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CMIC Ocean En-Tech Holding Co., Ltd.

華商國際海洋能源科技控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 206)

BUSINESS UPDATE

This announcement is made by CMIC Ocean En-Tech Holding Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep the shareholders and the potential investors of the Company informed of the latest business development and strategies of the Group for the year 2019.

The Company has successfully secured the bareboat charters of two units offshore drilling rigs (“**Rigs**”) to PERFORACIONES MARITIMAS LATINA S.A. OF C.V., a subsidiary of Constructora y Perforadora Latina, S.A. de C.V. (“**CP Latina**”) for operations with the Mexican National Oil Company Petróleos Mexicanos (“**PEMEX**”). The Rigs were procured from the CIMC Raffles Shipyard Ltd on a back-to-back bareboat charter basis and which were delivered on 11 September 2019 at the Yantai CIMC Raffles Offshore Ltd — Longkou Shipyard, Shandong, PR China.

The Rigs comprises two units of Friede & Goldman JU2000E Jack-up Mobile Drilling Units which will be contracted at competitive bareboat charter rates for an initial period of one and half years with options to extend a further six months.

CP Latina has signed a contract with PEMEX for the third round fast-track offshore integrated services programme implemented by PEMEX to accelerate the increase in production of crude oil from the Gulf of Mexico. This is in accordance with plans announced by PEMEX to triple the number of wells it drills in 2019 compared to that of 2018 and to raise production by 300,000 BOPD (barrels of oil per day) by 2022. This third fast-tracked offshore bidding round is the largest one in terms of scope of work and number of offshore wells awarded by PEMEX compared to the other offshore bidding rounds for 2019. PEMEX has significantly increased budget allocations for Exploration and Production activities in 2019 to develop 16 new offshore shallow fields which are almost the same number of fields previously achieved in the whole of the previous decade. The prospect is positive for these Rigs to undertake more work in the Gulf of Mexico beyond this charter.

For the Company, this achievement represents an accomplishment of a major milestone in its strategic intent of providing a pivotal role in enhancing the value of rig assets in a growing market. This achievement opens a wide range of significant opportunities to integrate the products, services and implementation capabilities already available within the Company and to develop a wider range of profitable businesses to increase the Company's long-term sustainable growth.

Together with the four contracts for bareboat charter of premium Jack-up drilling rigs already concluded earlier in the year, these two additional units heading for the Gulf of Mexico will bring our total fleet of Jack-up drilling rigs on charter to a total of six units. Working with our strategic partners, we have now established significant presence in two of the fastest growing oil and gas markets, namely the Middle East and the Gulf of Mexico. The background of the company with its comprehensive range of products and services provides us with the unique position and makes the company's contract value to have the strong market competitiveness. With the gradual oil, gas and related rig market recovery, utilization and daily rates are improving. The Company is pleased to announce that these developments will clearly demonstrate our aspiration to develop the Group into an integrated hub within the global offshore industrial value chain with an integrated platform for manufacturing, leasing, sales, operation, management and equipment maintenance.

About PEMEX

PEMEX is a National Oil company of Mexico and has developed a fast-track six-year development plan: 20% increase in the 2019 budget, 52% increase in crude oil production in 2024, and a five-fold increase in refining capacity in 2022. In December 2018, PEMEX announced the tender development of one onshore block and four shallow sea blocks (11-90 meters water depth). The rapid development of these fields will significantly increase crude oil production, which is expected to reach 2.65 million barrels/day by 2024. Mexico has become a hotspot for the current offshore industry. With the strong demand for drilling platforms, 22 to 26 jack-up rigs are envisaged to enter into operation in 2019.

About CP Latina

CP Latina is a private company with more than 70 years' experience in the energy sector. Currently, it is the main geothermal drilling company in Latin America. The controlling shareholder of CP Latina is the Del Valle family, with strong business interests in the banking, industrial, chemical and distribution operations. The company began operations as a geothermal drilling company in 1947 and has become a major geothermal drilling company in Latin America.

The Company will make a further announcement(s) as and when required in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
CMIC Ocean En-Tech Holding Co., Ltd.
Wang Hongyuan
Executive Chairman

Hong Kong, 16 September 2019

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Wang Hongyuan, Mr. Jiang Bing Hua and Mr. Zhang Menggui, Morgan; three non-executive Directors, namely Mr. Lou Dongyang, Mr. Wang Jianzhong and Ms. Fu Rui; and three independent non-executive Directors, namely Mr. Chan Ngai Sang, Kenny, Mr. Zou Zhendong and Mr. Chen Weidong.