

Offshore Oil Engineering Co., Ltd. Announcement on the Progress of Provision of Financial Assistance by the Wholly-owned Subsidiary

The Board of Directors and all directors of the Company guarantee that this announcement does not contain any false records, misleading statements or major omissions, and they will bear legal responsibility for the authenticity, accuracy and completeness of its contents.

Important:

● **Overview of financial assistance:** Offshore Oil Engineering Co., Ltd. (hereinafter referred to as the "Company") held the 7th Meeting of the 8th Board of Directors and the 2024 Annual General Meeting on December 18, 2024 and April 8, 2025, respectively, reviewing and approving the Proposal on the Provision of Financial Assistance by the Wholly-owned Subsidiary. Under the proposal, in order to meet the project construction capital needs of COOEC AND CPECC JOINT VENTURE (hereinafter referred to as the "JOINT VENTURE"), it is agreed that in accordance with the agreement on the JOINT VENTURE, COOEC International Co., Ltd. Uganda Branch (hereinafter referred to as "Uganda Branch"), a branch registered in Uganda by COOEC International Co., Ltd., the Company's wholly-owned subsidiary, and the other party to the JOINT VENTURE shall provide financial assistance in an equal amount of no more than USD 6.5 million to the JOINT VENTURE in proportion to their respective

equity shares in the JOINT VENTURE, with a term of one year and an interest rate of 6% per year.

● **Progress of financial assistance:** Recently, based on the production and operation capital needs of the JOINT VENTURE, Uganda Branch and the JOINT VENTURE signed a Loan Agreement.

● **Special risk warning:** The other party of the JOINT VENTURE, CHINA PETROLEUM ENGINEERING & CONSTRUCTION CORPORATION (CPECC) Uganda Limited (hereinafter referred to as "Uganda Subsidiary"), also provided financial assistance in the same amount to the JOINT VENTURE. The Company will closely monitor the subsequent operating conditions, financial status and solvency of the JOINT VENTURE. If any adverse factors are found or judged, the Company will take corresponding measures in a timely manner to control the risks of the financial assistance. The Company will fulfill its information disclosure obligations in a timely manner in strict accordance with the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and other relevant regulations.

I. Overview of financial assistance

The Company held the 7th Meeting of the 8th Board of Directors and the 2024 Annual General Meeting on December 18, 2024 and April 8, 2025, respectively, reviewing and approving the Proposal on the Provision of Financial Assistance by the Wholly-owned Subsidiary. Under the proposal, in order to meet the project construction capital needs, it is agreed that in accordance with the agreement on the JOINT VENTURE, Uganda Branch

established by COOEC International Co., Ltd., the Company's wholly-owned subsidiary, and the other party of the JOINT VENTURE shall provide the financial assistance in an equal amount of no more than USD 6.5 million to the JOINT VENTURE in proportion to their respective equity shares in the JOINT VENTURE, with a term of one year and an interest rate of 6% per year.

For details, please refer to the Announcement of COOEC on the Provision of Financial Assistance by the Wholly-owned Subsidiary (Announcement No.: L 2024-031) disclosed by the Company on the website of Shanghai Stock Exchange on December 20, 2024.

II. Progress of financial assistance

Recently, based on the production and operation capital needs of the JOINT VENTURE, Uganda Branch and the JOINT VENTURE signed a loan contract, with the main contents as follows:

Party A: Uganda Branch

Party B: JOINT VENTURE

1. Loan amount: USD 6.5 million
2. Loan term: 1 year
3. Loan interest rate: fixed annual interest rate of 6%. Party B shall pay the interest and repay the loan within the loan term at the interest rate.
4. Purpose: contract payments and other operating payments for the project the JOINT VENTURE.
5. Repayment method: the principal and interest shall be repaid in full in a lump sum when the loan expires. If Party B has sufficient cash flows, it

may also choose to make repayment in full before the expiration date.

6. Conditions to be observed by the Borrower: Party B shall use the loan in strict accordance with the agreed purpose; during the loan term, Party B shall ensure the transparent and auditable financial management; Party B shall promptly notify Party A of the event that may affect Party B's ability to repay as agreed, if any; Party B warrants that it has full capacity for civil rights and civil conduct to participate in, conclude and perform the Contract, or has obtained all authorizations required to sign and perform the Contract.

7. Liability for breach: if Party B breaches the Contract, including but not limited to non-repayment or misappropriation of funds, Party B shall pay liquidated damages equivalent to 0.15‰ of the loan amount per day and bear all legal fees incurred by Party A to recover the loan; Party A reserves the right to pursue legal responsibilities for Party B's breach.

8. Effectiveness, change and termination: The Contract shall come into force after Party A successfully transfers the loan amount to the bank account designated by Party B. Before Party A pays the loan, the following conditions shall be met: Uganda Subsidiary and Party B have signed a loan agreement with the same terms as the Contract, and the loan agreement has been approved by the shareholders of Uganda Subsidiary in accordance with the relevant listing rules of the Shanghai Stock Exchange.

Any change to the Contract is subject to the written consent of the parties. The Contract shall terminate after the parties have fully performed all rights and obligations under the Contract.

9. Other terms: For matters not covered in the Contract, the parties may negotiate and sign a supplementary agreement, which shall have the same legal effect as the Contract. The Contract is governed by the laws of the People's Republic of China. Any dispute arising from the performance of the Contract shall be settled by the parties through friendly negotiation; if the negotiation fails, either party has the right to submit the dispute to the Tianjin Arbitration Commission for arbitration in accordance with its arbitration rules currently in effect. During the dispute resolution period, Party A has the right to require Party B to continue to perform the Contract.

III. Risk prevention measures related to financial assistance

In accordance with the agreement on the JOINT VENTURE, the Company dispatches personnel to serve as key management personnel of the JOINT VENTURE and participate in operation management, so that they can timely grasp the operating conditions and financial status of the JOINT VENTURE and effectively control its operating and management risks. The Company will pay close attention to the progress of project construction, and urge the project implementation on schedule, improvement of the efficiency of capital use, and accelerated collection of project payment, so that the JOINT VENTURE can repay the principal and interest of the loan on time and ensure the capital safety of the Company.

IV. Cumulative amount of financial assistance provided and overdue amount

After the provision of the financial assistance, the total amount of financial assistance provided by the Company is USD 6.5 million, accounting for

0.18% of the Company's latest audited net assets, and there is no overdue amount.

This announcement is hereby given.

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

April 22, 2025