

Offshore Oil Engineering Co., Ltd.

Announcement on the Resolution of the 16th Meeting of the 6th Board of Supervisors

The board of supervisors and all supervisors 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

On March 13, 2020, Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "the Company") issued a notice to all supervisors by email regarding the convening of the 16th Meeting of the 6th Board of Supervisors. On March 20, 2020, the Company convened the 16th Meeting of the 6th Board of Supervisors by telephone.

At this meeting, three supervisors should attend and all three were present. The meeting was presided over by Mr Wu Hanming, president of the board of supervisors of the Company, and some administrative officers attended the meeting. The meeting was convened according to the Company Law and the relevant provisions of the Articles of Association.

II. Deliberation of the Meeting

After careful deliberation by the supervisors present, the meeting unanimously adopted the following resolutions:

(1) The 2019 Work Report of the Board of Supervisors of the Company was reviewed and adopted by three votes to none, with no abstentions and submitted to the 2019 Annual General Meeting of Shareholders for deliberation.

(2) The Proposal on Changes in Accounting Policies was deliberated and adopted by three votes to none, with no abstentions.

After carefully examining the changes in the Company's accounting policies, the board of supervisors held that:

The changes in the Company's accounting policies conform to the relevant provisions of the Ministry of Finance and the actual situation of the Company. The relevant decision-making procedures conform to the relevant provisions of laws and regulations. There is no damages to the interests of the Company and all shareholders. Agree the Company to implement the above changes in accounting policies.

(3) The Proposal on Provision for Impairment of the Company was reviewed and adopted by three votes to none, with no abstentions and submitted to the 2019 Annual General Meeting of Shareholders for deliberation.

After carefully examining the provision for impairment of the Company, the board of supervisors held that:

According to the Accounting Standards for Business Enterprises and relevant regulations, the Company make provisions for impairment according to its actual situation, which makes the accounting information of the Company's assets value more authentic, reliable and reasonable. The decision-making procedure for the board of directors to review the provision for impairment is legal. Agree to set aside impairment reserves this time.

This provision for impairment must be submitted to the 2019 Annual General Meeting of Shareholders for deliberation.

(4) The 2019 Profit Distribution Plan of the Company was reviewed and adopted by three votes to none, with no abstentions and submitted to the 2019 Annual General Meeting of Shareholders for deliberation.

According to the Company Law, the Securities Law, the Notice on Further Implementing Matters concerning Cash Dividends of Listed Companies, the Guidelines of the Shanghai Stock Exchange for

Cash Dividends of Listed Companies and the relevant provisions of the Articles of Association, we held that the 2019 profit distribution plan proposed by the Board of Directors conforms to the relevant provisions of the Articles of Association and the actual situation of the Company, and embodies the long-term dividend policy of the Company. Therefore, it can guarantee the stable returns of shareholders and the healthy, stable and sustainable development of the Company, and does not damage the interests of shareholders of the Company, especially small and medium shareholders.

This profit distribution plan must be submitted to the 2019 Annual General Meeting of Shareholders for deliberation.

(5) The Proposal on Reviewing the 2019 Internal Control Self-Evaluation Report of the Company was reviewed and adopted by three votes to none, with no abstentions.

After reviewing the 2019 internal control evaluation report prepared by the Company, the board of supervisors held that:

According to the relevant regulations of China Securities Regulatory Commission and Shanghai Stock Exchange, and the basic principles of internal control, the Company has formulated various internal control systems and formed a relatively systematic corporate governance framework, ensuring its normal operation of the business activities and protecting the safety and integrity of its assets. With complete internal control organizations, and internal audit organizations and personnel, the Company has carried out corresponding internal audit work to ensure the independence of its internal audit organizations, and effective supervision of its internal key control activities.

The 2019 Annual Internal Control Evaluation Report faithfully reflects the internal control of the Company and is reasonable and effective. At present, the Company's internal control system is relatively sound and effective.

After review, the board of supervisors has no objection to the 2019 Annual Internal Control Evaluation Report of the Company.

(6) The Special Report of the Board of Directors on the Deposit and Use of the Company's Annual Raised Funds was reviewed and adopted by three votes to none, with no abstentions.

After verification, the board of supervisors held that the deposit and use of the raised funds of the Company in 2019 comply with the relevant regulations of China Securities Regulatory Commission and Shanghai Stock Exchange on the management and use of the raised funds of listed companies. There is no illegal use of the raised funds, and there is no change or disguised change in the investment of the raised funds and damage to the interests of shareholders. The Special Report of the Board of Directors on the Deposit and Use of the Company's Annual Raised Funds is true, accurate, complete, free from false records, misleading statements and major omissions, follows the provisions of relevant laws and regulations, and truthfully reflects the actual deposit and use of the raised funds of the Company in 2019.

(7) The Proposal on Submitting Written Examination Opinions on the 2019 Annual Report of the Company Prepared by the Board of Directors was reviewed and adopted by three votes to none, with no abstentions.

After carefully reviewing the 2019 annual report of the Company prepared by the board of directors (hereinafter referred to as the "annual report"), the board of supervisors held that:

1. The preparation and review procedures of the annual report comply with the laws, regulations, Articles of Association and various provisions of the Company's internal management system;
2. The contents and format of the annual report comply with the regulations of China Securities Regulatory Commission and Shanghai Stock Exchange, and the information contained therein can objectively and truly reflect the Company's management and financial situation in 2019.
3. Before putting forward this opinion, the board of supervisors did not find any violation of confidentiality by the personnel involved in the preparation and review of the annual report.

Announcement is hereby given.

Board of Supervisors of Offshore Oil Engineering Co., Ltd.

March 20, 2020