

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CNOOC Limited
(中國海洋石油有限公司)

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 00883)

ANNOUNCEMENT
First Quarterly Report of 2022

This announcement is made by CNOOC Limited pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial data of the Company for the first quarter of 2022 are unaudited and have been prepared in accordance with the PRC Accounting Standards for Business Enterprises.

Important Notice

The Board of Directors, the directors, and senior management of CNOOC Limited (the “Company”) warrant that there are no material omissions from, or misrepresentation or misleading statements contained in the quarterly report, and jointly and severally assume full responsibility for the truthfulness, accuracy and completeness of the information contained in this quarterly report.

Mr. Xu Keqiang, Chief Executive Officer, Mr. Xia Qinglong, President, Mr. Xie Weizhi, Chief Financial Officer, Ms. Wang Xin, Manager of Financial Department of the Company during the quarter, hereby warrant that the financial statements contained in this quarterly report are true, accurate and complete.

Whether the first quarterly financial statements were audited

Yes No

I. Key Financial Data

1.1 Key Financial Data Prepared under CAS

(I) Key Financial Data and Financial Indicators

RMB Million

| Items | This reporting period | | Increase/decrease as compared with the corresponding period of last year (%) |
|---|-------------------------------------|-------------------------|---|
| Operating income | 90,898 | | 73.52 |
| Net profit attributable to equity shareholders of the Company | 34,301 | | 131.67 |
| Net profit after deducting non-recurring profit/loss items attributable to equity shareholders of the Company | 33,993 | | 135.10 |
| Net cash flows from operating activities | 39,416 | | 64.03 |
| Basic earnings per share (RMB Yuan) | 0.77 | | 131.67 |
| Diluted earnings per share (RMB Yuan) | 0.77 | | 131.67 |
| Weighted average return on net assets (%) | 6.89 | | Increased by 3.54 percentage points |
| | At the end of this reporting period | At the end of last year | Increase/decrease at the end of the reporting period compared with the end of last year (%) |
| Total assets | 824,763 | 786,569 | 4.86 |
| Equity attributable to equity shareholders of the Company | 515,233 | 480,912 | 7.14 |

Note: "The reporting period" refers to the three-month period from the beginning of the quarter to the end of the quarter, the same below.

(II) Non-recurring profit/loss items

RMB Million

| Items | Amount for this reporting period |
|---|----------------------------------|
| Gain or loss on disposal of non-current assets | 3 |
| Government grants included in profit or loss (excluding those that are closely related to the normal operations of the Company and granted in compliance with national policies and regulations or subject to fixed amounts or fixed quantity under certain standards) | 17 |
| Gain or loss on changes in fair value from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and investment income from disposal of financial assets held for trading, derivative financial assets, financial liabilities held for trading, derivative financial liabilities and other debt investment, except for effective hedging transactions that are closely related to the Company's normal operation | 428 |
| Other non-operating income and expenses | -45 |
| Less: effect of income tax | 95 |
| Total | 308 |

Information on the classification of non-recurring profit or loss items listed in “Explanatory Announcement No. 1 on Disclosure of Information by Companies with Publicly Issued Securities – Non-recurring Profit or Loss” as recurring profit or loss items

Applicable Not applicable

(III) Changes in Key Accounting Data and Financial Indicators and Reasons for Such Changes

Applicable Not applicable

| Items | Change (%) | Main reason |
|---|------------|--|
| Operating income | 73.52 | The increase in operating income which impacted by the higher international oil price and increased sales volume |
| Net profit attributable to equity shareholders of the Company | 131.67 | The increase in profit which impacted by the higher international oil price and increased sales volume |
| Net profit after deducting non-recurring profit/loss items attributable to equity shareholders of the Company | 135.10 | The increase in profit which impacted by the higher international oil price and increased sales volume |
| Net cash flow from operating activities | 64.03 | The increase in oil and gas sales cash inflows which impacted by the higher international oil price and increased sales volume |
| Basic earnings per share (RMB Yuan) | 131.67 | The increase in profit which impacted by the higher international oil price and increased sales volume |
| Diluted earnings per share (RMB Yuan) | 131.67 | The increase in profit which impacted by the higher international oil price and increased sales volume |

1.2 Differences between CAS and IFRS

There is no difference of data in 1.1(I) Key Financial Data and Financial Indicators between IFRS and CAS.

1.3 Income, Capital Expenditures and Realised Prices

| (Unaudited) | Q1 2022 | Q1 2021 | Increase/decrease as compared with the corresponding period of last year (%) |
|---------------------------------|---------------|---------------|--|
| | RMB Million | | |
| Operating Income | 90,898 | 52,386 | 73.52 |
| Oil and Gas Sales | 82,380 | 48,335 | 70.44 |
| Including: Crude and liquids | 73,277 | 42,236 | 73.49 |
| Natural gas | 9,103 | 6,099 | 49.25 |
| Capital Expenditures* | | | |
| Exploration | 3,876 | 3,667 | 5.70 |
| Development | 8,873 | 8,153 | 8.83 |
| Production | 4,016 | 4,151 | -3.25 |
| Others | 166 | 65 | 155.38 |
| Total | 16,931 | 16,036 | 5.58 |
| Average Realised Price | | | |
| Crude and liquids (US\$/barrel) | 97.47 | 59.07 | 65.01 |
| Natural gas (US\$/mcf) | 8.35 | 6.71 | 24.44 |

* Capitalised interests were not included. Capitalised interests for Q1 2022 and Q1 2021 were RMB460 million and RMB554 million, respectively.

II. Information of Shareholders

(I) Total Number of Ordinary Shareholders and Shareholdings of the Top Ten Shareholders

| | | | | Share | | |
|--|-----------------------|-----------------------|--|--|----------------------------------|------------------|
| Total number of ordinary shareholders at the end of the reporting period | | 1,565 | Total number of preferred shareholders with restored voting rights at the end of the reporting period (if any) | | N/A | |
| Shareholdings of the top ten shareholders | | | | | | |
| Name of shareholders | Nature of shareholder | Number of shares held | Percentage of Shareholdings (%) | Number of shares with selling restrictions | Pledged, marked or frozen shares | |
| | | | | | Condition of shares | Number of shares |

| | | | | | | |
|---|--------------------------|----------------|-------|---|---------|---|
| CNOOC (BVI) Limited | State-owned legal person | 28,772,727,268 | 64.44 | 0 | None | 0 |
| HKSCC Nominees Limited | Unknown | 15,810,342,735 | 35.41 | 0 | Unknown | - |
| Statement on the connection or activities acting in concert among the above-mentioned shareholders | N/A | | | | | |
| Description of the top ten shareholders and top ten shareholders holding shares without selling restrictions participating in margin financing and securities lending and refinancing business (if any) | N/A | | | | | |

Note 1: The Personal Data (Privacy) Ordinance of Hong Kong, China stipulates that the collection of personal data shall explain to the data subject whether the collection of data is necessary. The Hong Kong Listing Rules and the Hong Kong Stock Annual Report Disclosure Rules do not require the disclosure of individual shareholder information with a shareholding of less than 5%. Based on the aforementioned provisions of the personal data (Privacy) Ordinance, the Company did not disclose the shareholdings of the top 10 Hong Kong shareholders whose remaining shareholdings were less than 5%.

Note 2: Hong Kong Securities Clearing (Agent) Limited ("HKSCC Nominees Limited") is a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited. It holds Hong Kong shares of the Company on behalf of other companies or individual shareholders as an agent.

Note 3: "Shareholdings of Top 10 shareholders with non-restricted conditions of sale" are the same as the "Shareholdings of the top 10 shareholders", and will no longer be presented separately.

Note 4: As of the end of the reporting period, the Company has not yet been listed on A-share Market.

III. Business Review

Other important information on the Company's operation during the reporting period that needs to be brought to the attention of investors

✓ Applicable Not applicable

In the first quarter of 2022, China's economy started off smoothly, with gross domestic product (GDP) growth of 4.8% year on year. In the first quarter, the international oil prices rose sharply amid fluctuations, the average price of Brent was at US\$97.90 per barrel. The Company seized the opportunity of the rebound in oil prices, continued to increase oil and gas reserves and production, actively promoted the green transformation, and further promoted quality improvement, cost reduction and efficiency enhancement, and achieved satisfying operating results.

The Company achieved a total net production of 151.0 million barrels of oil equivalent (“BOE”) for the first quarter in 2022, representing an increase of 9.64% year over year (“YoY”). Production from China increased by 15.4% YoY to 109.3 million BOE, mainly due to the contribution from new projects including Caofeidian 6-4, Lihua21-2 and Shenhai-1; the net production from overseas decreased by 3.0% YoY to 41.7 million BOE, mainly due to the net production decline of Missian project in Iraq caused by the contract model.

For the first quarter in 2022, the Company made four new discoveries and drilled thirteen successful appraisal wells. Among them, Bozhong 26-6 and Bozhong 19-2 in offshore China have achieved major breakthroughs and are expected to become large to medium-sized oilfields. In overseas, the new discoveries of Fangtooth and Lau Lau were made in the Stabroek block in Guyana.

For the new projects planned to commence production this year, the East Zone Development Project of Weizhou 12-8 oilfield and Phase II of Liza oilfield in Guyana have been commissioned successfully, and other projects have progressed as scheduled.

The unaudited oil and gas sales revenue of the Company reached approximately RMB82.38 billion for the first quarter in 2022, representing an increase of 70.44% YoY, mainly due to the higher international oil price and sales volume. Net profit attributable to equity shareholders of the Company amounted to RMB34.30 billion, representing a YoY increase of 131.67%. All-in cost was US\$30.59 per BOE. During the quarter, the Company’s average realised oil price increased by 65.01% YoY to US\$97.47 per barrel, which was in line with the trend of international oil prices. The Company’s average realised gas price was US\$8.35 per thousand cubic feet, representing an increase of 24.44% YoY, primarily due to the higher natural gas prices in a tight market.

For the first quarter in 2022, the Company’s capital expenditures amounted to approximately RMB16.93 billion, increased by 5.58% YoY as a result of the year-on-year increase in workloads. During the period, the Company performed well in health, safety and environmental protection.

First Quarter Net Production Summary (Unaudited)

| | Q1 2022 | | | Q1 2021 | | |
|----------------------------------|-------------------------------|----------------------|-------------------|-------------------------------|----------------------|-------------------|
| | Crude and Liquids (mmbbls) | Natural Gas (bcf) | Total (mm BOE) | Crude and Liquids (mmbbls) | Natural Gas (bcf) | Total (mm BOE) |
| China | | | | | | |
| Bohai | 47.6 | 15.6 | 50.2 | 43.1 | 15.0 | 45.6 |
| Western South China Sea | 10.4 | 58.7 | 20.5 | 9.6 | 37.0 | 16.0 |
| Eastern South China Sea | 26.5 | 38.9 | 33.0 | 22.3 | 37.9 | 28.6 |
| East China Sea | 0.7 | 7.2 | 1.9 | 0.6 | 6.9 | 1.7 |
| Onshore | - | 21.7 | 3.6 | - | 15.8 | 2.6 |
| Subtotal | 85.2 | 142.2 | 109.3 | 75.7 | 112.6 | 94.7 |
| Overseas | | | | | | |
| Asia (excluding China) | 4.0 | 10.8 | 5.9 | 6.5 | 15.0 | 9.2 |
| Oceania | 0.2 | 6.1 | 1.4 | 0.1 | 3.1 | 0.7 |
| Africa | 7.6 | 1.6 | 7.9 | 7.6 | - | 7.6 |
| North America (excluding Canada) | 5.5 | 10.2 | 7.2 | 5.9 | 11.0 | 7.7 |

| | | | | | | |
|-----------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Canada | 5.7 | - | 5.7 | 6.0 | - | 6.0 |
| South America | 7.2 | 12.6 | 9.4 | 5.1 | 12.7 | 7.3 |
| Europe | 4.2 | 0.5 | 4.3 | 4.5 | 0.4 | 4.5 |
| Subtotal | 34.4 | 41.8 | 41.7 | 35.6 | 42.2 | 43.0 |
| Total* | 119.6 | 184.0 | 151.0 | 111.3 | 154.7 | 137.7 |

* Including our interest in investees on equity method, which is approximately 4.9 mmboe in Q1 2022 and approximately 4.7 mmboe in Q1 2021.

IV. Quarterly Financial Statements

(I) Type of Audit Opinion

Applicable Not applicable

(II) Financial Statements

4.2.1 Quarterly financial statements prepared in accordance with CAS

Consolidated Balance Sheet

31 March 2022

Prepared by: CNOOC Limited

RMB million Unaudited

| Item | 31 March 2022 | 31 December 2021 |
|--------------------------------------|---------------|------------------|
| Current assets: | | |
| Cash at bank and on hand | 81,042 | 79,730 |
| Financial assets held for trading | 92,383 | 82,440 |
| Notes receivable | 500 | 604 |
| Trade receivables | 41,147 | 26,444 |
| Prepayments | 3,122 | 2,867 |
| Other receivables | 6,566 | 6,057 |
| Including: Interest receivable | | |
| Dividends receivable | 44 | 45 |
| Inventories | 5,530 | 5,703 |
| Other current assets | 4,013 | 4,137 |
| Total current assets | 234,303 | 207,982 |
| Non-current assets: | | |
| Debt investment | 3,233 | 4,483 |
| Long-term equity investments | 41,047 | 41,540 |
| Other equity instruments investments | 3,838 | 2,675 |
| Fixed assets | 4,946 | 5,036 |
| Construction in progress | 1,700 | 1,545 |
| Oil and gas properties | 458,984 | 458,870 |
| Right-of-use assets | 6,558 | 6,805 |
| Intangible assets | 3,154 | 3,232 |
| Goodwill | 13,499 | 13,557 |
| Long-term prepaid expenses | 162 | 183 |

| | | |
|---|---------|---------|
| Deferred tax assets | 28,281 | 28,592 |
| Other non-current assets | 25,058 | 12,069 |
| Total non-current assets | 590,460 | 578,587 |
| Total assets | 824,763 | 786,569 |
| Current liabilities: | | |
| Short-term borrowings | 4,314 | 4,303 |
| Trade payables | 47,108 | 48,990 |
| Contract liabilities | 1,165 | 1,983 |
| Employee benefits payable | 1,839 | 2,040 |
| Taxes payable | 21,408 | 16,538 |
| Other payables | 9,353 | 7,863 |
| Non-current liabilities due within one year | 12,948 | 12,234 |
| Total current liabilities | 98,135 | 93,951 |
| Non-current liabilities: | | |
| Long-term borrowings | 10,787 | 11,290 |
| Bond payable | 101,115 | 101,603 |
| Lease liabilities | 5,487 | 5,712 |
| Long-term payable | 6,363 | 6,457 |
| Provision | 76,105 | 75,482 |
| Other non-current liabilities | 3,144 | 3,183 |
| Deferred tax liabilities | 7,284 | 6,915 |
| Total non-current liabilities | 210,285 | 210,642 |
| Total liabilities | 308,420 | 304,593 |
| Shareholders' equity: | | |
| Share capital | 43,081 | 43,081 |
| Capital reserve | 2,854 | 2,854 |
| Other comprehensive income | -19,372 | -19,390 |
| Special reserve | 7 | 5 |
| Surplus reserves | 70,000 | 70,000 |
| Retained earnings | 418,663 | 384,362 |
| Equity attributable to equity shareholders of the Company | 515,233 | 480,912 |
| Non-controlling interests | 1,110 | 1,064 |
| Total shareholders' equity | 516,343 | 481,976 |
| Total liabilities and shareholders' equity | 824,763 | 786,569 |

President: Xia Qinglong Chief Financial Officer: Xie Weizhi Manager of Financial Department: Wang Xin

Consolidated Income Statement

January to March 2022

Prepared by: CNOOC Limited

RMB million Unaudited

| Item | Q1 2022 | Q1 2021 |
|-----------------------------|---------|---------|
| I. Total operating income | 90,898 | 52,386 |
| Including: Operating income | 90,898 | 52,386 |
| II. Total costs of sales | 45,014 | 32,645 |
| Including: Costs of sales | 37,831 | 27,672 |

| | | |
|--|--------|--------|
| Taxes and surcharges | 4,269 | 2,204 |
| Selling expenses | 770 | 632 |
| General and administrative expenses | 1,236 | 1,013 |
| Research and development expenses | 225 | 170 |
| Finance expenses | 683 | 954 |
| Including: Interest expenses | 823 | 787 |
| Interest income | 393 | 279 |
| Add: Other income | 88 | 61 |
| Investment income (“-” for losses) | 39 | 402 |
| Including: Income from investment in associates and joint ventures (“-” for losses) | -446 | 54 |
| Gains on fair value change (“-” for losses) | -57 | 151 |
| Credit reversal (“-” for losses) | 1 | 7 |
| Asset impairment reversal (“-” for losses) | -4 | 1 |
| Gains on disposal of assets (“-” for losses) | 3 | |
| III. Operating profit | 45,954 | 20,363 |
| Add: Non-operating income | 40 | 19 |
| Less: Non-operating expenses | 68 | 64 |
| IV. Profit before income tax | 45,926 | 20,318 |
| Less: Income tax expenses | 11,626 | 5,513 |
| V. Net profit | 34,300 | 14,805 |
| (I) Classification by the continuity of operation | | |
| 1. Net profit from continuous operations | 34,300 | 14,805 |
| 2. Net profit from discontinued operations | | |
| (II) Classification by ownership | | |
| 1. Net profit attributable to equity shareholders of the Company | 34,301 | 14,806 |
| 2. Non-controlling interests | -1 | -1 |
| VI. Other comprehensive income, net of tax | 18 | 1,601 |
| (I) Other comprehensive income attributable to equity shareholders of the Company, net of tax | 18 | 1,601 |
| 1. Items that may not be reclassified to profit or loss | 1,174 | 468 |
| (1) Change on remeasurement of defined benefit plan | | 29 |
| (2) Other comprehensive income under equity method that may not be transferred to profit or loss | | |
| (3) Change in fair value of other equity instruments investments | 1,174 | 439 |
| 2. Items that will be reclassified subsequently to profit or loss | -1,156 | 1,133 |
| (1) Other comprehensive income under equity method that may be transferred to profit or loss | 5 | 14 |

| | | |
|---|--------|--------|
| (2) Change in fair value of other debt investment | | |
| (3) Amount included in other comprehensive income upon reclassification of financial assets | | |
| (4) Credit impairment provision for other debt investment | | |
| (5) Cash flow hedge reserve | -120 | |
| (6) Exchange differences on translation of foreign operations | -1,041 | 1,119 |
| (II) Other comprehensive income attributable to non-controlling interests, net of tax | | |
| VII. Total comprehensive income | 34,318 | 16,406 |
| (1) Total comprehensive income attributable to equity shareholders of the Company | 34,319 | 16,407 |
| (2) Total comprehensive income attributable to non-controlling interests | -1 | -1 |
| VIII. Earnings per share: | | |
| (1) Basic earnings per share (RMB Yuan) | 0.77 | 0.33 |
| (2) Diluted earnings per share (RMB Yuan) | 0.77 | 0.33 |

President: Xia Qinglong Chief Financial Officer: Xie Weizhi Manager of Financial Department: Wang Xin

Consolidated Statement of Cash Flows

January to March 2022

Prepared by: CNOOC Limited

RMB million Unaudited

| Item | Q1 2022 | Q1 2021 |
|--|---------|---------|
| I. Cash flows from operating activities: | | |
| Cash received from the sales of goods or rendering of services | 82,180 | 47,738 |
| Refund of tax | 114 | |
| Cash received from other operating activities | 122 | 75 |
| Subtotal of cash inflow from operating activities | 82,416 | 47,813 |
| Cash paid for goods and services | -19,385 | -9,313 |
| Cash paid to and on behalf of employees | -2,710 | -2,563 |
| Taxes paid | -20,844 | -11,845 |
| Cash paid for other operating activities | -61 | -62 |
| Subtotal of cash outflow from operating activities | -43,000 | -23,783 |
| Net cash flow from operating activities | 39,416 | 24,030 |
| II. Cash flows from investing activities: | | |
| Cash received from disposal of investments | 21,122 | 23,973 |

| | | |
|---|---------|---------|
| Cash received from investment income | 878 | 348 |
| Subtotal of cash inflow from investing activities | 22,000 | 24,321 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | -15,219 | -14,543 |
| Cash paid for acquisition of investments | -28,000 | -16,786 |
| Subtotal of cash outflow from investing activities | -43,219 | -31,329 |
| Net cash flow from investing activities | -21,219 | -7,008 |
| III. Cash flows from financing activities: | | |
| Cash received as capital contributions | 47 | 547 |
| Including: Cash received from non-controlling interests' capital contribution to subsidiaries | 47 | 547 |
| Cash received from borrowings | 47 | 145 |
| Subtotal of cash inflow from financing activities | 94 | 692 |
| Cash paid for debt repayment | -674 | -10,209 |
| Cash paid for distribution of dividends or profits and payment of interest | -1,283 | -956 |
| Subtotal of cash outflow from financing activities | -1,957 | -11,165 |
| Net cash flow from financing activities | -1,863 | -10,473 |
| IV. Effect of foreign exchange rate changes, net | -269 | 744 |
| V. Net increase in cash and cash equivalents | 16,065 | 7,293 |
| Add: Cash and cash equivalents at beginning of the period | 41,432 | 24,019 |
| VI. Cash and cash equivalents at the end of the period | 57,497 | 31,312 |

President: Xia Qinglong Chief Financial Officer: Xie Weizhi Manager of Financial Department: Wang Xin

The new accounting standards will be implemented for the first time since 2022, and the relevant financial statements at the beginning of the year will be adjusted.

Applicable Not applicable

By Order of the Board of Directors
CNOOC Limited
Wang Dongjin
Chairman

Hong Kong, April 28 2022

As at the date of this announcement,
the Board comprises:

Non-executive Directors
Wang Dongjin (*Chairman*)
Li Yong (*Vice Chairman*)
Xu Keqiang
Wen Dongfen

Executive Directors
Zhou Xinhuai
Xia Qinglong

Independent Non-executive Directors
Chiu Sung Hong
Lawrence J. Lau
Tse Hau Yin, Aloysius
Qiu Zhi Zhong