

Stock Symbol: 600583

Stock Short Name: COOEC

Offshore Oil Engineering Co., Ltd Quarterly Report First Quarter 2022

The Board of Directors and all directors of Offshore Oil Engineering Co., Ltd guarantee that this report contains no false statements, misleading presentations or material omissions and assume joint and several liability for the truthfulness, accuracy and completeness of the information contained herein.

Important contents

The Board of Directors, Board of Supervisors, all directors, supervisors and senior officers of Offshore Oil Engineering Co., Ltd guarantee that this quarterly report contains no false statements, misleading presentations or material omissions and assume joint and several liability for the truthfulness, accuracy and completeness of the information contained herein.

Yu Yi, the responsible person of Offshore Oil Engineering Co., Ltd, Li Peng, the person in charge of accounting, and Yao Baoqin, the principal of the accounting agency (chief accounting officer) guarantee that all financial statements in this report are true, accurate and complete.

Have the financial statements for the first quarter of 2022 been audited?

Yes No

I. Main financial data

(I) Main accounting data and financial indicators

Unit: 10,000 Yuan Currency: RMB

Item	Current period	Increase/decrease compared to the same period last year (%)
Operating income	435,403.71	40.84
Net profit attributable to shareholders of the listed company	11,811.30	-1.43

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Net profit attributable to shareholders of the listed company after the deduction of non-recurring gains or losses		5,431.26	3.70
Net cash flow from operating activities		24,247.36	350.67
Basic earnings per share (EPS) (Yuan/share)		0.03	0
Diluted EPS (Yuan/share)		0.03	0
Weighted average return on net assets (%)		0.52	-0.01%
	End of the current period	End of the previous year	Increase/decrease compared to the value as of the end of the previous year (%)
Total assets	3,404,444.89	3,465,426.38	-1.76
Owners' equity attributable to shareholders of the listed company	2,282,909.23	2,274,207.10	0.38

(II) Non-recurring items and amounts

Unit: 10,000 Yuan Currency: RMB

Item	Amount in the current period	Remarks
Government grants included in the current profit and loss account, except for those that are closely related to the Company's normal operating activities, comply with relevant national policies and regulations, and the Company is entitled to receive according to certain standard quotas or fixed amounts	736.07	
Gains or losses from entrusted investment or asset management	4,305.65	Mainly including gains from the financial products purchased by the Company
Gain or losses arising from changes in the fair value of financial assets and liabilities held for trading and financial derivatives (assets and liabilities), except effective hedging	1,345.07	Mainly including gains or losses from changes in the fair value of the

instruments related to the Company's normal operating activities, and gains or losses from the disposal of financial assets and liabilities held for trading, financial derivatives (assets and liabilities), and other debt investments		Company's structured deposits and net value wealth management products
Non-operating income and expenses other than the items listed above	383.23	
Other items meeting the definition of non-recurring gains or losses	881.29	
minus: the amount affecting income tax	1,267.10	
the amount affecting minority interest (after tax)	4.17	
Total	6,380.04	

Notes to the cases in which the non-recurring items listed in the *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-recurring Gains and Losses* are defined as non-recurring gains or losses

Applicable Not applicable

(III) Changes in main accounting data and financial indicators and reasons for such changes

Applicable Not applicable

Item	Change (%)	Main reason(s)
Operating income	40.84	The operating income in the first quarter has increased by 40.84% compared to the same period last year. The main reasons are the Company's active efforts in promoting the progress of domestic and overseas oil and gas projects, the significant increase in the quantity of onshore construction work, and the increase in the quantity of work of LNG projects and the number of ship-days for onshore installation.
Net profit attributable to shareholders of the listed company	-1.43	The net profit in the first quarter has decreased slightly compared to the same period last year. The main reasons are the increase in the standby costs of ships due to the concentrated maintenance of some ships in the first quarter and increased cost resulting from the rising prices of bulk raw materials.
Net cash flow from operating activities	350.67	The main reasons are the Company's effective tracing and management of project cash flow and the significant increase in the amount of received project payments compared to the same period last year.

II. Shareholder information

(I) Total number of common shares, total number of preferred shares with restored voting rights, and shareholding information of top 10 shareholders

Unit: Share

Total number of common shares as of the end of reporting period	104,060	Total number of preferred shares with restored voting rights (if any) as of the end of reporting period	Not applicable			
Top 10 shareholders						
Name of shareholder	Nature of shareholder	Number of shares held	Shareholding ratio (%)	Number of restricted shares held	Pledged, marked, or frozen shares	
					Status	Number
China National Offshore Oil Corporation (CNOOC)	State	2,138,328,954	48.36	0	None	0
CNOOC Nanhai West Corporation	State-owned legal entity	294,215,908	6.65	0	None	0
Hong Kong Securities Clearing Company Limited	Overseas legal entity	180,340,681	4.08	0	None	0
China Securities Finance Corporation Limited	State-owned legal entity	66,157,942	1.50	0	None	0
Bosera Asset Management Co., Ltd-Agricultural Bank of China-Bosera Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
E Fund Management Co., Ltd-Agricultural Bank of China-E Fund Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
Dacheng Fund Management Co., Ltd-Agricultural Bank of China-Dacheng Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
Harvest Fund Management Co., Ltd-Agricultural Bank of China-Harvest Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
GF Fund Management Co., Ltd-Agricultural Bank of China-GF Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
Lombarda China Fund Management Co., Ltd-Agricultural Bank of China-Lombarda China Zhongzheng financial asset	Unknown	36,704,400	0.83	0	None	0

management plan						
China Asset Management Co., Ltd (ChinaAMC)-Agricultural Bank of China-ChinaAMC Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
Yinhua Fund Management Co., Ltd-Agricultural Bank of China-Yinhua Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
China Southern Asset Management Co., Ltd-Agricultural Bank of China-Southern Asset Management Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0
ICBC Credit Suisse Asset Management Company Limited-Agricultural Bank of China-ICBC Credit Suisse Zhongzheng financial asset management plan	Unknown	36,704,400	0.83	0	None	0

Top 10 holders of non-restricted shares

Name of shareholder	Number of non-restricted shares held	Type and number of shares	
		Type	Number
CNOOC	2,138,328,954	A-shares	2,138,328,954
CNOOC Nanhai West Corporation	294,215,908	A-shares	294,215,908
Hong Kong Securities Clearing Company Limited	180,340,681	A-shares	180,340,681
China Securities Finance Corporation Limited	66,157,942	A-shares	66,157,942
Bosera Asset Management Co., Ltd-Agricultural Bank of China-Bosera Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
E Fund Management Co., Ltd-Agricultural Bank of China-E Fund Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
Dacheng Fund Management Co., Ltd-Agricultural Bank of China-Dacheng Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
Harvest Fund Management Co., Ltd-Agricultural Bank of China-Harvest Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
GF Fund Management Co., Ltd-Agricultural Bank of China-GF Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
Lombarda China Fund Management Co., Ltd-Agricultural Bank of China-Lombarda China Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400

China Asset Management Co., Ltd (ChinaAMC)-Agricultural Bank of China-ChinaAMC Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
Yinhua Fund Management Co., Ltd-Agricultural Bank of China-Yinhua Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
China Southern Asset Management Co., Ltd-Agricultural Bank of China-Southern Asset Management Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
ICBC Credit Suisse Asset Management Company Limited-Agricultural Bank of China-ICBC Credit Suisse Zhongzheng financial asset management plan	36,704,400	A-shares	36,704,400
Relationships between the aforementioned shareholders or their act in concert	Among the top 10 shareholders, CNOOC Nanhai West Corporation is a wholly owned subsidiary of CNOOC, and it has affiliate relationship with the Company. The existence of affiliate relationships between other shareholders or persons acting in concert is unknown.		
Involvement of the top 10 shareholders and top 10 holders of non-restricted shares in margin trading and refinancing (if any)	Not applicable.		

III. Other matters

Other important information on the Company's operating condition in the reporting period requiring investors' attention

Applicable Not applicable

In the reporting period, in the face of complex domestic and international economic environments and the COVID-19 epidemic, the Company used its best efforts to control and prevent the epidemic, enhanced the management of production and business operations, continued to improve efficiency and quality while reducing cost, implemented adequate measures to ensure the smooth and steady progress of domestic and overseas projects, and achieved positive results.

(I) Works completed

In the reporting period, the Company operated 41 projects and completed the onshore construction of two jackets and five modules, the offshore installation of four modules, and the laying of 13 km of submarine pipelines. The quantity of steel structures completed in the reporting period is 83.5 thousand T, which is 67% greater than the figure of 49.9 thousand in the same period last year. The total number of ship-days worked for offshore installation and other offshore operations is 5,000, which is 28% greater than the figure of 3,900 in the same period last year.

The progresses of key projects (as of the end of the first quarter of 2022) are listed in the table below.

No.	Project	Cumulative progress
1	Construction of modules for Shell's LNG project in North America	79%
2	Hong Kong Offshore LNG Terminal Project	88%
3	Tianjin LNG Terminal Project-Phase II	57%
4	Tangshan LNG Terminal Project-Phase I	69%
5	Tangshan LNG Terminal Project-Phase II	19%
6	Guangdong Zhuhai LNG Plant Expansion Project-Phase II EPC Project	25%
7	Fujian Zhangzhou LNG Terminal and Storage Tanks Project	94%
8	Longkou Nanshan LNG Terminal Project-Phase I	41%
9	Liuhua 11-1/4-1 Oilfield Secondary Development Project	21%
10	Enping Oilfields Regional Joint Development Project	43%
11	Kenli 6-1 Oilfield Blocks KL5-1, 5-2 and 6-1 Development Project	34%
12	Kenli 6-1 Oilfield Northern Blocks 10-1 Development Project	67%
13	Lufeng Oilfields Regional Development Project	81%
14	Lufeng 12-3 Oilfield Development Project	30%
15	Bozhong 29-6 Oilfield Development Project	33%
16	Saudi Aramco Marjan P1 Gosp-4 Project	2%
17	CNOOC Petroleum North America K1A Project	31%
18	Uganda Kingfisher Oilfield Surface Project	2%
19	Petrobras FPSO P79 Module Construction Project	To be commenced
20	Shell Penguins FPSO Project	98.85%
21	Petrobras P70 FPSO Project	99.42%
22	NFA Project in Qatar	99.97%

(II) Market development

In the reporting period, the Company continued to strengthen market development both at home and abroad. The total value of new contracts signed in the first quarter of 2022 is 4.866 billion Yuan, which represents an increase of 2.786 billion Yuan compared to the same period last year and includes 3.112 billion Yuan for domestic projects and 1.754 billion Yuan for overseas projects. In the domestic market, besides the traditional offshore oil and gas projects, the Company made positive progress in the field of new energy and infrastructure projects, such as wind power and data center projects, and signed two new contracts for a wind power project and the demonstration development project of a submarine data center in Hainan. The total value of these two contracts exceeds 400 million Yuan. In the overseas market, the Company signed the contracts for two key projects, namely, the Uganda Kingfisher Oilfield Surface Project and Petrobras FPSO P79 Module Construction Project.

IV. Quarterly financial statements

(I) Type of auditor's opinion

Applicable Not applicable

(II) Financial statements

Consolidated Balance Sheet

March 31, 2022

Prepared by: Offshore Oil Engineering Co., Ltd

Unit: 10,000 Yuan Currency: RMB Audited or not: unaudited

Item	March 31, 2022	March 31, 2021
Current assets:		
Monetary capital	109,950.89	117,078.06
Financial assets held for trading	629,962.96	625,617.90
Financial derivatives (assets)		
Notes receivable		
Accounts receivable	366,754.89	565,721.97
Advance payments	94,937.03	63,428.24
Other receivables	1,728.21	1,790.19
Inventory	99,219.54	115,109.66
Contract assets	442,536.28	291,266.84
Non-current assets due within one year		
Other current assets	32,902.27	24,821.26
Total current assets	1,777,992.07	1,804,834.12
Non-current assets:		
Debt investments	157,206.97	155,811.97
Other debt investments		
Long-term receivables		
Long-term equity investments	151,510.92	152,908.21
Other equity instrument investments	12,838.99	16,302.34
Other non-current financial assets		
Investment real estates		
Fixed assets	1,055,366.45	1,071,041.58
Ongoing projects	81,227.29	93,920.99
Right-of-use assets	8,374.77	9,509.82
Intangible assets	108,476.72	109,515.43
R&D expenditure		
Goodwill		
Long-term prepaid expenses	20,305.41	19,754.09
Deferred tax assets	31,145.30	31,827.83
Other non-current assets		
Total non-current assets	1,626,452.82	1,660,592.26
Total assets	3,404,444.89	3,465,426.38
Current liabilities:		

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Short-term loans		
Financial liabilities held for trading		
Financial derivatives (liabilities)		
Notes payable	31,639.68	18,267.37
Accounts payable	741,395.50	833,710.71
Accounts received in advance	32.18	154.86
Contract liabilities	150,993.97	98,447.47
Wages payable	17,851.51	37,839.59
Taxes payable	7,408.41	14,057.34
Other payables	39,316.09	41,956.47
Non-current liabilities due within one year	16,445.14	16,498.45
Other current liabilities	53,119.56	48,824.58
Total current liabilities	1,058,202.04	1,109,756.84
Non-current liabilities:		
Long-term loans	32,046.59	47,505.75
Lease liabilities	3,808.72	3,965.89
Long-term payables		
Long-term wages payable		
Estimated liabilities	6,370.86	9,106.93
Deferred revenue	15,539.64	16,005.90
Deferred tax liabilities	4,091.68	3,255.61
Other non-current liabilities		
Total non-current liabilities	61,857.49	79,840.08
Total liabilities	1,120,059.53	1,189,596.92
Owners' equity (or shareholders' equity):		
Paid-in capital (or share capital)	442,135.48	442,135.48
Other equity instruments		
Capital reserve	424,802.17	424,802.17
minus: treasury stock		
Other comprehensive income	12,172.83	14,178.07
Special reserve	21,511.77	24,035.68
Surplus reserve	178,225.31	178,083.31
General risk reserve		
Undistributed profits	1,204,061.67	1,190,972.39
Total owners' equity (or shareholders' equity) attributable to the parent company	2,282,909.23	2,274,207.10
Minority interest	1,476.13	1,622.36

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Total owners' equity (or shareholders' equity)	2,284,385.36	2,275,829.46
Total liabilities and owners' equity (or shareholders' equity)	3,404,444.89	3,465,426.38

Responsible person of COOEC: Yu Yi Person in charge of accounting: Li Peng
Principal of the accounting agency: Yao Baoqin

Consolidated Income Statement

January-March 2022

Prepared by: Offshore Oil Engineering Co., Ltd

Unit: 10,000 Yuan Currency: RMB Audited or not: unaudited

Item	First quarter of 2022	First quarter of 2021
I. Gross operating income, including	435,403.71	309,142.61
Operating income	435,403.71	309,142.61
Interest income		
II. Gross operating expenses, including	423,816.70	301,472.69
Operating expenses	410,225.02	282,494.05
Taxes and surcharges	1,561.10	1,218.05
Selling expenses	630.97	463.21
Administrative expenses	4,371.49	4,502.25
R&D expenses	6,420.12	13,108.06
Financial expenses, including	608.00	-312.93
Interest expense	286.38	384.61
Interest income	389.04	379.80
plus: other income	881.08	925.07
Investment income (losses are marked with "-")	2,908.37	2,594.54
including: investment income from associates and joint ventures	-1,397.29	-1,013.30
Gains from financial assets measured at amortized cost for which recognition is terminated		
Foreign exchange earnings (losses are marked with "-")		
Gains from net exposure hedging (losses are marked with		

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“-”)			
Gains from changes in fair value (losses are marked with “-”)	1,345.07		880.39
Credit impairment loss (losses are marked with “-”)	-1,962.09		
Asset impairment loss (losses are marked with “-”)			
Gains on disposal of assets (losses are marked with “-”)			1,370.71
III. Operating profit (losses are marked with “-”)	14,759.44		13,440.63
plus: non-operating income	433.65		538.96
less: non-operating expenses	50.42		
IV. Gross profit (total losses are marked with “-”)	15,142.67		13,979.59
less: income tax expenses	3,474.55		1,990.65
V. Net profit (net losses are marked with “-”)	11,668.12		11,988.94
(I) Classified by the continuity of operations			
1. Net profit from continuous operations (net losses are marked with “-”)	11,668.12		11,988.94
2. Net profit from discontinued operations (net losses are marked with “-”)			
(II) Classified by ownership			
1. Net profit attributable to shareholders of the parent company (net losses are marked with “-”)	11,811.30		11,982.22
2. Gains or losses attributable to minority shareholders (net losses are marked with “-”)	-143.18		6.72
VI. Other comprehensive income net of tax	-2,008.29		2,166.03
(I) Other comprehensive income net of tax attributable to the owners of the parent company	-2,005.24		2,146.86
1. Other comprehensive income that cannot be	-2,531.49		2,718.81

reclassified into gains and losses			
(1) Changes arising from the re-measurement of a defined benefit plan			
(2) Other comprehensive income that cannot be reclassified into gains and losses by the equity method			
(3) Changes in the fair value of other equity instrument investments	-2,531.49		2,718.81
(4) Changes in the fair value of the enterprise's credit risk			
2. Other comprehensive income that can be reclassified into gains and losses	526.25		-571.95
(1) Other comprehensive income that cannot be reclassified into gains and losses by the equity method			
(2) Changes in the fair value of other debt investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Credit impairment provision for other equity investments			
(5) Cash flow hedging reserve			
(6) Difference arising from currency conversion for financial statements presented in foreign currencies	526.25		-571.95
(II) Other comprehensive income net of tax attributable to minority shareholders	-3.05		19.17
VII. Total comprehensive income	9,659.83		14,154.97
(I) Total comprehensive income attributable to the owners of the parent company	9,806.06		14,129.08
(II) Total comprehensive	-146.23		25.89

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income attributable to minority shareholders			
VIII. Earnings per share:			
(I) Basic earnings per share (Yuan/share)	0.03		0.03
(II) Diluted earnings per share (Yuan/share)	0.03		0.03

No combination of enterprises under common control as of the end of the reporting period.

Responsible person of COOEC: Yu Yi Person in charge of accounting: Li Peng

Principal of the accounting agency: Yao Baoqin

Consolidated Cash Flow Statement

January-March 2022

Prepared by: Offshore Oil Engineering Co., Ltd

Unit: 10,000 Yuan Currency: RMB Audited or not: unaudited

Item	Frist quarter of 2022	Frist quarter of 2021
I. Cash flow from operating activities:		
Cash receipts from the sale of goods or provision of services	568,485.12	409,962.45
Tax refunds received	70.35	94.55
Other cash receipts related to operating activities	4,728.51	23,201.37
Sub-total of cash inflow from operating activities	573,283.98	433,258.37
Cash paid for goods and services	441,491.05	335,921.68
Cash paid to and for employees	82,431.17	72,477.74
Taxes paid	16,334.49	6,027.06
Other cash payments related to operating activities	8,779.91	13,451.54
Sub-total of cash outflow to operating activities	549,036.62	427,878.02
Net cash flow from operating activities	24,247.36	5,380.35
II. Cash flow from investment activities:		
Cash receipts from the recovery of investments	294,913.13	230,000.00
Cash receipts from returns on investments	3,031.65	2,371.90
Net cash received from the disposal of fixed assets, intangible assets and other long-term assets		2,098.05
Net cash received from the disposal		

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of subsidiaries and other business units		
Other cash receipts related to investment activities		
Sub-total of cash inflow from investment activities	297,944.78	234,469.95
Cash paid to acquire fixed assets, intangible assets and other long-term assets	16,591.16	33,893.83
Cash paid for investments	296,000.00	240,000.00
Net cash paid to acquire subsidiaries and other business units		
Other cash payments related to investment activities		
Sub-total of cash outflow to investment activities	312,591.16	273,893.83
Net cash flow from investment activities	-14,646.38	-39,423.88
III. Cash flow from financing activities:		
Cash receipts from borrowings		
Other cash receipts related to financing activities		
Sub-total of cash inflow from financing activities		
Cash repayments for debts	9,000.00	
Cash payments for dividends, profits or interests	130.80	87.19
including: dividends and profits paid by subsidiaries to minority shareholders		
Cash payments for lease liabilities	814.44	
Other cash payments related to financing activities	6,466.58	
Sub-total of cash outflow to financing activities	16,411.82	87.19
Net cash flow from financing activities	-16,411.82	-87.19
IV. Impact of fluctuations in exchange rates on cash and cash equivalents	-316.33	342.63
V. Net increase in cash and cash equivalents	-7,127.17	-33,788.09

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plus: balance of cash and cash equivalents as of the beginning of the reporting period	117,078.06	157,197.23
VI. Balance of cash and cash equivalents as of the end of the reporting period	109,950.89	123,409.14

Responsible person of COOEC: Yu Yi
Principal of the accounting agency: Yao Baoqin

Person in charge of accounting: Li Peng

Adjustments to the financial statements at the beginning of the year in which the new accounting standards are first implemented from 2022

Applicable Not applicable

The aforementioned matters are hereby reported.

Board of Directors of Offshore Oil Engineering Co., Ltd
April 27, 2022