

# 2023 Third Quarter Review

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CNOOC Limited  
中国海洋石油有限公司

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This presentation includes forward looking disclaimer, including statements regarding the likely future developments in the business of the Company and its subsidiaries, such as expected future events, business prospects or financial results. The words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify such forward-looking statements. These statements are based on assumptions and analyses made by the Company as of this date in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors that the Company currently believes are appropriate under the circumstances. However, whether actual results and developments will meet the current expectations and predictions of the Company is uncertain. Actual results, performance and financial condition may differ materially from the Company's expectations, as a result of salient factors including but not limited to those associated with macro-political and economic factors, fluctuations in crude oil and natural gas prices, the highly competitive nature of the oil and natural gas industry, climate change and environment policies, the Company's price forecast, mergers, acquisitions and divestments activities, HSSE and insurance policies and changes in anti-corruption, anti-fraud, anti-money laundering and corporate governance laws and regulation.

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# Overview for the First Three Quarters

## Operation Highlights

- Net production of **499.7** mmmboe, up **8.3%** YoY
- **8** new discoveries were made and **21** oil and gas bearing traps were successfully appraised
- 3 new projects commenced production, and others are moving forward smoothly
- Sound HSE performance

## Financial Results

- Oil and gas sales of RMB**238.4** billion
- Net profit attributable to equity shareholders of RMB**97.6** billion
- All-in cost of **28.37** US\$/boe



# Key Exploration Results

- In the first three quarters, 8 new discoveries were made and 21 oil and gas bearing traps were successfully appraised



- **New discovery of Huizhou 26-6 North**

- Located in Pearl River Mouth Basin, with an average water depth of ~110meters
- Confirmed to be a mid-sized commercial discovery and expanded the resource scale of medium-to-deep play

*\* According to the Regulation of Offshore Petroleum Reserves Estimation of China, a medium-sized oil field is defined as a field with technically recoverable resources of  $\geq 2.5 \sim < 25$  million cubic meters; a medium-sized natural gas field is defined as a field with technically recoverable resources of  $\geq 2.5 \sim < 25$  billion cubic meters*

# New Projects in 2023

- 3 new projects commenced production and others are moving forward smoothly

Project	Status	Peak Production (boe/d)	Working Interest
<b>Offshore China</b>			
Bozhong 19-6 Condensate Gas Field Phase I Development Project	commissioning	37,000	100%
Bozhong 28-2 South Oilfield Secondary Adjustment Project	Commenced production	7,600	100%
Weizhou 5-7 Oilfield Development Project	commissioning	2,100	100%
Enping 18-6 Oilfield Development Project	commissioning	9,300	100%
Lufeng 12-3 Oilfield Development Project	Commenced production	29,500	60.8%
<b>Onshore China</b>			
Shenfu Block Mugua Area Integrated Tight Gas Exploration and Development Project	Construction	1,980	100%
<b>Overseas</b>			
Mero2 Project in Brazil	Installation	180,000	10%
Buzios5 Project in Brazil	Commenced production	204,400	7.34%
Payara Project in Guyana	Installation	220,000	25%



# Production Summary (The Third Quarter)

- In the third quarter, the net production was 167.8 million boe, up 7.0% YoY

	The Third Quarter of 2023			The Third Quarter of 2022		
	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)
<b>China</b>						
Bohai	52.3	16.8	55.1	49.0	16.3	51.7
Western South China Sea	8.4	61.7	19.1	8.0	61.0	18.6
Eastern South China Sea	25.3	42.2	32.3	25.5	34.9	31.3
East China Sea	0.5	16.3	3.3	0.6	6.8	1.7
Onshore	0.01	26.8	4.5	-	21.7	3.6
<b>Subtotal</b>	<b>86.6</b>	<b>163.9</b>	<b>114.3</b>	<b>83.0</b>	<b>140.7</b>	<b>106.9</b>
<b>Overseas</b>						
Asia (Ex. China)	4.6	17.8	7.8	4.9	13.4	7.3
Oceania	0.5	13.8	3.2	0.6	15.4	3.6
Africa	6.1	2.0	6.4	6.6	5.5	7.5
North America (Ex. Canada)	5.2	10.2	6.9	5.4	10.9	7.2
Canada	7.8	-	7.8	5.6	-	5.6
South America	16.1	15.8	18.8	12.3	14.6	14.8
Europe	2.5	0.2	2.5	3.8	0.6	3.9
<b>Subtotal</b>	<b>42.8</b>	<b>59.9</b>	<b>53.5</b>	<b>39.1</b>	<b>60.3</b>	<b>49.9</b>
<b>Total*</b>	<b>129.3</b>	<b>223.8</b>	<b>167.8</b>	<b>122.1</b>	<b>201.0</b>	<b>156.8</b>

\* Including our interest in equity-accounted investees, which was approximately 5.3 mm boe for the third quarter in 2023 and 5.3 mm boe for the third quarter in 2022; for the third quarter in 2023, production percentage of China and overseas was 68% v.s. 32%; crude liquids and natural gas was 77% v.s. 23%



# Production Summary (The First Three Quarters)

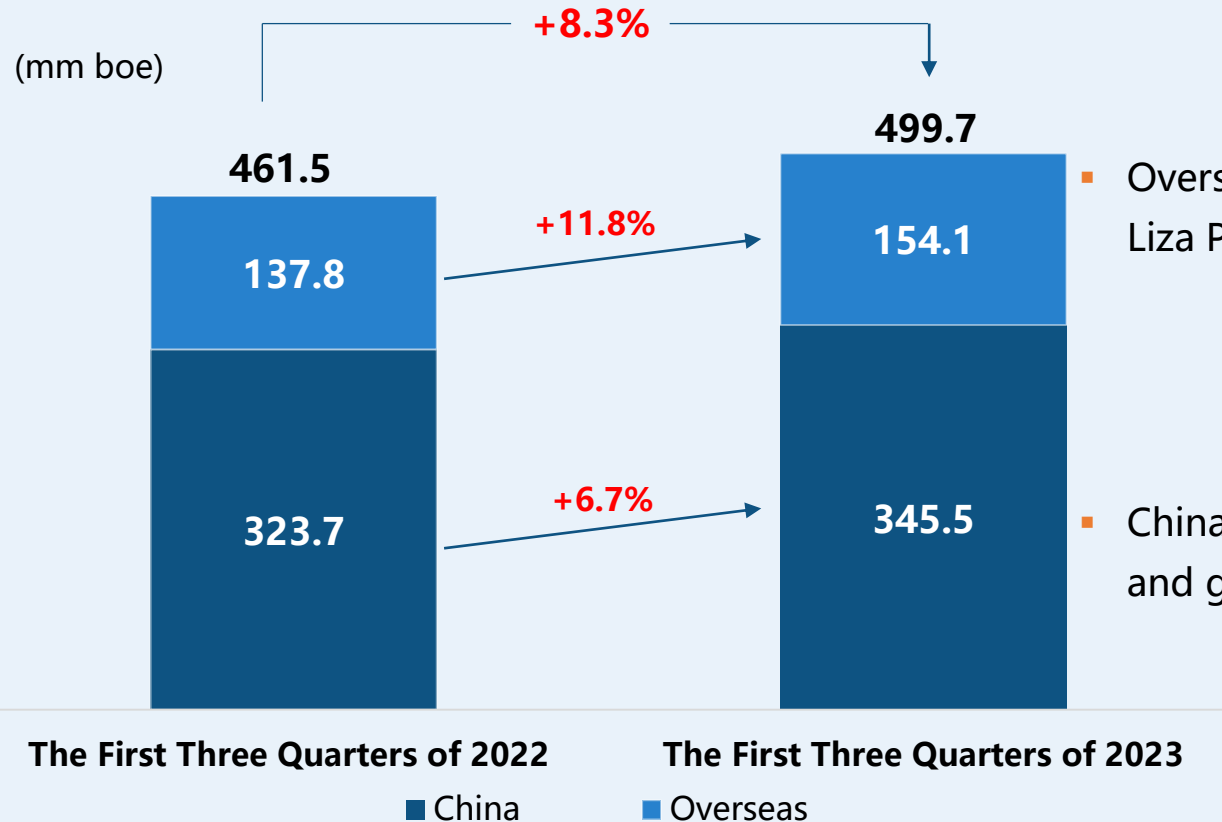
- In the first three quarters, the net production reached 499.7mm boe, up 8.3% YOY

	The First Three Quarters of 2023			The First Three Quarters 2022		
	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)	Crude and Liquids (mm bbls)	Natural Gas (bcf)	Total (mm boe)
<b>China</b>						
Bohai	154.7	51.1	163.2	145.0	48.6	153.1
Western South China Sea	27.8	184.9	59.9	26.8	177.1	57.6
Eastern South China Sea	81.8	114.3	100.8	78.9	108.2	96.9
East China Sea	1.6	43.1	8.8	1.9	20.5	5.3
Onshore	0.03	76.6	12.8	-	65.3	10.9
<b>Subtotal</b>	<b>265.9</b>	<b>470.0</b>	<b>345.5</b>	<b>252.5</b>	<b>419.7</b>	<b>323.7</b>
<b>Overseas</b>						
Asia (Ex. China)	15.5	49.9	24.4	13.5	38.2	20.3
Oceania	1.4	40.0	9.3	1.3	36.0	8.3
Africa	14.1	5.4	15.0	20.6	8.5	22.1
North America (Ex. Canada)	15.0	29.8	20.0	16.3	31.2	21.5
Canada	22.8	-	22.8	16.9	-	16.9
South America	46.7	43.4	54.2	29.7	40.3	36.7
Europe	8.3	0.8	8.4	11.7	1.7	12.0
<b>Subtotal</b>	<b>123.9</b>	<b>169.3</b>	<b>154.1</b>	<b>110.1</b>	<b>155.9</b>	<b>137.8</b>
<b>Total*</b>	<b>389.8</b>	<b>639.3</b>	<b>499.7</b>	<b>362.6</b>	<b>575.7</b>	<b>461.5</b>

\* Including our interest in equity-accounted investees, which was approximately 15.5 mm boe for the first three quarters in 2023 and 15.4 mm boe for the first three quarters in 2022; for the first three quarters in 2023, production percentage of China and overseas was 69% v.s. 31%; crude liquids and natural gas was 78% v.s. 22%

# Production for the First Three Quarters

- We strive to increase reserves and production, resulting in a robust production growth both in China and overseas



- Overseas: mainly driven by production ramp-up from Liza Phase II in Guyana and Buzios Oil Field in Brazil

- China: mainly attributable to increased production from oil and gas fields such as Kenli 6-1 and Lufeng 15-1



# Key Financial Indicators

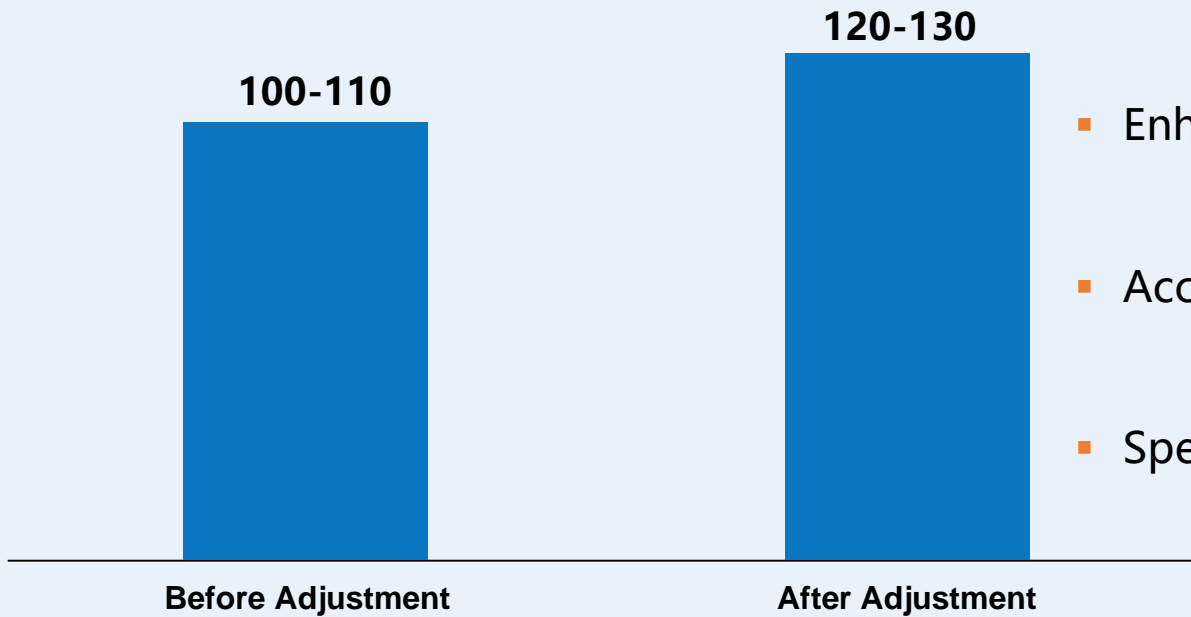
(Unaudited) RMB million	The Third Quarter			The First Three Quarters		
	2023	2022	Change %	2023	2022	Change %
<b>Revenue</b>	<b>114,753</b>	<b>108,790</b>	<b>5.5%</b>	<b>306,817</b>	<b>311,145</b>	<b>-1.4%</b>
<b>Oil and Gas Sales</b>	<b>86,710</b>	<b>89,206</b>	<b>-2.8%</b>	<b>238,396</b>	<b>265,886</b>	<b>-10.3%</b>
Crude and Liquids	75,519	78,686	-4.0%	205,452	237,257	-13.4%
Natural Gas	11,191	10,520	6.4%	32,944	28,630	15.1%
<b>Net profit attributable to equity shareholders of the Company</b>	<b>33,884</b>	<b>36,881</b>	<b>-8.1%</b>	<b>97,645</b>	<b>108,768</b>	<b>-10.2%</b>
<b>Basic earnings per share (RMB)</b>	<b>0.71</b>	<b>0.77</b>	<b>-7.8%</b>	<b>2.05</b>	<b>2.34</b>	<b>-12.4%</b>
<b>Capital Expenditures*</b>	<b>32,947</b>	<b>27,121</b>	<b>21.5%</b>	<b>89,460</b>	<b>68,693</b>	<b>30.2%</b>
Exploration	4,220	5,155	-18.1%	14,035	13,828	1.5%
Development	21,788	15,496	40.6%	57,288	37,363	53.3%
Production Capitalization	6,478	6,139	5.5%	17,168	16,562	3.7%
Others	461	331	39.3%	970	940	3.2%
<b>Average Realised Prices</b>						
Crude and Liquids (US\$/bbl)	83.20	95.80	-13.2%	76.84	101.40	-24.2%
Natural Gas (US\$/mcf)	7.55	8.15	-7.4%	7.92	8.14	-2.7%

*\* Capitalized interests were not included in above numbers, which was RMB 762 million in for the third quarter 2023 and RMB 510 million for the third quarter in 2022; the capitalized interests for the first three quarters of 2023 and 2022 were RMB 2,016 million and RMB 1,447 million, respectively*

# 2023 Capex Budget

- The Capex budget adjusted to RMB120-130 billion, to support reserves and production growth

(RMB bn)

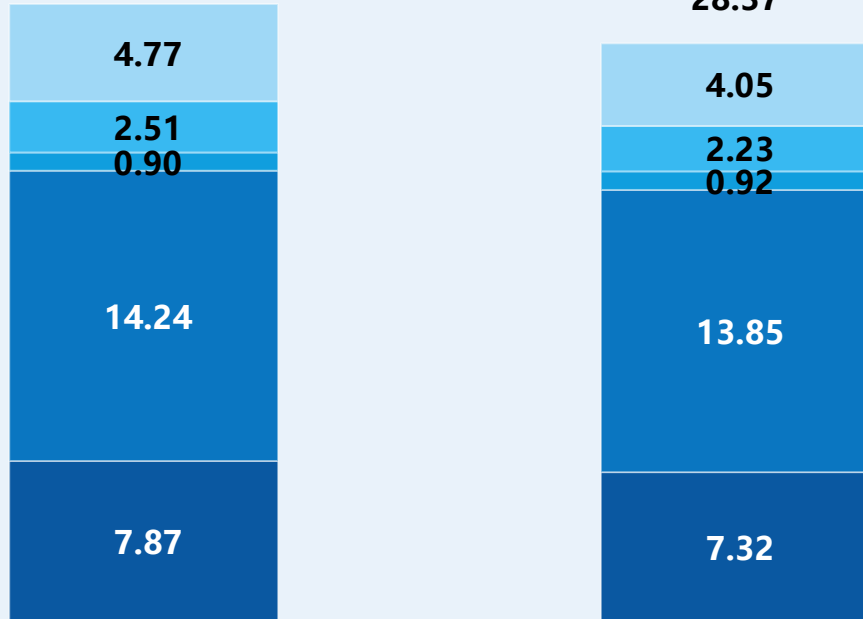


- Enhance investment
- Accelerate production capacity construction
- Speed up approval process of projects

# All-in Cost per BOE

- All-in cost was well controlled and achieved a decrease of 6.3% YOY

(US\$/boe)



- Taxes other than income tax down 15.1% YoY, mainly due to lower international oil prices
- Opex down 7.0% YoY, mainly due to the combined effects of production growth and change in exchange rates

The First Three Quarters of 2022

The First Three Quarters of 2023

■ Opex ■ DD&A ■ Dismantlement ■ SG&A ■ Taxes other than income tax



Thank you!

