

Announcement of COOEC on Renewal of Engagement of the Accounting Firm

Special 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.

Important contents:

- Name of the proposed accounting firm: BDO China Shu Lun Pan CPAs (Special General Partnership)

I. Description of the matter concerning the proposed renewal of engagement of the accounting firm

In order to maintain the continuity and stability of the audit, and upon the proposal of the Audit Committee of the Board of Directors of Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "the Company"), the Company's Board of Directors agree to renew the engagement of BDO China Shu Lun Pan CPAs (Special General Partnership) as the Company's 2021 financial and internal control audit agency, with an employment period of one year.

II. Basic information of the proposed accounting firm

(i) Information of the accounting firm

1. Basic information

BDO China Shu Lun Pan CPAs (Special General Partnership) (hereinafter referred to as "Shu Lun Pan CPAs") was founded by Dr. ShuLun Pan, pioneer of China's accounting profession, in Shanghai in 1927. The Firm was reincorporated in 1986. In 2010, Shu Lun Pan CPAs changed from a limited corporation to a limited liability partnership (LLP), the first accounting LLP in China's history.

The registered address of the Firm is Shanghai, and Mr. Zhu Jiandi serves as the Chief Partner. Shu Lun Pan CPAs is a member firm of the international accounting network BDO. It has been engaged in securities services for a long time. Before the enforcement of the new securities law of China, it had a securities and futures business license and is qualified for H-share audit. It has registered with the Public Company Accounting Oversight Board (PCAOB) of the United States.

As of the end of 2020, Shu Lun Pan CPAs had 232 partners, 2,323 certified public accountants and 9,114 practitioners. Certified public accountants and practitioners of Shu Lun Pan CPAs have all been engaged in securities services.

Shu Lun Pan CPAs gained revenue (unaudited) of 3.814 billion yuan in 2020, including the revenue of 3.04 billion yuan from audit business and the revenue of 1.246 billion yuan from securities business.

In 2020, Shu Lun Pan CPAs offered annual report audit services for 576 listed companies, and audited four clients which are listed companies in the same industry.

2. Investor protection capabilities

As of the end of 2020, Shu Lun Pan CPAs had drawn 129 million yuan from the professional risk fund, and the cumulative compensation limit for the purchased professional insurance amounted to 1.25 billion yuan. The relevant professional insurance can cover civil compensation liabilities caused by any audit failure.

Circumstances of assuming civil liabilities in civil litigations related to practice in the past three years are as follows:

Prosecutor (Arbitrator)	Defendant (Respondent)	Litigation (Arbitration) Event	Amount Involved in Litigation (Arbitration)	Litigation (Arbitration) Result
Investor	Geeya, Zhou Xuhui, Shu Lun Pan CPAs	Annual Report 2014	Estimated to be 30 million yuan	This involves joint and several liabilities, and the professional

Prosecutor (Arbitrator)	Defendant (Respondent)	Litigation (Arbitration) Event	Amount Involved in Litigation (Arbitration)	Litigation (Arbitration) Result
				insurance of Shu Lun Pan CPAs is sufficient to cover the amount of compensation.
Investor	Chaohua Tech	Annual Report 2014	Estimated to be 8 million yuan	This involves joint and several liabilities, and the professional insurance of Shu Lun Pan CPAs is sufficient to cover the amount of compensation.

3. Integrity history

Shu Lun Pan CPAs was sanctioned no criminal penalties, four administrative penalties, 26 regulatory measures, no self-regulatory measures, and 2 disciplinary sanctions due to practice in the past three years, with 62 practitioners involved.

(ii) Project information

1. Basic information

Item	Name	Year to Start Practicing as a CPA	Year to Start Auditing of Listed Companies	Year to Practice in the Firm	Year to Start Offering audit services for the Company
Project partner	Wang Shouyi	2008	2006	2012	2021

Signing CPA	Xiu Jun	2018	2015	2018	2019
Quality control reviewer	Zhang Fan	2007	2003	2012	2018

(1) Project partner's practice in the past three years:

Name: Wang Shouyi

Time	Names of Listed Companies	Title
2019 - 2020	CNOOC Energy Technology & Services Limited	Project partner
2018 - 2020	Guangzhou Seagull Kitchen And Bath Products Co., Ltd.	Project partner
2019 - 2020	Shenzhen Sunshine Laser & Electronics Technology Co., Ltd.	Project partner
2019 - 2020	Jinzhou Jixiang Molybdenum Co., Ltd.	Project partner
2020	Shenzhen Changhong Technology Co., Ltd.	Project partner
2019	Shunliban Information Service Co., Ltd.	Project partner
2019	Beijing Watertek Information Technology Co., Ltd.	Project partner
2018	Shanghai Aerospace Automobile Electromechanical Co., Ltd.	Project partner

(2) Signing CPA's practice in the past three years:

Name: Xiu Jun

Time	Names of Listed Companies	Title
2019 - 2020	Offshore Oil Engineering Co., Ltd.	Signing CPA
2020	Tianjin Guifaxiang 18th Street Mahua Food Co., Ltd.	Signing CPA
2019 - 2020	China Nuclear Engineering & Construction Corporation Limited	Signing CPA
2018 - 2020	Datang Telecom Technology Co., Ltd.	Signing CPA

(3) Quality control reviewer's practice in the past three years:

Name: Zhang Fan

Time	Names of Listed Companies	Title
2020	Lepu Medical Technology (Beijing) Co., Ltd.	Project partner
2019 - 2020	Huadian Power International Corporation Ltd.	Project partner
2018 - 2019	China National Complete Plant Import & Export Corp., Ltd.	Project partner
2018	SDIC Power Holding Co., Ltd.	Project partner
2018	Offshore Oil Engineering Co., Ltd.	Quality control reviewer
2018 and 2020	Datang Telecom Technology Co., Ltd.	Quality control reviewer
2018 - 2020	Inner Mongolia ERDOS Resources Co., Ltd.	Quality control reviewer
2018 - 2020	Beijing TRS Information Technology Co., Ltd.	Quality control reviewer
2018 - 2020	Jinzhou Jixiang Molybdenum Co., Ltd.	Quality control reviewer
2018 - 2020	China BlueChemical Ltd.	Quality control reviewer

2. Independence and integrity records of project team members.

The project partner, the signing CPA and the quality control reviewer are not involved in any circumstance in violation of the independence requirements of the China Code of Ethics for Certified Public Accountants. The above-mentioned personnel have no adverse records in the past three years.

(iii) Audit fees

1. Audit fee pricing principles

The pricing is mainly based on the responsibilities to be borne in rendering professional services and the degree of professional skills to be invested, with comprehensive consideration of the relevant fee rates and working hours of the employees to be

involved in the work.

2. Year-on-year changes in audit fees

	2020	2021	Increase or decrease in %
Fee amount (10,000 Yuan)	207.00	Up to 2.5 million yuan	Not exceeding 21%

The Company's 2021 audit fee budget amounts to 2.5 million yuan, including the financial audit budget of 2.2 million yuan and the internal control audit budget of 0.3 million yuan, and the total audit fee shall be controlled up to 2.5 million yuan.

III. Procedures performed for renewing the engagement of the accounting firm

(i) The Audit Committee of the Company's Board of Directors had fully understood and reviewed the professional competence, investor protection capabilities, independence and integrity of BDO China Shu Lun Pan CPAs (Special General Partnership), and considered that in the process of auditing the Company's 2020 Financial Report, BDO China Shu Lun Pan CPAs (Special General Partnership) had strictly complied with the Auditing Standards for Certified Public Accountants of China, performed necessary audit procedures, and collected appropriate and sufficient audit evidence. The audit conclusions were in line with the actual situation of the Company. The Company's plan to renew the engagement of BDO China Shu Lun Pan CPAs does not prejudice the legitimate rights and interests of the Company and all shareholders, especially small and medium shareholders.

(ii) The independent directors of the Company have issued their independent opinions on the renewal of the engagement of the accounting firm: As the Company's 2020 audit agency, BDO China Shu Lun Pan CPAs earnestly performed its duties, conducted an independent audit in a fair and objective manner, completed the annual audit well, and issued an audit report for the Company in an authentic and fair manner in accordance with independent audit standards during the internal control audit of the Company's 2020 financial statements and financial reports. It is

agreed to renew the engagement of BDO China Shu Lun Pan CPAs as the Company's 2021 financial and internal control audit agency, and the proposal is submitted to the Company's 2020 Annual General Meeting for deliberation.

(iii) At the 2nd Meeting of the 7th Board of Directors of the Company held on March 19, 2021, the proposal was deliberated and approved, and it was agreed to renew the engagement of BDO China Shu Lun Pan CPAs (Special General Partnership) as the Company's 2021 financial and internal control audit agency. Voting result: 7 affirmative votes, 0 dissenting votes, and 0 abstention votes.

(iv) The proposal shall be submitted to the General Meeting of the Company for deliberation after deliberation and approval by the Board of Directors, and it shall take effect upon deliberation and approval by the General Meeting of the Company.

The announcement is hereby given.

Board of Directors of COOEC

March 19, 2021