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Dalipal Holdings Limited

達力普控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1921)

VOLUNTARY ANNOUNCEMENT IN RELATION TO THE BREAKTHROUGHS IN THE RESEARCH AND DEVELOPMENT, PRODUCTION, MARKET AND EXPANSION OF CLIENTELE OF THE GROUP'S PRODUCTS

This announcement is made by Dalipal Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board of directors of the Group (the “**Board**”) is pleased to announce that the Group has achieved breakthroughs in the research and development, production, market and expansion of clientele for its products (the “**Breakthroughs**”).

Pursuant to the “CNPC Collection Notice of Negotiation Service Fee of Oil Country Tubular Goods (“**OCTG**”) dated 24 November 2021” (《中國石油2021年11月24日石油專用管談判服務費收取通知書》) issued by China Petroleum Materials Corporation (中國石油物資有限公司) to Dalipal Pipe Company* (達力普石油專用管有限公司) (“**Dalipal Pipe**”), a wholly-owned subsidiary of the Group, on 1 December 2021, Dalipal Pipe procured the orders for its seamless casing products in the total amount of approximately RMB290 million during such negotiation. The negotiated unit price of such products is approximately 50% higher than the conventional unit price of seamless casing products and such products will be used in the shale gas projects of China National Petroleum Corporation (“**CNPC**”) in southern Sichuan.

Certain of the products procured pursuant to the above orders were newly developed by the Company principally for exploration and development of shale gas, namely the 139.7mm * 12.7mm DLP-T4 seamless casing (“**DLP-T4**”) of 125V, 140V and 150V, etc. The DLP-T4 was the first domestic specific connection product passing the IV Casing Test of Stress Engineering Services, Inc. in the United States in February 2020. The trials of DLP-T4 were successively successful in four shale gas wells such as the ultra-deep horizontal well of Southwest Oil and Gas Field of CNPC in Weiyuan District, thus receiving high recognition accordingly.

These Breakthroughs were important milestones for the development of the Group, and is expected to drive the sales and continuous research and development of the Group's high-end products, in particular for the shale gas market and the clientele of Southwest Oil and Gas Field's zones, which is expected to bring positive impact to the Company in the future.

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

By order of the Board
Dalipal Holdings Limited
Meng Fanyong
Chairman and Executive Director

Hong Kong, 8 December 2021

As at the date of this announcement, the Board comprises Mr. Meng Fanyong, Mr. Zhang Hongyao, Ms. Xu Wenhong, Mr. Meng Yuxiang, Ms. Gan Shuya and Mr. Yin Zhixiang, as the executive Directors; and Mr. Guo Kaiqi, Mr. Wong Jovi Chi Wing and Mr. Cheng Haitao as the independent non-executive Directors.