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Offshore Oil Engineering Co., Ltd.
Announcement on Changes in Accounting Policies

The Board of Directors and all Directors of the Company warrant that there are no false representations, misleading statements, or material omissions in the content of this announcement, and accept legal liability for the authenticity, accuracy, and completeness of its content.

Key Information Notice:

● This accounting policy change is made by Offshore Oil Engineering Co., Ltd. (hereinafter referred to as the "Company") in accordance with the relevant provisions of Interpretation No.19 of the Accounting Standards for Business Enterprises and Interpretation No.20 of the Accounting Standards for Business Enterprises issued by the Ministry of Finance of the People's Republic of China (hereinafter referred to as the "Ministry of Finance"), and complies with the provisions of relevant laws and regulations and the actual situation of the Company. This accounting policy change does not need to be submitted to the Board of Directors and the shareholders' meeting for deliberation.

● This accounting policy change will not have a material impact on the Company's financial position, operating results, and cash flows, and there is no situation that damages the interests of the Company and its shareholders.

I. Overview of the Accounting Policy Change

(I) Reasons for the Accounting Policy Change

On December 5, 2025, the Ministry of Finance issued Interpretation No.19 of the Accounting Standards for Business Enterprises (Cai Kuai [2025]

No.32, hereinafter referred to as "Interpretation No.19"), which stipulates relevant contents such as "accounting treatment of compensatory assets in business combinations not under common control", "accounting treatment of related capital reserves when disposing of subsidiaries originally acquired through business combinations under common control", "derecognition of financial liabilities settled through electronic payment systems", "assessment of contractual cash flow characteristics of financial assets and related disclosures", and "disclosure of equity instruments designated as measured at fair value through other comprehensive income", and shall take effect from January 1, 2026.

On June 4, 2026, the Ministry of Finance issued the "Interpretation No.20 of the Accounting Standards for Business Enterprises" (Cai Kuai [2026] No.7, hereinafter referred to as "Interpretation No.20"), which stipulates "Assessment of Contractual Cash Flow Characteristics of Financial Assets", "Accounting Treatment and Related Disclosures When Currency Lacks Convertibility" and other related content, effective from the date of issuance. For transactions newly covered by this Interpretation from January 1, 2026 to the effective date of this Interpretation, enterprises shall make adjustments in accordance with this Interpretation.

In accordance with the requirements of the aforementioned documents, the Company makes corresponding changes to its accounting policies, effective from January 1, 2026.

(II) Accounting policies adopted by the Company before the change

Before this accounting policy change, the Company implemented the "Accounting Standards for Business Enterprises - Basic Standard" and various specific accounting standards, application guides for accounting standards for business enterprises, interpretation bulletins for accounting standards for business enterprises, and other relevant regulations issued by the Ministry of Finance.

(III) Accounting policies adopted after the change

After this accounting policy change, the Company will implement the requirements of "Interpretation No.19 of the Accounting Standards for Business Enterprises" and "Interpretation No.20 of the Accounting Standards for Business Enterprises" issued by the Ministry of Finance. Except for the above-mentioned accounting policy changes, the Company will continue to apply the "Accounting Standards for Business Enterprises - Basic Standard" and various specific accounting standards, subsequently issued and revised application guides for accounting standards for business enterprises, interpretation bulletins for accounting standards for business enterprises, and other relevant regulations issued by the Ministry of Finance.

II. Impact of this accounting policy change on the Company

This accounting policy change is a reasonable change made by the Company in accordance with the relevant regulations of the Ministry of Finance, and complies with the provisions of relevant laws and regulations. The implementation of the changed accounting policies can more objectively and fairly reflect the Company's financial position and operating results. This accounting policy change will not have a material impact on the Company's financial position, operating results, and cash flows, and there is no situation that damages the interests of the Company and its shareholders.

This announcement is hereby made.

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

August 17, 2026