

Offshore Oil Engineering Co., Ltd.

An announcement on resolution made at 22nd meeting of 6th board of directors

Important notes:

The board of directors and all directors of the Company guarantee that this announcement contains no false records, misleading statements or major omissions, and undertake joint and several liabilities for the authenticity, accuracy and integrity of the announcement.

I. Convening of the Meeting

Offshore Oil Engineering Co., Ltd. (hereinafter referred to as the "Company") issued A Notice on Convening 22nd Meeting of 6th Board of Directors to all directors by email on March 13, 2020. The Company convened 22nd meeting of 6th board of directors by phone on March 20, 2020, and the meeting was chaired by Mr. Yu Yi, the Chairman of the Company.

7 directors are supposed to be present at the meeting and 7 directors were actually present at the meeting. The Company's supervisors and some senior managers attended the meeting. The meeting was held in compliance with laws, regulations, rules and the Company's articles of association.

II. Review of resolutions passed on board meeting

The following resolutions were passed by attending directors through careful review and voting \

(I) 2019 Work Report of Company Board of Directors was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

(II) 2019 Work Report of Company President was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

(III) A Proposal on Change of Accounting Policies was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote. (Please see An Announcement on Change of Company's Accounting Policies disclosed by the Company on Shanghai Stock Exchange's website www.sse.com.cn on the same day.)

(IV) A Proposal on Provision for Impairment was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote. (Please see An Announcement on Company's Provision for Impairment disclosed by the Company on Shanghai Stock Exchange's website www.sse.com.cn on the same day.)

(V) 2019 Company Final Account Report was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

(VI) 2019 Company Profit Distribution Scheme was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

Audited by BDO China Shu Lun Pan Certified Public Accountants LLP, the parent company had a net profit of RMB 488,191,534.36 in 2019, deducting 10% of statutory surplus reserve of RMB 48,819,153.44, plus the parent company's undistributed profit of RMB 8,075,389,354.68 at year beginning and deducting 2018 cash dividend of RMB 221,067,740.00 distributed in 2019. The parent company's profit available for distribution to shareholders was RMB 8,293,693,995.60, and the parent company's capital reserve balance was RMB 4,245,387,997.87 as of the end of 2019.

Considering its total share capital of 4,421,354,800 shares at the end of 2019 as a base, the Company distributed cash dividend of RMB 0.60 (tax-inclusive) per 10 shares. It doesn't distribute stock dividend or increase share capital with capital reserves. Cash dividend amounting to RMB 265,281,288.00 was distributed this time, and the balance of undistributed profit was carried forward for distribution in the subsequent year.

(VII) 2019 Company Social Responsibility Report was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote. (The full text is seen on SSE Website www.sse.com.cn)

(VIII) A Special Report on Depositing and Use of Company's Annual Fund Raised was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote. (The full text is seen on SSE Website www.sse.com.cn)

(IX) 2019 Company Internal Control Evaluation Report was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote. (The full text is seen on SSE Website www.sse.com.cn)

(X) 2019 Company Internal Control Audit Report was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote. (The full text is seen on SSE Website www.sse.com.cn)

(XI) A Summary Report on Engaging BDO China Shu Lun Pan Certified Public Accountants LLP as Auditor of Company's 2019 Financial Conditions and Internal Control by Audit Committee of the Board of Directors was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

(XII) 2019 Company Annual Report and Summary was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote. (The full text is seen on SSE Website www.sse.com.cn)

(XIII) A Proposal on Renewing the Contract with Auditor of Company's 2020 Financial Conditions and Internal Control was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

It is agreed to renew the contract with BDO China Shu Lun Pan Certified Public Accountants LLP ("BDO China") as the auditor of the Company's 2020 financial conditions and internal control, and BDO China shall provide audit service for the Company's financial statements and reports and other relevant audit services for a period of one year. The Company's managers are authorized to decide on overall audit fees adjusted for 2020 through negotiation with BDO China.

The Company's independent directors gave their independent opinions on renewing the contract with the auditor of the Company's 2020 financial conditions and internal control.

For details of renewing the contract with the auditor and independent directors' opinions, please see An Announcement on Renewing the Contract with Accounting Firm and Independent Directors' Opinions disclosed by the Company at Shanghai Stock Exchange's website www.sse.com.cn on the same day.

(XIV) A Proposal on Providing Credit and Guarantee to Wholly-owned Subsidiaries and Holding Subsidiaries was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

In order to support business development of the Company's wholly-owned subsidiaries and holding subsidiaries, strengthen centralized management of credit and economize on the Company's overall financial costs, it is agreed that by its line of credit, the Company issues a bank guarantee and letter of credit to the above subsidiaries for their routine business such as bidding, performing contracts and other matters or provides reasonable and necessary guarantees when independent bank credit is obtained, and the Company assumes corresponding joint and several guarantee responsibilities. The total amount of guarantee shall not exceed the equivalent of RMB 800 million, and the guarantee period is from the date of approval by the board of directors to December 31, 2021.

The board of directors authorizes the managers to deal with guarantees of the parent company.

The Company's independent directors gave their independent opinions on guarantees.

For details of guarantees and independent directors' opinions, please see An Announcement on Providing Credit and Guarantee to Subsidiaries by Company and Company Independent Directors' Opinions disclosed by the Company at Shanghai Stock Exchange's website www.sse.com.cn on the same day.

(XV) A Proposal on Amending Company's Investment Management System was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote (please see full text at Shanghai Stock Exchange's website www.sse.com.cn).

(XVI) A Proposal on Cancelling Purchase of One 1600T Crawler Crane by Offshore Oil Engineering (Qingdao) Co., Ltd. was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

As approved at 11th meeting of 6th board of directors of the Company held on October 29, 2018, it was agreed that Offshore Oil Engineering (Qingdao) Co., Ltd. (hereinafter referred to as "Qingdao Subsidiary") - the holding subsidiary of the Company, purchased one 1600T crawler crane with total

investment amounting to RMB 145.74 million or so.

The Company adjusted use of resources for current and subsequent projects, and large crawler crane would be rented due changes in internal and external environment and production and operation situations. It was agreed to cancel purchase of one 1600T crawler crane as per Company Investment Management System.

(XVII) A Proposal on Mr. Chen Baojie's Resignation as Company Vice President was adopted with 7 affirmative votes, 0 dissenting vote and 0 abstention vote.

The board of directors received a written resignation application from Vice President Chen Baojie on March 20, 2020. Mr. Chen Baojie submitted an application for resignation as Company Vice President due to job changes. The resignation application submitted by Mr. Chen Baojie shall take effect on the date when such application is delivered to the board of directors in accordance with relevant regulations in The Company Law of the People's Republic of China and Articles of Association.

Mr. Chen Baojie doesn't hold any other positions in the Company after his signation. Mr. Chen Baojie fulfilled his duties diligently and played a positive role in improving the management capabilities of Company's engineering projects and capacities of equipment and facilities during his tenure. The board of directors is particularly grateful to Mr. Chen Baojie for his outstanding contributions to the Company's development during his tenure.

The above-mentioned (I), (IV), (V), (VI), (XII) and (XIII) proposals adopted by the board of directors must be submitted to the Company's 2019 annual general meeting for discussion, and the Company will issue a separate notice to convene the meeting.

III. Online announcement attachment

Opinions of independent directors.

Announcement is hereby given.

Board of Directors of Offshore Oil Engineering Co., Ltd.
March 20, 2020