committee, the text of which is set out on pages 10 to 11 of this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out on pages 12 to 22 of this circular;
- (d) the consent letter of the Independent Financial Adviser referred to in the section headed “Expert’s Qualifications and Consents” in this appendix;
- (e) this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING



安東油田服務集團 Anton Oilfield Services Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3337)

NOTICE IS HEREBY GIVEN that a Extraordinary General Meeting of Anton Oilfield Services Group (the “**Company**”) will be held immediately after the conclusion of the annual general meeting of the Company which is scheduled to be held at 9 a.m. on Monday, 3 June 2013 at No. 8 Pingcui West Road, Donghuqu Chaoyang District, Beijing China for the purpose of considering and, if thought fit, passing the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT:**

- (a) the master mutual supply and purchase agreement dated 24 April 2013 (the “**Master Agreement**”) between the Company and Schlumberger Far East Inc. (“**Schlumberger**”) pursuant to which the Company and its subsidiaries (the “**Group**”) has agreed to supply the relevant products, labour and technical services required for the provision of oilfield services (the “**Products and Services**”) to Schlumberger and its affiliates (the “**Schlumberger Group**”) and Schlumberger will supply and procure its affiliates to supply to the Group the Products and Services for a period of three financial years until 31 December 2015 (as further detailed in the circular of the Company dated 16 May 2013 (the “**Circular**”)), be and is hereby approved, confirmed and ratified;
- (b) the annual caps under the Master Agreement as set out in the Circular for each of the three financial years ending 31 December 2015 be and are hereby approved and confirmed; and
- (c) any one director of the Company be and is hereby authorised to do all such acts or things and sign all documents deemed necessary by him/her to be incidental to, ancillary to or in connection with the matters contemplated in the Master Agreement.”

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

Hong Kong, 16 May 2013

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. A form of proxy for use at the meeting is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer, attorney or other person authorised to sign the same.
3. Any shareholder entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company's branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the meeting.
5. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or at any adjourned meeting thereof (as the case may be) should you so wish, and in such an event, the form of proxy shall be deemed to be revoked.
6. Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the meeting, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.

As at the date of this notice, the Board comprises Mr. LUO Lin, Mr. WU Di and Mr. LIU Enlong as executive directors; Mr. Jean Francois POUPEAU as non-executive director; and Mr. ZHANG Yongyi, Mr. ZHU Xiaoping and Mr. WANG Mingcai as independent non-executive directors.