SPT Energy Group Inc.
華油能源集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1251)

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 (the "**Shareholders**") and potential investors of the Company that after a preliminary assessment of the unaudited consolidated management accounts of the Group as of 30 June 2020, the net profit of the Group is estimated to significantly fall by approximately 60 percent to 80 percent for the six months period ended 30 June 2020 as compared with the corresponding period ended 30 June 2019. Based on the preliminary assessment of the management accounts and the information currently available to the Company, the Directors believe the main reasons for the above decrease are as follows:

1. due to the worldwide outbreak of Coronavirus Disease (the "**COVID-19 outbreak**") in early 2020, the global economic growth slowed down significantly, leading to the substantial decrease of crude oil demand and the sharp fluctuation of oil price. As a result, major clients of the Group scaled down their investment on exploration and development and prices of investment projects reduced; and

2. due to the COVID-19 outbreak, the Group's planned operation arrangement and workforce mobilization for projects in major oil production areas were heavily affected.

The information contained in this announcement is solely based on the preliminary assessment of the information currently available by the Board, which includes the unaudited consolidated management accounts of the Group as of 30 June 2020 which has not been reviewed or confirmed by the auditors of the Company or the audit committee of the Company as at the date of this announcement. Shareholders and potential investors are advised to read carefully the interim results announcement of the Company for the six months period ended 30 June 2020 which is expected to be published by the end of August 2020.

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, 10 August 2020

As at the date of this announcement, the executive Directors are Mr. Wang Guoqiang, Mr. Ethan Wu, Mr. Li Qiang and Mr. Wu Jiwei, the non-executive Director is 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*