To: Business Editors
For Immediate Release

Yanchang Petroleum International’s USD60 Million Convertible Bonds Are Fully Converted

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Fully supported by the parent company
To further strengthen its capital structure

(15 May 2020 – Hong Kong) Yanchang Petroleum International Limited (“Yanchang Petroleum International” or the “Company”; stock code: 00346) is pleased to announce that Shaanxi Yanchang Petroleum (Group) Co., Limited (陝西延長石油（集團）有限責任公司, "Yanchang Petroleum Group") will exercise the conversion rights on the convertible bonds subscribed earlier, pursuant to which, USD60 million convertible bonds will be converted to approximately 6.19 billion conversion shares at the conversion price of HKD0.076 per conversion share.

The conversion price is HKD0.076, representing a premium of approximately 81% over the closing price of HKD0.042 per share on the conversion date. After full conversion, Yanchang Petroleum Group will hold approximately 12.69 billion shares of the Company, representing approximately 69.191% of the enlarged issued shares of the Company.

Mr. Li Yi, Chairman of Yanchang Petroleum International, said, “Yanchang Petroleum Group’s full conversion of convertible bonds at a high premium reflects the financial and strategic support of our parent company. Affected by the COVID-19 pandemic worldwide, the economy is facing downward pressure and the international oil prices fluctuate greatly. This will help reinforce our capital structure as well as better capture the business development opportunities in the future. The Company will continue to focus on the business in a pragmatic manner, maximizing the interests of our shareholders.”

Yanchang Petroleum Group, the major shareholder of Yanchang Petroleum International, is principally engaged in oil and gas exploration, exploitation, processing, pipeline transportation and the sale of oil and gas; chemical engineering of oil, gas and coal, machinery manufacturing, project construction and oil and gas research and development. Yanchang Petroleum Group owns the right for exploration, exploitation and operation of oil and natural gas resources, has refining facilities in the PRC, and owns oil and natural gas resource assets in the PRC and abroad.
About Yanchang Petroleum International (stock code: 00346)

Yanchang Petroleum International is principally engaged in the following activities (i) exploration, exploitation and operation of oil and gas; and (ii) fuel oil trading and distribution. In its upstream operations, Yanchang Petroleum International possesses operating oilfields in Saskatchewan and Alberta, Canada, through its wholly owned subsidiary Novus, a Canadian enterprise. Novus engages in the business of acquiring, exploring for, developing and producing crude oil and natural gas. In its downstream operations, Yanchang Petroleum International is principally engaged in wholesale, retail, storage and transportation of oil products through its 70% owned subsidiary, Henan Yanchang Petroleum Sales Co., Limited, and which has been granted valid licenses for distribution and sales of oil products in China.

For details, please refer to http://www.yanchanginternational.com

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