

## **Announcement of Offshore Oil Engineering Co., Ltd. on Capital Increase to its Wholly-owned Subsidiary**

The Board of Directors and all Directors of COOEC warrant that there are no false records, misleading statements or material omissions in the contents of this announcement and shall be legally responsible for the truthfulness, accuracy and completeness of its contents.

### **Important Notices:**

- Name of the subject of capital increase: COOEC International Co., Limited (hereinafter referred to as "International Limited").
- Capital increase amount: USD 68 million, all of which are COOEC's own funds.
- This capital increase does not belong to related party transactions, nor does it constitute a material asset reorganization under the *Administrative Measures for Material Asset Reorganization of Listed Companies*.
- The capital increase has been deliberated and adopted at the Fifth Meeting of the Eighth Board of Directors of Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "COOEC") and does not need to be submitted to the shareholders' meeting of COOEC for deliberation.

## I. Overview of the capital increase

### 1. Basic information on capital increase

International Limited is a wholly-owned subsidiary of COOEC established in 2007 with a registered capital of USD 982,162.55. At present, it owns the "Haiyang Shiyou 698" vessel, as well as four subsidiaries in Abu Dhabi, Uganda, Brunei, and Iraq, and holds controlling stakes in three subsidiaries in Thailand, Brazil, and Canada.

In order to accelerate the physical and localized development of overseas companies, enhance the overseas fund pool function, and improve the bidding and operational support capabilities of overseas projects, COOEC intends to increase its capital by USD 68 million to International Limited Company.

After the capital increase is completed, its registered capital will be increased from USD 982,162.55 to USD 68,982,162.55 and it will remain a wholly-owned subsidiary of COOEC.

### 2. Decision-making and approval procedures to be followed

On August 16, 2024, COOEC held the Fifth Meeting of the Eighth Board of Directors, and deliberated and adopted the *Proposal on Capital Increase of COOEC International Co., Limited*. According to the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange and the Articles of Association of COOEC and other relevant regulations, the capital increase is within the authority of the Board of Directors of COOEC to approve and does not need to be submitted to the shareholders' meeting of

COOEC for deliberation. It also authorized the management of COOEC to handle the relevant procedures for capital increase.

### **3. Explanation of matters that are not related party transactions and material asset reorganization**

This capital increase does not belong to related party transactions, nor does it constitute a material asset reorganization under the *Administrative Measures for Material Asset Reorganization of Listed Companies*.

## II. Basic information on the subject of capital increase

### **1. Basic information**

Name of the Company	COOEC International Co., Limited
Legal representative	Liu Rui
Date of establishment	2007-6-12
Registered capital	USD 982,162.55
Registered address	Room 2508, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong, China
Business scope	General engineering contracting; Design, construction and installation of oil and gas development projects Technical services, equipment leasing, and maintenance
Credit status	International Limited has good credit standing and is not a defaulter.

### **2. Major financial data**

Unit: RMB'0,000

<b>Item</b>	<b>December 31, 2023</b>
Total assets	115,058.86
Owners' equity	64,522.78
<b>Item</b>	<b>January-December 2023</b>
Operating revenue	20,679.99
Net profit	2,267.84

### III. Impact of the capital increase on the listed company

The capital increase is based on the long-term development plan of COOEC, and is aimed at increasing the capital of overseas subsidiaries according to the market demand and operational development needs, which is mainly used to enhance the function of the capital pool of the International Limited, to maintain a sound asset-liability structure, as well as to provide support for the materialization of localization of the Abu Dhabi, Brazil, Thailand, and Iraq companies. It is in line with the overall strategic development direction of COOEC in the future, and is conducive to improving the index of transnational operation of COOEC, enhancing the financial status and capital strength of the International Limited, meeting the customer's requirements for the evaluation of contractors when bidding for overseas projects, facilitating the realization of the goal of signing overseas project contracts with the overseas company as the main body, and enhancing the role of the International Limited's offshore capital pool and firewall.

### IV. Risk analysis of the capital increase

The target of this capital increase is a wholly-owned subsidiary of COOEC, which can effectively control its operation and management. The overall risk is controllable, but it may still be

exposed to risks in macroeconomics, market competition and other aspects. COOEC will pay close attention to the national macro-economy and the International Limited's own operation and management situation, and actively take corresponding countermeasures and actions to prevent and respond to the above risks.

This announcement is hereby made.

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

August 16, 2024