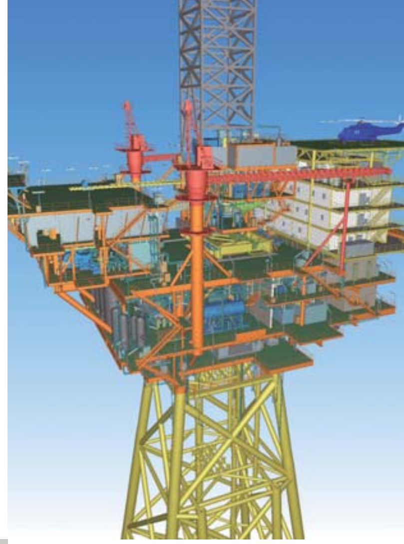
海洋石油工程股份有限公司
OFFSHORE OIL ENGINEERING CO., LTD.

Annual Report 2024

Stock name COOEC
Stock code 600583

Contents

Engineering design



Onshore construction

Offshore installation

Submarine pipeline laying

Welcome to
COOEC

Important Notices

I. The Board of Directors, Board of Supervisors, directors, supervisors and senior officers of Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "COOEC" or the "Company") undertake that the information presented in the report is true, accurate and complete and does not contain false records, misrepresentations or major omissions and bear individual and joint legal liability.

II. Non-attendance of directors

Position of director not present	Name of director not present	Reasons for non-attendance	Name of the proxy
Independent director	Xing Wenxiang	Business reasons	Xin Wei

III. Zhongshenzhonghuan Certified Public Accountants (Special General Partnership) issued a standard unqualified auditors' report for COOEC.

IV. Declaration made by Wang Zhangling, legal representative, Cai Huaiyu, chief accountant and Yao Baoqin, chief finance officer (accounting director) that: they ensure the truthfulness, accuracy and completeness of the financial report in the annual report.

V. Resolution of the Board of Directors on approving the proposal on profit distribution or the transfer of capital reserve to share capital for the current reporting period

The Company intends to distribute a cash dividend of RMB 2.01 (including tax) for every 10 shares to all shareholders based on the total share capital of 4,421,354,800 shares at the end of 2024, without distributing stock dividends and using capital reserve to increase share capital. The total cash distribution required is approximately RMB 889 million, representing 41.12% of the net profit attributable to shareholders of the listed company in 2024 and the undistributed profit will be carried forward for distribution in future years.

The distribution proposal is subject to the consideration and approval at the 2024 Annual General Meeting.

VI. Risk statement in forward-looking statements

√ Applicable □ Not applicable

The forward-looking statements in Section 3 of this report, which relate to business plans, business objectives and development strategies, do not constitute actual commitments made by COOEC to investors and investors are advised to pay attention to the investment risks.

VII. Is there any non-operating appropriation of funds by controlling shareholders and other related parties

No

VIII. Is there any violation of the required decision-making procedures in the provision of external guarantees

No

IX. Is there any situation where more than half of the directors cannot guarantee the truthfulness, accuracy and completeness of the annual report disclosed by COOEC

No

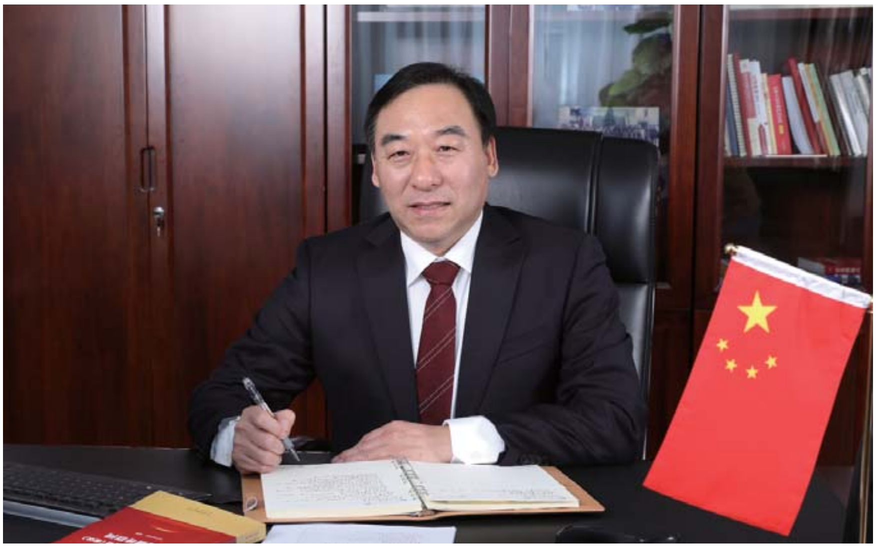
X. Significant risks

This report analyzes the possible risks faced by COOEC, and investors are requested to pay attention to them, as detailed in the analysis under (IV) Possible Risks in Section 3 Management's Discussion and Analysis.

XI. Others

□ Applicable √ Not applicable

List of Documents Available for Inspection	The financial statements bearing the signatures and seals of the legal representative, the accounting principal and the head of the accounting department.
	The original audits' report bearing the seal of the accounting firm and the signature and seal of the certified public accountant.
	Originals of all documents and announcements of COOEC publicly disclosed on the website of the Shanghai Stock Exchange and in the newspaper designated by the CSRC in the reporting period.



Chairman and Secretary of the Party Committee
| Wang Zhangling

Speech by Chairman

Dear shareholders and friends,

On behalf of the Board of Directors, I hereby submit the 2024 Annual Report of COOEC for your review. And I would like to express my heartfelt thanks to all shareholders and peers from all walks of life who have been supporting the development of COOEC.

The year 2024 marked the inaugural year for fully implementing the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party of China, as well as a critical year for achieving the objectives outlined in the 14th "Five-Year Plan". In 2024, COOEC resolutely adhered to the guiding principle of high-quality development, with a strategic focus on strengthening core functions and enhancing core competitiveness, thereby propelling the Company's high-quality development to new heights.

Pool strengths to drive robust growth, fully leveraging the strategic driving force. COOEC upholds the guidance of the new development philosophy. By reviewing the successes and lessons learned from its growth trajectory, the Company has been steering comprehensive optimization in structure, operational layout, and institutional mechanisms, driving continuous enhancement of global competitiveness, while effectively activating the strategic governance role of its Board of Directors. In 2024, as the 14th "Five-Year Plan" approached its conclusion and the 15th "Five-Year Plan" was about to commence, COOEC convened a strategic seminar of the Board of Directors under the theme of "Accelerating the cultivation of new quality productive forces to propel high-quality development." The seminar served as a platform to jointly deliberate on pathways for coordinated green and low-carbon development, explore methodologies for fostering new quality productive forces, map out strategies for overseas expansion in the new era, and conduct in-depth studies on deepening institutional and mechanism reform, collectively charting a visionary blueprint for the Company's future trajectory.

Deepen "reform" and increase "efficiency", striving to enhance "core competitiveness". Comprehensively deepening reform is the fundamental driving force for driving China's modernization. COOEC has pioneered the transformation of conventional operational frameworks, spearheading the implementation of an agile market-responsive EPC management model. This strategic shift establishes a robust foundation for achieving the ambitious target of doubling enterprise-wide labor productivity. In 2024, COOEC achieved a steel structure processing volume of 454,000 tons and utilized 28,700 vessel-days, with the "One Profit and Five Ratios" indicators demonstrating both quantitative growth and qualitative improvement. The Company maintained annual operating revenue at the RMB 30 billion scale, while net profit surpassed RMB 2 billion, marking a nine-year high.

Forge a "new" model to proactively cultivate "new quality productive forces". Developing new quality productive forces represents an intrinsic requirement and key focus for advancing high-quality development. Guided by chain-thinking, collaboration-thinking, and product-thinking, COOEC has driven technological innovation, for the first time clearly defining three major blueprints for its integrated solutions: product portfolios, technological systems, and industrial chains. The Company successfully delivered national megaprojects such as Haikui No.1and Haiji No.2, and achieved breakthroughs in 20 core technologies, including the cylindrical FPSO and large-capacity TLP floating wind power platforms, while localizing 21 kinds of critical equipment and materials. Milestones include the delivery of the Deep Sea No.1 Phase-II subsea manifold system (operating at 1,000-meter depths) and the world's first deepwater subsea automatic pig launcher.

Transform "partial" into "total" to accelerate market-driven momentum. Embracing the dual-circulation development paradigm, COOEC deepened its global footprint through capacity-building and enhanced international influence. In 2024, overseas contract awards exceeded RMB 10.9 billion, with an order backlog of approximately RMB 40 billion and an order-to-revenue ratio of 1.33. The Company secured overseas projects such as Qatar's RUYA and Saudi Arabia's CRPO. Meanwhile, COOEC marked a historic leap by winning the POSCO project through competitive FEED (Front-End Engineering Design), transitioning from a subcontractor to a general contractor, then to a full-scope international EPC contractor.

Pursue "green" and reduce "carbon" to strengthen sustainable development. To implement the Dual Carbon Strategy and high-quality development of new quality productive forces, COOEC embedded ESG principles into daily operations by establishing the Strategy and Sustainable Development Committee of the Board of Directors and a three-tier ESG governance framework. The Company built three green manufacturing bases (Tianjin, Qingdao, Zhuhai) spanning 3.85 million square meters, institutionalizing green industrial practices to support offshore energy decarbonization. Meanwhile, breakthroughs in clean energy and new energy, such as liquefied natural gas plants, offshore wind power turbine foundations, and waste-to-energy facilities, demonstrate the Company's core competitiveness in this field. In 2024, COOEC earned multiple accolades: ESG Excellent Practice Case of the China Enterprise Reform and Development Research Association, and for the first time, "Xinhua Credit Golden Orchid Cup" ESG Best Practice; and the "Best Practice Case Award" and "ESG Golden Bull Award" for sustainable development for two consecutive years, elevating its ESG brand value.

Empower with "digital intelligence" to actively build "integrated digital-cognitive capabilities". COOEC systematically advanced its "1832" digitalization master plan, establishing a corporate data governance framework and a centralized data asset hub to enable cross-domain data sharing and accelerate intelligent manufacturing. The Company's Phase II of Tianjin Intelligent Manufacturing Base has doubled its designed production capacity, achieving over 22% improvement in overall production efficiency. The Base was recognized as a National Intelligent Manufacturing Demonstration Factory and won top honors including the First Prize at the 5th "Blooming Cup" 5G Application Competition National Finals. Digital solutions continue to evolve: the digital twin health management system has been deployed on projects like Haiji No.2 and Lufeng 12-3; the dual engineering delivery-maintenance system completed pilot testing at Caofeidian; and China's first subsea pipeline laying information system commenced trial operations, enabling visualized offshore pipelaying and digitalized management.

Enhance "governance" and uphold "compliance" to strengthen risk resilience. COOEC elevated risk management through optimized corporate governance and enhanced control systems. We pioneered the Corporate Governance Decision Checklist – a groundbreaking initiative that systematically clarifies the authority boundaries and decision-making procedures among governance entities, ensuring seamless coordination and operational synergy across all decision processes. The Company comprehensively optimized its risk management framework by establishing a functional risk database and defining clear risk early-warning indicators, earning an "A" rating in SASAC's internal control evaluation. The Company achieved dual domestic and international ISO compliance management system certification, marking steady progress toward systematic and standardized compliance governance.

The year 2025 marks a critical juncture for fully implementing the spirit of the Third Plenary Session of the 20th Central Committee of the Communist Party of China, concluding the 14th "Five-Year Plan", and drafting the 15th "Five-Year Plan". It is also a decisive year for COOEC to deepen reform and accelerate high-quality development. COOEC will seize opportunities and leverage new quality productive forces to promote high-quality development and ensure the successful completion of its objectives set for the 14th "Five-Year Plan" period.

Adhere to "strategic empowerment" to chart a sustainable development blueprint. COOEC will conduct a comprehensive review of its achievements made at the 14th "Five-Year Plan" period, identify systemic bottlenecks, and proactively address challenges while capitalizing on emerging opportunities. Guided by the dual goals of enhancing profitability and delivering sustained shareholder value, the Company will scientifically formulate its15th "Five-Year Plan" to steer high-quality development.

Pursue the path of "innovation-driven development" to unleash technological potential. COOEC will leverage domestic industrial chain and supply chain advantages to accelerate breakthroughs in floating and subsea technologies, targeting the establishment of a 1,500-meter-class floating storage system and subsea production technology framework by 2025, while further increasing localization rates of critical equipment. Concurrently, the Company will strategically invest in frontier R&D projects across future energy, advanced manufacturing, and next-gen connectivity sectors, laying the groundwork for new growth engines and new quality productive forces.

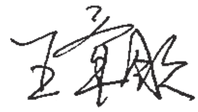
Embrace "lean management" to fuel sustainable entrepreneurship. Guided by strategic objectives, COOEC will advance a four-pillar integration model, namely, business-military synergy, finance-operation alignment, risk-operation fusion, and lean-digital convergence. We will refine its lean management system by harmonizing organizational and project dimensions, synchronizing production and project budgets, and balancing market pricing with target cost control. Resources will be optimized for maximum efficiency through a dynamic production command system that integrates demand forecasting, budget allocation, and resource deployment.

Advance "low-carbon development" to deepen ecological commitment. Under the new development philosophy of "ecological priority and green development", COOEC will leverage its Strategy and Sustainable Development Committee to actively implement the "dual-carbon" strategy, steadily expanding its presence in clean energy markets such as floating wind power, CCS/CCUS, hydrogen energy, offshore PV projects, FLNG, etc. Meanwhile, the Company will continue to deepen carbon footprint statistics and analysis, improve the carbon emission accounting mechanism, accelerate the enhancement of energy utilization efficiency, promote the retrofitting of outdated equipment and upgrading of production processes, and drive an overall reduction in corporate carbon emissions.

Accelerate "digital-intelligence integration" to fortify transformation foundations. COOEC will leverage the C-iTechP digital technology platform as its foundation, accelerating the migration, integration, and functional enhancement of management systems across all levels. By strengthening data consolidation and analytics capabilities, the Company aims to maximize data value extraction and unleash the full potential of data governance, transforming data into a powerful driver for operational and strategic decision-making. Concurrently, the Tianjin Intelligent Manufacturing Base will evolve toward Lighthouse Factory standards, driving comprehensive productivity gains.

Uphold "law-based governance" to reinforce compliance foundations. COOEC will adhere to the core mandate of building a "legally compliant central enterprise", further strengthening its compliance framework. Guided by the principle of "institutionalizing management, streamlining systems into processes, converting processes into standardized forms, and digitizing forms into IT systems", the Company will fully integrate key risk points into its process management system. This ensures compliance mechanisms effectively mitigate risks and safeguard operations, fulfilling their critical role in business sustainability.

A trickle, though small, feeds rivers; a spark, though faint, ignites fields. Currently, COOEC is not only in a period of strategic ascent with tremendous potential, but also at a critical and highly challenging phase of its development journey. The Company will demonstrate the courage to reform, the ambition to strive for excellence, the boldness to pioneer innovations, and the drive to prevail against all odds. With pragmatic responsibility and a commitment to deliver results, we will relentlessly pursue our mission to build a world-class offshore energy engineering company with distinctive Chinese characteristics.



Chairman and Secretary of the Party Committee
Wang Zhangling

Interpretations

Underwater operation of "Haiji No.2" of the Liuhua 11-14-1 Oilfield Secondary Development Project

Deep blue dream builder - "Offshore Oil 201"

I. Interpretations

For the purpose of this report, unless the context otherwise requires, the following words have the following meanings:

Interpretations		
COOEC or the Company	refers to	Offshore Oil Engineering Co., Ltd.
CNOOC, its controlling shareholders and actual controller	refers to	China National Offshore Oil Corporation
CNOOC Limited	refers to	CNOOC Limited, the subsidiary controlled by China National Offshore Oil Corporation
Finance Company	refers to	CNOOC Finance Co., Ltd., the subsidiary controlled by China National Offshore Oil Corporation
COOEC-Fluor	refers to	COOEC-Fluor Heavy Industries Co., Ltd., the subsidiary controlled by Offshore Oil Engineering Co., Ltd. (COOEC)
EPCI	is	the abbreviation for engineering design, procurement, construction and installation.
EPCM	is	the abbreviation for engineering design, procurement, construction and management.
FPSO	is	the abbreviation for floating production storage and offloading.
LNG	is	the abbreviation for liquefied natural gas.
FEED	is	the abbreviation for front end engineer design.
TLP	is	the abbreviation for tension leg platform.
CCUS	is	the abbreviation for carbon capture, utilization and storage.
ENR	is	the abbreviation for engineering news-record.
Dual carbon goal	refers to	Carbon Peak and Carbon Neutrality

Company Profile and Major Financial Indicators

I. Company information

Chinese name	海洋石油工程股份有限公司
Abbreviation in Chinese	海油工程
Name in foreign language	OFFSHORE OIL ENGINEERING CO.,LTD.
Abbreviation in foreign language	COOEC
Legal representative	Wang Zhangling

II. Contact and contact information

	Secretary of Board of Directors
Name	Cai Huaiyu
Contact address	No.199 Binhai 15th Road, Tianjin Port Free Trade Zone, Tianjin
Tel.	022-59898808
E-mail	tijing@cooec.com.cn

III. Basic information

Registered address	Room 202-F105, 2/F, Podium of Ligang Building, No.82 West 2nd Road, Tianjin Pilot Free Trade Zone (Airport Economic Zone)
Historical changes in COOEC's registered address	When COOEC was established on April 20, 2000, its registered address was No. 248, Block A, Zhongji Science Park, Huayuan Industrial Zone, Tianjin New Technology Industrial Park. On October 27, 2004, the address was changed to No.4-396 Hebei Road, Tanggu District, Tianjin. On September 6, 2007, the address was changed to No.1078 Danjiang Road, Tanggu District, Tianjin. On December 31, 2009, it was changed to No.199 Binhai 15th Road, Tianjin Port Free Trade Zone. On August 10, 2011, it was changed to Room 202-F105, 2/F, Podium of Ligang Building, No.82 West 2nd Road, Tianjin Airport Economic Zone. On January 10, 2018, it was changed to Room 202-F105, 2/F, Podium of Ligang Building, No.82 West 2nd Road, Tianjin Pilot Free Trade Zone (Airport Economic Zone).
Office address	No.199 Binhai 15th Road, Tianjin Port Free Trade Zone, Tianjin
Postal code	300461
Company's website	https://www.cnoocengineering.com
E-mail	tijing@cooec.com.cn

IV. Information disclosure and storage location

Name and website of the media where COOEC discloses its annual report	China Securities Journal, Shanghai Securities News and Securities Times
Website of the stock exchange where COOEC discloses its annual report	www.sse.com.cn
Storage location of annual reports	Financial Management Department

V. Stocks

Stocks				
Stock type	Stock exchange	Stock abbreviation	Stock code	Stock name before the change
A-share	Shanghai Stock Exchange	COOEC	600583	Not applicable

VI. Other relevant information

Accounting firm engaged by COOEC (domestic)	Name	Zhongshenzhonghuan Certified Public Accountants (Special General Partnership)
	Office address	Floor 8, Tianhong Baojing Building, No.189 Andingmenwai Street, Dongcheng District, Beijing
	Signing accountants	Zhao Yunjie, Li Yan

VII. Major accounting data and financial indicators in recent three years

(I) Major accounting data

Unit: RMB'0,000

Major accounting data	2024	2023	Increase or decrease YoY (%)	2022
Operating revenue	2,995,441.59	3,075,203.75	-2.59	2,935,836.83
Net profit attributable to shareholders of the listed company	216,139.66	162,050.63	33.38	145,888.80
Net profit after deducting non-recurring profit or loss attributable to shareholders of the listed company	180,868.61	123,714.04	46.20	85,405.82
Net cash flows from operating activities	385,024.86	512,492.41	-24.87	331,348.71
Major accounting data	As at the end of 2024	As at the end of 2023	Increase or decrease YoY (%)	As at the end of 2022
Net assets attributable to shareholders of the listed company	2,626,652.03	2,479,459.37	5.94	2,370,187.89
Total assets	4,823,088.27	4,325,166.35	11.51	4,263,896.22
Share capital at the end of the period	442,135.48	442,135.48	0	442,135.48

(II) Major financial indicators

Major financial indicators	2024	2023	Increase or decrease YoY (%)	2022
Basic earnings per share (RMB/share)	0.49	0.37	32.43	0.33
Diluted earnings per share (RMB/share)	0.49	0.37	32.43	0.33
Basic earnings per share after deducting non-recurring profits and losses (RMB/share)	0.41	0.28	46.43	0.19
Return on weighted average net assets (%)	8.47	6.67	Increase of 1.80 ppt	6.26
Return on weighted average net assets after the deduction of non-recurring profits and losses (%)	7.08	5.09	Increase of 1.99 ppt	3.67

Explanations on major accounting data and financial indicators of COOEC for the recent three years

□ Applicable √ Not applicable

VIII. Differences between accounting data under domestic and foreign accounting standards

(I) Differences between net profit and net assets attributable to shareholders of the listed company in financial reports disclosed in accordance with international accounting standards and those disclosed in accordance with Chinese accounting standards

□ Applicable √ Not applicable

(II) Differences between net profit and net assets attributable to shareholders of the listed company in financial reports disclosed in accordance with overseas accounting standards and those disclosed in accordance with Chinese accounting standards

□ Applicable √ Not applicable

(III) Explanation of differences between domestic and foreign accounting standards:

□ Applicable √ Not applicable

IX. 2024 quarterly major financial data

Unit: RMB'0,000

	Q1 (January - March)	Q2 (April - June)	Q3 (July - September)	Q4 (October-December)
Operating revenue	567,167.09	775,771.45	699,662.76	952,840.29
Net profit attributable to shareholders of the listed company	47,504.57	72,152.86	54,800.21	41,682.02
Net profits after deducting non-recurring profit or loss attributable to shareholders of the listed company	39,982.49	43,918.58	46,620.29	50,347.25
Net cash flows from operating activities	256,142.06	3,234.51	135,065.04	-9,416.75

Explanation of differences between quarterly data and data in disclosed periodic reports

□ Applicable √ Not applicable

X. Items and amounts of non-recurring profit or loss

√ Applicable □ Not applicable

Unit: RMB'0,000

Item of non-recurring profit or loss	Amount in 2024	Notes (if applicable)	Amount in 2023	Amount in 2022
Profit or loss from disposal of non-current assets, including the writing-off part for which the provision for asset impairment is made	-570.25		670.84	51.31
Government grants included in the current profit or loss (except for government grants closely related with the normal business of COOEC, obtained according to established criteria and in accordance with the national policies and provisions and those continuously affecting the profit or loss of COOEC)	5,551.41	Mainly government grants such as scientific research subsidies	7,462.38	-5,957.53
Profit or loss on fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises and the profit or loss arising from the disposal of financial assets and liabilities, except for effective hedging operations associated with COOEC's normal operations	11,551.17	Changes in fair value of financial assets held for trading	11,350.75	1,172.84
Profit or loss from the assets which are invested or managed by others entrusted	19,300.59	Mainly gains arising from the purchase of structured deposits, wealth management products and certificates of deposit	25,043.86	20,600.01
Reversal of receivables tested for impairment separately, provision for impairment	1,401.48			259.64
Gains from the difference between the investment costs of acquisition of subsidiaries, associates and joint ventures and share in the net fair value of the identifiable assets of the investees upon investment				3,431.21
Non-operating revenue and expenses other than the above-mentioned items	4,697.10		876.96	1,512.67
Other items of profit or loss subject to the definition of non-recurring profit or loss				55,191.02
Less: income tax effects	6,327.46		6,390.59	15,728.78
Adjustment to minority equity (after tax)	332.99		677.61	49.41
Total	35,271.05		38,336.59	60,482.98

Please state reasons for defining the items not listed in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public--Non-Recurring Profit or Loss as the non-recurring profit or loss in large amount and the non-recurring profit or loss listed in Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public--Non-Recurring Profit or Loss as recurring profit or loss.

□ Applicable √ Not applicable

XI. Items measured at fair value

√ Applicable □ Not applicable

Unit: RMB’0,000

Project name	Beginning balance	Ending balance	Current change	Amount of impact on current profit
Financial assets held for trading - structured deposits	563,187.59	1,010,697.32	447,509.73	24,380.15
Financial assets held for trading - net worth wealth management	309,335.99		-309,335.99	
Total	872,523.58	1,010,697.32	138,173.74	24,380.15

XII. Others

□ Applicable √ Not applicable

Shipment site of the central hub connection platform of the Saudi Aramco Marjan Project

Management's Discussion and Analysis

billion
29.954
Operating revenue

I. Discussion and analysis of operation

In 2024, a new round of global technological revolution and industrial transformation is further advancing. Digital, green and intelligence technologies are breaking the boundaries of traditional industries. The current internal and external development environment is undergoing profound and complex changes. Guided by the Board of Directors, the management and all employees have closely followed global energy industry trends, firmly adhered to the main theme of high-quality development, and leveraged technological innovation as the driving force to build new capabilities for high-quality development and vigorously and pragmatically promote progress in the construction of a world-class marine energy engineering company with Chinese characteristics.

During the reporting period, the Company reported operating revenue of RMB 29.954 billion, down 2.59% YoY; the net profit attributable to shareholders of the listed company was RMB 2.161 billion, up 33.38% YoY. As at December 31, 2024, total assets amounted to RMB 48.231 billion; net assets attributable to shareholders of the listed company sit at RMB 26.267 billion; asset-liability ratio was 41.38%; capital structure remained sound with adequate cash flows.

On-site inspection in the rain of the Canada Long Lake Northwest Project

Completion of the construction of the "Deep Sea No.1" Project (Phase II)

billion

2.161

Net profit attributable to shareholders of the listed company

billion

26.267

Net assets attributable to shareholders of the listed company

billion

48.231

Total assets

Pre-dive preparations for divers

Major efforts made in 2024

(I) Maintained high workload, with outcome achieved through concerted efforts in multiple sectors

During the reporting period, a total of 73 projects above designated size were implemented, of which 34 were completed within the year. The steel processing volume for 2024 reached 453,900 tons, down 3.83% YoY; vessel operational days amounted to 28,700 days, up 15.73% YoY;

Offshore installation of "Haiji No.2" of the Liuhua 11-14-1 Oilfield Secondary Development Project

73

A total of 73 projects above designated size were implemented throughout the year

453,900

453,900 tons of steel materials were processed for construction activities

tons

28,700

28,700 ship-days were spent on offshore operations such as installation

ship days

Onshore construction of modules of the Bozhong 26-6 Oilfield Development Project

46

Onshore construction of 46 jackets and 34 modules

unit 34

39

Offshore installation of 39 jackets and 30 modules

unit 30

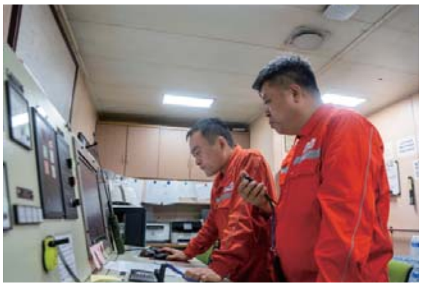
Onshore construction of modules of the Brazil FPSO P79 Project

46 conduits and 34 blocks were built onshore; 39 conduits and 30 blocks were installed offshore; 373km of submarine pipelines and 167km of submarine cables were laid.

373

Laying of 373km submarine pipelines and 167km submarine cables

km 167



Operators are performing ship ballast adjustment operations

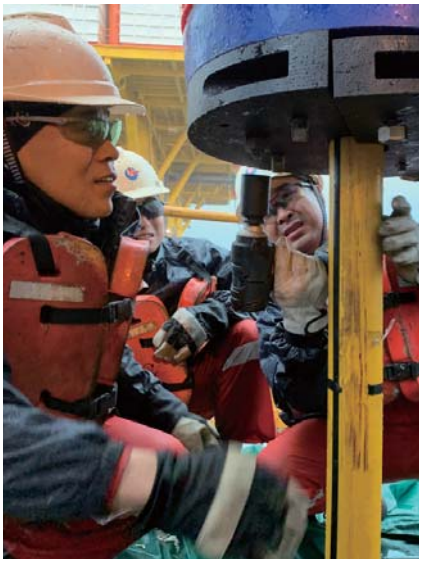
Offshore installation of the DPP B module of the Xijiang 30-2 Project

Tie-back operation of "Haikui No.1" of the Liuhua 11-14-1 Oilfield Secondary Development Project

Onshore construction of modules of the Panyu 11-12 Project

Major breakthroughs made in domestic projects. The Company successfully delivered Asia’s first deepwater jacket, “Haiji No.2”, setting multiple Asian records in operational depth, height, and weight; successfully delivered Asia’s first cylindrical offshore oil and gas processing plant, “Haikui No.1”, pioneering the independent loading operation of super-large cylindrical floating production equipment in the whole process;

Completion of the construction of the "Haiji No.2" Platform for the Liuhua 11-14-1 Oilfield Secondary Development Project



"Rain Operation" of Liuhua 11-1 Oilfield

Onshore construction of modules of the Kenli 10-2 Project

for the "Deep Sea No.1" Project (Phase II), the Company independently constructed the world's first 1,000-meter-level deepwater automatic pigging manifold, and China's longest deepwater oil and gas pipeline, and first-of-the-series deep-sea submarine production facilities. The project's construction speed, quality, safety level, and precision all met internationally advanced standards. The key technologies and applications of the "Deep Sea No.1" ultra-deepwater large gas field development project won the First Prize of the National Science and Technology Progress.

Offshore installation of modules of the "Deep Sea No.1" Project (Phase II)

The barge of the Saudi Aramco Marjan Project carrying the central hub connection platform is executing a turning maneuver alongside the wharf

Completion ceremony of the Saudi Aramco Marjan Project

Continuous advancement in overseas business. The Company completed the construction of Saudi Aramco Marjan Oil and Gas Gathering and Transportation Platform with quality guarantee, marking a new breakthrough in the Company's international offshore oil and gas engineering capabilities;

Delivery of 6 jackets on the first vessel of the Saudi CRPO122 Project

the Company delivered the Canada Long Lake Northwest Project 33 days ahead of schedule, demonstrating the efficiency advantage of the "domestic manufacturing, overseas assembly integration" model and elevating the Company's capabilities in general contracting for onshore oilfield projects to a new level; the Company completed the full delivery of modules for the Brazil FPSO P79 Project, which were the world's largest floating production, storage and offloading unit upper modules under construction. The precision control met world-class standards, highlighting the Company's leading global position in integrated offshore oil and gas module construction technology.

On-site welding operation of the Canada Long Lake Northwest Project

Delivery of the process module on the first vessel of the Brazil FPSO P79 Project

On-site inspection of the Canada Long Lake Northwest Project

Mechanical completion of the Canada Long Lake Northwest Project

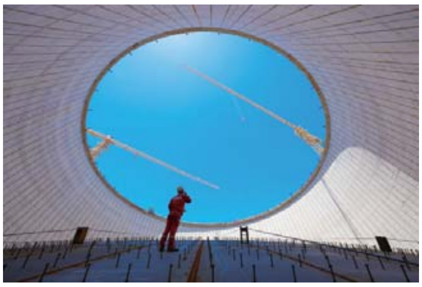

中国三峡


Sustained upgrading of green projects. The Company successfully completed the offshore installation of the Qingzhou VI Wind Power Project, China's largest single-unit booster station, adding value to the green energy transformation; the Company completed the construction of the world's largest 270,000-cubic-meter LNG storage tank for the Zhuhai LNG Project (Phase II), marking that the Company's LNG storage tank technology has reached the international leading level;

The shipment of the boiler module of the Hong Kong Integrated Waste Treatment Facility Project (Phase I) departed for destination

Booster station shipment of the Qingzhou VI Offshore Wind Power Project

Completion of the construction of the storage tank of the Zhuhai LNG Project (Phase II)



The project engineer conducted the pre-lift inspection of LNG storage tanks at the Ningbo "Green Energy Port" of the Zhejiang LNG Project (Phase III)

the Company completed the roofing of two world's largest 270,000-cubic-meter LNG storage tanks for the Zhejiang LNG Project (Phase III) 33 days ahead of schedule, demonstrating the Company's efficient execution and superior management capabilities. The Zhangzhou LNG Project was awarded the "5A" Premium Quality Project rating by the China Association of Chemical Engineering Construction in the 2024 Chemical Construction Engineering Quality Evaluation; Tangshan LNG Terminal Project (Phase II) was awarded the "2024 Five-Star Green Construction Project Award for Chemical Construction" by the China Association of Chemical Engineering Construction.

Completion of the construction of the Tangshan LNG Terminal Project (Phase II)

Completion of the lifting operation of the world's largest 270,000 m3 full "ground-supported" LNG storage tank at the Ningbo "Green Energy Port" of the Zhejiang LNG Project (Phase III)

Float-on/float-off operation of "Haikui No.1" of the Liuhua 11-14-1 Oilfield Secondary Development Project

Completion of module shipment of the Bozhong 26-6 Oilfield Development Project

billion

30.244

Annual market contracting amount

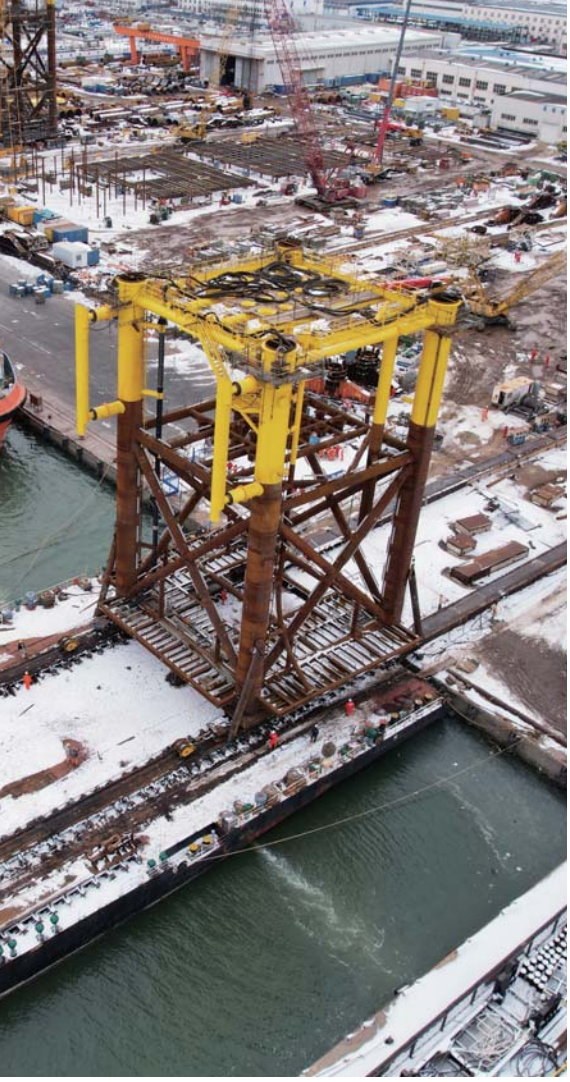
(II) Continuous increase market development efforts, with steady establishment of a new dual-circulation development pattern

The Company thoroughly implemented China's "Belt and Road" initiative and the domestic and international dual-circulation development strategy, and adopted multiple measures to drive breakthroughs in market expansion capabilities. In 2024, the value of contracts secured by the Company in the market reached RMB 30.244 billion and the value of orders on hand reached approximately RMB 40 billion, providing strong support for continued market development in the future.

Domestic oil and gas business: in 2024, the Company leveraged its professional service capabilities, maintaining steady progress in the domestic oil and gas market with a positive development outlook.

During the reporting period, the Company's newly awarded projects were primarily traditional oil and gas engineering projects, mainly including the development of Bozhong 26-6 Oilfield, the improvement of natural gas export and terminal facility capacity in Xihu Area, the joint adjustment and development of Panyu 11-12 Oilfield/Panyu 10-1 Oilfield/Panyu 10-2 Oilfield, the development of Block 36-2 of Suizhong 36-2 Oilfield, the comprehensive adjustment of Huizhou 25-8 Oilfield, the development of Bozhong 19-2 Oilfield, and the development of Wenchang 16-2 Oilfield.

Overseas business: the Company was deeply involved in international markets, continuously strengthening its capabilities, actively participating in major global energy forums, enhancing communication and exchanges with international clients, and deepening its transformation into a global EPC contractor. As a result, the Company successfully signed a corporate framework cooperation agreement with Shell, and renewed the long-term cooperation agreement with Saudi



Onshore construction of the CEPE jacket of the Bozhong 19-2 Oilfield Development Project

The construction personnel measured the groove accuracy of the processed plate

Aramco, marking a new chapter in its international development.

During the reporting period, the Company secured the EPC contracts for the Qatar RUYA EPCI 09 Project and the Saudi Arabia CRPO149&152 Projects, exhibiting significant progress in its Middle East development strategy; the signing of the EPC contract for the SHWE Gas Field Project (Phase IV) validated the Company's capabilities in conducting EPC projects at water depths exceeding 1,000m, earning recognition and trust from international clients, and marking a solid step forward in advancing its overseas expansion strategy; the Company won the bid for the Brunei Shell PRP9 Submarine Pipeline Replacement Project, laying a strong foundation for future international cooperation.

New energy business: the Company actively implemented the concept of green development, firmly adhered to the national "carbon peaking and carbon neutrality" strategy, continuously optimized the layout of new energy business, promoted the development of renewable energy industry, and expanded its business in the new energy sector.

During the reporting period, the Company secured the Inch Cape Offshore Wind Power Project in Europe, marking a new level in its core offshore wind power construction capabilities; the Company secured the Clean Energy Power Supply Retrofit Demonstration Project for the Lufeng Oilfield Cluster, the world's largest single-unit deep-sea tension-leg floating wind power platform. This project, following the success of "CNOOC Guanlan", represents further exploration of independent innovation and demonstration application of deep-sea floating wind power technology, which plays a crucial role in enhancing China's independent R&D capabilities in deep-sea floating wind power platforms, mastering key technologies, and fostering the development of new quality productive forces in the marine energy field.

Onshore construction of the CEPE platform of the Bozhong 19-2 Oilfield Development Project

Shipment of the CEPA Jacket of the Jinzhou 23-2 Oilfield Development Project

(III) Enhanced safety development concept, with continuous improvement in the safety management ability

The Company was committed to the safety development concept, with special tasks, including advancement of fundamental improvements in work safety, enhancement of contractor safety management, and establishment of a dual-prevention mechanism, achieving tangible results. The Company ensured the high-quality development with high-level safety management ability. In 2024, the Company maintained stable work safety level in general, with total work hours exceeding 100 million for the first time, hitting a new high. Key metrics included a recordable incident rate of 0.0039 and a lost-time incident rate of 0, underscoring that the Company's work safety performance maintained at a high level for nearly a decade.

The "offshore oil 229" vessel of the Xijiang 30-2 Project with the topside module carried out the pre-installation procedure rehearsal of floatover operation

Offshore installation of the CEPA Jacket of the Jinzhou 23-2 Oilfield Development Project

(IV) Focused on sci-tech innovation and empower development with digital intelligence

The Company focused on scientific research breakthroughs, and accelerated the application of technological achievements. It completed the independent design and construction of major deepwater oil and gas equipment such as Asia's first cylindrical FPSO "Haikui No.1", systematically overcame more than 10 key core technologies such as cylindrical FPSO integrated design and millimeter-level high-precision integration, and realized the first application of more than 10 localized products; the Company successfully achieved project demonstration of independently developed series products such as "Haikui", "Haiji", "single-point fluid slip ring" and "large deepwater jacket leveler", with jacket auxiliary devices and other series products applied in projects such as "Haiji No.2"and "Xijiang 30-2"; the Company completed the standardized detailed design and installation design of the Bohai Project, and the design results of process equipment products, which were benchmarked and applied in multiple projects such as Kenli 10-2, effectively improving construction efficiency; the self-developed "intelligent monitoring device for uplift displacement of steam injection trees at wellhead of offshore thermal recovery platforms" was successfully delivered and applied in projects such as Jinzhou 23-2 Oilfield Development and Kenli 10-2, with cumulative deliveries exceeding 100 units.

Onshore construction of modules of the Kenli 10-2 Project

Upgraded the intelligent manufacturing base to comprehensively improve the digital application capability. Phase II of Tianjin Intelligent Manufacturing Base was put into operation, with a number of new key facilities and a significant boost in production capacity; a factory-level digital twin scenario was established, greatly improving digital management capabilities of productions projects; the Company continued to optimize the intelligent manufacturing line, forming a multi-scenario intelligent production application ecosystem. The deepened application of the collaborative design platform effectively enhanced the data standardization level and digital delivery capabilities in engineering design projects. Measured data from the digital twin system of the "Haiji No.1" deepwater jacket provided a solid foundation for subsequent design optimization. The system was further applied to the engineering design of the Liuhua 11-1/4-1 and Lufeng 12-3 deepwater jacket projects. The dual-delivery maintenance system piloted in the Caofeidian 6-4 Project enabled the integration and 3D visualization of delivery data, documents, and model objects, providing a solid foundation for the intelligent operation of oilfield equipment and facilities.

Phase II of Tianjin Intelligent Manufacturing Base was put into production

Phase II of Tianjin Intelligent Manufacturing Base was put into operation, and the construction personnel are debugging the intelligent welding robot

(V) Continued to strengthen corporate governance to drive improvements in overall quality

The governance system is becoming more standardized. The Board of Directors reorganized and established the "Strategy and Sustainable Development Committee", creating a well-structured, clearly tiered ESG governance framework with clearly defined roles and responsibilities,

forming a sustainable development management system and operational mechanism, and significantly enhancing the Company's ESG value creation and risk response capabilities. During the reporting period, the Company's ESG rating from Sino-Securities was upgraded from BBB to AA; the Company received 16 prestigious awards, including the "Golden Round Table" Award for Board of Directors, the Outstanding Board Case Award, the Tianma Award for investor relations, the Top 100 Growth Award for Listed Companies, the Top 100 ESG Award, and the ESG Excellence Practice Award, further strengthening its recognition in the capital markets.

The Company's management and control systems have become more comprehensive. The Company fully optimized the risk management framework, established a functional risk database, defined risk early warning indicators, organized the development of a process management system based on value management. and strengthened the supervision and evaluation of the internal control system, helping the Company receive an A-level rating in the comprehensive internal control assessment by the State-owned Assets Supervision and Administration Commission; the Company further improved the compliance management system, and carried out a full-scale effectiveness evaluation for the compliance management system. The Company became the first enterprise within CNOOC to obtain both domestic and international certifications for its compliance management system, marking a significant step forward in its journey toward systematic and standardized compliance management.

Brotherly cooperation

II. Industry status during the reporting period

According to the China Marine Energy Development Report in 2024, global investment in offshore oil and gas exploration and development reached approximately USD 209.6 billion in 2024, marking four consecutive years of steady growth with a compound annual growth rate of 11%. Driven by the sustained increase in global capital expenditures for offshore oil and gas exploration and development, the market demand for related engineering equipment has also continued to strengthen. Within the global oil and gas engineering sector, key market segments such as upper module EPC, platform operation and maintenance, LNG liquefaction facilities, FPSO, underwater production systems, and offshore pipe laying command a substantial share.

In 2024, under the overarching trend of global energy low-carbon transformation, the structure of energy demand was undergoing a gradual transformation, with the share of renewable energy steadily increasing and end-use electrification continuing to deepen. In response to this change, international oil and gas companies are cautious about medium- to long-term oil and gas demand and industry development trends. Many are repositioning themselves to integrated energy companies, which has inevitably affected upstream exploration and development spending growth. The operating environment of international oil and gas engineering companies has become increasingly complex and volatile. The global resource allocation and construction organization of the offshore oil and gas engineering sector are facing new challenges, while competition in the international offshore oil and gas engineering market is intensifying amid the industry's recovery.

As the world's largest energy consumer, China will continue to be dominated by fossil energy in its energy consumption for a long time to come. In order to cope with this challenge, China has been making efforts to increase reserves and production, and has made major breakthroughs in offshore oil and gas exploration and development, with enhancing exploitation. The Company's main customer in China, CNOOC Limited, is continuously carrying out the "Seven-year Action Plan" to increase reserves and production, which brings good opportunities for the Company's business development.

III. Business during the reporting period

(I) Primary business

COOEC, a listed company controlled by China National Offshore Oil Corporation, is the only large-scale engineering general contracting company integrating the design, procurement, construction, offshore installation, commissioning

The "Offshore Oil 228" vessel of the Huizhou 26-6 Project is anchoring

Shipment of modules of the Block 36-2 Development Project of Suizhong 36-2 Oilfield

and maintenance of offshore oil and gas development engineering, as well as liquefied natural gas, offshore wind power, refining and chemical engineering in China, and is also one of the largest and strongest offshore oil and gas engineering general contracting companies in the Asia-Pacific region.

COOEC is headquartered in Binhai New Area, Tianjin. The Company was listed in Shanghai Stock Exchange in February 2002 (stock abbreviation: COOEC, stock code: 600583).

The Company has more than 9,800 employees, forming an all-round, multi-level and wide-field professional team suitable for EPCI. With the world's first-class qualification level and design capabilities, the Company has large-scale marine engineering manufacturing bases in Binhai New Area, Tianjin, Qingdao, Shandong, Zhuhai, Guangdong and other places, with a total site area of about 4 million square meters, forming a world-oriented site layout that spans the north and south with complementary functions, and covers deep and shallow water; With a professional offshore construction fleet consisting of 19 vessels, including Class-3 dynamic positioning deep-water pipe-laying vessels and 7,500-ton crane vessels, its offshore installation and pipe-laying capabilities are in a leading position in Asia.

after more than 40 years of construction and development, the Company has clarified the vision of "building a world-class marine energy engineering company with Chinese characteristics" and the development strategy of "taking the EPCI general contracting capacity building led by design as the only core, taking the operation and management capacity and technology-led capacity construction as the two foundations, taking internationalization, deepwater and new industrialization as the three development directions, and taking talents, market, cost, risk control and information construction as the five starting points", systematically forming ten major equipment with "large lifting pipe-laying vessel sequence", "1500m-level deepwater operation ROV sequence", "construction site and construction equipment" as the core, and ten technologies with "deepwater floating platform technology", "underwater system and product technology", "super-large offshore structure and modular technology" as the core. The Company has provided high-quality products and services for domestic and foreign owners such as CNOOC Limited, ConocoPhillips, Shell, Saudi Aramco, Petrobras, Technip, MODEC, and FLUOR, with business covering more than 20 countries and regions.

The Company has been listed on ENR's Top 250 International Contractors and Top 250 Global Contractors for two consecutive years.

(II) Business model

COOEC undertakes engineering contracts in the form of EPCI general contracting or subcontracting, participates in the construction of offshore oil and gas field engineering, LNG, FPSO, offshore wind power and other projects, and provides customers with "turnkey" projects. Driven by scientific and technological innovation and industrial model change, the Company is accelerating its transformation into an international EPC contractor; accelerating the transformation of business structure to low-carbon, green and full industrialization; accelerating the transformation of production mode to standardization and digitalization and intelligentizaiton; by enhancing the value creation ability in all aspects, the Company provides customers with "a package of" solutions for marine and energy engineering.

IV. Core competitiveness during the reporting period

√ Applicable □ Not applicable

Important changes in core competencies during the reporting period:

(I) Successfully delivered Asia's first deepwater jacket "Haiji No.2", achieving new upgrades of the "Haiji" deepwater series of products, and high-level autonomy in the design and construction technology of all types of floating production, storage, and offloading (FPSO) units.

(II) Successfully created Asia's first cylindrical FPSO "Haikui No.1", with the construction cycle nearly 50% shorter than that of similar international products, further enhancing the Company's industry influence in the high-end FPSO construction field.

(III) Successfully completed the second phase construction of China's first deep-water high-pressure gas field "Deep Sea No.1", effectively supporting a 50% increase in the peak annual output of the "Deep Sea No.1" ultra-deep-water gas field.

(IV) Successfully completed the construction of the Saudi Aramco Marjan Oil and Gas Gathering and Transportation Platform, which is the heaviest and most capable international offshore oil and gas platform delivered by China, marking a new breakthrough in the international offshore oil and gas engineering construction capabilities of Chinese enterprises.

(V) Independently developed and completed a new TLP-based floating wind power technology, which obtained the Approval In Principle certificates from the China Classification Society and the Bureau Veritas, marking the Company's capability in prototype design for TLP floating wind power platforms and establishing a core competitive advantage in deep-sea wind power.

Analysis:

The design-led EPCI general contracting capacity is the foundation of the Company, which makes it stand out among many offshore oil and gas engineering general contractors at home and abroad. This unique advantage not only consolidates the Company's leading position in the domestic market, but also lays a solid foundation for its participation in international competition and expansion into overseas markets.

After more than 40 years of development and accumulation, the Company has formed a mature system of technology, equipment and capability, covering comprehensive services such as the development and design, construction, installation and maintenance of offshore oil and gas fields. With this core advantage, the Company can efficiently provide customers with "turnkey" projects and diversified engineering services.

With strong technical strength, rich project experience, advanced equipment system and excellent international competitiveness, the Company continues to consolidate its leading position in the field of offshore oil and gas engineering, and injects strong impetus into future development. Through continuous technological innovation and business expansion, the Company has helped China's offshore oil and gas development reach a new height.

(I) Domestic offshore oil and gas engineering leader and global market competitiveness

The Company is not only the only domestic large-scale offshore oil and gas engineering general contracting company, but also the outstanding representative of China's offshore oil engineering technology level. As an important force in the construction of offshore oil and gas engineering projects in China, the Company has undertaken the construction of more than 200 offshore oil and gas fields in various sea areas in China for decades. With strong brand advantages and general contracting business advantages, the Company holds a leading position in the industry in terms of capital, equipment, and scientific and technological research and development. The Company has responded positively to the country's strategic deployment regarding the construction of a new development pattern, demonstrated outstanding competitiveness in the international market, and achieved a historic leap from an engineering subcontractor to an engineering general contractor, and then to an international turnkey project general contractor, fully demonstrating its competitive advantage as a challenger in the global offshore oil and gas engineering field.

(II) Advantages of EPCI general contracting and "turnkey" engineering technology and equipment

Strong EPCI general contracting capacity in conventional waters. The Company has successfully formed a complete system of technologies, equipment and capabilities, covering the development, design, construction, installation and maintenance of offshore oil and gas fields within 300 meters of water depth, and can provide customers with "turnkey" projects and diversified engineering services. With marine engineering as the core, the Company continues to expand diversified general contracting business, extending to onshore LNG projects, clean energy and other fields. Adhering to the design-led EPCI general contracting capacity building, the Company continuously optimizes organizational efficiency, makes more efforts to tackle key issues in core technologies, upgrades the equipment standard, reduces overall costs, and strives to provide customers with higher-quality and more efficient services to promote the continuous improvement of general contracting capacity.

Relatively complete detailed design capability. The Company has a team of more than 1,000 designers providing extensive services, covering professional services from feasibility study to conceptual design, to FEED design, detailed design, fabrication design and installation design, and mature design solutions for the development of various oil and gas fields in conventional waters with a depth of up to 300 meters. At the same time, it actively builds engineering design capacity for deepwater oil and gas fields above 300 meters water depth, and has gradually accumulated key design technologies for deepwater products such as deepwater floating platform systems, deepwater sea tubes and risers, and subsea systems, and its deepwater design capacity has been continuously improved.

COOEC has the offshore floating support installation capacity for 30,000-t block and 30,000-t jacket sliding launching capacity. After years of meticulous research and development and accumulation of experience, the Company has acquired the capabilities of dynamic positioning floating installation and mooring-based floating installation in various sea areas, under different water depths and variable climatic conditions. At present, the offshore floating installation of 10,000-ton platforms has become a routine operation. It is worth mentioning that the Company has successfully implemented the floating installation of 30,000-t super-large offshore platforms and the sliding launching of 30,000-t jackets, significantly improving the efficiency of offshore oil and gas development in China. The application of the Company's floating installation technology has completely changed the traditional mode of large-scale offshore oil and gas platforms in China from cutting and construction to offshore assembly and then to offshore commissioning. This innovation has not only greatly shortened the construction period and reduced the input of fleets and resources, but also has significantly reduced the development costs of China's offshore oil and gas fields and accelerated the development process of China's offshore oil and gas.

Rich experience in offshore oil engineering project management and overseas operation capability. With more than 40 years of rich experience in domestic oil and gas field construction, the Company has successfully implemented the construction of more than 200 offshore oil and gas platform projects , especially in conventional waters within 300 meters water depth, accumulating profound construction experience and management wisdom. In recent years, the Company has brought high-quality engineering services to customers in many countries such as Australia, Saudi Arabia, Qatar, Myanmar, Brunei, Malaysia and Brazil. Through continuous training in actual practice, the Company has gradually forged and strengthened its execution and coordination capabilities for overseas projects, comprehensively improved the efficiency of overseas operations, and demonstrated its excellent management level and efficient operation capabilities in the complex and ever-changing international engineering environment.

Mature manufacturing sites and super-large offshore platform construction capabilities, and initial results in the digital-intelligent transformation. The Company has constructed the marine engineering manufacturing bases of nearly 4 million square meters in Tianjin Binhai, Qingdao, Shandong, Zhuhai, Guangdong and other places, forming a global layout spanning north and south, complementary functions, and covering deep and shallow water. The Company has the annual processing and manufacturing capacity of more than 400,000 tons of steel structures, 30,000 tons of ultra-large conduit frame, group block and other marine platform construction capacity, and large module construction capacity. With the completion and operation of Phase II of Tianjin Intelligent Manufacturing Base, the Company has significantly improved the overall design capacity and production line efficiency, and continuously upgraded digital intelligent products. Relying on engineering contracting, the Company has successfully deployed and applied the digital twin health management system for offshore oilfields, and realized the effective trial operation of the dual delivery and maintenance system for offshore oil and gas field projects.

(III) Modular construction has entered the first echelon of the international industry, and continued to improve its reputation

Modular construction is a business card of COOEC in overseas business. With strong land construction resources and excellent management capabilities, the Company has vigorously developed the modular construction technology, undertaken and successfully completed a series of large-scale overseas LNG modular construction projects including Yamal, Gorgon, Ichthys, and Shell LNG, as well as a number of domestic LNG general contracting projects in Tianjin, Tangshan, and Zhuhai, etc., and achieved high-quality operation and on-schedule delivery of the projects, thus establishing its own position in the global modular construction market, and ranking among the top in the international industry for the capability in integrated joint construction technology. In the process of implementing such projects, the Company continued to promote the application and practice of modular technology and innovative processes, and expanded its business layout from sea to land, which injected strong impetus into the sustainable development of the Company.

(IV) The deepwater expertise level has advanced by leaps and bounds, providing the more stable development support

The Company has a robust engineering operations fleet of 19 specialized vessels, including cranes, pipe-laying vessels, underwater engineering vessels and engineering auxiliary vessels. In the deepwater field, it is equipped with 6 power-positioned underwater engineering vessels, 1 power-positioned pipe-laying crane, 17 advanced underwater robots, 1 set of deepwater soft laying system and 1 set of plow trenching machine, and other large equipment, with the capacity of 3,000m-level underwater engineering operations. In recent years, the Company has been accumulated rich experience through the implementation of dozens of underwater engineering projects, covering the installation of underwater production systems, anchorage system treatment, deepwater soft laying, subsea trenching, and inspection and maintenance of underwater facilities. In particular, the Company has successfully implemented the first batch of truly large-scale deepwater projects in China, such as Liuhua 16-2, Liuhua 29-1 and Lingshui 17-2 projects, and initially formed a series of comprehensive deepwater business capabilities such as deepwater semi-submersible platform, deepwater steel suspension line riser, underwater production system, deepsea pipeline laying. Especially, the Company has successfully delivered "Deep Sea No.1", "Haiji No.1" and other important equipment, marking that China's offshore oil development capacity enters the ultra-deepwater era.

(V) The new driving forces for development have been cultivated and the new advantages for development have been built, making the development potential more stronger.

Engineering business continues to grow. The Company keeps up with the market trend and actively explores the emerging marine engineering field. Relying on independent innovation, the Company continues to increase its scientific research investment in the FPSO field, and has successfully undertaken heavyweight FPSO projects at home and abroad, such as the P67/P70 FPSO in Brazil, Shell Penguins Cylindrical FPSO, and Liuhua 16-2 Project FPSO, accumulating rich experience in super-large FPSO general contracting management and technical strength, and making it become a FPSO engineering general contractor and a leader in the field of international FPSO general contracting.

Emerging business continues to expand. The Company has undertaken a number of emerging industry projects such as Qingzhou VI offshore wind power project, Wenchang deep-sea floating wind power project, and subsea data center project. Among them, the domestic first deep-sea floating wind power platform "CNOOC Guanlan" was successfully delivered, raising China's independent development capability for offshore wind power to a new height; the Enping 15-1 offshore carbon dioxide storage demonstration project was officially put into operation, with an annual carbon storage capacity of up to 300,000 tons, marking an important breakthrough of the Company in CCUS technology; the data cabin of the world's first subsea data center was successfully installed after overcoming a series of technical problems, demonstrating the Company's technological innovation strength.

The industrial model continues to be innovated. Upholding the concept of "prefabricated design, modularized manufacturing and modular installation", the Company has promoted the in-depth development of engineering standardization. The Company has systematically completed the finalized design results and process flow chart, and released the general component atlas, technical specifications, and serialized documents of materials and equipment, so that the standardized technical results could be applied in more than 20 capacity construction projects.

Digital-intelligent transformation is accelerated. The Company's intelligent manufacturing base (phase II) was completed and put into production in Tianjin, with the overall designed production capacity doubling and the overall production efficiency improved by more than 22%. Digital intelligent products have been continuously upgraded, and the digital twin health management system has been extended and applied to projects such as Haiji No.2 and Lufeng 12-3; the dual delivery and maintenance system for projects was successfully commissioned in Caofeidian 6-4 Project; the domestic first offshore pipeline laying information system was launched and put into trial operation, realizing the visual operation and information management of offshore pipeline laying.

V. Primary operations during the reporting period

During the reporting period, the Company reported operating revenue of RMB 29.954 billion, down 2.59% YoY; the net profit attributable to shareholders of the listed company was RMB 2.161 billion, up 33.38% YoY. As at December 31, 2024, total assets amounted to RMB 48.231 billion; net assets attributable to shareholders of the listed company sit at RMB 26.267 billion; asset-liability ratio was 41.38%; capital structure remained sound with adequate cash flows.

(I) Analysis of primary business

1. **Changes in related subjects in the income statement and the statement of cash flows**

Unit: RMB'0,000

Item	Amount in this period	Previous year	Change (%)
Operating revenue	2,995,441.59	3,075,203.75	-2.59
Operating costs	2,627,480.22	2,744,626.19	-4.27
Selling expenses	3,443.84	2,062.65	66.96
Administrative expenses	36,059.72	32,262.48	11.77%
Financial expenses	-14,604.42	-5,670.58	Not applicable
Research and development expenses	122,733.73	118,628.34	3.46
Net cash flows from operating activities	385,024.86	512,492.41	-24.87
Net cash flows from investing activities	-310,465.50	-194,997.95	Not applicable
Net cash flows from financing activities	-77,562.90	-105,176.84	Not applicable
Other income	29,235.91	8,028.96	264.13
Investment income	20,154.44	26,231.80	-23.17
Gains from changes in fair value	10,697.32	11,350.75	-5.76
Credit loss	-188.17	-19,753.82	Not applicable
Losses from asset impairment	-2,637.02	-4,567.81	Not applicable
Non-operating revenue	5,106.31	3,623.29	40.93

Item	Amount in this period	Previous year	Change (%)
Non-operating expenses	999.14	2,746.33	-63.62
Other comprehensive income, net of tax	-1,985.23	-2,110.54	Not applicable

Reasons for changes in operating revenue: during the reporting period, the Company achieved operating revenue of RMB 29.954 billion, down RMB 798 million or 2.59% YoY, mainly due to the slight decrease in the workload of land construction, leading to a YoY decrease in the revenue from the construction sector.

Reasons for changes in operating cost: the operating cost was RMB 26.275 billion, down RMB 1.171 billion or 4.27% YoY, mainly due to the combined impact of the Company's enhancement of its cost advantage by continued cost reduction, quality improvement and efficiency enhancement, and a slight decrease in the workload of land construction.

Reasons for changes in selling expenses: the selling expenses were RMB 34 million, up RMB 14 million or 66.96% YoY, mainly due to the Company's active expansion of its overseas markets, which increased selling expenses accordingly.

Reasons for changes in administrative expenses: the administrative expenses were RMB 361 million, up RMB 38 million or 11.77% YoY, mainly due to the Company's improvement of its management capabilities through multiple measures, which increased administrative expenses accordingly.

Reasons for changes in financial expenses: The financial expenses were -RMB 146 million, down RMB 89 million YoY, mainly due to the Company's continued strengthening of cash flow management, which increased interest income and exchange gains YoY.

Reasons for changes in research and development expenses: the research and development expenses were RMB 1.227 billion, up RMB 41 million or 3.46% YoY, mainly due to the Company's continuous independent scientific and technological innovation, and promotion of the research of a number of key core technologies, which increased research and development investment.

Reasons for changes in net cash flows from operating activities: the net cash flows from operating activities were RMB 3.85 billion, down RMB 1.275 billion YoY, mainly due to the timing difference in receipts and payments, with the overall cash flow remaining abundant.

Reasons for changes in net cash flows from investing activities: the net cash flows from investing activities were -RMB 3.105 billion, up RMB 1.155 billion in terms of outflows YoY, mainly due to changes in asset investment expenditures and wealth management amounts.

Reasons for changes in net cash flows from financing activities: the net cash flows from financing activities were -RMB 776 million, down RMB 276 million in terms of outflows YoY, mainly due to the impact of dividend distribution in the current year, new long-term lease business and repayment of loans in the same period last year.

Reasons for changes in other revenue: the other revenue was RMB 292 million, up RMB 212 million or 264.13% YoY, mainly due to the receipt of RMB 233 million in consumption tax refunds in the current year.

Reasons for changes in investment income: the investment income was RMB 202 million, down RMB 61 million or 23.17% YoY, mainly due to year-on-year decrease in wealth management income caused by changes in market interest rates.

Reasons for changes in profit or loss from changes in fair value: the profit or loss from changes in in fair value were RMB 107 million, down RMB 7 million or 5.76% YoY, mainly due to year-on-year decrease in wealth management income caused by changes in market interest rates.

Reasons for changes in credit loss: the credit loss was -RMB 2 million, down 196 million YoY, mainly due to the provision for credit loss of -RMB 158 million made on a single basis in the previous year.

Reasons for changes in losses from asset impairment: the losses from asset impairment were -RMB 26 million, down RMB 19 million, mainly due to the year-on-year increase in provision for inventory depreciation by RMB 23 million and the year-on-year decrease in impairment of contract assets by RMB 42 million.

Reasons for changes in non-operating revenue: the non-operating revenue was RMB 51 million, up RMB 15 million or 40.93% YoY, mainly due to the year-on-year increase in compensation income from contract breach.

Reasons for changes in non-operating expenses: the non-operating expenses were RMB 10 million, down RMB 17 million or 63.62% YoY, mainly due to the overdue interest of RMB 16 million accrued by COOEC-Fluor in accordance with the arbitration application.

Reasons for changes in other comprehensive income, net of tax: the other comprehensive income, net of tax was -RMB 20 million, up RMB 1 million YoY, mainly due to the impact of translation of foreign currency financial statements.

Significant changes in COOEC's business type, profit composition or profit sources during the period

□ Applicable √ Not applicable

2. Revenue and cost analysis

√ Applicable □ Not applicable

See below for an analysis of the specific components of revenues and costs.

(1) Primary business by industry, by product, by region and by sales model

Unit: RMB 100 million

Primary business by industry						
By industry	Operating revenue	Operating costs	Gross margin (%)	Increase/decrease of operating revenue when compared with the previous year (%)	Increase/decrease of operating cost when compared with the previous year (%)	Increase/decrease of gross margin when compared with the previous year (%)
Marine engineering	271.70	239.25	11.94	20.10	16.09	Increase of 3.04 ppt
Non-marine engineering	27.84	23.50	15.59	-65.76	-65.63	Decrease of 0.31 ppt
Primary business by region						
By region	Operating revenue	Operating costs	Gross margin (%)	Increase/decrease of operating revenue when compared with the previous year (%)	Increase/decrease of operating cost when compared with the previous year (%)	Increase/decrease of gross margin when compared with the previous year (%)
In China	241.72	210.19	13.04	-2.37	-6.25	Increase of 3.60 ppt
Overseas	57.82	52.56	9.10	-3.52	4.60	Decrease of 7.05 ppt

Primary business by industry, by product, by region and by sales mode

① Analysis of primary business by industry

In terms of primary business by industry, the revenue and cost from marine engineering increased significantly, mainly due to the workload of marine engineering land construction remaining high in the current year, and the year-on-year increase in the workload of offshore installation, resulting in the increase in the revenue scale and cost scale of marine engineering industry accordingly. The gross margin of marine engineering increased year on year, mainly due to the Company's continuous promotion of value management, year-on-year increase in the site utilization rate and vessel operation rate, and further improvement of operation and management ability.

The revenue from non-marine engineering industry mainly comes from the construction revenue of LNG storage tanks and receiving terminal projects in Tangshan, Tianjin, Longkou, Zhangzhou, Zhuhai, Hong Kong, and Canada, etc. Due to the decrease in project workload compared with the previous year, the revenue scale and cost scale decreased accordingly. However, due to the Company's continuous strengthening of full-cycle project management, the overall gross margin was basically the same as that of the same period last year.

② Analysis of primary business by region

In terms of primary business by region, the revenue and cost from domestic projects decreased slightly, but the gross margin of domestic projects increased significantly compared with the same period of last year, mainly due to the Company's continued strengthening of operation management, the YoY increase in site utilization rate and vessel operation rate, and improvement of profitability brought by the high-quality delivery of domestic oil and gas projects. The revenue and gross margin of overseas projects decreased YoY, mainly due to the steady development of the Company's overseas business. Overseas projects are currently in the early stage of construction.

(2) Production and sales analysis

□ Applicable √ Not applicable

(3) Performance of major procurement contracts and major sales contracts

□ Applicable √ Not applicable

(4) Cost analysis

Unit: RMB 100 million

By industry							
By industry	Cost composition	Current period	Percentage of total costs in the current period (%)	Previous period	Percentage of total costs over the same period last year (%)	YoY change (%)	Notes
Oil and gas engineering	Material costs	68.00	25.88	83.00	30.24	-18.07	
	Labor costs	36.88	14.04	33.58	12.23	9.83	
	Depreciation and amortization	15.43	5.87	13.59	4.95	13.54	
	Fuel costs	11.40	4.34	10.79	3.93	5.65	
	Project costs	131.04	49.87	133.50	48.65	-1.84	
	Total	262.75	100.00	274.46	100.00	-4.27	

Other notes on cost analysis

① Material costs decreased by 18.07% year-on-year, mainly due to the Company's continuous promotion of cost reduction, quality improvement and efficiency enhancement, and maintenance of reasonable procurement prices through category-based procurement and long-term contracts, and year-on-year decrease steel costs affected by the reduction in the workload of land construction.

② Fuel costs increased by 5.65% year-on-year, mainly due to the increase in offshore business volume and the year-on-year increase in offshore installation vessel days, which led to a year-on-year increase in fuel costs.

③ Project costs decreased by 1.84% year-on-year, mainly due to the Company's strengthened resource coordination and improved construction efficiency, which led to a year-on-year decrease in project costs.

The breakdown of the composition of project costs is shown in the following table:

Unit: RMB 100 million

Cost composition items	Cost composition breakdown	Current period	Percentage of cost in the current period (%)	Previous period	Percentage of cost over the same period last year (%)	YoY change (%)
Project costs	Subcontracting fee for land construction work	98.45	75.13	107.32	80.39	-8.27
	Vessel subcontracting fees	15.71	11.99	12.95	9.70	21.31
	Other expenses such as vessel docking and port miscellaneous	16.88	12.88	13.23	9.91	27.59
	Total	131.04	100.00	133.50	100.00	-1.84

(5) Changes in the scope of consolidation due to changes in the shareholdings of major subsidiaries during the reporting period

√ Applicable □ Not applicable

During the reporting period, the Company completed the transformation of COOEC Saudi Limited from a branch to a subsidiary, and included COOEC Saudi Limited into the scope of consolidation in 2024.

(6) Significant changes or adjustments in COOEC's business, products or services during the reporting period

□ Applicable √ Not applicable

(7) Major sales customers and major suppliers

A. Major sales customers of COOEC

√ Applicable □ Not applicable

Sales to the top five customers amounted to RMB 24.5586116 billion, accounting for 81.99% of the total annual sales; among the sales to the top five customers, sales to related parties amounted to RMB 22.2001175 billion, accounting for 74.11 % of the total annual sales.

The proportion of sales to a single customer during the reporting period exceeded 50% of the total, and there were new customers among the top 5 customers or heavy dependence on a few customers

√ Applicable □ Not applicable

Unit: RMB'0,000

No.	Customer name	Sales amount	Proportion in total annual sales (%)
1	CNOOC Limited	2,119,490.38	70.76

B. Main suppliers

√ Applicable □ Not applicable

Purchases from the top five suppliers amounted to RMB 3.3161176 billion, accounting for 16.26% of the total annual purchase; among purchases from the top five suppliers, purchases from related parties amounted to RMB 1.8612615 billion, accounting for 9.13% of the total annual purchase.

The proportion of purchases from a single supplier exceeded 50% of the total amount during the reporting period, and there were new suppliers among the top 5 suppliers or heavy dependence on a few suppliers

□ Applicable √ Not applicable

Other notes:

None

3. Costs

√ Applicable □ Not applicable

For selling expenses, administrative expenses and financial expenses, please refer to the corresponding analysis in the "analysis of changes in related subjects in the income statement and the statement of cash flows" above.

4. R&D investment

(1) R&D investment

√ Applicable □ Not applicable

Unit: RMB'0,000

Expensed R&D investment for the period	122,733.73
Capitalized R&D investment for the period	0
Total R&D investment	122,733.73
Ratio of total R&D investment to operating revenue (%)	4.10
Share of R&D investment capitalized (%)	0

(2) R&D personnel

√ Applicable □ Not applicable

Number of R&D personnel	1,878
Proportion of the number of R&D personnel to the total number of employees (%)	19.12
Educational structure of R&D personnel	
Academic structure category	Number of persons
PhD	34
Postgraduate	622
Undergraduate	1,144
College	65
High school and below	13

Age structure of R&D personnel	
Age structure category	Number of persons
Under 30 years old (excluding 30 years old)	283
30-40 years old (including 30 years old, excluding 40 years old)	699
40-50 years old (including 40 years old, excluding 50 years old)	821
50-60 years old (including 50 years old, excluding 60 years old)	75

Age structure of R&D personnel	
Age structure category	Number of persons
60 years old and above	0

(3) Notes

√ Applicable □ Not applicable

In 2024, the Company was committed to deepening the technological innovation of strategic emerging industries such as floating bodies, underwater, clean energy and intelligence. The annual R&D investment in science and technology was RMB 1.227 billion, up 3.46% YoY. The Company made new breakthroughs in the key core technologies of a series of high-end products, and successfully achieved engineering demonstration applications of the independently developed series of products such as "Haikui", "Haiji", "single-point liquid slip ring" and "large deepwater jacket leveler". In addition, jacket accessories and other product series were also promoted and applied in projects such as "Haiji No.2" and "Xijiang 30-2". The Company overcame a number of key technologies such as large-megawatt floating wind power platform and the world's first kilometer-level underwater intelligent launching manifold, and promoted the transformation of 308 scientific and technological achievements. At the same time, 5 (sets of) equipment such as the underwater complex manifold system were included into the Promotion Catalogue of the First (Set) Major Technical Equipment (2024) issued by the Ministry of Industry and Information Technology, seizing a new track in the national industrial field and realizing the autonomy and control in major products and equipment.

(4) Reasons for the significant changes in the composition of R&D personnel and the impact on the future development of COOEC

□ Applicable √ Not applicable

5. Cash flows

√ Applicable □ Not applicable

For the analysis of cash flow indicators such as net cash flow from operating activities, net cash flow from investing activities and net cash flow from financing activities, please refer to the analysis of changes in relevant accounts in the income statement and the statement of cash flows above.

(II) Significant changes in profit due to non-primary business

□ Applicable √ Not applicable

(III) Analysis of assets and liabilities

√ Applicable □ Not applicable

1. Assets and liabilities

Unit: RMB'0,000

Project name	Amount as at the end of this period	Ratio of the amount at the end of the current period to total assets (%)	Amount as at the end of the previous period	Ratio of the amount at the end of the previous period to total assets (%)	Proportion of change in the amount at the end of the current period compared with that at the end of the previous period (%)	Notes
Monetary funds	606,704.22	12.58	432,081.13	9.99	40.41	
Notes receivable	893.55	0.02	-	0.00	Not applicable	
Advances to suppliers	95,845.25	1.99	40,745.12	0.94	135.23	
Other receivables	23,230.55	0.48	2,090.67	0.05	1,011.15	
Non-current assets maturing within one year	-	-	66,743.01	1.54	-100.00	
Right-of-use assets	85,754.97	1.78	12,099.13	0.28	608.77	
Notes payable	11,560.20	0.24	41,185.44	0.95	-71.93	
Contract liabilities	231,811.06	4.81	100,641.06	2.33	130.33	
Taxes and surcharges payable	55,272.52	1.15	38,136.48	0.88	44.93	
Non-current liabilities maturing within one year	50,530.59	1.05	6,057.75	0.14	734.15	

Project name	Amount as at the end of this period	Ratio of the amount at the end of the current period to total assets (%)	Amount as at the end of the previous period	Ratio of the amount at the end of the previous period to total assets (%)	Proportion of change in the amount at the end of the current period compared with that at the end of the previous period (%)	Notes
Long-term borrowings	13,000.40	0.27	22,000.67	0.51	-40.91	
Lease liabilities	59,651.54	1.24	6,686.42	0.15	792.13	
Estimated liabilities	59,985.96	1.24	31,515.90	0.73	90.34	
Total assets	4,823,088.27	100.00	4,325,166.35	100.00	11.51	
Total liabilities	1,995,570.48	41.38	1,647,330.89	38.09	21.14	
Net assets attributable to shareholders of the listed company	2,626,652.03	54.46	2,479,459.37	57.33	5.94	

Other notes:

Monetary funds grew by RMB 1.746 billion or 40.41% from the end of the previous year, mainly due to the strengthened cash flow management and good project returns, resulting in the increase in monetary funds from the beginning the period.

Notes receivable went up by RMB 9 million from the end of the previous year, mainly due to the bank drafts collected from the project settlement in the current year.

Advances to suppliers increased by RMB 551 million, or 135.23% from the end of the previous year, mainly due to the payment of advances to suppliers for materials purchased along with the progress of the project, resulting in the increase in advances to suppliers from the beginning of the year.

Other receivables grew by RMB 211 million, or 1,011.15% from the end of the previous year, mainly due to the impact of the accounting of the Uganda project implemented by the Company in accordance with the joint venture arrangements.

Non-current assets maturing within one year declined by RMB 667 million, or 100.00% from the end of the previous year, mainly due to the reclassification of certificates of deposit into those maturing within one year in the same period of last year, which did not occur in the current year.

Right-of-use assets increased by RMB 737 million, or 608.77% from the end of the previous year, mainly due to the new long-term leased vessels in the current year.

Notes payable decreased by RMB 296 million or 71.93% from the end of the previous year, mainly due to the settlement of some notes payable when they matured, resulting in the decrease in notes payable from the beginning of the period.

Contract liabilities increased by RMB 1.312 billion or 130.33% from the end of the previous year, mainly due to the billing on contract for newly started projects, resulting in the increase in contract liabilities from the beginning of the period.

Taxes and surcharges payable increased by RMB 171 million, or 44.93% from the end of the previous year, mainly due to the YoY increase in enterprise income tax to be paid.

Non-current liabilities maturing within one year increased by RMB 445 million, or 734.15% from the end of the previous year, mainly due to the impact of the reclassification of lease assets and long-term borrowings maturing within one year. The amount as at the end of the previous year was adjusted. For details, please refer to "40. Changes in significant accounting policies and accounting estimates" under "V. Significant accounting policies and accounting estimates" of Section 10 Financial Reports in this report.

Long-term borrowings went down by RMB 90 million, or 40.91% from the end of the previous year, mainly due to the impact of the reclassification of long-term borrowings maturing within one year.

Lease liabilities increased by RMB 530 million, or 792.13% from the end of the previous year, mainly due to the impact of new long-term leased vessels in the current year.

Estimated liabilities grew by RMB 285 million, or 90.34% from the end of the previous year, mainly due to the impact of the projects with potential losses and the provision for product quality margin.

Total assets climbed by RMB 4.979 billion or 11.51% from the end of the previous year, mainly due to the good control of the Company's cash flows and the increase in available funds.

Total liabilities rose by RMB 3.482 billion or 21.14% from the end of the previous year, mainly due to the high workload, the increase in billing on contract and settlement payments, and the increase in the scale of contract liabilities and accounts payable from the end of the previous year.

Net assets attributable to shareholders of the listed company increased by RMB 1.472 billion, or 5.94% from the end of the previous year, mainly due to: ① the cash dividends of RMB 650 million in the previous year distributed in the current year; ② the accumulated profit for the current year increased the undistributed profits by RMB 2.161 billion; ③ special reserves declined by RMB 20 million; ④ other comprehensive income decreased by RMB 20 million. The combined impact of the above four factors resulted in an increase in net assets from the end of the previous year.

2. Foreign assets

√ Applicable □ Not applicable

(1) Asset scale

Including: foreign assets of 12.29 (unit: RMB 100 million), accounting for 2.55% of total assets.

(2) Reasons for high percentage of foreign assets

□ Applicable √ Not applicable

3. Major assets with restricted rights as at the end of the reporting period

□ Applicable √ Not applicable

4. Other notes

□ Applicable √ Not applicable

(IV) Analysis of operating information of industry

□ Applicable √ Not applicable

(V) Analysis of investment status

Overall analysis of foreign equity investments

□ Applicable √ Not applicable

1. Significant equity investments

□ Applicable √ Not applicable

2. Significant non-equity investments

√ Applicable □ Not applicable

The Company steadily advanced in 2024 the implementation of the 14th Five-Year Plan and actively promoted the implementation of key investment projects within the 14th Five-Year Plan. The Company continuously strengthened the monitoring and process inspection of key investment projects to ensure the orderly progress of project work and the smooth and efficient operation of major investment projects. Among them, the progress of major projects is as follows:

The Tianjin Marine Engineering Equipment Manufacturing Base Project (Phase II) was officially put into operation in 2024. The planned investment in 2024 was RMB 270 million; the completed investment in 2024 was RMB 270 million; and the cumulative progress of the project was 100%.

For the multi-functional marine engineering vessel construction project, the planned investment in 2024 was RMB 93 million; the completed investment in 2024 was RMB 91 million; and the cumulative progress of the project was 22.05%.

3. Financial assets measured at fair value

□ Applicable √ Not applicable

Investment in securities

□ Applicable √ Not applicable

Investment in securities

□ Applicable √ Not applicable

Investment in private equity funds

□ Applicable √ Not applicable

Investment in derivatives

□ Applicable √ Not applicable

4. Specific progress of the reorganization and integration of major assets during the reporting period

□ Applicable √ Not applicable

(VI) Sale of significant assets and equity

□ Applicable √ Not applicable

(VII) Analysis of major holding and participating companies

√ Applicable □ Not applicable

1. **Main subsidiaries in the consolidated statements of the Company during the reporting period**

Unit: RMB'0,000

No.	Company name	Paid-in capital	Primary business and products	Total assets	Net assets	Net profit	Shareholding ratio
1	Offshore Oil Engineering (Qingdao) Co., Ltd.	300,000.00	Construction, installation, design and maintenance of offshore oil and gas projects	619,481.16	398,805.17	37,533.48	100%
2	CNOOC Offshore Engineering Solutions Co., Ltd.	228,561.47	Offshore oil underwater engineering services and marine pipe maintenance	934,190.22	479,685.40	9,886.68	100%

(1) Analysis of the net profit of individual subsidiaries accounting for more than 10% of COOEC's net profit:

Offshore Oil Engineering (Qingdao) Co., Ltd. achieved operating revenue of RMB 4.535 billion and net profit of RMB 375 million in 2024, accounting for more than 10% of COOEC's consolidated net profit, mainly due to the onshore workload remaining high, and the smoothly released capacity on construction site, resulting in an increase of RMB 240 million or 56.68% in net profit compared with the same period of the previous year.

(2) Analysis of the significant fluctuations in the results of individual subsidiaries, which had a significant impact on the net profit of COOEC:

The performance fluctuation analysis of Offshore Oil Engineering (Qingdao) Co., Ltd. is the same as above.

CNOOC Offshore Engineering Solutions Co., Ltd. obtained operating revenue of RMB 4.949 billion and net profit of RMB 99 million in 2024 (down RMB 480 million or 79.40% YoY), mainly due to the subsidiary's development of new business, resulting in revenue increase YoY, less than cost increase.

2. **Major equity participation enterprises during the reporting period**

Company name	Registered capital (RMB'0,000)	Date of registration	Business scope	Paid-in contributions (RMB'0,000)	Shareholding ratio
CNOOC Finance Co., Ltd.	400,000	June 2002	Handling of deposits, loans and financing lease of member units	7,067.14	1.77%

(VIII) Structured entities controlled by COOEC

□ Applicable √ Not applicable

VI. Discussion and analysis of COOEC on its future development

(I) Industry pattern and trend

√ Applicable □ Not applicable

With the continuous fluctuation in international oil prices and the deep adjustment of the global energy structure, the global energy industry has shown new development characteristics and trends. The development of new energy industry is accelerating, and the integration trend of traditional oil and gas industry and renewable energy is becoming more and more obvious. The changes in the geopolitical landscape have a profound impact on the energy market, but at the same time, it also promotes the process of energy transformation. China's energy economy is on a positive trend, and the marine economy and marine energy industry are ushering in new development opportunities.

1. **Opportunities**

(1) The adjustment of the global energy pattern promotes new opportunities for the industry. The International Energy Agency (IEA) predicts that by 2030, renewable energy will meet nearly half of the world's electricity demand, and energy transformation will accelerate. Marine energy, especially offshore wind power, hydrogen energy engineering and other emerging fields, has broad development space, and the market potential of marine energy equipment manufacturing and technical services is huge.

(2) China further advances the energy security strategy. The 14th Five-Year Plan for Modern Energy System issued by the

National Development and Reform Commission (NDRC) and the National Energy Administration (NEA) points out that efforts shall be made to enhance the security and stability of the energy supply chain, promote the green and low-carbon transformation of energy production and consumption patterns, improve the modernization level of the energy industry chain, and accelerate the construction of a clean, low-carbon, safe and efficient energy system, and an energy power. The integrated development of offshore oil and gas exploration and development and marine new energy has become an important support for national energy security.

(3) The marine economy shows a good development trend. According to the 2024 Statistical Bulletin of China's Marine Economy, China's total marine economy in 2024 exceeded RMB 10 trillion for the first time; the ability to ensure the supply of marine resources was steadily improved; new quality productive forces continued to empower the construction of a modern marine industrial system; the marine economy showed a strong momentum of development; and the economic aggregate reached a new level.

(4) Breakthroughs in green energy technologies bring new opportunities. In 2024, important progress was made in green energy technologies such as hydrogen energy and carbon capture and storage worldwide, providing new technical paths and business models for traditional oil and gas enterprises to achieve low-carbon transformation.

2. Challenges

(1) Increased geopolitical risks affect the energy market. The intensified volatility of the energy market increases the uncertainty of the Company's operations.

(2) The energy transformation leads to intensified competition in the industry. With the advancement of new energy technologies and the decline of costs, traditional oil and gas enterprises are facing transformation pressure. The rapid development of digital and intelligent technologies requires enterprises to increase technological investment and improve innovation capabilities.

(3) Global economic uncertainty affects market demand. In 2024, the global economic recovery slowed down, with the economic growth of major economies facing downward pressure, and the momentum of energy consumption growth weakened, causing a certain impact on the investment and operation of the energy industry.

(4) Technological changes bring disruptive challenges to the industry. The in-depth application of new-generation information technologies such as artificial intelligence, big data and blockchain in the energy industry is reshaping the competitive landscape of the industry. Traditional enterprises must accelerate digital transformation to remain competitive.

Overall, the global energy industry will continue to move forward in a complex and volatile environment. China's marine energy engineering industry will usher in new development opportunities with the support of national strategies, but it also needs to face up to the challenges brought by technological changes and market competition. The Company will continue to improve its technological innovation capability, expand the international market and achieve high-quality development.

(II) Development strategy of the Company

√ Applicable □ Not applicable

Key points of the 14th Five-Year Plan and 2035 Strategy and Plan of COOEC:

1. Development ideology

Guided by market demand, COOEC will fully support the service of CNOOC to increase storage and production, and seek development opportunities and growth space for the global energy engineering and marine engineering markets; in line with the green and low-carbon development and digital transformation of the global energy industry, accelerate its entry into the green energy engineering industry, accelerate the introduction of intelligent production methods, create intelligent product development and production capacity, and build up its market competitiveness in the intelligent era; under the concept of innovative development, drive its high-quality development by scientific and technological innovation and management innovation; insist on value and goal-led, transforming development methods, continuously improving institutional mechanisms and stimulating corporate vitality.

2. Development orientation

To serve the national strategy as its mission, to focus on customers, to adhere to high-quality development, and to build a world class marine energy engineering company with Chinese characteristics.

3. Development strategy

To firmly implement the Company's "1235" development strategy, that is, to insist on the EPCI general contracting capacity building with design as the leader as the only core; to take operation and management ability and technology leading ability as the two foundations; to take internationalization, deepwater and new industrialization as the three development directions; to take talents, market, cost, risk control and informatization as the five key points.

Planning and deployment and key tasks for development in the 14th Five-Year period

Planning and deployment	Key tasks
I. Outstanding engineering service capacity building	(I) Fully support to ensure the increase of domestic oil and gas reserves and production
	(II) Improve and strengthen the value chain of marine engineering industry
II. Accelerate the upgrading of industry	(III) Transform and upgrade traditional oil and gas engineering to high-end products and services
	(IV) Continue to strengthen LNG engineering and accelerate the development of new energy industries
III. Strive to promote innovation-driven development	(V) Research key core technology of science and technology innovation with technical empowerment
	(VI) Conduct top-down design and accelerate the implementation of digital transformation strategy
	(VII) Undertake the platform and achieve effective construction of digital offshore engineering
IV. Steadily promote international development	(VIII) Under the market-led approach, strengthen the three regional platforms
	(IX) Take multiple measures to enhance international operation and control capability
V. Integrate COOEC into major national development strategies	(X) Integrate COOEC into the national regional development strategy and help the coordinated development of the region
	(XI) Respond to the Belt and Road initiative and expand international cooperation

(III) Operation plan

√ Applicable □ Not applicable

The year 2025 is the ending year of the Company's "14th Five-Year Plan" and the key year for the layout and planning of new development in the "15th Five-Year Period".

1. **Deepen strategic empowerment and consolidate the foundation for solid development**

   Insist on the strategic development positioning of "engineering + product + service" multi-format integration, continue to strengthen the guarantee for stable growth, stabilize the domestic market base, develop the incremental overseas market, and expand emerging industries.

   (1) Continue to build EPCI general contracting capacity, and provide customers with better and more efficient services by optimizing the layout of site resources, strengthening the construction of vessel resources, and extending the product industry chain.

   (2) Focus on the intelligent fixed platforms, the serialized floating platforms, and the modularized oil and gas infrastructure, promote the expansion of marine engineering equipment to high-end equipment, create a series of product systems from point to surface, and accelerate the transformation to a "package" solution led by series of products.

   (3) Actively expand onshore refining-chemical integration, oil and gas terminal and other business, explore the layout of energy-saving and eco-friendly protection industries such as waste disposal and recycling, and promote the Company's extension from offshore to onshore; steadily expand new markets such as floating wind power, CCS/CCUS, hydrogen energy, offshore photovoltaic, FLNG, and engineering professional vessels, and promote the Company's extension from traditional oil and gas business to emerging industries.

2. **Strengthen technology leadership and consolidate the foundation for innovative development**

   (1) Make every effort to promote the research of core technologies, and accelerate the breakthrough in floating and underwater technologies such as integrated internal turret buoy single point design, underwater all-electric system design, and underwater pressurization; strive to build a 1,500-meter-level floating oil storage device and underwater production system technology system by 2025.

   (2) Strengthen the layout of cutting-edge technologies with forward-looking thinking, focus on future energy, future manufacturing, future network and other industries, and systematically study and deploy a number of cutting-edge technology research topics to build future development advantages, to lay a solid foundation for the Company to open up a new track and cultivate new quality productive forces.

3. **Focus on lean management and consolidate the foundation for sustainable development**

   (1) Continue to promote accurate efficiency improvement of business, increase efforts to create efficiency from resources, and gradually realize the efficiency of resource operation from "domestic benchmark" to "international first-class".

   (2) Deeply promote value management, establish a billboard of core benefit indicators, lead the Company's development through value indicators, and improve the Company's cost competitive advantage.

   (3) Deeply release the efficiency of data governance, and based on the digital technology platform, accelerate the migration, integration and application improvement of management systems at all levels, to maximize the mining and release of data value, and make data a powerful method for assisting production and operation decision making.

(IV) Possible risks

√ Applicable □ Not applicable

1. International business risk

The Company strategically increases its emphasis on overseas markets and puts forward higher requirements for overseas market share. Due to changes in the international environment and other reasons, the project implementation may be adversely affected by changes in the national/regional situation.

Countermeasures: obtain market information through multiple channels, closely follow and pay attention to changes in the political, economic and legal environment of relevant countries, fully evaluate the impact on overseas strategic development and business operations of overseas companies, and regularly publish the Country Risk List for Market Development; further optimize and improve the risk classification and risk matters at all stages of the whole project process, promote and supervise the effective application of the risk register, and plan to fix the risk list through the "market development business management system", and do a good job in risk identification, tracking and response; further optimize and improve the policy system of overseas institutions, and fix and manage relevant risks with the system.

2. QHSE risks

As an EPCI general contractor in the marine energy industry, the Company aims to provide customers with high-quality products, so quality management is particularly important. However, the offshore oil and gas field is high-risk, which poses higher challenges to the Company's safety management.

Countermeasures: continuously improve the QHSE grassroots foundation, system and mechanism, personnel quality, management mode, risk control, emergency response and other process management of the Company; clarify the work safety responsibilities of all employees, and strengthen the supervision and guidance on the on-site implementation of "six responsibility grid matrices", "four lists", "responsibility list" and "one person, one card"; study and establish the QHSE management system and mechanism suitable for the local area (or project); continue to improve the comprehensive ability of the professional team, and focus on promoting the construction of overseas project management team through special training for full-time safety management team and international personnel training.

3. Risks arising from oil price fluctuations

Affected by the supply and demand and international geopolitics, the oil price shows periodic fluctuations. The fluctuation in oil price increases the uncertainty of investment. As an EPCI general contractor in the marine energy industry, the Company may be certainly affected in market contracting by large fluctuations in oil price.

Countermeasures: strengthen the oil price tracking, research and judgment, and play a guiding and early warning role for the Company to carry out business management; continuously optimize the business structure on the premise of maintaining the continuous increase of the Company's business; improve the performance appraisal system, formulate the corresponding supporting policies, and promote the completion of the Company's market development goals; dynamically adjust the Strategic Map of Market Development to clarify the business direction, business structure and responsible units, and promote the continuous optimization of the Company's business portfolio.

4. Procurement and supply chain management risks

In the context of increasing uncertainty in the global supply chain, the Company needs to strengthen supply chain management and risk control, enhance the security and resilience of the supply chain, and ensure the smooth implementation and delivery of projects.

Countermeasures: establish differentiated procurement management requirements and improve the supply chain system; continue to promote the construction of resource pools and improve the resilience of supply chain; establish a category construction plan, and a differentiated category strategy, and continuously improve the coverage of category agreements; determine the list of reserved goods and start time according to the risk level and demand plan to ensure sufficient goods within a certain period of time; give full play to the advantages as the leader of the Tianjin Marine Equipment Industry (Talent) Alliance, promote the cooperation efficiency of the alliance's close linkage by organizing enterprise exchanges within the alliance, overcome challenges in industrial development, and help the marine equipment industry achieve high-level independent development.

5. Other risks

In addition to the risks described above, the Company may face some other risks in the process of business development, such as compliance management risk, risk of fluctuation in exchange rate, risk of impact of new energy on traditional oil industry, social/public security risk, and information security risk. The Company will do its best to effectively avoid and respond to risks according to the situation.

(V) Others

√ Applicable □ Not applicable

COOEC's green and low-carbon development ideas (which do not constitute an actual commitment to investors)

1. **General idea**

With the responsibility of promoting the green and low-carbon development of the energy industry, the Company keeps up with the pace of the world's energy transformation and development, adhere to market demand orientation, take technological innovation as the core, and strive to build new quality productive forces, and the Company's green and low-carbon engineering technology service capabilities. The Company deepens the oil and gas engineering business, and provides low-carbon engineering technology solutions for offshore oil and gas development; accelerates the development of new energy engineering business, and provides innovative engineering technology services for offshore wind power, offshore onshore power, hydrogen engineering, and offshore integrated energy development and utilization, etc.; actively develops carbon reduction engineering business, and provides CCUS engineering technology services for energy development and utilization, etc.

2. **Planning and deployment**

(1) Provide low-carbon solutions based on technological innovation for offshore oil and gas development

The Company is committed to carrying out FEED innovation aimed at reducing emissions, and providing innovative development solutions for offshore oil and gas field development to reduce carbon dioxide and methane emissions during the production; improves the efficiency of offshore oil and gas field production operations through technological innovation, including recommending efficient power generation units and improving treatment processes in block design; reduces conventional carbon emissions through technological innovation, including the cancellation of the flare, recycling associated gas, and strengthening methane leakage detection and other technical measures.

(2) Strengthen the whole LNG industry chain and adhere to the EPCM general contracting development mode

The Company is committed to strengthening the general contracting business of LNG receiving terminal and storage projects, building the general contracting capacity of natural gas liquefaction plants, and actively expanding high-end business areas such as FSRU (floating storage and regasification unit) and FLNG (floating liquefied natural gas unit); adheres to the EPCM general contracting development mode, continues to strengthen the capacity building of design, procurement and resource management, and gradually achieve a qualitative leap in general contracting management; at the same time, promotes the construction of "smart site" by means of informatization and digital means, and strives to become a first-class LNG project general contractor in China.

(3) Cultivate the ability of the whole industry chain of offshore wind power engineering general contracting

Relying on offshore engineering experience and comparative advantages, the Company accelerate the development of offshore wind power industry by benchmarking the European offshore wind power development model with high quality; focuses on the development of deepwater floating wind power, large booster stations and converter stations; builds general contracting capabilities based on the advantages of offshore wind power engineering design and project management; through technological and business model innovation, continuously optimizes the cost structure of construction, installation and other business links to improve the competitiveness of the whole business chain of offshore wind power EPCI; with design optimization, modular intelligent manufacturing, digital delivery and offshore installation mode innovation as the entry point, explores feasible ways to reduce costs and increase efficiency in the whole life cycle of the offshore wind power industry and creates integrated innovative solutions.

(4) Strengthen the ability of general contracting for the whole industry chain of offshore onshore power

In order to improve the power design qualification level and lead the leap and development of offshore onshore power general contracting capabilities, the Company continues to build a whole industry chain layout with design as the core and extending to the construction and installation of offshore transformer stations and the laying and maintenance of submarine cables; while giving priority to meeting the needs of increasing reserves and production and green development in the Bohai Sea region, the Company accelerates the layout and development in other regional markets and internationalization.

VII. Situation and reasons for no disclosure due to COOEC's non-application of the guidelines or special reasons such as state secrets and commercial secrets

□ Applicable √ Not applicable

Corporate Governance

I. Explanation of information related to corporate governance

√ Applicable □ Not applicable

COOEC has established a standardized and clear corporate governance structure and formed a scientific and effective mechanism of division of duties and checks and balances in accordance with laws and regulations such as the Company Law, the Securities Law, the Code on Governance of Listed Companies and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, and the requirements of the CSRC, the Shanghai Stock Exchange and other regulatory bodies. The general meeting enjoys the powers stipulated in laws and regulations and the Articles of Association of COOEC, and exercises the right to make decisions on major matters such as COOEC's operation policy, fund raising, investment and profit distribution in accordance with the law; the Board of Directors is responsible to the general meeting, and exercises the right to implement the resolutions of the general meeting and the right to make business decisions within the prescribed scope in accordance with the law; the Board of Supervisors is responsible to the general meeting, and inspects and supervises COOEC's financial affairs, internal control and the performance of duties by senior officers, etc.; the management is responsible for organizing and implementing the resolutions of the general meeting and the Board of Directors and presiding over the daily operation and management of COOEC. There is no difference between the corporate governance and the requirements of the Company Law and the relevant regulations of the CSRC.

(I) Establishment and improvement of the corporate governance system

In strict accordance with the Company Law, the Securities Law, the Guidelines for the Articles of Association of Listed Companies and the relevant documents and requirements of securities regulatory authorities, the Company has formulated 38 normative documents on corporate governance such as the Articles of Association, the Rules of Procedures of the General Meeting and the Rules of Procedures of the Board of Directors, forming a relatively systematic corporate governance framework.

1. Focus on compliance and sort out a catalogue of "targeted precision" regulations. In order to ensure the legality and compliance of the corporate governance system, the Company combed the catalogue of laws and regulations from four aspects: "general governance", "Chinese characteristics", "state-owned assets supervision" and "listing supervision", and formed a regulation database of corporate governance system consisting of 101 regulations as the regulation basis for building the corporate governance system; invited law firms to train management and key employees on the new Company Law, further enhancing compliance awareness, preventing legal risks and improving governance efficiency.
2. Focus on efficiency and improve a set of "scientific and sound" governance systems. As the top-level design of the policy system, the corporate governance system adheres to the "two consistent principles", realizes the proper performance of functions, coordinated operation, and checks and balances of decision-making subjects, and promotes the organic integration of listing supervision regulations and state-owned assets supervision requirements. During the reporting period, the List of Decisions Authorized by the Board of Directors and the Investment Management Measures were revised to improve decision-making efficiency and stimulate the vitality of managers through scientific decentralization; the Working Rules of Independent Directors were revised, and the Administrative Measures for Special Meetings of Independent Directors were formulated, to further play the role of independent directors.
3. Focus comprehensiveness and clarify a "logically rigorous" permission form. In order to clearly demonstrate the entire approval process of corporate governance matters, the Company has compiled an all-in-one form for the approval authority of corporate governance in combination with the new Company Law, covering 10 governance subjects, 18 categories of decisions, and 130 specific authorities, so as to realize the one-table overview for the decision-making process of governance matters, and ensure that the decision-making processes of governance subjects are orderly connected, and decision-making processes not in place, not offside, and not misplaced.

(II) General meeting

COOEC has consistently and strictly complied with the Company Law, the Securities Law, the Rules Governing the Listing of Stocks on Shanghai Stock Exchange and the Rules of Procedure of the General Meeting, and has strictly implemented the relevant regulations in respect of the convening and holding of meetings, meeting proposals, proceedings, voting at meetings and information disclosure to ensure that all shareholders, especially small and medium-sized shareholders, fully exercise their legitimate rights and interests and enjoy equal status. COOEC invited lawyers to attend all general meetings to confirm and witness the convening procedures, matters to be considered and the identity of attendees, and issued legal opinions to effectively ensure that the general meetings were legal and effective.

The Company held two general meetings in 2024, respectively in May and November, to review and approve nine proposals including the 2023 annual report, profit distribution plan, report on the work of the Board of Directors, report on the work of the Board of Supervisors, report on the financial accounts, appointment of the Company's financial and internal control auditor, revision of the Working Rules of Independent Directors of the Company, and the Company's Shareholder Return Plan for the

The 5th meeting of the 8th Board of Directors of the Company

Next Three Years (2024-2026) and changes in accounting firm and other, so as to effectively safeguard the legitimate rights and interests of shareholders.

(III) Board of Directors

1. Composition of the Board of Directors

Directors were elected strictly pursuant to the procedures stipulated by the Articles of Association. The number and composition of the Board of Directors complied with the laws and regulations. As at the end of the reporting period, the members of the Board of Directors of the Company were Chairman Wang Zhangling, Director Peng Lei, Director Liu Yiyong, independent director Xin Wei, independent director Zheng Zhongliang and independent director Xing Wenxiang.

2. Duty fulfillment of the Board of Directors

During the reporting period, the Board of Directors of the Company firmly grasped the primary task of high-quality development, insisted on the strategic planning leadership, enhanced the value creation cohesion, strengthened the lean management execution, stimulated the innovation and reform driving force, and improved the risk prevention and control guarantee, effectively empowering the high-quality development of the Company. External directors performed their duties with deep integration of the "three roles" to promote the scientific decision making of the Board of Directors.

In 2024, the Company held 5 board meetings in March, April, August, October and December respectively to review 50 important matters, including the Company's periodic report, ESG report, proposal on profit distribution, financial budget, investment plan, changes in accounting firm, appointment of chief financial officer and Secretary of Board of Directors, and provision of financial assistance, listen to the Company's report on important matters such as the requirements and implementation of resolutions of the Board of Directors, and the implementation of the administrative measures for authorization of the Board of Directors, and provide decision-making guarantee for the high-quality operation of the Company's production and operation.

The Company adhered to the guidance of the new development concept, actively explored effective ways to build a "strategic" Board of Directors, and invited external directors and previous directors to participate in "strategic discussions" and provide advice for "strategy setting". The Company strengthened the implementation of the "ten mechanisms" to ensure the duty performance of external directors, so that external directors can better understand the situation of the Company, improve the level of duty performance, and effectively and fully play the role of directors in "making decisions". The Company invited independent directors to conduct two professional trainings for the management and key employees of the Company on "professionalization of professional managers" and "internal control and risk management of state-owned enterprises", and gave full play to the professional role of independent directors, to help improve the decision-making level and management ability, promote standardized operation and high-quality development of the Company, and strengthen the barrier for "risk prevention".

(IV) Board of Supervisors

The composition of the Board of Supervisors of the Company meets the requirements of laws and regulations. The Board of Supervisors is composed of 3 supervisors, including 1 shareholder supervisor and 2 employee representative supervisors. Supervisors of the Company have professional knowledge and working experience in accounting, auditing and human resources management, and are able to conscientiously perform their duties in accordance with the Articles of Association and the Rules of Procedure of the Board of Supervisors, supervise the production and operation management and internal control of COOEC, conduct regular research on COOEC and make suggestions for improvement, giving full play to their supervisory functions and safeguarding the legitimate rights and interests of COOEC and all shareholders.

In 2024, the Board of Supervisors held 4 meetings to review 12 important matters, including the Company's periodic report, report on the evaluation of internal control, financial statements, provision for impairment, proposal on profit distribution, use of proceeds, and wealth management plan for self-owned funds, issued written review opinions on the periodic report prepared by the Board of Directors, actively attended the general meeting, and attended the board meeting as a non-voting delegate. The Supervisors conscientiously performed their duties great attention to matters such as the financial status, periodic reports, and the performance of duties by the Board of Directors and the management of COOEC.

(V) About the management and senior officers

In accordance with the Company Law and the Articles of Association, the division of business among senior officers is clear, with clear authority and responsibility and the Board of Directors and the Board of Supervisors are able to exercise effective supervision and control over the senior officers.

During the reporting period, the management and senior officers of the Company diligently fulfilled their duties, sought ways to operate, strengthened the foundation of management, enhanced the effectiveness of implementation, and actively implemented the resolutions of the Board of Directors and the Company's development strategy, effectively promoting the Company's new development.

(VI) Information disclosure

The Company conducts information disclosure in strict accordance with national laws, regulations and regulatory requirements. In 2024, the Company, strictly under the principles of "openness, fairness and impartiality", disclosed 4 periodic reports and 33 interim announcements, with true, accurate, timely and complete information, maintaining a good image of the Company in

2023 Annual General Meeting of the Company

the capital market. At the same time, in order to further strengthen communication and interaction with the capital market, the Company comprehensively used channels such as performance conferences and interactive platforms to establish a long-term mechanism for investor relations. The Chairman attended the performance conference, carried out in-depth exchanges from "approaching" investors to "joining" investors, and comprehensively interpreted the Company's strategic planning, operating results and future development direction; independent directors answered questions from small and medium-sized investors in a timely and accurate manner through the online communication platform, effectively improving the Company's transparency and trust in the capital market, and safeguarding the legitimate rights and interests of investors.

Whether there are material differences between corporate governance and the laws, administrative regulations and CSRC regulations on the governance of listed companies; if there are material differences, the reasons should be explained.

□ Applicable √ Not applicable

II. Specific measures taken by the controlling shareholder and the actual controller of COOEC to ensure the independence of COOEC's assets, personnel, finance, institutions and business, as well as the solutions, work progress and follow-up work plan taken to affect the independence of COOEC

□ Applicable √ Not applicable

The controlling shareholder, the actual controller and other entities under their control engaging in the same or similar business as COOEC, as well as the impact on COOEC of competition in the same business or significant changes in the situation of competition in the same business, the measures taken to solve the problem, the progress of the solution and the follow-up solution plan

□ Applicable √ Not applicable

III. Brief introduction to the general meetings

Session	Date of meeting	Search index of the designated website where the resolution was published	Date of publication of resolutions	Resolutions made at the meeting
2023 Annual General Meeting	May 16, 2024	http://www.sse.com.cn	May 17, 2024	1. Report on the Work of the Board of Directors of the Company for 2023; 2. Report on the Work of the Board of Supervisors of the Company for 2023; 3. Report on the Financial Accounts of the Company for 2023; 4. Profit Distribution Plan of the Company for 2023; 5. Annual Report of the Company for 2023 and the Summary thereof; 6. Proposal on the Renewal of the Appointment of COOEC's Financial and Internal Control Auditors for 2024; 7. Proposal on Revising the Working Rules of Independent Director of Offshore Oil Engineering Co., Ltd.; 8. Proposal on the Company's Shareholder Return Plan for the Next Three Years (2024-2026).
The First Extraordinary General Meeting in 2024	November 12, 2024	http://www.sse.com.cn	November 13, 2024	1. Proposal on Changing the Accounting Firm.

Preferred shareholders whose voting rights have been restored requested to hold an extraordinary general meeting

□ Applicable √ Not applicable

General meetings

□ Applicable √ Not applicable

IV. Members of the directors, supervisors and senior officers

(I) Shareholding variation and remuneration of current directors, supervisors and senior officers as well as those left the post within the reporting period

√ Applicable □ Not applicable

Unit: shares

Name	Title	Gender	Age	Beginning date of term	Ending date of term	Number of shares held at the beginning of the year	Number of shares held at the end of the year	Increase/ decrease within the year	Reason for increase/decrease Reasons	Total remuneration before tax received from COOEC within the reporting period (RMB'0,000)	Whether get paid from related parties of COOEC
Wang Zhangling	Chairman of the Board of Directors, Secretary of the Party Committee	Male	56	2020-12-04	-	0	0	0	/	125	No
Peng Lei	Director, President, Deputy Secretary of the Party Committee	Male	49	2022-05-20	-	0	0	0	/	116.54	No
Liu Yiyong	Director	Male	53	2023-07-06	-	0	0	0	/	0	Yes
Xin Wei	Independent director	Male	61	2021-05-21	-	0	0	0	/	12.8	No
Zheng Zhongliang	Independent director	Male	52	2021-05-21	-	0	20,000	20,000	Recognition of the Company's long-term value and confidence in the Company's future development	12.8	No
Xing Wenxiang	Independent director	Male	61	2022-12-12	-	0	0	0	/	12.8	No
Liu Zhenyu	Chairman of the Board of Supervisors	Male	48	2023-11-14	-	0	0	0	/	0	Yes
Li Tao	Employee supervisor	Male	42	2020-08-26	-	0	0	0	/	107.88	No
Xue Meiqing	Employee supervisor	Female	42	2023-11-14	-	0	0	0	/	81.11	No
Zhang Chao	Executive Vice President	Male	43	2025-01-23	-	0	0	0	/	0	No
Cai Huaiyu	Chief Financial Officer, General Counsel, and Secretary of Board of Directors	Male	46	2024-08-16	-	0	0	0	/	45.67	No
Zhang Haitao	Vice president	Male	53	2021-08-20	-	0	0	0	/	117.08	No
Wang Huifeng	Vice President and Chief Engineer	Male	47	2022-09-15	-	0	0	0	/	117.18	No
Wang Dayong	Vice president	Male	48	2023-08-31	-	0	0	0	/	114.25	No
Li Peng	Chief Financial Officer, General Counsel, and Secretary of Board of Directors	Male	47	2019-08-30	2024-08-16	0	0	0	/	73.89	No
Total	/	/	/	/	/		20,000	20,000	/	937.00	/

Name	Main working experience
Wang Zhangling	From June 2003 to April 2007, served as the Manager of Engineering Construction Office of Tianjin Branch of CNOOC (China) Co., Ltd.; From April 2007 to December 2010, served as the General Manager of Specially Authorized Projects of CNOOC (China) Co., Ltd.; from December 2010 to February 2016, served as the Deputy General Manager and Member of the Party Committee of CNOOC Infrastructure Management Co., Ltd.; from March 2016 to August 2019, served as the Secretary of the Party Committee and General Manager of Engineering Construction Center of China National Offshore Oil Bohai Petroleum Administration; from August 2019 to November 2020, served as the Deputy General Manager of Procurement Department of China National Offshore Oil Corporation; from December 2020 to January 2025, served as the President of Offshore Oil Engineering Co., Ltd. From December 2020, served as a director of Offshore Oil Engineering Co., Ltd.; from April 2023 to present, served as Chairman of the Board of Directors of Offshore Oil Engineering Co., Ltd.
Peng Lei	Joined CNOOC in July 1998; from June 2006 to April 2010, served as the deputy manager and manager of Tanggu Base of Oilfield Chemical Division of China Oilfield Services Company Limited; from January 2010 to January 2016, served as the deputy general manager of Oilfield Chemical Division of China Oilfield Services Company Limited; from January 2016 to March 2020, served as the general manager and deputy secretary of the Party Committee and general manager and secretary of the Party Committee of Oilfield Chemical Division of China Oilfield Services Company Limited; from March 2020 to March 2022, served as the deputy general manager of CNOOC Energy Technology & Services Limited; from March 2022 to January 2025, served as the Deputy Secretary of the Party Committee and Chairman of the Labor Union of Offshore Oil Engineering Co., Ltd. From May 2022, served as a director of Offshore Oil Engineering Co., Ltd.; from January 2025, served as the president and deputy secretary of the Party Committee of Offshore Oil Engineering Co., Ltd.
Liu Yiyong	Joined CNOOC Limited in July 1996 and served as an engineer, FPSO production supervisor, operating mechanism equipment supervisor and equipment director of Shenzhen Branch of CNOOC (China) Co., Ltd.; from May 2008 to December 2014, served as the Manager of Engineering Construction Department of Shenzhen Branch of CNOOC (China) Co., Ltd.; from December 2014 to April 2021, served as the general manager and secretary of the Party Committee of Deepwater Engineering Construction Center of Shenzhen Branch of CNOOC (China) Co., Ltd.; from April 2021 to September 2022, served as the deputy general manager of Engineering Construction Department of China National Offshore Oil Corporation. From September 2022 until now, served as the deputy general manager of Engineering Technology Department of CNOOC Limited; since July 2023, also served as a director of Offshore Oil Engineering Co., Ltd.

Name	Main working experience
Xin Wei	From July 1985 to June 1987, served as an assistant engineer of Comprehensive Survey Institute of Ministry of Construction; from June 1987 to May 1997, served as an engineer of Shanghai Municipal Engineering Design and Research Institute; from May 1997 to June 2003, served as Deputy General Manager and Chief Engineer of Shanghai Shizhen Geotechnical Engineering Co., Ltd.; from June 2003 to November 2003, served as the Deputy Chief Engineer of Shanghai Geotechnical Engineering Survey, Design and Research Institute; from November 2003 to December 2011, served as the Deputy Chief Engineer of Shanghai Geotechnical Engineering Survey, Design and Research Institute Co., Ltd.; from December 2011 to March 2018, served as Vice President of Shanghai Geotechnical Engineering Survey, Design and Research Institute Co., Ltd.; from March 2018 to November 2023, served as the Vice President of Shanghai Survey, Design and Research Institute (Group) Co., Ltd. From November 2023 to now, served as the consultant of Shanghai Survey, Design and Research Institute (Group) Co., Ltd.; since May 2021, also served as an independent director of Offshore Oil Engineering Co., Ltd.
Zheng Zhongliang	From July 1994 to July 1995, served as an accountant of the Third Machine Tool Factory of Beijing Machinery Bureau; from July 1995 to September 1999, served as the financial manager and chief financial officer of Effigy International Engineering Company; from September 1999 to July 2006, studied at Beijing University of Technology and Wuhan University; from July 2006 to August 2007, served as an internal audit supervisor of CNOOC Limited; from September 2007 to September 2011, conducted postdoctoral research at Antai School of Economics and Management, Shanghai Jiao Tong University; from September 2011 to September 2013, worked as an associate researcher at the Ministry of Commerce of the People's Republic of China. From September 2013 to present, served as an associate professor, chief finance officer and director of the accounting special master's program at the School of Economics and Management, China Agricultural University; from December 2019 to present, also served as an independent director of Endorsement Technology; since May 2021, also served as an independent director of Offshore Oil Engineering Co., Ltd.
Xing Wenxiang	Successively taught at Liaoning Youth Cadre College, Chengdu Neusoft University, Chengdu University of Technology, Central University of Finance and Economics, Hebei Agricultural University, City University of Macau and China University of Geosciences. Served as Secretary of the Youth League Committee and Director of the Office of Liaoning Youth Cadre College; presided over the establishment of Chengdu Neusoft University and served as the person in charge of the establishment; served as Director of Professional Manager Institute of Chengdu University of Technology and leader of project management discipline construction; served as Director of Publicity Department and Director of News Center of Central University of Finance and Economics; served as Assistant President of Hebei Agricultural University; served as Vice President, Provost and Dean of the School of Management, City University of Macau; served as a member of Major Project Office of China University of Geosciences. Successively served as Deputy Director of the Propaganda Department of the Municipal Party Committee, Secretary of the Municipal Youth League Committee, and District Head; served as Secretary of the Party Committee/First Deputy General Manager of Shenyang Jinbei Bus Manufacturing Co., Ltd.; served as President of Yida Group Co., Ltd. and Chairman of the Board of Directors of Yida Group Sichuan Investment Development Co., Ltd.; started a business and served as the Chairman of the Board of Directors of Hangzhou Jinjiang Group Environmental Sanitation Service Co., Ltd. Currently serve as an independent director of Offshore Oil Engineering Co., Ltd.
Liu Zhenyu	Joined CNOOC Limited in July 1998 and served successively as the accountant of Finance Department of CNOOC North Drilling Company, the chief accountant, supervisor and accounting manager of Finance Department of China Oilfield Services Company Limited. From January 2010 to October 2016, served as the general manager of Finance Department of China Oilfield Services Company Limited; from October 2016 to November 2017, served as the deputy general manager of Financial Assets Department of China National Offshore Oil Corporation; from November 2017 to September 2022, served as the deputy general manager of Financial Assets Department of China National Offshore Oil Corporation; from September 2022 to July 2024, served as the deputy general manager of Audit Department of China National Offshore Oil Corporation (CNOOC Limited); from July 2024 to present, served as the Executive Deputy General Manager of Finance and Capital Department of China National Offshore Oil Corporation (CNOOC Limited). Since November 2023, also served as the Chairman of the Board of Supervisors of Offshore Oil Engineering Co., Ltd.
Li Tao	From July 2005 to December 2005, served as an inspector of Inspection Company of Offshore Oil Engineering Co., Ltd. From December 2005 to December 2008, served as office administration and administrative supervisor of Design Company of Offshore Oil Engineering Co., Ltd.; from December 2008 to April 2011, served as the supervisor of product system in Quality Management Department of Offshore Oil Engineering Co., Ltd.; from April 2011 to January 2012, served as quality engineer and deputy manager of Quality Technology Department of Design Company of Offshore Oil Engineering Co., Ltd.; from January 2012 to September 2016, served as Manager of Human Resources Department and Assistant General Manager of Design Company of Offshore Oil Engineering Co., Ltd.; from September 2016 to March 2018, served as the deputy general manager of the office of Offshore Oil Engineering Co., Ltd. and the deputy director of the office of the party committee; from March 2018 to November 2018, served as the Deputy General Manager of Human Resources Department, Deputy Director of the Organization Department of the Party Committee and Secretary of the Organ Party Committee of Offshore Oil Engineering Co., Ltd. (period: from September 2018 to October 2019, also the Deputy General Manager of International Exchange Center); from November 2018 to October 2019, served as the deputy general manager of Human Resources Department, director of Organization Department of the Party Committee and secretary of the Organ Party Committee of Offshore Oil Engineering Co., Ltd. (period: from March 2019 to February 2022, also the deputy director of Project Management Office); from October 2019 to January 2021, served as the General Manager of Human Resources Department, Director of Organization Department of the Party Committee and Secretary of the Organ Party Committee of Offshore Oil Engineering Co., Ltd. (from August 2020 to present, also an employee supervisor of Offshore Oil Engineering Co., Ltd.); from January 2021 to February 2024, served as the president assistant, general manager of Human Resources Department, director of Organization Department of the Party Committee, and secretary of the Organ Party Committee of Offshore Oil Engineering Co., Ltd. (period: from June 2023 to February 2024, also the secretary general of Project Management Office). From February 2024 to present, served as the president assistant of Offshore Oil Engineering Co., Ltd., and the secretary of the Party Committee and general manager of Tianjin Intelligent Manufacturing Branch.
Xue Meiqing	In July 2004, joined Offshore Oil Engineering Co., Ltd., and took the financial analysis post, and key user of ERP project team, and served as the manager of financial analysis post and the manager of budget assessment post in Financial Management Department of Offshore Oil Engineering Co., Ltd.; from April 2014 to August 2017, served as the General Manager Assistant of Engineering Project Management Center of Offshore Oil Engineering Co., Ltd.; from August 2017 to September 2018, served as the Chief Financial Officer of Offshore Oil Engineering (Qingdao) Co., Ltd.; from September 2018 to December 2021, served as the Chief Financial Officer of Construction Division of Offshore Oil Engineering Co., Ltd., and the Chief Financial Officer of Offshore Oil Engineering (Qingdao) Co., Ltd. From December 2021 to present, served as the General Manager of Audit Department of Offshore Oil Engineering Co., Ltd.; since November 2023, also served as an employee supervisor of Offshore Oil Engineering Co., Ltd.
Zhang Chao	Joined CNOOC Limited in April 2007, and served as an engineer of Engineering Department of CNOOC Fujian Natural Gas Co., Ltd., an engineer and chief engineer of Technology R&D Center and manager of General Design Department of CNOOC Gas and Power Group Co., Ltd.; from December 2018 to April 2021, served as the Deputy Director and Chief Engineer of Technology R&D Center of CNOOC Gas and Power Group Co., Ltd.; from April 2021 to December 2024, served as the Chief Engineer and Director of Technology R&D Center of CNOOC Gas and Power Group Co., Ltd. Since January 2025, served as the executive vice president of Offshore Oil Engineering Co., Ltd.
Cai Huaiyu	Joined CNOOC Finance Co., Ltd. in July 2002, and served as Credit Supervisor of Credit Department, Senior Supervisor of General Management Department, and Senior Supervisor of Credit Department; from January 2012 to January 2014, successively served as the manager of financing operation post and financing post of Planning and Capital Department of China Oilfield Services Company Limited; from January 2014 to February 2020, served as the manager and general manager assistant of Customer Service Department, and manager of General Management Department of CNOOC Finance Co., Ltd.; from February 2020 to August 2024, served as the Deputy General Manager of CNOOC Finance Co., Ltd. From August 2024 to now, served as the Chief Financial Officer, General Counsel and Secretary of Board of Directors of Offshore Oil Engineering Co., Ltd.

Name	Main working experience
Zhang Haitao	From July 1992 to November 1994, served as an Assistant Engineer of Tianjin Aviation Mechanical and Electrical Company; from November 1994 to April 2000, an Assistant Engineer and Engineer of Mechanical and Electrical Department and Deputy Design Manager of skid block project team in CNOOC Petroleum Engineering Design Company; from April 2000 to May 2001, served as the deputy design manager of skid block project team in Design Company of Offshore Oil Engineering Co., Ltd.; from May 2001 to June 2007, served as the Engineer of PL19-3 design project, the Design Manager of Pearl renovation, the Deputy Design Manager and the Design Manager of BZ25-1 oilfield development project and the Design Manager of Bajiaoting, Jinzhou 21-1 and Jinzhou 25-1S projects in Design Company of Offshore Oil Engineering Co., Ltd.; from June 2007 to March 2012, successively served as Deputy Manager, General Manager Assistant and Deputy General Manager of Project Management Department in Design Company of Offshore Oil Engineering Co., Ltd.; from March 2012 to February 2013, served as General Manager of Construction Company of Offshore Oil Engineering Co., Ltd.; from February 2013 to February 2015, served as General Manager of Special Equipment Company of Offshore Oil Engineering Co., Ltd.; From February 2015 to March 2018, served as Secretary of the Party Committee and General Manager of Special Equipment Company of Offshore Oil Engineering Co., Ltd.; from March 2018 to July 2020, served as the General Manager of the Office of Offshore Oil Engineering Co., Ltd. and the Director of the Office of the Party Committee of COOEC; from July 2020 to July 2021, served as the Secretary of the Party Committee and the President of the Design Institute of Offshore Oil Engineering Co., Ltd. and the Director of the Offshore Engineering Technology Center; from August 2021 to October 2023, served as Vice President and Chief Engineer of Offshore Oil Engineering Co., Ltd. From October 2023 to present, served as Vice President of Offshore Oil Engineering Co., Ltd.
Wang Huifeng	From July 1999 to April 2013, successively responsible for the engineering design of several projects of Offshore Oil Engineering Co., Ltd., such as Caofeidian, Beipas Natural Gas Liquefaction, Lufeng 7-2, and ZAWTIKA in Thailand, etc. and served as the project manager of Wenchang 9-2/9-3/10-3 gas field; from April 2013 to December 2016, served as Manager of Engineering Design Project Management Department of Design Company of Offshore Oil Engineering Co., Ltd.; from December 2016 to September 2018, served as the deputy general manager of Design Company of Offshore Oil Engineering Co., Ltd.; from September 2018 to February 2020, served as Vice President of the Design Institute of Offshore Oil Engineering Co., Ltd.; from February 2020 to June 2020, served as the Deputy General Manager of Engineering Project Management Center of Operation Center of Offshore Oil Engineering Co., Ltd.; from June 2020 to January 2021, served as the Deputy General Manager of Engineering Project Management Center of Operation Center of Offshore Oil Engineering Co., Ltd.; from January 2021 to February 2021, served as the Chief Engineer of Offshore Oil Engineering Co., Ltd.; from February 2021 to November 2021, served as the Deputy Chief Engineer and General Manager of Science and Technology Information Department of Offshore Oil Engineering Co., Ltd.; from November 2021 to September 2022, served as the Deputy Chief Engineer of Offshore Oil Engineering Co., Ltd., and Secretary of the Party Committee and General Manager of Tianjin Construction Branch; from September 2022 to September 2023, served as the Vice President and Deputy Chief Engineer of Offshore Oil Engineering Co., Ltd., and Secretary of the Party Committee and General Manager of Tianjin Construction Branch. From September 2023 to October 2023, served as the Vice President of Offshore Oil Engineering Co., Ltd. and Secretary of the Party Committee and General Manager of Tianjin Construction Branch; from October 2023 to February 2024, served as the Vice President and Chief Engineer of Offshore Oil Engineering Co., Ltd., and Secretary of the Party Committee and General Manager of Tianjin Intelligent Manufacturing Branch. From February 2024 to present, served as the Vice President and Chief Engineer of Offshore Oil Engineering Co., Ltd.
Wang Dayong	After graduating from university in July 1998, began to work as an engineer in the Process Department of CNOOC Petroleum Engineering Design Company and a Manager in the Marketing Department of Design Company of Offshore Oil Engineering Co., Ltd.; from March 2013 to April 2014, served as the Acting Deputy General Manager of Special Equipment Company of Offshore Oil Engineering Co., Ltd.; from April 2014 to July 2018, served as the Deputy General Manager of Special Equipment Company of Offshore Oil Engineering Co., Ltd.; from July 2018 to September 2018, served as the Deputy General Manager of Design Company of Offshore Oil Engineering Co., Ltd.; from September 2018 to December 2018, served as the Vice President of the Design Institute of Offshore Oil Engineering Co., Ltd.; from December 2018 to February 2020, served as the Vice President of Design Institute and Deputy Director of Offshore Engineering Technology Center of Offshore Oil Engineering Co., Ltd.; from February 2020 to August 2023, served as the Secretary of the Party Committee, General Manager and Director of Product Incubation Manufacturing Center of Special Equipment Branch of Offshore Oil Engineering Co., Ltd.; from August 2023 to February 2024, served as the Vice President of Offshore Oil Engineering Co., Ltd., and Secretary of the Party Committee, General Manager and Director of Product Incubation Manufacturing Center of Special Equipment Branch. From February 2024 to present, served as the Vice President of Offshore Oil Engineering Co., Ltd.

Other circumstances

□ Applicable √ Not applicable

(II) Positions of current directors, supervisors and senior officers as well as those left the post within the reporting period

1. Positions held in shareholders

√ Applicable □ Not applicable

Name	Shareholder's name	Position held in shareholder	Beginning date of term	Ending date of term
Liu Yiyong	CNOOC Limited	Deputy General Manager of Engineering Technology Department	September 2022	Not applicable
Liu Zhenyu	CNOOC Limited	Executive Deputy General Manager of Finance and Capital Department	July 2024	Not applicable
Li Peng	CNOOC International Limited	Executive Vice President and Chief Financial Officer	August 2024	Not applicable
Positions held in shareholders	Not applicable			

2. Positions held in other entities

√ Applicable □ Not applicable

Name	Name of other entity	Position held in other entity	Beginning date of term	Ending date of term
Xin Wei	SGIDI Engineering Consulting (Group) Co., Ltd.	Consultant	November 2023	Not applicable

Name	Name of other entity	Position held in other entity	Beginning date of term	Ending date of term
Zheng Zhongliang	College of Economics and Management, China Agricultural University	Associate Professor of Accounting Department, Head of Accounting Department, Director of Accounting Specialized Master's Program	September 2013	Not applicable
	Agree Technology	Independent director	December 2019	Not applicable
Positions held in other entities	Not applicable			

(III) Remuneration of directors, supervisors and senior officers

√ Applicable □ Not applicable

Decision-making procedures for remuneration of directors, supervisors and senior officers	Based on the responsibilities and complexity of the positions as well as the performance and achievements, the compensation standards are determined in accordance with the principles of facilitating personnel stability and combining incentives and constraints.
Whether a director avoids himself/herself from the Board of Directors' discussion of the remuneration	Yes
Specific situations in which the Compensation and Evaluation Committee or the special meeting of independent directors proposed recommendations on the remuneration of directors, supervisors and senior officers	On March 14, 2025, the first meeting of the Compensation and Evaluation Committee of the Board of Directors of the Company in 2025 was held to review and approve the Proposal on the Business Performance Assessment and Performance-based Salary Distribution Results of the Company's Managers during the Term of Office in 2024 and from 2022 to 2024. The Compensation and Evaluation Committee believed that the salary distribution plan is scientific, reasonable and fair, could fully reflect the operating performance and assessment results of managers, is conducive to stimulating the enthusiasm of managers, meets the Company's development strategy, and does not harm the interests of the Company and all shareholders, especially small and medium-sized shareholders, and agreed to submit the proposal to the Board of Directors for review.
Basis for determining the remuneration of directors, supervisors and senior officers	Refer to the salary and remuneration of directors, supervisors and senior officers of the industry.
Actual payment of remuneration to directors, supervisors and senior officers	1. The allowances of the three independent directors of COOEC are RMB 128,000 (including tax) per annum each and the travel expenses to attend the board of directors' meetings and general meetings and other expenses required for exercising their powers in accordance with the Articles of Association are reimbursed by COOEC on an actual basis. 2. The directors and supervisors who do not receive remuneration and allowances from COOEC are Mr. Liu Yiyong and Mr. Liu Zhenyu. The above-mentioned directors and supervisors receive remuneration and allowances from the controlling shareholder, China National Offshore Oil Corporation, or subsidiaries of the controlling shareholder.
Total actual remuneration received by all directors, supervisors and senior officers at the end of the reporting period	RMB 9.37 million

(IV) Change in directors, supervisors and senior officers

√ Applicable □ Not applicable

Name	Position held	Change	Reason for change
Li Peng	Former Chief Financial Officer, General Counsel, and Secretary of Board of Directors	Resigned	Due to work restructuring
Cai Huaiyu	Chief Financial Officer, General Counsel, and Secretary of Board of Directors	Election	Newly appointed, according to the management and development needs of COOEC
Peng Lei	President	Election	Newly appointed, according to the management and development needs of COOEC
Zhang Chao	Executive Vice President	Election	Newly appointed, according to the management and development needs of COOEC

(V) Penalties imposed by securities regulators in the past three years

□ Applicable √ Not applicable

(VI) Others

□ Applicable √ Not applicable

V. Information on board meetings held during the reporting period

Session	Date of meeting	Resolutions made at the meeting
The 3rd Meeting of the 8th Board of Directors	March 15, 2024	1. Deliberate and adopt the Report on the Work of the Board of Directors of COOEC for 2023; 2. Deliberate and adopt the Report on the Work of the President of COOEC for 2023; 3. Deliberate and adopt the Report of the Audit Committee of the Board of Directors on the Performance of Supervision Duties for BDO China Shu Lun Pan Certified Public Accountants; 4. Deliberate and adopt the Report on the Performance of the Audit Committee of the Board of Directors for 2023; 5. Deliberate and adopt the Report on the Financial Accounts of COOEC for 2023; 6. Deliberate and adopt the Proposal on Provision for Impairment; 7. Deliberate and adopt the Proposal on Profit Distribution of COOEC for 2023; 8. Deliberate and adopt the Annual Report of COOEC for 2023 and the Summary thereof; 9. Deliberate and adopt the Environmental, Social and Corporate Governance (ESG) Report of COOEC in 2023; 10. Deliberate and adopt the Special Report on the Deposit and Use of COOEC's Annual Proceeds; 11. Deliberate and adopt the Proposal on Using Part of the Idle Proceeds to Temporarily Replenish the Working Capital; 12. Deliberate and adopt the Continuous Risk Assessment Report on CNOOC Finance Co., Ltd.; 13. Deliberate and adopt the Proposal on the Renewal of the Appointment of COOEC's Financial and Internal Control Auditors for 2024; 14. Deliberate and adopt the Proposal on Revising the Working Rules of Independent Directors of Offshore Oil Engineering Co., Ltd.; 15. Deliberate and adopt the Proposal on Formulating the Administrative Measures for Special Meetings of Independent Directors of Offshore Oil Engineering Co., Ltd.; 16. Deliberate and adopt the Proposal on the Use of Total Wage Bill in 2023; 17. Deliberate and adopt the Proposal on the Business Performance Assessment of COOEC's Managers in 2023, Results of Performance-based Annual Salary Distribution and the Setting of Business Performance Indicators in 2024; 18. Deliberate and adopt the Report on the Internal Control System of COOEC in 2023; 19. Deliberate and adopt the Proposal on the Mid-term Adjustment of the 14th Five-Year Plan of COOEC; 20. Deliberate and adopt the Report on Compliance Management of COOEC (2023); 21. Deliberate and adopt the Report on the Evaluation of COOEC's Internal Control for 2023; 22. Deliberate and adopt the Report on Internal Control Audit of COOEC for 2023.
The 4th Meeting of the 8th Board of Directors	April 24, 2024	1. Deliberate and adopt the First Quarterly Report of COOEC for 2024; 2. Deliberate and adopt the Proposal on COOEC's Shareholder Return Plan for the Next Three Years (2024-2026); 3. Deliberate and adopt the Proposal on Establishing a Strategy and Sustainable Development Governance Structure and Formulating the Implementation Rules of the Strategy and Sustainable Development Committee of the Board of Directors of COOEC; 4. Deliberate and adopt the Proposal to Convene the 2023 Annual General Meeting of COOEC.
The 5th Meeting of the 8th Board of Directors	August 16, 2024	1. Deliberate and adopt the Half-year Report of COOEC for 2024 and its Summary; 2. Deliberate and adopt the Special Report on the Deposit and Actual Use of COOEC's Proceeds in the Half Year of 2024; 3. Deliberate and adopt the Proposal on Using Part of the Temporarily Idle Own Funds to Purchase Financial Products and Authorizing the Management to Sign the Relevant Agreement of Purchasing Financial Products; 4. Deliberate and adopt the Continuous Risk Assessment Report on CNOOC Finance Co., Ltd.; 5. Deliberate and adopt the Proposal on Capital Increase of COOEC International Co., Ltd.; 6. Deliberate and adopt the Proposal on the Adjustment of COOEC's Annual Audit Plan for 2024; 7. Deliberate and adopt the Proposal on the Plan of Deepening the Reform of Design Institute of COOEC; 8. Deliberate and adopt the Proposal on the Resignation of Mr. Li Peng from Chief Financial Officer, Secretary of Board of Directors and General Counsel of COOEC; 9. Deliberate and adopt the Proposal on the Appointment of Mr. Cai Huaiyu as Chief Financial Officer, Secretary of Board of Directors and General Counsel of COOEC.
The 6th Meeting of the 8th Board of Directors	October 25, 2024	1. Deliberate and adopt the Third Quarterly Report of COOEC for 2024; 2. Deliberate and adopt the Proposal on Revising the Administrative Measures for the Accountability of Major Errors in the Information Disclosure of Annual Report of Offshore Oil Engineering Co., Ltd.; 3. Deliberate and adopt the Proposal on Changing the Accounting Firm; 4. Deliberate and adopt the Proposal to Convene the First Extraordinary General Meeting of COOEC in 2024.
The 7th Meeting of the 8th Board of Directors	December 18, 2024	1. Deliberate and adopt the Proposal on COOEC's Operating Budget for 2025; 2. Deliberate and adopt the Proposal on COOEC's Bank Credit Line for 2025; 3. Deliberate and adopt the Proposal on Revising the Administrative Measures for Authorization of the Board of Directors of COOEC; 4. Deliberate and adopt the Proposal on Revising the Investment Management Measures of COOEC; 5. Deliberate and adopt the Proposal on Revising the Administrative Measures for Charity and Public Welfare of COOEC; 6. Deliberate and adopt the Proposal on Formulating the Administrative Measures for Provision of Financial Assistance by COOEC; 7. Deliberate and adopt the Proposal on the Provision of Financial Assistance by the Wholly-owned Subsidiary; 8. Deliberate and adopt the Proposal on COOEC's Action Plan of "Improving Quality and Efficiency and Emphasizing Return; 9. Deliberate and adopt COOEC's Annual Audit Plan for 2025; 10. Deliberate and adopt the Proposal on the Construction of a Professional Pipe-laying Vessel; 11. Deliberate and adopt COOEC's Investment Plan for 2025.

VI. Duty fulfillment of the directors

(I) Participation of directors in the board meetings and general meetings

Director Name	Independent director (Yes/No)	Attendance of the board meetings						Attendance of the general meetings
		Number of board meetings to be attended during the year	Attendance in person	Number of participation by correspondence	Number of entrusted attendance	Number of absences	Failed to attend meetings in person for two consecutive times (Yes/No)	Number of general meetings attended
Wang Zhangling	No	5	5	0	0	0	No	1

Director Name	Independent director (Yes/No)	Attendance of the board meetings						Attendance of the general meetings
		Number of board meetings to be attended during the year	Attendance in person	Number of participation by correspondence	Number of entrusted attendance	Number of absences	Failed to attend meetings in person for two consecutive times (Yes/No)	Number of general meetings attended
Peng Lei	No	5	5	0	0	0	No	2
Liu Yiyong	No	5	4	1	1	0	No	0
Xin Wei	Yes	5	5	1	0	0	No	1
Zheng Zhongliang	Yes	5	5	1	0	0	No	2
Xing Wenxiang	Yes	5	5	1	0	0	No	1

Description of the failure to attend the board meetings in person for two consecutive times

□ Applicable √ Not applicable

Number of board meetings held during the year	5
Including: number of on-site meetings	4
Number of meetings held by correspondence	0
Number of meetings held on site combined with communication	1

(II) Directors' objections to the relevant matters of COOEC

□ Applicable √ Not applicable

(III) Others

□ Applicable √ Not applicable

VII. Specialized committees under the Board of Directors

√ Applicable □ Not applicable

(I) Members of the special committees under the Board of Directors

Type of special committee	Name of member
Audit Committee	Zheng Zhongliang, Xin Wei, Xing Wenxiang
Nomination Committee	Xin Wei, Wang Zhangling, Xing Wenxiang
Compensation and Evaluation Committee	Xing Wenxiang, Peng Lei, Xin Wei
Strategy and Sustainable Development Committee	Wang Zhangling, Peng Lei, Liu Yiyong

(II) During the reporting period, the Audit Committee convened 5 meetings

Date of meeting	Content of the meeting	Important opinions and suggestions	Performance of other duties
March 15, 2024	Deliberate the Report on the Financial Accounts of COOEC for 2023, the Proposal on the Provision for Impairment of COOEC, the Continuous Risk Assessment Report on CNOOC Finance Co., Ltd., the Report on the Internal Control System of Offshore Oil Engineering Co., Ltd. for 2023, the Report on the Evaluation of Internal Control of COOEC for 2023, the Report of BDO China Shu Lun Pan Certified Public Accountants on the Financial and Internal Control Audit of Offshore Oil Engineering Co., Ltd. for 2023, the Report to the Board of Directors on the Performance of Supervision Duties for BDO China Shu Lun Pan Certified Public Accountants, the Proposal on the Renewal of Appointment of COOEC's Financial and Internal Control Auditors for 2024, the Report on Compliance Management of Offshore Oil Engineering Co., Ltd. (2023), and the Report on the Performance of the Audit Committee of the Board of Directors for 2023	The resolution was considered and passed by unanimous consent, and there were no dissenting matters.	The Committee gave full play to the professional expertise of the independent directors, provided effective professional advice on the discussion of material matters and assisted the Board of Directors in making scientific and professional decisions.
April 24, 2024	Deliberate the Financial Report of COOEC for the First Quarter of 2024 and the Special Report on the Implementation of the Administrative Measures for the Authorization of the Board of Directors of COOEC.	The resolution was considered and passed by unanimous consent, and there were no dissenting matters.	
August 16, 2024	Deliberate the Semi-annual Financial Report of COOEC for 2024, the Risk Assessment Report on CNOOC Finance Co., Ltd., the Proposal on the Adjustment of COOEC's Audit Plan for 2024, the Proposal on the Resignation of Mr. Li Peng from Chief Financial Officer of COOEC, and the Proposal on the Appointment of Mr. Cai Huaiyu as Chief Financial Officer of COOEC	The resolution was considered and passed by unanimous consent, and there were no dissenting matters.	
October 25, 2024	Deliberate the Financial Report of COOEC for the Third Quarter of 2024, the Proposal on Changing the Accounting Firm (Pre-meeting Communication of the Board of Directors), and the Special Report on the Implementation of the Administrative Measures for Authorization of the Board of Directors of COOEC	The resolution was considered and passed by unanimous consent, and there were no dissenting matters.	
December 18, 2024	Deliberate the Audit Plan of COOEC for 2025 and the Proposal on the Provision of Financial Assistance by the Wholly-owned Subsidiary	The resolution was considered and passed by unanimous consent, and there were no dissenting matters.	

(III) Details of the dissenting matters

□ Applicable √ Not applicable

VIII. Risks identified by the Board of Supervisors for COOEC

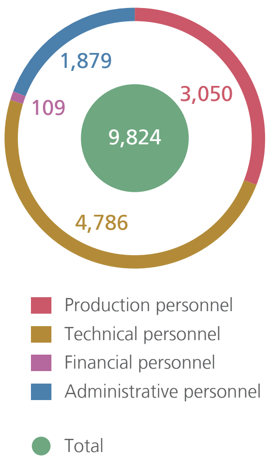
□ Applicable

The Board of Supervisors had no objection to the supervised matters during the reporting period.

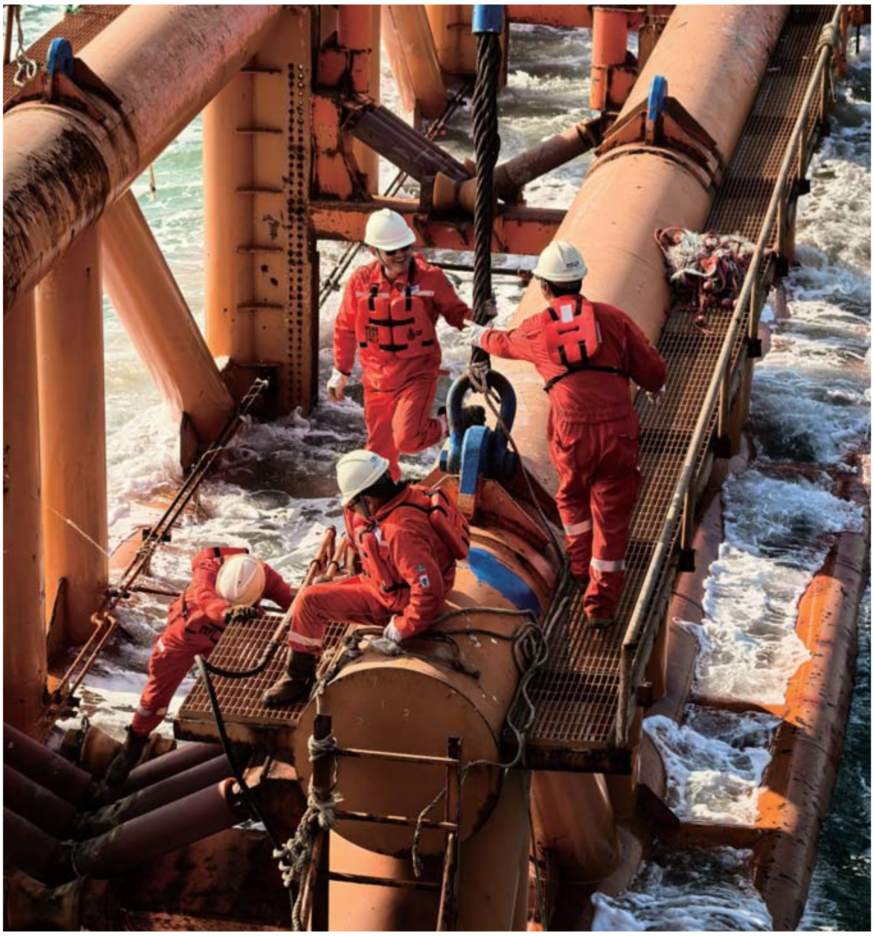
IX. Employees of the parent company and major subsidiaries at the end of the reporting period

(I) Employees

Number of employees in service of the parent company	5,543
Number of employees in service of major subsidiaries	4,281
Total number of employees in service	9,824
Number of retired employees whose expenses shall be borne by the parent company and major subsidiaries	0
Professional composition	
Professional composition category	Number of professional composition
Production personnel	3,050
Technical personnel	4,786
Financial personnel	109
Administrative personnel	1,879
Total	9,824

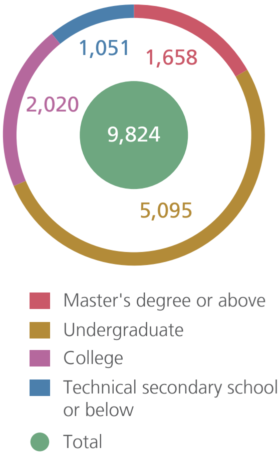


Offshore installation operation



Education level	
Education level category	**Number**
Master's degree or above	1,658
Undergraduate	5,095
Junior college	2,020
Technical secondary school or below	1,051
Total	9,824

Onshore welding operation



(II) Remuneration policy

√ Applicable □ Not applicable

During the reporting period, the Company adhered to the principles of "compliance with laws and regulations, efficiency first, and fairness in mind" and implemented a salary system based on position and ability, and a bonus system based on performance. The Company strengthened the application of all-staff performance assessment results, actively implemented differentiated and accurate incentives for key personnel, reasonably widen the income distribution gap, and effectively mobilized the enthusiasm of leaders and employees.

The Company continued to improve the salary incentive and welfare guarantee mechanism guided by the development strategy and oriented by the value contribution. In 2024, the Company revised the salary and benefit system for key employees' off-site mobility and employees dispatched overseas for a long term, effectively increased the support for the off-site exchange and training of key employees, smoothed the interchange for talent growth, encouraged employees to flow to key overseas positions, promoted the Company's overseas market development and overseas project construction, and better adapted to the Company's international development strategy. At the same time, the Company continued to promote the implementation of the differentiated and accurate incentive system and mechanism for scientific research personnel, built an all-round and diversified scientific research incentive strategy, and continuously strengthened the salary distribution to the key and difficult points of scientific and technological development, and to the scientific research personnel who have made outstanding contributions, so as to effectively stimulate the vitality of the scientific research team and help the Company achieve high-quality rapid development.

(III) Training plan

√ Applicable □ Not applicable

During the reporting period, the Company thoroughly implemented the spirit of the Third Plenary Session of the 20th CPC Central Committee and was committed to improving the quality and ability of the leader team. Closely around the strategic deployment of CNOOC Limited's "talent-oriented enterprise development", the Company focused on the needs of its strategy and talent team construction, ensured the effective implementation of the Map for Talent Growth, took the service for the Company's strategy as the core, and adhered to the construction of a talent training system that attaches equal importance to theory and practice. According to the needs of different stages and levels, the Company implemented the "9+N" series of training classes in a targeted manner, and continuously deepened the construction of the "five-in-one" training system. At the same time, the Company continuously strengthened the "1+4+1" training project plan structure, and carried out multi-dimensional practical exercises. Through exchanges and experience cross regions, organizations and disciplines, the Company cultivated high-level compound talents with broad vision, high quality, understanding of operation and high management ability.

The Company carried out in 2024 a total of 9,021 training sessions, with 390,200 person-times of training throughout the year, total class hours of 2,459,500 and class hours per capita of 256.25, providing strong support for the long-term development of the Company.

(IV) Outsourcing of labor services

□ Applicable √ Not applicable

X. Proposals for profit distribution or conversion of capital reserve into share capital

(I) Formulation and implementation of or adjustment to cash dividend policy

√ Applicable □ Not applicable

COOEC has amended the Articles of Association and the Rules of Procedure of the general meeting in 2012 in accordance with the Notice on Further Implementation of Matters Relating to Cash Dividends for Listed Companies of the CSRC, taking into account the actual operational needs of COOEC, to further clarify the basic principles of the profit distribution policy, specific distribution policies, the consideration and decision-making procedures and mechanisms and the implementation of the program.

In 2024, COOEC did not make any adjustment to the policy relating to cash dividends.

The profit distribution policy as stipulated in the Articles of Association of COOEC is as follows:

1. Basic principles of COOEC's profit distribution policy

(1) COOEC shall give due consideration to the return to investors and distribute dividends to shareholders annually in accordance with the prescribed percentage of net profit attributable to shareholders of the parent company in the consolidated statements realized in the year, provided that the dividend distribution provisions of the Company Law are not violated.

(2) COOEC's profit distribution policy shall maintain continuity and stability, while taking into account the long-term interests of COOEC, the overall interests of all shareholders and the sustainable development of COOEC.

(3) COOEC shall give priority to the distribution of profits in the form of cash dividends.

2. Specific policies on profit distribution of COOEC

(1) Form of profit distribution

COOEC adopts cash, stock, a combination of cash and stock or other methods permitted by laws and regulations to distribute profits, and COOEC may make interim profit distribution when conditions are available.

(2) Specific conditions and ratio of cash dividends

Except under special circumstances, provided that COOEC's cash can satisfy COOEC's continuous operation and long-term development, COOEC shall distribute dividends in cash if the current year's profit and the accumulated undistributed profit (Calculated based on the net profit attributable to shareholders of the parent company in the consolidated statement) is positive and does not violate the Company Law on dividend distribution. The profit distributed in cash each year shall not be less than 10% of the net profit attributable to the shareholders of the parent company. The accumulated profits distributed in cash by COOEC in the last three years shall not be less than 30% of the average annual distributable profits realized in the last three years.

Special circumstances refer to:

① The occurrence of significant external investment plans or significant cash expenditures (other than fund-raising projects) of COOEC within the next twelve months reaching or exceeding 30% of COOEC's latest audited net assets; Investment plans or cash expenditures include COOEC's proposed external investment, acquisition of assets, external debt repayment or purchase of equipment, etc.

② The auditor has not issued a standard unqualified auditors' report on COOEC's financial report for the year.

(3) Specific conditions for the issuance of stock dividends

COOEC may propose a stock dividend distribution plan when COOEC's operation is good and the Board of Directors believes that the price of COOEC's shares does not match the size of COOEC's share capital and the issuance of stock dividends is beneficial to the overall interests of all shareholders of COOEC, provided that the above conditions for cash dividends are met.

3. Deliberation procedures for COOEC's profit distribution plan

(1) The profit distribution plan of COOEC shall be proposed and formulated by the management of COOEC in combination with the Articles of Association, the profit situation and the capital requirement plan, and submitted to the Board of Directors of COOEC for consideration. The Board of Directors of COOEC shall fully discuss the reasonableness of the profit distribution plan, form a special resolution and submit it to the general meeting for consideration.

COOEC shall fully listen to the opinions and demands of the small and medium-sized shareholders when deliberating on the specific plan for cash dividends. In addition to listening to the opinions of shareholders at the general meeting, COOEC shall also communicate and exchange views with shareholders, especially the small and medium-sized shareholders, through the shareholders' hotline and fax, and promptly respond to the concerns of the small and medium-sized shareholders.

(2) If COOEC is unable to determine the profit distribution plan for the year in accordance with the established cash dividend policy due to the special circumstances specified in item 2 above, the Board of Directors shall make a special explanation on the specific reasons for not making cash dividends, the use of COOEC's retained earnings and the expected investment income, and submit the proposal to the general meeting for consideration after the independent directors have expressed their opinions, and disclose it in the designated media of COOEC. When the profit distribution plan for the current year is submitted to the annual general meeting for consideration, it shall be approved by at least two-thirds of the voting rights held by the shareholders present at the general meeting.

(3) Decision-making procedures for COOEC to adjust or change the profit distribution policy

In the event of force majeure such as war or natural disaster, or changes in the external business environment of COOEC that have a significant impact on the production and operation of COOEC, or major changes in COOEC's own business conditions, COOEC may adjust or change the cash dividend policy determined in the Articles of Association after detailed demonstration and if it is deemed necessary. The Board of Directors shall fully discuss the reasonableness of the adjustment or change in the profit distribution policy, and after the independent directors have expressed their opinions, a special resolution shall be formed and submitted to the general meeting for consideration. When the general meeting is considered, it shall be approved by at least two-thirds of the voting rights held by the shareholders present at the general meeting.

4. Implementation of COOEC's profit distribution plan

After the general meeting makes a resolution on the profit distribution plan, the Board of Directors shall complete the distribution of dividends (or shares) within two months after the general meeting.

(II) Special description of the cash dividend policy

√ Applicable □ Not applicable

Whether it complies with the provisions of the Articles of Association or the requirements of the resolution of the general meeting	√ Yes □ No
Whether the criteria and ratio for dividend distribution are clear and explicit	√ Yes □ No
Whether the relevant decision-making procedures and mechanisms are complete	√ Yes □ No
Whether the independent directors have performed their duties and responsibilities and played their due roles	√ Yes □ No
Whether small and medium-sized shareholders have adequate opportunities to express their opinions and demands, and whether their legitimate rights and interests have been adequately protected	√ Yes □ No

(III) If COOEC made profit in the reporting period and the profit available for distribution to shareholders by the parent company is positive, but no cash profit distribution plan is proposed, COOEC shall disclose in detail the reasons and the use and plan of use of the undistributed profit

□ Applicable √ Not applicable

(IV) Proposals for profit distribution and the increase of share capital by converting capital reserves during the reporting period

√ Applicable □ Not applicable

Unit: RMB

Number of bonus shares per 10 shares (shares)	0
Number of dividends per 10 shares (RMB) (including tax)	2.01
Number of shares converted per 10 shares (shares)	0
Amount of cash dividends (including tax)	888,692,314.80
Net profit attributable to common shareholders of the listed company in the consolidated statements	2,161,396,591.72
Ratio of the total dividends to the net profit attributable to common shareholders of the listed company in the consolidated statements (%)	41.12
Amount of shares repurchased in cash and included in cash dividends	0
Total amount of dividends (including tax)	888,692,314.80
Ratio of the total dividends to the net profit attributable to common shareholders of the listed company in the consolidated statements (%)	41.12

(V) Cash dividends in the last three accounting years

√ Applicable □ Not applicable

Unit: RMB

Cumulative cash dividends in the last three accounting years (including tax) (1)	1,980,766,950.40
Cumulative amount of repurchase and cancellation in the last three accounting years (2)	0
Cumulative amount of cash dividends and repurchase and cancellation in the last three accounting years (3) = (1) + (2)	1,980,766,950.40
Average annual net profit in the last three accounting years (4)	1,746,930,278.52
Cash dividend ratio in the last three accounting years (%) (5)=(3)/(4)	113.39
Net profit attributable to common shareholders of the listed company in the consolidated statement for the latest accounting year	2,161,396,591.72
Undistributed profits as at the end of the year in the parent company's statement for the latest accounting year	13,161,815,633.02

XI. Implementation of COOEC's equity incentive plan, employee stock ownership plan or other employee incentive measures and its impacts

(I) The relevant incentive matters have been disclosed in the interim announcement and there is no progress or change in the subsequent implementation

□ Applicable √ Not applicable

(II) Incentives not disclosed in the interim announcement or with subsequent progress

Equity incentive

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Employee stock ownership

□ Applicable √ Not applicable

Other incentives

□ Applicable √ Not applicable

(III) Equity incentives granted to directors and senior officers during the reporting period

□ Applicable √ Not applicable

(IV) Appraisal mechanism for senior officers during the reporting period, and the establishment and implementation of the incentive mechanism

□ Applicable √ Not applicable

XII. Construction and implementation of internal control system during the reporting period

√ Applicable □ Not applicable

In 2024, in combination with the actual production and operation, the Company established four major internal control systems, namely, the Company's all-round governance system, party building system, internal control system and QHSE system, involving a total of 300 documents, which are both different from each other and organically unified. At the same time, the Company formulated a scientific and rigorous review and release process for policy system document formulation/revision, and embedded the special legal compliance review of the Company's legal compliance department in the process of system document release at all levels, to further ensure the compliance of the policy system and comprehensively improve the construction ability and level of the modern enterprise system with Chinese characteristics.

Explanation of significant deficiencies in internal control during the reporting period

□ Applicable √ Not applicable

XIII. Management control of subsidiaries during the reporting period

√ Applicable □ Not applicable

During the reporting period, the Company exercised management control over its subsidiaries in accordance with national laws such as the Company Law, and the Securities Law, and various internal management systems such as the Articles of Association, improved the corporate governance structure of its subsidiaries, strengthened the construction of the Board of Directors of its subsidiaries, provided security for dispatched directors to perform their duties, and continued to improve the modernization of the governance system and capacity of its subsidiaries; strengthened the capacity building of value-creating units such as design, construction, offshore installation and LNG engineering, and kept the management structure and team refined and efficient, so that subsidiaries can become the backbone of COOEC's strategic promotion and business development.

XIV. Information statement on internal control audit report

√ Applicable □ Not applicable

Zhongshenzhonghuan Certified Public Accountants (Special General Partnership) has audited COOEC's internal control for 2024 and issued a standard unqualified Internal Control Audit Report, which concluded that COOEC has maintained effective internal control over financial reporting in all material aspects in accordance with the Basic Standard for Enterprise Internal Control and relevant regulations.

The Internal Control Audit Report is disclosed on the same date as this annual report, and the detailed report is available on the website of Shanghai Stock Exchange at http://www.sse.com.cn.

Whether to disclose the internal control audit report: Yes

Type of opinion in the internal control audit report: standard unqualified opinion

XV. Status of rectification of self-examination issues of special actions on governance of listed companies

None

XVI. Others

□ Applicable √ Not applicable

Environment and Social Responsibility

"Blue Power" volunteers taught "marine theme" science popularization classes for students

I. Environmental information

Whether to establish mechanisms related to environmental protection	Yes
Funds invested in environmental protection during the reporting period (unit: RMB'0,000)	4,171

(I) Environmental protection of COOEC and its major subsidiaries that are key emission units announced by the environmental protection authorities

√ Applicable □ Not applicable

1. Pollution discharge

√ Applicable □ Not applicable

A. Offshore Oil Engineering (Qingdao) Co., Ltd.

According to the Notice of Qingdao Municipal Bureau of Ecology and Environment on Issuing the List of Key Units under Environmental Supervision in Qingdao in 2024 issued by Qingdao Municipal Bureau of Ecology and Environment on March 22, 2024 and the Notice of Qingdao Municipal Bureau of Ecology and Environment on Announcing the List of Enterprises Disclosing Environmental Information According to Law in Qingdao in 2024 issued by Qingdao Municipal Bureau of Ecology and Environment on March 29, 2024, Offshore Oil Engineering (Qingdao) Co., Ltd. (hereinafter referred to as "Qingdao Subsidiary"), a wholly-owned subsidiary of COOEC, was identified by Qingdao authority as a key emission unit in Qingdao City, Shandong Province in 2024 and involved in the following regulatory categories: air environment, soil pollution, environmental risk control; meanwhile, it was identified as the enterprise disclosing environmental information according to law in Qingdao in 2024. Environmental protection information disclosed in accordance with the law is as follows:

The main pollutants of Qingdao Subsidiary are domestic wastewater from the plant, organic exhaust gas from the painting operation, and hazardous waste from the production process.

(1) Pollutant formation process and causes:

① Wastewater is the domestic wastewater, and there is no production wastewater. The main pollutants in the domestic wastewater are COD (chemical oxygen consumption), ammonia nitrogen, and suspended matter, etc. Qingdao Subsidiary is included in the enterprises disclosing environmental information according to law, mainly because Qingdao site covers a large area of 1.2 million square meters, with more production staff and high water consumption, leading to a larger water drainage volume accordingly. Although the pollutants such as ammonia nitrogen and COD in the wastewater meet the discharge standards, it is listed as enterprises disclosing environmental information according to law due to the larger amount of ammonia nitrogen and COD emissions.

② Exhaust pollutants mainly include benzene, toluene, xylene, non-methane total hydrocarbons and particulate matter. The formation process and causes are welding fume from welding during construction, grinding dust from grinding, particulate dust from sandblasting, and organic exhaust gas from painting and drying. Although the concentration of emissions meets the standards and complies with the relevant regulations, it is classified as a key regulatory unit due to the large annual average use of paint, resulting in large emissions of exhaust gases.

③ The risk of soil pollution comes from the hazardous waste generated during the marine engineering construction that may cause pollution to soil, mainly including waste paint drums, waste paint sludge, waste mineral oil, paint-stained garbage, waste paint, waste thinner, and waste antifreeze. Such waste may leak during collection and temporary storage, causing the risk of soil pollution. Therefore, Qingdao Subsidiary is listed as a key soil unit. However, Qingdao Subsidiary attaches great importance to waste management, and there has not been any case of contamination of soil by waste leakage or leaking.

(2) Pollutant discharge method:

① All domestic wastewater generated by Qingdao Subsidiary is pretreated by integrated sewage treatment equipment in the factory to meet the B-level standard of the Wastewater Quality Standard for Discharge into Municipal Sewers (GB/T31962-2015) and then discharged into municipal sewage pipeline and enters Nibuwan Sewage Treatment Plant. A sewage online monitoring system has been installed in the plant of Qingdao Subsidiary and realized 24-hour networking with the local environmental protection bureau.

② The welding fume and grinding dust generated in the production process of Qingdao Subsidiary is filtered and de-dusted by two ways: fume capture arm mobile welding purification unit and self-circulating filter cartridge filter dust removal device. The metal oxide dust generated by shot blasting is de-dusted by cyclone filter cartridge, which is discharged by 25m-height exhaust pipe after the treatment reaches the standard. The paint spraying dust is purified by adsorption of zeolite rotor adsorption device, and the organic exhaust gas is treated by regenerative catalytic combustion (RCO), and the purified exhaust gas is discharged by 25m-height exhaust pipe. The VOCs online monitoring system is installed in the plant of Qingdao Subsidiary and is connected to the local environmental protection bureau 24 hours a day.

③ For the waste that may cause soil pollution, Qingdao Subsidiary has entrusted all of the waste to third-party units qualified for hazardous waste disposal in accordance with relevant laws and regulations, and before disposal, the waste is temporarily stored in the temporary hazardous waste warehouse, which has undergone ground leakage and overflow prevention treatment in accordance with relevant technical requirements and has set up overflow prevention tanks and recovery tanks to ensure that hazardous waste will not pollute the soil during the temporary storage period.

(3) Emission concentration and total amount:

① Organized emission of exhaust gases:

Benzene: 0.006 t; toluene: 0.006 t; xylene: 0.14 t; non-methane total hydrocarbons: 10.86 t; particulate matters: 1.17 t. The emission concentration of each emission outlet is lower than the prescribed emission concentration limit.

② Wastewater discharge:

Displacement of 3.36 t; average COD emission concentration of 41.6 mg/L, total emissions of COD of 1.33 t; average emission concentration of ammonia nitrogen of 2.98 mg/L, total emissions of ammonia nitrogen of 0.08 t.

It should be especially noted that all domestic wastewater of Qingdao Subsidiary is discharged to the sewage treatment plant through the municipal pipe network, and the emissions of COD and ammonia nitrogen are the quantities discharged to the sewage treatment plant, not the quantities discharged directly into the environment, which will not cause pollution to the water environment.

(4) Approved total emissions: no approved total emissions (no relevant requirements from the local environmental protection bureau).

(5) Excess emissions: none.

(6) Emission standards of pollutants implemented: Organic exhaust gas emissions, subject to the relevant standards in Table 1 of Emission Standard of Volatile Organic Compounds Part 5: Surface Coating Industry (DB37/2801.5-2018); organized emissions of particulate matter, subject to Table 1 of Regional and Integrated Emission Standard of Air Pollutants in Shandong Province (DB37/2376-2022) (emission concentration limits of air pollutants (Phase III)); unorganized emission of particulate matter, subject to the relevant standards in Table 2 of the Integrated Emission Standard of Air Pollutants (GB16297-1996); wastewater discharge, subject to Class B standard of the Wastewater Quality Standard for Discharge into Municipal Sewers (GB/T31962-2015).

During the reporting period, no environmental pollution accident occurred in Qingdao Subsidiary, and no administrative punishment related to environmental protection was imposed.

B. COOEC-Fluor Heavy Industries Co., Ltd.

COOEC-Fluor Heavy Industries Co., Ltd. (hereinafter referred to as "COOEC-Fluor") is a Sino-foreign joint venture established by Offshore Oil Engineering (Zhuhai) Co., Ltd., a subsidiary of the Company, and FLUOR INTERNATIONAL LIMITED (Fluor). According to the Notice of Zhuhai Municipal Bureau of Ecology and Environment on Issuing the List of Key Units under Environmental Supervision in Zhuhai in 2024 issued by Zhuhai Municipal Bureau of Ecology and Environment on March 19, 2024 and the Notice of Zhuhai Municipal Bureau of Ecology and Environment on Issuing the List of Enterprises Disclosing Environmental Information According to Law in Zhuhai in 2024 issued on March 28, 2024, COOEC-Fluor was identified as a key emission unit in Zhuhai City, Guangdong Province in 2024, and involved in the following key regulatory categories: air environment, environmental risk (hazardous waste); meanwhile, it was identified as the enterprise disclosing environmental information according to law in Zhuhai in 2024. Environmental protection information disclosed in accordance with the law is as follows:

The main pollutants of COOEC-Fluor are wastewater, exhaust gas and solid waste. The wastewater includes the domestic wastewater of the plant, initial rainwater and pressure test wastewater; the exhaust gas includes the organized and unorganized exhaust gas from painting operation, welding operation and other operations; the solid waste includes the general industrial solid waste and hazardous waste generated in the production process.

(1) Pollutant formation process and causes:

① Wastewater includes the domestic wastewater, initial rainwater, and pressure test wastewater. The main pollutants in the wastewater are COD (chemical oxygen consumption), ammonia nitrogen, and suspended matter, etc.

② Exhaust gas emission pollutants are classified into the organized emission pollutants and unorganized emission pollutants. Organized emission pollutants mainly include particulate matter, benzene, toluene, xylene, benzene series, total volatile organic matter (VOCs) and non-methane total hydrocarbons; unorganized emission pollutants mainly include particulate matter, benzene, xylene, non-methane total hydrocarbons, and total volatile organic matter (VOCs). The formation process and causes are welding fume from welding during construction, grinding dust from grinding, particulate dust from sandblasting, and organic exhaust gas from painting and curing. The concentration of both organized and unorganized pollutants discharged by the Company meets the emission standards of Guangdong Province and the State. Due to the large annual amount of paint used by the Company and exhaust gas emissions, it was listed as the key unit under air environment supervision in Zhuhai for the second time in 2024.

③ Soil pollutants mainly come from the general industrial solid waste and hazardous waste generated in the process of production and operating activities, and these wastes lead to the risks of seepage and leakage in the production, collection and temporary storage process, which may cause environmental impacts on the soil and groundwater. According to the Announcement of the Ministry of Ecology and Environment on the Catalogue of Solid Waste Classification and Codes in 2024, general industrial solid waste includes renewable waste such as waste steel, waste non-ferrous metals, waste plastics, waste glass, waste paper, waste rubber, and waste wood, and other industrial solid waste such as waste insulation cotton, and other solid waste; hazardous waste includes waste paint drums, waste paint residue, waste organic solvents, paint, oil and other contaminated wastes, pressure test wastewater, pickling waste liquid, waste mineral oil, oily waste liquid, used batteries and other hazardous waste.

(2) Pollutant discharge method:

① The wastewater discharged includes the domestic wastewater, canteen sewage, initial rainwater and pressure test wastewater. After settling in the septic tank, the domestic wastewater is discharged into the local municipal sewage pipe network through the domestic wastewater pipe network in the plant and then into the Nanshui Water Purification Plant of Zhuhai Urban Drainage Co., Ltd. (hereinafter referred to as "Nanshui Water Purification Plant") for further treatment. After oil and slag separation, the canteen sewage is discharged into the local municipal sewage pipe network through the domestic wastewater pipe network of the plant, and then into the Nanshui Water Purification Plant for further treatment. After the initial rainwater is treated in the oil isolation and sedimentation tank, it is discharged into Huangmaohai through the rainwater pipe network of the plant and then into the South China Sea. The pressure test wastewater is entrusted to a qualified unit for disposal.

② The discharged organized exhaust gas and unorganized exhaust gas are treated by the treatment device and then discharged after meeting the standards. The processing and grinding dust generated in the blanking and prefabrication production activities are collected by the mobile suction and treated by the filter cartridge dust collector for the unorganized discharge. The welding fume produced in prefabrication process is collected and filtered by a high vacuum welding dust purification system. The exhaust gas of shot blasting is collected and removed by "cyclone + filter cylinder" and discharged by 30m-height exhaust pipe after meeting the standards. The exhaust gas from pretreatment spray painting, drying and curing is disposed by "adsorption + catalytic combustion" method, and it is discharged from 30m-height exhaust pipe after treatment. The exhaust gas from local and vacuum sand suction for dust removal of the sand blasting workshop is treated by the "cyclone + filter cylinder dust removal" method, and is discharged by 20m-height exhaust pipe after reaching the standard. The exhaust gas from dust removal of the whole room of sand blasting workshop is treated by the "cyclone + filter cylinder dust removal" method, and is discharged from the 30m-height exhaust pipe after reaching the standard. The paint spraying and curing exhaust gas from the paint spraying workshop is purified by "adsorption desorption + catalytic combustion" and "zeolite rotor + regenerative catalytic combustion (RCO)", and the purified exhaust gas is discharged by 30m-height exhaust pipe.

According to the requirements of the local government, a total of 12 sets of on-line monitoring facilities for exhaust gas from volatile organic compounds are installed. At present, the on-line monitoring facilities are being installed. Commissioning and acceptance related work are promoted according to the requirements of the construction plan and commissioning plan.

③ Waste that may cause soil pollution shall be collected and supervised in strict classification in the production process, temporary stored in solid waste stations and hazardous waste warehouses in a timely manner, and entrusted to qualified enterprises for disposal according to the waste production conditions. The construction and daily management of solid waste stations and hazardous waste warehouses were carried out in accordance with the storage standards of solid waste and hazardous waste, to ensure that general industrial solid waste and hazardous waste would not pollute the soil during the production, collection, temporary storage and disposal.

(3) Emission concentration and total amount:

① Organized emission of exhaust gas:

Benzene: 0.016 t; toluene: 0.1 t; xylene: 0.22 t; non-methane total hydrocarbons: 5.611 t; particulate matters: 32.27 t. The emission concentration of each emission outlet is lower than the prescribed emission concentration.

② Wastewater discharge:

Displacement of initial rainwater of 38,300 tons; average emission concentration of COD of 10.00mg/L, total emissions of COD of 0.32 t; average emission concentration of ammonia nitrogen of 0.804 mg/L, total emissions of ammonia nitrogen of 0.03 t.

The domestic wastewater is sent to the Nanshui Water Purification Plant through the municipal sewage pipe network for treatment, and is then discharged after meeting the standards. The emission concentration of initial rainwater pollutants meets the Period-II and Level-II provisions of the Discharge Limits of Water Pollutants (DB44/26-2001), a standard of Guangdong Province.

(4) Approved total emissions: no approved total emissions (no relevant requirements from the local environmental protection bureau).

(5) Excess emissions: none.

(6) Emission standards of pollutants applied: Emissions of sulfur dioxide, nitrogen oxides, Ringelman emittance and particulate matter from hot blast furnaces are subject to the special emission limits for air pollutants in Table 3 and emission limits for gas-fired boilers in Table 2 of the Emission Standard of Air Pollutants for Boilers (DB 44/765-2019) of Guangdong Province; emissions of organic exhaust gas are subject to Table 1 of the Integrated Emission Standard of Volatile Organic Compounds for Stationary Pollution Source (DB 44/2367-2022) of Guangdong Province; organized emissions of particulate matter are subject to the Period-II and Level-II provisions of the Discharge Limits of Air Pollutants (DB 44/27-2001) in Guangdong Province; unorganized emissions of organic exhaust gas are subject to the concentration limits in Tables 3 and 4 of the Integrated Emission Standard of Volatile Organic Compounds for Stationary Pollution Source (DB 44/2367-2022) of Guangdong Province; unorganized emissions of particulate matter are subject to the Period-II unorganized emission limits in Table 2 of the Discharge Limits of Air Pollutants (DB 44/27-2001) in Guangdong Province; emissions of initial rainwater are subject to the Period-II and Level-II provisions of the Discharge Limits of Water Pollutants (DB 44/26-2001); emissions of kitchen fumes and exhaust gas are subject to the Emission Standard of Cooking Fume (GB 18483-2001).

During the reporting period, no environmental pollution accident occurred in COOEC-Fluor, and no administrative punishment related to environmental protection was imposed.

2. Construction and operation of pollution prevention and control facilities

√ Applicable □ Not applicable

A. Offshore Oil Engineering (Qingdao) Co., Ltd.

There is one set of integrated sewage treatment equipment in the plant of Qingdao Subsidiary, which has a sewage treatment capacity of 200 tons/day, and the effluent standard meets the requirements of Grade B standard of the Wastewater Quality Standard for Discharge into Municipal Sewers (GB/T31962-2015).

The painting workshops in the factory are equipped with organic exhaust gas purification and dust removal equipment, and the environmental protection equipment is regularly maintained and the corresponding maintenance records are filled in. All the environmental protection facilities are in normal operation, and all the organic and dusty exhaust gases are discharged after meeting the standard.

B. COOEC-Fluor Heavy Industries Co., Ltd.

The initial rainwater and domestic wastewater (including canteen sewage) pipe network in the plant area of COOEC-Fluor is constructed according to the principle of "rain and sewage diversion", and the oil separation and settling pond is built for treatment. The effluent of initial rainwater meets the requirements of Period-II Level-II provisions of the Discharge Limits of Water Pollutants (DB44/26-2001) in Guangdong Province, and the effluent of domestic wastewater meets the requirements of Period-II Level-III provisions of the Discharge Limits of Water Pollutants (DB44/26-2001) in Guangdong Province.

In COOEC-Fluor's plant area, the coating workshops are equipped with organic exhaust gas purification and dust removal equipment for the painting and sand blasting processes; the environmental protection equipment is regularly maintained under equipment maintenance procedures and the corresponding maintenance records are made. All the environmental protection facilities are in normal operation, and all the organic and dusty exhaust gases are discharged after meeting the standard.

3. **Environmental impact assessment of construction projects and other administrative authorizations for environmental protection**

√ Applicable □ Not applicable

A. **Offshore Oil Engineering (Qingdao) Co., Ltd.**

(1) Reply of Qingdao Municipal Environmental Protection Bureau on the Environmental Impact Report of the Qingdao Site Project Phase I of Offshore Oil Engineering (Qingdao) Co., Ltd.

(2) Reply of Qingdao Municipal Environmental Protection Bureau on the Environmental Impact Report of the Qingdao Site Project Phase II of Offshore Oil Engineering (Qingdao) Co., Ltd.

(3) Approval of Environmental Impact Report of Qingdao Municipal Environmental Protection Bureau on Phase III Project of Qingdao Manufacturing Base of Offshore Oil Engineering.

B. **COOEC-Fluor Heavy Industries Co., Ltd.**

(1) The Opinion of Environmental Protection Bureau of Zhuhai Gaolan Port Economic Zone Management Committee on the Approval of the Environmental Impact Report of COOEC's Project of Zhuhai Deep Water Marine Engineering Equipment Manufacturing Base.

(2) Reply of Zhuhai Municipal Bureau of Ecology and Environment to the Environmental Impact Report on the Construction of the #3 Coating Workshop Expansion Project in Zhuhai Deep Water Marine Engineering Equipment Manufacturing Base of COOEC-Fluor Heavy Industries Co., Ltd.

(3) On December 6, 2024, COOEC-Fluor re-applied for the Pollutant Discharging License (Certificate No.: 91440400MA4ULBA182001U, valid from December 6, 2024 to December 5, 2029) according to the requirements of the local ecology and environment department.

4. **Emergency response plan for unexpected environmental events**

√ Applicable □ Not applicable

Qingdao Subsidiary has prepared the emergency response plan for unexpected environmental events, including special emergency response plans for toxic and hazardous substances leakage and oil spills at terminals.

COOEC-Fluor has prepared the emergency response plan for unexpected environmental events, including special emergency response plans for toxic and hazardous substances leakage and oil spills at terminals.

5. **Environmental self-monitoring scheme**

√ Applicable □ Not applicable

Qingdao Subsidiary and COOEC-Fluor prepare the environmental self-monitoring plan every year and submit it to the local ecology and environment department and the headquarters of COOEC for record.

6. **Administrative penalties for environmental issues during the reporting period**

□ Applicable √ Not applicable

7. **Other environmental information that should be disclosed**

□ Applicable √ Not applicable

(II) Environmental protection of companies other than key emission units

√ Applicable □ Not applicable

1. **Administrative penalties for environmental issues**

□ Applicable √ Not applicable

2. **Disclosure of other environmental information with reference to key emission units**

√ Applicable □ Not applicable

(1) Lingang site of Tianjin Intelligent Manufacturing Branch of Offshore Oil Engineering Co., Ltd.

① Pollution discharge

According to the Announcement on the List of Key Units under Environmental Supervision in Tianjin in 2024 and the Announcement on the List of Enterprises Disclosing Environmental Information According to Law in Tianjin in 2024 issued by Tianjin Ecology and Environment Bureau on March 29, 2024, the Lingang site of Tianjin Intelligent Manufacturing Branch of COOEC (hereinafter referred to as the "Lingang site") was identified by Tianjin Ecology and Environment Bureau as the key emission unit in Tianjin in 2024, and involved in the following regulatory category: risk source, but it was not included in the List of Enterprises Disclosing Environmental Information

According to Law in Tianjin in 2024.

In order to fulfill social responsibility and promote green transformation and development, the Company independently disclosed the pollution discharge information of the Lingang site:

The main pollutants of Lingang site are domestic wastewater from the plant, organic exhaust gas from the painting operation, and hazardous waste from the production process.

② Pollutant formation process and causes

i. Outgoing wastewater is mainly domestic wastewater, wastewater from winter boiler discharge, wastewater from deionized water purification equipment, and wastewater from pipeline pressure test, etc., and the main pollutants in all kinds of wastewater are COD (chemical oxygen consumption), ammonia nitrogen, and suspended matter, etc.

ii. Pollutants in exhaust gas emission mainly include xylene, non-methane total hydrocarbons, volatile organic compounds (TRVOC) and particulate matter, and the formation process and causes are welding fume from welding during production operations, grinding dust from grinding, particulate dust from sandblasting process, and organic exhaust gas from painting and drying.

iii. The risk of soil pollution mainly comes from the hazardous waste generated during the production process. There is a possibility of leakage and leaking in the process of hazardous waste collection and temporary storage, and once it is not properly managed, there is a risk of contamination to the soil. The hazardous waste mainly includes waste paint drums, waste paint sludge, waste mineral oil, paint-stained garbage, waste paint, waste thinner and waste antifreeze.

③ Pollutant discharge method

i. The discharged wastewater includes domestic wastewater and production wastewater. Among them, domestic wastewater includes employees' domestic wastewater and heating boiler discharge water, and production wastewater includes high brine and backwash water discharged from deionization preparation system, test pressure water from general assembly site, cleaning wastewater after test pressure of pipelines and ground washing wastewater from disassembly site.

According to the drainage design, the oily wastewater from the staff canteen restaurant is treated by grease trap; the staff washing wastewater is precipitated and treated by septic tank, and the cleaning wastewater is precipitated and treated by sedimentation tank and discharged to the second sewage treatment plant of Lingang Economic Zone through municipal sewage pipe network for further treatment. In accordance with the requirements of the EIA, a flow meter is installed in the total discharge of sewage to measure the flow and do online monitoring. Currently, the sewage online monitoring system has been fully installed, and is being promoted in accordance with the requirements of the local environmental protection bureau for commissioning and acceptance-related work.

ii. The welding fume and grinding dust generated from the production process at the Lingang site are filtered and dusted by high negative pressure welding fume purification, central cartridge dust purification, mobile welding fume purifier and cartridge filter dust removal device. Pretreatment shot blasting exhaust gas is treated by the "cyclone + filter cylinder" dust removal method, and pretreatment paint spraying and drying exhaust gas is treated by the "dry filtration + RTO" treatment method, and discharged by 30m-height exhaust pipe after reaching the standard. The exhaust gas from local and vacuum sand suction for dust removal of the sand blasting workshop is treated by the "cyclone + filter cylinder dust removal" method, and is discharged by 20m-height exhaust pipe after reaching the standard. The exhaust gas from dust removal from the whole room of sand blasting workshop is treated by the "cyclone + filter cylinder" dust removal method, and is discharged from the 20m-height exhaust pipe after reaching the standard. The paint spraying and drying exhaust gas from the paint spraying workshop is purified by dry filtration + zeolite rotor + CO adsorption device, and the purified exhaust gas is discharged by 30m high exhaust pipe.

In accordance with the EIA and local government requirements, a total of 9 sets of exhaust gas online detection facilities have been installed, including 5 sets of VOC online monitoring facilities and 4 sets of particulate matter online monitoring facilities. At present, the online monitoring has been fully installed; the docking with the source control management system of Tianjin Port Free Trade Zone Ecological Environment Monitoring Station was completed by the end of 2024 as required, and the data was uploaded normally.

iii. For hazardous waste that may cause soil pollution, it is collected by category in the production process, strictly supervised and transferred to the temporary storage in time; the temporary hazardous waste warehouse has been treated with anti-leakage and anti-overflow on the ground in accordance with relevant technical requirements, and facilities such as anti-overflow tank and recycling tank have been set up; finally, all of them are entrusted to third-party units with hazardous waste disposal qualification for disposal. It is ensured that no pollution of soil will occur during the generation, collection, temporary storage and disposal of hazardous waste.

④ Emission concentration and total amount

i. Organized emission of exhaust gas:

The environmental protection regulations are strictly implemented, and the emission concentration of each emission outlet is lower than the prescribed emission concentration. In accordance with the environmental protection requirements of the local government, comprehensive statistics of various types of organized emissions of exhaust gases are compiled and the annual report on pollutant discharging license is filled in, while the monitoring results are uploaded into the Tianjin pollution source monitoring data management system.

ii. Total emissions of exhaust gases:

After taking measures of filtration, adsorption, RTO, etc. for the emission of exhaust gases, the total amount of pollutants finally discharged into the atmosphere is as follows:

Xylene: 0.4753 t; non-methane total hydrocarbons: 2.780 t; particulate matters: 4.1838 t. The emission concentration of each emission outlet is lower than the prescribed emission concentration.

iii. Wastewater discharge:

Displacement of wastewater of 11,000 ton; average emission concentration of COD of 89 mg/L, total emissions of COD of 1.30 t; average emission concentration of ammonia nitrogen of 16.9 mg/L, total emissions of ammonia nitrogen of 0.25 t.

The emission concentration of each emission outlet is lower than the prescribed emission concentration, and the total emission is lower than the total approved emission of this phase of the project as stipulated in the EIA.

⑤ Excessive emissions: none.

⑥ Emission standards of pollutants applied

The emission of organic exhaust gas is subject to the standards related to surface coating in Table 1 of the Emission Control Standard for Industrial Enterprises Volatile Organic Compounds (DB12/524-2020) of Tianjin; the unorganized emission of non-methane total hydrocarbons is subject to the Emission Control Standard for Industrial Enterprises Volatile Organic Compounds (DB12/524-2020) of Tianjin; the emission of exhaust gas from gas drying is subject to the relevant requirements in Table 3 of the Emission Standard of Air Pollutants for Industrial Kiln and Furnace (DB12/556-2015) and Table 3 of the Emission Standard of Air Pollutants for Boiler (DB12/151-2020) of Tianjin; the concentration of odor is subject to the relevant requirements in the Emission Standards for Odor Pollutants (DB12/059-2018) of Tianjin; the organized emission of particulate matter is subject to the Level-II standard of the Integrated Emission Standard of Air Pollutants (GB16297-1996), and the unorganized emission of particulate matter is subject to the relevant standards in Table 2 of the Integrated Emission Standard of Air Pollutants (GB16297-1996); the emission of wastewater is subject to the relevant requirements of Level-III standard limits in the Integrated Wastewater Discharge Standard (DB12/356-2018) of Tianjin.

⑦ Construction and operation of pollution prevention and control facilities

The painting workshops in the factory are equipped with organic exhaust gas purification and dust removal equipment, and the environmental protection equipment is regularly maintained and the corresponding maintenance records are filled in. All the environmental protection facilities are in normal operation, and all the organic exhaust gases are discharged after meeting the standard.

The base sets up the rainwater total discharge gate and rainwater regulating pool that can be used as a secondary prevention and control system; set up two accident pools, of which one accident pool is shared by hazardous waste warehouses and oleochemical warehouses, and one accident pool is used for painting workshop, to meet the emergency disposal needs and further reduce the risk of environmental pollution.

⑧ Environmental impact report (table) of construction project and approval decision of its approval department

i. Environmental Impact Report on the Construction Project of Tianjin Marine Engineering Equipment Manufacturing Base of Offshore Oil Engineering Co., Ltd. (August 2017).

ii. Approval of Environmental Impact Report on the Construction Project of Tianjin Marine Engineering Equipment Manufacturing Base of Offshore Oil Engineering Co., Ltd. (JBLSP [2017] No.118).

⑨ During the reporting period, no environmental pollution accident occurred on Lingang site, and no administrative punishment related to environmental protection was imposed.

⑩ Changes in ecological and environmental protection related licenses

i. On October 18, 2024, Lingang site of Tianjin Intelligent Manufacturing Branch reapplied for the Pollutant Discharging License (Certificate No.: 91120116MA8299YA5J002Q, valid from October 18, 2024 to October 17, 2029).

ii. On November 14, 2024, Lingang site of Tianjin Intelligent Manufacturing Branch re-registered the emergency response plan for unexpected environmental events with the Urban Environment Management Bureau of Tianjin Port Free Trade Zone (registration No.: 120308-2024-023-L).

(2) Environmental protection management of vessels

① Environmental protection management of owned vessels

As at the end of the reporting period, the Company had 19 engineering construction vessels. The Company continuously attaches importance to the environmental protection management of vessels, pays attention to the management and control of vessels from the source, actively practices advanced environmental protection concepts, and continuously improves the environmental protection management level of the Company's vessels through effective management means such as systematic management, strengthening the operation and maintenance of environmental protection equipment of vessels, and deepening cooperation with professional environmental protection agencies, so as to ensure the legal and compliant operation of the Company's vessels and marine environmental protection. During the reporting period, COOEC did not have any vessel-related environmental pollution accident due to negligence.

i. Prevention and control of water pollutants from vessels

COOEC strictly implements the relevant provisions of the Discharge Standard for Water Pollutants from Ships (GB 3552-2018) and Annex IV Regulations for the Prevention of Domestic Wastewater Pollution from Ships to MARPOL 73/78. COOEC has installed domestic wastewater treatment devices for 19 vessels and conducted disposal in strict accordance with the Discharge Standard for Water Pollutants from Ships (GB 3552-2018) and Annex IV Regulations for the Prevention of Domestic Wastewater Pollution from Ships to MARPOL 73/78 Convention.

ii. Air pollutant emission control

COOEC's ships strictly implement the International Convention for the Prevention of Pollution from Ships (MARPOL Convention), the Implementation Plan for the Ship Emission Control Zone in the Waters of Pearl River Delta, Yangtze River Delta and Bohai Sea Rim (Beijing, Tianjin and Hebei) issued by the Ministry of Transport (JHF [2015] No. 177) and the Implementation Plan for the Ship Air Pollutant Emission Control Zone issued by the Ministry of Transport (JHF [2018] No. 168). The sulfur content of fuel oil of COOEC's vessels using light oil is lower than 0.1%m/m (lower than the requirements of the Convention and the Chinese government), and the vessels using heavy oil are equipped with high and low sulfur oil conversion devices and strictly implement the high and low sulfur oil conversion procedures.

iii. Disposal of dirty oil water, oily wastewater and garbage from vessels

COOEC has established ship safety management system in accordance with the requirements of relevant maritime laws and regulations, and has clear requirements on the disposal of dirty oil water, oily wastewater and garbage from vessels. The vessel's oily water is discharged in accordance with the requirements of Regulations on the Administration of Lead Seals for Ship Discharge Equipment in Coastal Waters (JHF [2007] No. 165), and all of it is handed over to an organization with pollutant treatment qualification that has signed a recycling agreement with COOEC for recycling and treatment. All the oily wastewater and garbage are received by the qualified professional company for counterpart, with provision of the receiving certificate which meets the requirements of maritime authorities.

iv. Emergency management

COOEC's vessels are equipped with the Garbage Management Plan (GMP) and the Oil Pollution Emergency Plan (SOPEP) approved by the China Maritime Safety Administration, and all operations of the vessels strictly implement the GMP and SOPEP. COOEC and the vessels regularly conduct drills to continuously improve the emergency response and on-site disposal capabilities.

② Environmental protection management chartered vessels

COOEC takes chartered vessels as the focus of ship pollution prevention management. COOEC established a professional management organization for foreign chartered vessels, which is responsible for the inspection of foreign chartered vessels before chartering and supervision of safety and pollution prevention during the chartering process, and established a system to form the Comprehensive Management Manual for Foreign Chartered Vessels to clarify the requirements of safety and pollution prevention management for the whole process of inspection, access, chartering, process supervision and surrender of chartered vessels.

In strict accordance with the requirements of anti-pollution conventions and laws and regulations, during the chartering inspection process, COOEC inspects key environmental matters such as the validity of anti-pollution certificates, the operation records and maintenance of anti-pollution equipment and facilities, the sealing of sewage equipment, the completeness of records in the oil record book/garbage record book, and the proof of receiving documents for sewage/oil water and garbage disposal, and organizes timely rectification when problems are found. COOEC effectively ensures the legal compliance of the chartered vessels in terms of pollution prevention by organizing timely rectification after all rectification is completed.

During the chartering process, COOEC strengthens the supervision of the process of chartered vessels and sign on-site safety production management agreement to clarify the interface of responsibilities and management requirements for safety and pollution prevention. COOEC strictly supervises and supervises chartered vessels, conducts supervision and inspection from time to time, and regularly organizes warning education and training for crew members and shore-based management personnel of chartered vessels to enhance the awareness of environmental protection and pollution prevention management ability.

3. Reasons for not disclosing other environmental information

□ Applicable √ Not applicable

(III) Information related to the protection of ecology, prevention of pollution and fulfillment of environmental responsibilities

√ Applicable □ Not applicable

1. Improve the performance ratings of key industries in heavy pollution weather

In 2024, the Company thoroughly implemented Xi Jinping's ecological civilization thought, unswervingly anchored the green development strategy, and comprehensively implemented the whole-process management and control policy of "source emission reduction, process control, and end-of-pipe treatment", achieving remarkable environmental protection performance. The Company supported its high-quality development with high-quality ecological environment management.

In terms of implementing the environmental protection requirements of the State, local governments and CNOOC, the Company strictly controlled and unrelentingly strengthened the construction of environmental protection infrastructure, improved the basic management of environmental protection, strengthened the control of volatile organic compounds, actively promoted online environmental monitoring, improved the level of digital intelligence in environmental protection, and continuously enhanced the environmental protection management level of the Company.

Tanggu site and Lingang site in Tianjin were rated as "Grade B enterprise" in Tianjin's performance ratings of heavy pollution weather in 2024, and COOEC-Fluor was rated as "Grade B" in Zhuhai's VOCs-related enterprise grading in 2024, and obtained the right to independent emission reduction in heavy pollution weather, achieving synergy between environmental protection and production and operation.

2. Implement ecological environmental protection of overseas projects with high standards

In overseas projects, the Company adheres to high-quality environmental standards, and is committed to strengthening green and low-carbon transformation and improving the level of ecological environment compliance management. The Company pays close attention to the new rules and requirements of the host country in environmental governance, ecological protection, response to climate change and ESG, takes the initiative to protect the local ecological environment, practices the Company's ecological environment protection concept with practical actions, actively fulfills international social responsibility, and works with partners to build a green future.

In the Kingfisher project in Uganda, the Company strengthened the ecological environment protection during the construction process, did a good job in the prevention of ecological environment risks of the project, and effectively avoided, identified and resolved the ecological environment and climate change risks that may arise from the project as soon as possible. The project was equipped with environmental protection officers who take environmental protection as one of the important links of project implementation, and regularly carry out environmental protection inspections, vehicle oil leakage inspections, emergency drills for unexpected environmental events and other activities. At the same time, the Company publicized environmental protection concepts in local communities, planted trees in the camp area, and built drinking points for wild animals on the construction site to contribute to protecting the ecological environment and maintaining biodiversity.

In the CRPO122 project of Saudi Aramco, the Company actively carried out environmental protection public-welfare activities while doing a good job in conventional environmental protection. On June 27, 2024, the project team held a garbage clean-up activity in Al Khobar, Ash-Sharq□yah, Saudi Arabia, attracting the active participation of more than 60 people including municipal officials of Ash-Sharq□yah, Saudi Arabia and owners of Saudi Aramco. Participants, with a clear division of labor, picked up garbage on the beach in an orderly manner, sorted, collected and disposed of waste, and carries out environmental publicity to the surrounding people, which explained the significance of protecting the environment and teamwork with practical actions.

3. Optimize the subsea pipe laying technology to reduce the impact on the marine ecological environment

The Company starts from the design link and fundamentally reduces the environmental impact by optimizing the engineering design to achieve strong protection of the marine ecological environment. The Company has carried out the research named Research, Development and Application of Key Technologies of Submarine Pipeline Coupling Analysis System under Internal Wave Conditions, which has been successfully applied in Lufeng regional oilfield development project and other projects. Since the application of the research results, 109 seabed post-trenching and 34 seabed pre-trenching were reduced, directly reducing the amount of seabed trenching by 240,000 m3; the construction period was saved by three months, avoiding the impact of trenching on the seabed during the fish spawning season in the South China Sea in summer, protecting fish reproduction, and reducing the impact of offshore oil and gas development on the marine ecological environment. The project won the second prize of Science and Technology Progress Award of China National Offshore Oil Corporation.

(IV) Measures taken to reduce its carbon emissions during the reporting period and their effects

Whether to take carbon reduction measures	Yes
Reduction of carbon dioxide equivalent emissions (unit: tons)	10,120

Type of carbon reduction measures (e.g. using clean energy to generate electricity, using carbon reduction technologies in the production process, developing and producing new products that contribute to carbon reduction, etc.)	Roof distributed photovoltaic projects, old high-energy-consuming equipment renovation, and welding technology optimization, etc.

Detailed descriptions

√ Applicable □ Not applicable

The Company adheres to the major strategic decision of national carbon peaking and carbon neutrality, and unswervingly anchors the green development strategy. The Company deeply implements the vision of "being an excellent practitioner of low-carbon production mode and an excellent provider of low-carbon solutions", continuously promotes the improvement of industrial energy efficiency, deepens energy conservation and carbon reduction in the whole process, and gradually drives efficient, low-carbon and green energy use. More than 60 energy conservation and carbon reduction measures were implemented throughout the year, achieving 10,100 tons of carbon reduction through technical measures.

1. Accelerate the creation of "green manufacturing" in the system. The Company actively practices the green and low-carbon production mode, unblocks the green industrial chain, carries out the creation of "green manufacturing system" through measures, and carefully builds a green manufacturing base. Through the joint efforts of the Company and relevant units, its three manufacturing bases in Tianjin, Qingdao and Zhuhai respectively have won a number of national, provincial and industry-level "green manufacturing" titles. In 2024, its Tianjin Intelligent Manufacturing Branch was awarded the title of "Green Factory" by Tianjin City, while Qingdao Subsidiary was awarded the title of "Green Supply Chain Management Enterprise" by the China Petroleum and Chemical Industry Federation.

2. Improve the energy management system. In order to promote the systematic, refined and scientific energy management and achieve alignment with international standards, the Company successfully completed the establishment of a new energy management system through unremitting efforts and officially released it in October 2024. The new system based on ISO 50001 standard conforms to the green and low-carbon management requirements of domestic and foreign owners, adapts to the new situation of construction of domestic and international energy management systems and carbon management systems, serves the Company's development strategy simultaneously, promotes the Company's green and low-carbon transformation, fulfills social responsibility, and gives full play to the synergy effect of cost reduction and efficiency improvement. It is of great significance and role to the Company's development.

3. Steadily promote the use of clean energy. The Company implemented Zhuhai Photovoltaic Project (Phase II) with an installed capacity of up to 9.3MW. The project was completed smoothly by the end of December 2024 and connected with the grid. By then, 9.5 million kWh of green power can be generated annually, effectively reducing carbon dioxide emissions by 3,675 tons. After the acceptance and grid connection of Zhuhai Photovoltaic Project (Phase II), the Company has formed a photovoltaic self-generation capacity with an installed capacity of 18.3MW, and can generate 19 million kWh of green power annually, reducing carbon dioxide emissions by 8,200 tons; actively participated in the market-oriented trading of green power, steadily promoted the replacement by green power, and purchased a total of 30 million kWh of green power in 2024; throughout the year, utilized 41.66 million kWh of photovoltaic self-generated power and purchased green power, reducing carbon emissions by 29,000 tons. Green power has accounted for 26.9% of the Company's total power consumption, and the utilization of clean energy has achieved new breakthroughs.

4. Continuously strengthen the application of energy-saving and carbon reduction technologies. In order to save energy and reduce emissions, improve efficiency and production, improve spraying quality, and reduce occupational hazards, the Company's Zhuhai site renovated the sandblasting room of the newly built painting workshop, and adopted the innovative method of "remote control cabin + cockpit + driving robot" to realize the sandblasting treatment of loose parts. It is not only efficient, energy-saving and low-emission, but also can save 50%-70% of energy consumption, reduce pollutant emissions, and greatly reduce the damage to personnel health caused by noise, and dust, etc.

5. Focus on providing green solutions. The Company deepened the construction of green and low-carbon projects, tackled technical problems, vigorously developed green energy engineering business, and completed the construction of the domestic largest single booster station - the booster station of Qingzhou VI Wind Power Project; strengthened the research and development of green and low-carbon technologies; the domestic first tension-leg floating wind power platform obtained the Approval In Principle certificates from China Classification Society and Bureau Veritas; the engineering design of "CNOOC Guanlan" won the "CNOOC Design Gold Award"; the "Research on Manufacturing and Testing Technology of Complex Underwater Manifold with Control System" and "China's First 2,400-ton Deepwater FPSO Mooring System Device" won the "Special Prize and First Prize of Carbon Peaking and Carbon Meutrality Innovation Achievement" of China Association of Plant Engineering.

II. Social responsibility

(I) Whether social responsibility report, sustainable development report or ESG report is disclosed separately

√ Applicable □ Not applicable

For details, please refer to the Environmental, Social and Corporate Governance (ESG) Report 2024 of Offshore Oil Engineering Co., Ltd. disclosed on the website of Shanghai Stock Exchange at www.sse.com.cn on the same date of this annual report.

(II) Details of social responsibility

□ Applicable √ Not applicable

Detailed descriptions

□ Applicable √ Not applicable

III. Consolidation of poverty alleviation achievements and rural revitalization

√ Applicable □ Not applicable

Poverty alleviation and rural revitalization projects	Quantity / Content	Notes
Total investment (RMB'0,000)	178.5	The total amount of invested funds and materials was RMB 1.785 million.
Including: funds (RMB'0,000)	150	Donated support funds of RMB 1.5 million to Libozhuang Village and Huangtukan Village in Lintingkou Town, Baodi District through Tianjin Charity Association, mainly for infrastructure upgrading and transformation.
Materials (RMB'0,000)	28.5	Support poverty alleviation through industry in Xizang, and purchase mineral water in the form of consumption assistance, with a cumulative annual consumption of RMB 285,000.
Number of beneficiaries	About 500	Villagers of Huangtukan Village and Libozhuang Village, Lintingkou Town, Baodi District, and college students in Xizang.
Forms of assistance (such as poverty alleviation through industry, poverty alleviation through employment, and poverty alleviation through education)	Assist poverty-stricken areas mainly by poverty alleviation through industry, poverty alleviation through employment, and poverty alleviation through education	Poverty alleviation through industry: procurement of mineral water in Xizang in the form of consumption assistance. Poverty alleviation through employment: recruitment of 9 college students in Xizang. Poverty alleviation through education: donate charity funds to purchase audio-visual education equipment; donate computers and build audio-visual classrooms in schools to improve regional education resources.

Detailed descriptions

√ Applicable □ Not applicable

(I) Rural revitalization - local designated assistance

Since July 2021, the Company has carried out a three-year resident assistance to Huangtukan Village and Libozhuang Village, Lintingkou Town, Baodi District, Tianjin. The Company helped the two villages harden roads, build characteristic village signs, reinstall household signs and street signs for each household, draw wall paintings, build cultural and fitness squares, and install "love seats". In September 2024, the collective operating income of the two villages reported by Tianjin Survey Corps of the National Bureau of Statistics and Baodi District Agriculture and Rural Affairs Committee reached RMB 200,000, and the per capita disposable income of the two villages increased by more than the average level of Tianjin.

(II) Paired assistance to Xizang - Donation to Nima County, Xizang

To help the education informatization construction of Nima County, the Company donated in 2024 charity funds of RMB 150,000 to the Nima County Education Bureau for the procurement of multi-functional touch all-in-one machines for preschool education; donated more than 100 computers to township primary schools in Nima County to effectively solve the aging problem of school hardware equipment and improve the level of education informatization construction in Nima County; continuously supported the consumption of regional characteristic products, with a cumulative consumption of RMB 285,000 in the current year; according to the actual situation, participated in employment assistance and recruited 9 college students in Xizang; at the same time, the Company's leaders and employees also actively gave assistance to students in Nima County and bring warmth to them through various forms such as charity sales and donations and "paired assistance".

(II) Charity assistance to hope primary schools

In 2024, the Company continued to assist and comfort two hope primary schools in Longhua County, Chengde City, Hebei Province. First, continue to invest funds and strengthen fund guarantee. The annual donation of special support funds was RMB 150,000, mainly used for infrastructure upgrading and transformation of the two schools, and rewards for outstanding teachers and outstanding students. Second, consolidate the effect of charity assistance. The Company organized employees to pair up with 73 needy students, sent representatives to Tongzhazi Central Primary School in Longhua County, Chengde City, Hebei Province to commend outstanding teachers and merit students, and donated stationery and sports supplies to the school, and daily necessities and support funds to the students. The Company's "Blue Power" volunteers carefully prepared courses such as COOEC science popularization and traditional culture to enrich the learning experience of students. The seeds of hope sown by the Company in Longhua County have quietly sprouted, and every seedling watered with love is thriving.

Important Matters

I. Fulfillment of commitments

(I) Commitments of actual controller, shareholders, affiliates, acquirer, COOEC and other related parties during or lasting in the reporting period

√ Applicable □ Not applicable

Commitment background	Commitment type	Party making commitment	Commitment contents	Commitment date	Whether there is a fulfillment term	Commitment period	Whether the commitment is fulfilled in a strict and timely manner
Commitments made in the acquisition report or report on changes in equity	Restricted sales of shares	China National Offshore Oil Corporation	There are no plans to increase or dispose of the shares in which it already has an interest in the next 12 months and the shares acquired in this change in interest.	October 31, 2023	Yes	12 months	Yes
	Others	China National Offshore Oil Corporation	CNOOC and its affiliates undertake that the related-party transactions with the listed company shall always be conducted at a fair and reasonable market price in accordance with the requirements of relevant laws and regulations and market principles, and protect the legitimate rights and interests of the listed company and shareholders; undertake to fulfill the obligation of information disclosure of related-party transactions according to relevant laws, regulations and articles of association. After the completion of this equity change, CNOOC and related parties did not significantly increase related-party transactions with the listed company; CNOOC undertakes to exercise shareholders' rights and perform shareholders' obligations in accordance with relevant laws and regulations and the Articles of Association, and not to damage the interests of the listed company and other shareholders; CNOOC undertakes to strictly fulfill the above commitments, and bears the corresponding liabilities if any loss is caused to the listed company due to the breach of such commitments.	October 31, 2023	No	Long-term	Yes
IPO-related commitments	Solve horizontal competition	China National Offshore Oil Corporation	China National Offshore Oil Corporation and the legal persons under its control do not and will not engage in any business with the same or similar scope of business as COOEC, and do not and will not undertake any activities in any way that may cause damage to the interests of COOEC during the existence of COOEC.	August 15, 2001	No	During the existence of COOEC	Yes

(II) If there is a profit forecast for COOEC's assets or projects, and the reporting period is still in the profit forecast period, COOEC explains whether the assets or projects have met the original profit forecast and the reasons

□ Yes □ No √ Not applicable

(III) Completion of performance commitments and its impact on goodwill impairment test

□ Applicable √ Not applicable

II. Non-operational appropriation of funds by the controlling shareholder and other related parties during the reporting period

□ Applicable √ Not applicable

III. Violation of guarantees

□ Applicable √ Not applicable

IV. Explanation by the Board of Directors of COOEC on the non-standard opinion auditors' report of the accounting firm

□ Applicable √ Not applicable

V. COOEC's analysis of the reasons for and impacts of changes in accounting policies and accounting estimates and corrections of significant accounting errors

(I) COOEC's analysis of the reasons for and impacts of changes in accounting policies and accounting estimates

√ Applicable □ Not applicable

For the Company's analysis of the causes and effects of changes in accounting policies and accounting estimates, please refer to "V. 40. Changes in significant accounting policies and accounting estimates" of Section 10 "Financial Reports" in this report.

(II) COOEC's analysis of the reasons for and impacts of the corrections of significant accounting errors

□ Applicable √ Not applicable

(III) Communication with the former accounting firm

□ Applicable √ Not applicable

(IV) Examination and approval process and other explanations

√ Applicable □ Not applicable

The Company changes the corresponding accounting policies in accordance with the Accounting Standards for Business Enterprises issued by the Ministry of Finance. The changes in accounting policies need not to be reviewed by the Board of Directors and the General Meeting. For details, please refer to the Announcement of COOEC on Changes in Accounting Policies disclosed on the website of Shanghai Stock Exchange (www.sse.com.cn) on April 25, 2024.

VI. Appointment and dismissal of the accounting firm

Unit: RMB'0,000

	Original appointment	Current appointment
Name of domestic accounting firm	BDO CHINA Shu Lun Pan Certified Public Accountants LLP	Zhongshenzhonghuan Certified Public Accountants (Special General Partnership)
Compensation of the domestic accounting firm	60	158
Number of years of audit by the domestic accounting firm	9	1
Names of CPAs of the domestic accounting firm	/	Zhao Yunjie, Li Yan
Number of consecutive years of audit services of CPAs of the domestic accounting firm	/	Zhao Yunjie (1 year), Li Yan (1 year)

	Name	Compensation
Internal control audit accounting firm	Zhongshenzhonghuan Certified Public Accountants (Special General Partnership)	27.00

Appointment and dismissal of the accounting firm

√ Applicable □ Not applicable

At the 3rd meeting of the 8th Board of Directors held on March 15, 2024, COOEC deliberated and adopted the Proposal on the Renewal of the Appointment of COOEC's Financial and Internal Control Auditors for 2024, and renewed the appointment of BDO CHINA Shu Lun Pan Certified Public Accountants LLP as COOEC's financial and internal control auditor for 2024 to provide COOEC with accounting statement audit and internal control audit services mainly for financial reports and other related audit services for a period of one year. The above matter was deliberated and adopted at COOEC's 2023 Annual General Meeting held on May 16, 2024.

At the 6th meeting of the 8th Board of Directors held on October 25, 2024, COOEC deliberated and adopted the Proposal on Changing the Accounting Firm, and agreed to appoint Zhongshenzhonghuan Certified Public Accountants (Special General Partnership) as COOEC's financial report and internal control auditor for 2024 to provide COOEC with financial statement audit and internal control audit services mainly for financial reports and other related audit services for 2024. The above matter was deliberated and adopted at the First Extraordinary General Meeting of the Company in 2024 held on November 12, 2024.

Change in the accounting firm during the audit period

√ Applicable □ Not applicable

In view of the fact that BDO China Shu Lun Pan Certified Public Accountants LLP has provided audit services for the Company for many years, in order to better ensure the independence and objectivity of the audit work, after comprehensively considering the Company's business development and the needs of the overall audit, the Company has changed the accounting firm in accordance with the relevant provisions of the Administrative Measures for the Selection and Employment of Accounting Firm by State-owned Enterprises and Listed Companies. After public tendering, the Company appointed Zhongshenzhonghuan Certified Public Accountants (Special General Partnership) as the financial report and internal control auditor for 2024. The Company has communicated with BDO China Shu Lun Pan in advance on the change in the accounting firm, and BDO China Shu Lun Pan was aware of the matter and confirmed no objection. The change in the accounting firm was deliberated and adopted at the First Extraordinary General Meeting of the Company in 2024.

For details, please refer to the Announcement of COOEC on Changing the Accounting Firm disclosed on the website of Shanghai Stock Exchange (www.sse.com.cn) on October 28, 2024. (L 2024-026)

Description of audit fees decreased by 20% (inclusive) compared to the last year

□ Applicable √ Not applicable

VII. Situation facing delisting risk

(I) Causes of the delisting risk warning

□ Applicable √ Not applicable

(II) Measures to be taken by COOEC in response

□ Applicable √ Not applicable

(III) Situation facing delisting and reasons therefor

□ Applicable √ Not applicable

VIII. Matters related to bankruptcy and reorganization

□ Applicable √ Not applicable

IX. Significant litigation and arbitration

□ Yes √No

X. Suspected violations of law, punishment and rectification by the listed company and its directors, supervisors, senior officers, controlling shareholders and actual controllers

□ Applicable √ Not applicable

XI. Credit status of COOEC, its controlling shareholders and actual controllers during the reporting period

√ Applicable □ Not applicable

During the reporting period, the Company and its controlling shareholders and actual controllers had good integrity, and no dishonest records were issued by regulators.

XII. Major related-party transactions

(I) Related-party transactions related to daily operations

1. **Matters that have been disclosed in the interim announcement without progress or changes in the subsequent implementation**

□ Applicable √ Not applicable

2. **Matters that have been disclosed in the interim announcement with progress or changes in the subsequent implementation**

√ Applicable □ Not applicable

The disclosure and review procedures of related-party transactions between COOEC, CNOOC and its affiliates and other related parties comply with the Rules Governing the Listing of Stocks on Shanghai Stock Exchange, the Articles of Association and other relevant provisions. At the 18th Meeting of the 7th Board of Directors on March 17, 2023, COOEC deliberated and adopted the Management Measures for Related-party Transactions of COOCE, and the Proposal on Predicting Daily Related-party Transactions During 2023-2025, and agreed that the amount of daily related-party transactions in 2024 was capped at RMB 39.947 billion. The above proposals were deliberated and adopted at COOEC's 2022 Annual General Meeting held on May 19, 2023. For details, please refer to the relevant announcements published by the Company in the China Securities Journal, and Shanghai Securities News and on the website of the Shanghai Stock Exchange (www.sse.com.cn) on March 21, 2023 and May 22, 2023.

The independent directors of COOEC believe that: COOEC's related-party transactions provide a long-term stable market for the Company and are an integral part of promoting the development of the Company. The pricing of related-party transactions follows the principle of fair and just market price and the principle of contract freedom through equal negotiation. COOEC's prediction for daily related-party transactions in 2023-2025 is made according to the needs of the Company's daily production and operation, and the pricing of related-party transactions is determined with reference to the market price, which is conducive to realizing complementary advantages and in line with the Company's interests, without harming the interests of the Company and all shareholders, especially small and medium-sized shareholders, and without affecting the independence of the listed company's business.

The accumulated related-party transactions in 2024 comply with the relevant provisions of the Rules Governing the Listing of Stocks on Shanghai Stock Exchange. As at the end of December 2024, COOEC and its controlling shareholder, China National Offshore Oil Corporation, and its subsidiaries (excluding COOEC and its subsidiaries) actually incurred the amount of approximately RMB 31 billion, accounting for 78% of the estimated amount for the year.

Type of related party transactions		Related party	Predicted amount in 2024 (RMB 100 million)	Actual amount in 2024 (RMB 100 million)
Sales of goods/rendering of services		CNOOC Limited	265	211.95
		CNOOC and other subsidiaries	15.52	13.39
Purchase of goods/receipt of services		CNOOC Energy Technology & Services Limited	24.48	18.61
		CNOOC and other subsidiaries	3.98	2.99
Related party leases	Leasee	Zhonghai Industry Co., Ltd.	0.35	0.25
		CNOOC and other subsidiaries	0.13	0.17
	Leasor	China Oilfield Services Company Limited	0.004	0.001
		Other CNOOC subsidiaries	0.003	0.002
Loans from related parties		CNOOC	6.00	2.2
		CNOOC and other subsidiaries	7.00	0
Financial services	Deposits	Finance Company	10.00	9.94
	Credit and other financial business	Finance Company	60.00	50.00
		CNOOC and other subsidiaries	5.00	0
	Loan interest and various service charges	Finance Company	0.40	0.04
Commissioned research		CNOOC Limited	1.40	0.45
		CNOOC and other subsidiaries	0.20	0.18
Total			399.47	310.17

3. Matters not disclosed in the interim announcement

□ Applicable √ Not applicable

(II) Related-party transactions related to the acquisition or sale of assets or equity

1. Matters that have been disclosed in the interim announcement without progress or changes in the subsequent implementation

□ Applicable √ Not applicable

2. Matters that have been disclosed in the interim announcement with progress or changes in the subsequent implementation

□ Applicable √ Not applicable

3. Matters not disclosed in the interim announcement

□ Applicable √ Not applicable

4. Where performance engagements are involved, the achievement of performance during the reporting period should be disclosed

□ Applicable √ Not applicable

(III) Major related-party transactions related to joint foreign investment

1. Matters that have been disclosed in the interim announcement without progress or changes in the subsequent implementation

□ Applicable √ Not applicable

2. Matters that have been disclosed in the interim announcement with progress or changes in the subsequent implementation

□ Applicable √ Not applicable

3. Matters not disclosed in the interim announcement

□ Applicable √ Not applicable

(IV) Related claims and debts

1. Matters that have been disclosed in the interim announcement without progress or changes in the subsequent implementation

□ Applicable √ Not applicable

2. Matters that have been disclosed in the interim announcement with progress or changes in the subsequent implementation

□ Applicable √ Not applicable

3. Matters not disclosed in the interim announcement

□ Applicable √ Not applicable

(V) Financial business between COOEC and the related financial companies, or between the financial companies controlled by COOEC and the related parties

√ Applicable □ Not applicable

1. Deposit business

√ Applicable □ Not applicable

Unit: RMB'0,000

Related party	Relationship	Maximum daily deposit limit	Deposit interest rate range	Beginning balance	Amount in the current period		Ending balance
					Total amount deposited during the period	Total amount withdrawn during the period	
CNOOC Finance Co., Ltd.	Finance company with relationships	100,000.00	0.35%-3.00%	99,430.04	8,097,843.88	8,097,827.61	99,446.31
Total	/	/	/	99,430.04	8,097,843.88	8,097,827.61	99,446.31

Remarks: (1) The daily maximum deposit limit took effect from the signing of the Financial Services Framework Agreement between COOEC and CNOOC Finance Co., Ltd. on June 12, 2023. (2) The deposit interest rate range is 0.35%-3.00% per year; the interest rate of RMB deposits is 0.35%-1.15% per year; the interest rate of USD demand deposits is 3.00% per year. The interest rate of COOEC's deposits with CNOOC Finance Co., Ltd. is the comparable level of commercial bank deposit rates.

2. Loan business

□ Applicable √ Not applicable

3. Credit business or other financial business

√ Applicable □ Not applicable

Unit: RMB'0,000

Related party	Relationship	Business type	Total	Actual amount
CNOOC Finance Co., Ltd.	Finance company with relationships	Credit granting business	500,000.00	205,853.28

Remarks: Actual amount refers to the balance of COOEC's credit line with CNOOC Finance Co., Ltd. at the end of the reporting period. The business using the credit line includes letter of guarantee business and acceptance bill business.

4. Other notes

□ Applicable √ Not applicable

(VI) Others

√ Applicable □ Not applicable

Please refer to "XII. Related parties and related-party transactions" in Section 10 Financial Reports of this report for details of related parties and related-party transactions within the reporting period.

XIII. Major contracts and performance thereof

(I) Custody, contracting and leases

1. Custody

□ Applicable √ Not applicable

2. Contracting

□ Applicable √ Not applicable

3. Leases

□ Applicable √ Not applicable

(II) Guarantees

√ Applicable □ Not applicable

Unit: USD 100 million

External guarantees of COOEC (excluding guarantees for subsidiaries)														
Guarantor	Relationship between the guarantor and the listed company	The guaranteed party	Guarantee amount	Date of occurrence of guarantee (agreement signing date)	Start date of guarantee	Maturity date of guarantee	Type of guarantee	Collateral (if any)	Whether the guarantee has been fulfilled	Whether the guarantee is overdue	Amount overdue on guarantee	Counter-guarantees	Whether to guarantee for a related party	Relationship
Total amount of guarantees incurred during the reporting period (excluding guarantees for subsidiaries)														0
Total guarantee balance at the end of the reporting period (A) (excluding guarantees for subsidiaries)														0
Guarantees of COOEC and its subsidiaries for subsidiaries														
Total amount of guarantees for subsidiaries during the reporting period														0.00
Total balance of guarantees for subsidiaries as at the end of the reporting period (B)														6.06
Total guarantees of COOEC (including guarantees for subsidiaries)														
Total amount of guarantees (A+B)														6.06

Ratio of the total guarantee amount to COOEC's net assets (%)	16.60
Including:	
Amount of guarantees provided for shareholders, actual controllers and their related parties (C)	0.00
Amount of debt guarantees provided directly or indirectly for the guaranteed object whose asset-liability ratio exceeds 70% (D)	0.19
Amount of total guarantees exceeding 50% of net assets (E)	0.00
Total amount of the above three guarantees (C+D+E)	0.19
Possible joint and several liability for unexpired guarantees	None

Notes to guarantees

I. As at the end of the reporting period, COOEC had 4 guarantees in the process of fulfillment, as follows:

(1) As deliberated and adopted at the 10th meeting of the 6th Board of Directors of COOEC held on August 17, 2018, COOEC opened a bank performance guarantee and a prepayment guarantee for the performance of the contract for the Dangote Petrochemical Offshore Transportation and Installation Project by its subsidiary, Nigeria Free Trade Zone Company, and the guarantee amount was adjusted from USD 33.2 million to USD 38.2 million due to the increase in the contract amount, of which the amount of the performance guarantee was USD 19.1 million and the amount of prepayment guarantee was USD 19.1 million. The maximum guarantee period was extended from December 31, 2018 to June 30, 2020. The guarantees were later adjusted accordingly as approved by the 24th meeting of the 6th Board of Directors of COOEC held on June 23, 2020 and the 28th meeting of the 6th Board of Directors of COOEC held on December 4, 2020. First, the parent company guarantee of the performance guarantee was extended from December 31, 2020 to April 30, 2021, and the parent company guarantee will be adjusted accordingly with the change in the validity period of the bank guarantee if the project duration changes. Second, the parent company guarantee of the prepayment guarantee was restarted with a guarantee amount of USD 19.1 million and the guarantee period was extended to April 30, 2021. If the project duration changes, the parent company guarantee will be adjusted accordingly with the change in the validity period of the bank guarantee. Third, the parent company guarantee of the quality guarantee was provided, and the performance guarantee will end when the project is completed and the quality guarantee will be activated accordingly, with the guarantee amount of USD 19.1 million and the validity period of the quality guarantee being 24 months from the date of issuance of the completion certificate by the owner (for details, please refer to the announcement on the resolution of the Board of Directors and the announcement of adjustment to the guarantee disclosed by COOEC on the website of Shanghai Stock Exchange on December 7, 2020). As at the end of the reporting period, the prepayment guarantee had expired and been released, and only the quality guarantee in the amount of USD 19.1 million remained to be fulfilled.

(2) As deliberated and adopted at the 17th meeting of the 6th Board of Directors of COOEC held on June 6, 2019, COOEC issued a parent company guarantee for the performance of the LNG module construction contract between Qingdao Subsidiary and JGC Fluor. The guarantee amount is RMB 2.449 billion and the guarantee period is from the issuance of the guarantee to September 15, 2025. The above guarantee was deliberated and adopted at the First Extraordinary General Meeting in 2019 held by the Company on June 25, 2019. (For details, please refer to the resolution announcement and guarantee announcement disclosed on the website of Shanghai Stock Exchange on June 7, 2019 and the resolution announcement of the general meeting disclosed on June 26)

(3) As deliberated and adopted at the 9th Meeting of the 7th Board of Directors of COOEC held on March 18, 2022, COOEC provided a parent company guarantee for the contract for Buzios VIII (FPSOP79) module construction project in Brazil signed between Offshore Oil Engineering (Qingdao) Co., Ltd., a wholly-owned subsidiary, as a subcontractor, and SAIPEMSA, a general contractor, in the amount of USD 72 million. The guarantee period is 48 months from the date of issuance of the guarantee to the date of issuance of the provisional acceptance certificate of the project by the general contractor. (For details, please refer to the announcement on the resolution of the Board of Directors and the announcement on the guarantee disclosed by COOEC on the website of the Shanghai Stock Exchange on March 22, 2022)

(4) As deliberated and adopted at the 2nd Meeting of the 8th Board of Directors of COOEC held on December 22, 2023, COOEC provided a parent company guarantee for the contract for Qatar NFPSEPC2 Project signed between Offshore Oil Engineering (Qingdao) Co., Ltd., a wholly-owned subsidiary, as a subcontractor, and SERVIZI ENERGIA ITALIA S.P.A., a general contractor, at the amount of USD 175 million. The guarantee period is 40 months from the date of issuance of the guarantee to the date of issuance of the provisional acceptance certificate of the project by the general contractor. (For details, please refer to the announcement on the resolution of the Board of Directors and the announcement on the guarantee disclosed by COOEC on the website of the Shanghai Stock Exchange on December 25, 2023)

II. Guarantees released during the reporting period:

(1) As deliberated and adopted at the 9th meeting of the 6th Board of Directors of COOEC held on May 21, 2018, COOEC issued a parent company guarantee for the performance of the contract for the Long Lake Southwest Turnkey Project by a Canadian subsidiary in the amount of CAD 75 million, for a guarantee period from the issuance of the guarantee to December 20, 2026. The above guarantee is not subject to the deliberation and approval by COOEC's general meeting. As at the end of the reporting period, the Company reached an agreement with the project owner through negotiation to release the guarantee liability of the parent company in advance, and the guarantee matter was released accordingly. (For details, please refer to the announcement on the resolution of the Board of Directors and the announcement on the guarantee disclosed by COOEC on the website of the Shanghai Stock Exchange on May 22, 2018)

(III) Entrustment of others for cash asset management

1. Entrusted wealth management

(1) General information on entrusted wealth management

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Capital source	Amount incurred	Unmatured balance	Amount overdue for collection
Bank wealth management products Publicly offered fund products	Proprietary funds	1,230,000.00	1,230,000.00	0.00

Remarks: The amount incurred refers to the highest single-day balance of wealth management, and the balance on December 31, 2024 is the highest.

Others

□ Applicable √ Not applicable

(2) Individual entrusted wealth management

√ Applicable □ Not applicable

Unit: RMB'0,000

Trustee	Type of entrusted wealth management	Amount of entrusted wealth management	Start date of entrusted wealth management	End date of entrusted wealth management	Capital source	Investment of funds	Whether there is a restricted situation	Determination method of remuneration	Annualized return rate	Actual profits or losses	Unmatured amount	Amount overdue for collection	Whether to go through legal procedures	Is there any entrusted wealth management plan in the future
ICBC Tianjin Branch	Bank wealth management products	20,000	2020/12/30	2023/12/30	Proprietary funds	Certificate of Deposit	No	Fixed income type	3.99%	0	0	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	10,000	2020/12/31	2023/12/31	Proprietary funds	Certificate of Deposit	No	Fixed income type	3.99%	0	0	0	Yes	Yes
Agricultural Bank of China, Tianjin Tanggu Branch	Bank wealth management products	30,000	2021/01/15	2024/01/15	Proprietary funds	Certificate of Deposit	No	Fixed income type	3.99%	28.21	0	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	50,000	2023/05/08	2026/05/08	Proprietary funds	Certificate of Deposit	No	Fixed income type	3.25%	1,533.02	50,000	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	10,000	2023/08/31	2026/08/31	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.90%	273.58	10,000	0	Yes	Yes
Construction Bank of China, Tianjin Development Branch	Bank wealth management products	20,000	2023/08/31	2026/08/31	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.90%	547.17	20,000	0	Yes	Yes
Construction Bank of China, Tianjin Development Branch	Bank wealth management products	30,000	2023/08/31	2026/08/31	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.90%	820.75	30,000	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	30,000	2023/09/11	2026/09/11	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.90%	820.75	30,000	0	Yes	Yes
Industrial Bank Beijing Branch	Bank wealth management products	30,000	2023/09/12	2026/09/12	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.90%	820.75	30,000	0	Yes	Yes
Industrial Bank Beijing Branch	Bank wealth management products	30,000	2023/10/11	2026/10/11	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.85%	806.60	30,000	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	10,000	2023/10/16	2026/10/16	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.90%	273.58	10,000	0	Yes	Yes

Trustee	Type of entrusted wealth management	Amount of entrusted wealth management	Start date of entrusted wealth management	End date of entrusted wealth management	Capital source	Investment of funds	Whether there is a restricted situation	Determination method of remuneration	Annualized return rate	Actual profits or losses	Unmatured amount	Amount overdue for collection	Whether to go through legal procedures	Is there any entrusted wealth management plan in the future
Guangfa Bank, Tianjin Branch	Bank wealth management products	20,000	2023/11/22	2026/11/22	Proprietary funds	Certificate of Deposit	No	Fixed income type	2.90%	547.17	20,000	0	Yes	Yes
Industrial Bank Beijing Branch	Bank wealth management products	80,000	2022/07/21	2024/01/31	Proprietary funds	Bank financing	No	Floating-income	3.69%	4,518.40	0	0	Yes	Yes
Bank of China Tianjin Branch	Bank wealth management products	30,000	2023/03/31	2024/03/29	Proprietary funds	Bank financing	No	Floating-income	3.70%	1,106.96	0	0	Yes	Yes
Agricultural Bank of China, Tianjin Tanggu Branch	Bank wealth management products	80,000	2023/04/17	2024/04/16	Proprietary funds	Bank financing	No	Floating-income	3.92%	3,135.50	0	0	Yes	Yes
Bank of China Tianjin Branch	Bank wealth management products	50,000	2023/04/27	2024/04/26	Proprietary funds	Bank financing	No	Floating-income	3.70%	1,850.00	0	0	Yes	Yes
CITIC Bank Tianjin Branch	Bank wealth management products	40,000	2023/04/28	2024/04/17	Proprietary funds	Bank financing	No	Floating-income	3.48%	1,352.81	0	0	Yes	Yes
China Merchants Bank, Tianjin Branch	Bank wealth management products	20,000	2023/04/28	2024/04/24	Proprietary funds	Bank financing	No	Floating-income	3.57%	707.34	0	0	Yes	Yes
Bank of China Tianjin Branch	Bank wealth management products	50,000	2023/05/31	2024/04/15	Proprietary funds	Structural deposits	No	Floating-income	3.40%	1,406.05	0	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	30,000	2023/06/20	2024/01/05	Proprietary funds	Structural deposits	No	Floating-income	3.20%	493.77	0	0	Yes	Yes
Construction Bank of China, Tianjin Branch	Bank wealth management products	40,000	2023/06/29	2024/01/15	Proprietary funds	Structural deposits	No	Floating-income	2.90%	599.64	0	0	Yes	Yes
Beijing Branch of the Bank of Communications	Bank wealth management products	80,000	2023/06/30	2024/06/28	Proprietary funds	Structural deposits	No	Floating-income	2.85%	2,145.05	0	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	40,000	2023/07/31	2024/05/06	Proprietary funds	Structural deposits	No	Floating-income	1.00%	289.48	0	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	40,000	2023/08/28	2024/02/23	Proprietary funds	Structural deposits	No	Floating-income	3.04%	562.58	0	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	50,000	2023/10/27	2024/07/19	Proprietary funds	Structural deposits	No	Floating-income	1.00%	343.76	0	0	Yes	Yes
Construction Bank of China, Tianjin Branch	Bank wealth management products	30,000	2023/11/09	2024/05/10	Proprietary funds	Structural deposits	No	Floating-income	2.68%	380.74	0	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	30,000	2023/11/29	2024/05/24	Proprietary funds	Structural deposits	No	Floating-income	2.79%	382.91	0	0	Yes	Yes
Beijing Branch of the Bank of Communications	Bank wealth management products	20,000	2023/11/30	2024/06/03	Proprietary funds	Structural deposits	No	Floating-income	2.70%	259.60	0	0	Yes	Yes
Beijing Branch of the Bank of Communications	Bank wealth management products	30,000	2023/11/30	2024/06/03	Proprietary funds	Structural deposits	No	Floating-income	2.70%	389.40	0	0	Yes	Yes
Everbright Bank, Tianjin Branch	Bank wealth management products	60,000	2023/12/14	2024/06/13	Proprietary funds	Structural deposits	No	Floating-income	2.85%	806.60	0	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	60,000	2023/12/22	2024/06/12	Proprietary funds	Structural deposits	No	Floating-income	2.32%	622.32	0	0	Yes	Yes
Everbright Bank, Tianjin Branch	Bank wealth management products	60,000	2024/01/15	2024/07/15	Proprietary funds	Structural deposits	No	Floating-income	2.80%	792.45	0	0	Yes	Yes

Trustee	Type of entrusted wealth management	Amount of entrusted wealth management	Start date of entrusted wealth management	End date of entrusted wealth management	Capital source	Investment of funds	Whether there is a restricted situation	Determination method of remuneration	Annualized return rate	Actual profits or losses	Unmatured amount	Amount overdue for collection	Whether to go through legal procedures	Is there any entrusted wealth management plan in the future
Beijing Branch of the Bank of Communications	Bank wealth management products	40,000	2024/01/17	2024/07/22	Proprietary funds	Structural deposits	No	Floating-income	2.70%	522.00	0	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	30,000	2024/01/22	2024/07/19	Proprietary funds	Structural deposits	No	Floating-income	1.00%	138.80	0	0	Yes	Yes
Everbright Bank, Tianjin Branch	Bank wealth management products	60,000	2024/02/28	2024/08/27	Proprietary funds	Structural deposits	No	Floating-income	2.75%	778.30	0	0	Yes	Yes
Beijing Branch of the Bank of Communications	Bank wealth management products	60,000	2024/02/29	2024/09/03	Proprietary funds	Structural deposits	No	Floating-income	2.70%	782.99	0	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	90,000	2024/04/29	2024/12/05	Proprietary funds	Structural deposits	No	Floating-income	2.80%	1,432.93	0	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	80,000	2024/04/29	2025/04/29	Proprietary funds	Structural deposits	No	Floating-income	2.59%	0	80,000	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	60,000	2024/05/24	2025/02/18	Proprietary funds	Structural deposits	No	Floating-income	2.80%	0	60,000	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	60,000	2024/05/23	2025/05/23	Proprietary funds	Structural deposits	No	Floating-income	2.59%	0	60,000	0	Yes	Yes
Beijing Branch of the Bank of Communications	Bank wealth management products	80,000	2024/06/17	2025/03/14	Proprietary funds	Structural deposits	No	Floating-income	2.70%	0	80,000	0	Yes	Yes
Beijing Branch of the Bank of Communications	Bank wealth management products	80,000	2024/06/20	2025/03/21	Proprietary funds	Structural deposits	No	Floating-income	2.70%	0	80,000	0	Yes	Yes
Agricultural Bank of China, Tianjin Tanggu Branch	Bank wealth management products	60,000	2024/06/18	2025/06/18	Proprietary funds	Structural deposits	No	Floating-income	2.82%	0	60,000	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	80,000	2024/07/01	2025/07/01	Proprietary funds	Structural deposits	No	Floating-income	2.69%	0	80,000	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	40,000	2024/07/24	2025/04/10	Proprietary funds	Structural deposits	No	Floating-income	2.70%	0	40,000	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	40,000	2024/07/24	2025/04/10	Proprietary funds	Structural deposits	No	Floating-income	2.70%	0	40,000	0	Yes	Yes
Agricultural Bank of China, Tianjin Tanggu Branch	Bank wealth management products	60,000	2024/07/25	2025/07/25	Proprietary funds	Structural deposits	No	Floating-income	2.82%	0	60,000	0	Yes	Yes
Agricultural Bank of China, Tianjin Tanggu Branch	Bank wealth management products	60,000	2024/07/30	2025/07/30	Proprietary funds	Structural deposits	No	Floating-income	2.82%	0	60,000	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	60,000	2024/08/26	2025/08/26	Proprietary funds	Structural deposits	No	Floating-income	2.69%	0	60,000	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	60,000	2024/08/27	2025/05/23	Proprietary funds	Structural deposits	No	Floating-income	2.55%	0	60,000	0	Yes	Yes
ICBC Tianjin Branch	Bank wealth management products	60,000	2024/09/23	2025/09/23	Proprietary funds	Structural deposits	No	Floating-income	2.59%	0	60,000	0	Yes	Yes
Bank of China Tianjin Branch	Bank wealth management products	30,000	2024/10/30	2025/10/30	Proprietary funds	Structural deposits	No	Floating-income	2.45%	0	30,000	0	Yes	Yes
Guangfa Bank, Tianjin Branch	Bank wealth management products	40,000	2024/12/17	2025/06/13	Proprietary funds	Structural deposits	No	Floating-income	2.45%	0	40,000	0	Yes	Yes

Trustee	Type of entrusted wealth management	Amount of entrusted wealth management	Start date of entrusted wealth management	End date of entrusted wealth management	Capital source	Investment of funds	Whether there is a restricted situation	Determination method of remuneration	Annualized return rate	Actual profits or losses	Unmatured amount	Amount overdue for collection	Whether to go through legal procedures	Is there any entrusted wealth management plan in the future
Bank of China Tianjin Branch	Bank wealth management products	30,000	2024/12/19	2025/12/19	Proprietary funds	Structural deposits	No	Floating-income	2.45%	0	30,000	0	Yes	Yes
Construction Bank of China, Tianjin Development Branch	Bank wealth management products	20,000	2024/12/20	2025/06/23	Proprietary funds	Structural deposits	No	Floating-income	2.48%	0	20,000	0	Yes	Yes
China Life AMP Asset Management Fund	Publicly offered fund products	30,000	2024/04/03	2024/06/14	Proprietary funds	Money funds	No	Floating-income	1.80%	106.51	0	0	Yes	Yes
E Fund	Publicly offered fund products	5,000	2024/04/26	2024/05/21	Proprietary funds	Money funds	No	Floating-income	1.90%	6.51	0	0	Yes	Yes
China Life AMP Asset Management Fund	Publicly offered fund products	20,000	2024/04/26	2024/05/21	Proprietary funds	Money funds	No	Floating-income	1.80%	24.42	0	0	Yes	Yes
China Merchants Fund	Publicly offered fund products	45,000	2024/04/29	2024/07/22	Proprietary funds	Money funds	No	Floating-income	1.83%	161.15	0	0	Yes	Yes
Southern Asset Management	Publicly offered fund products	28,000	2024/09/20	2024/10/28	Proprietary funds	Money funds	No	Floating-income	1.86%	54.19	0	0	Yes	Yes
Total	/	2,618,000	/	/	/	/	/	/	/	32,624.78	1,230,000	0	/	/

Others

□ Applicable √ Not applicable

(3) Provision for impairment of entrusted wealth management

□ Applicable √ Not applicable

2. **Entrusted loans**

(1) Entrusted loans on the whole

□ Applicable √ Not applicable

Others

□ Applicable √ Not applicable

(2) Individual entrusted loans

□ Applicable √ Not applicable

Others

□ Applicable √ Not applicable

(3) Provision for impairment of entrusted loan

□ Applicable √ Not applicable

3. **Others**

□ Applicable √ Not applicable

(IV) Other significant contracts

√ Applicable □ Not applicable

In order to fully demonstrate the achievements made by the Company in the implementation and promotion of its overseas strategy, the Company voluntarily disclosed the signing of the RUYA EPCI 09 EPC project contract with Qatar NOC on February 2, 2024, with a contract amount of about USD 900 million; disclosed the signing of an EPC contract for the development of SHWE Gasfield (Phase IV) with POSCO International Corporation of South Korea on July 19, 2024, with a contract amount of about USD 523 million. The performance of the above projects reflects the Company's continuous strengthening of overseas market development and promotion of high-quality development of overseas business, and is an important manifestation of the Company's strategic determination. For details, please refer to the Announcement of COOEC on Voluntary Disclosure on Overseas Projects (2024-001 and 2024-016) disclosed by the Company on February 2, 2024 and July 19, 2024 respectively in the designated information disclosure media.

XIV. Use of proceeds

(I) Overall use of proceeds

√ Applicable □ Not applicable

Unit: RMB'0,000

Source of proceeds	Fully-funded time	Total proceeds	Net proceeds (1)	Total committed investment of proceeds in the prospectus or fundraising prospectus (2)	Total excess proceeds (3) = (1) - (2)	Cumulative total proceeds invested as at the end of the reporting period (4)	Including: cumulative total excess proceeds invested as at the end of the reporting period (5)	Cumulative investment progress of proceeds as at the end of the reporting period (%) (6) = (4)/(1)	Cumulative investment progress of excess proceeds as at the end of the reporting period (%) (7) = (5)/(3)	Amount invested in the current year (8)	Proportion of amount invested in the current year (%) (9) =(8)/(1)	Total proceeds with changed purpose
Others	September 27, 2013	349,999.94	347,149.62	347,149.62	0.00	334,870.64	0.00	96.46%	0.00%	6,872.75	1.98%	0.00
Total	/	349,999.94	347,149.62	347,149.62	0.00	334,870.64	0.00	/	/	6,872.75	/	0.00

Other notes

□ Applicable √ Not applicable

(II) Details of the equity investment project

√ Applicable □ Not applicable

1. Detailed use of proceeds

√ Applicable □ Not applicable

Unit: RMB'0,000

Source of proceeds	Project name	Project nature	Whether it is a committed investment project in the prospectus or fundraising prospectus	Whether it involves change in committed investment	Total planned investment of proceeds (1)	Amount invested in the current year	Cumulative total proceeds invested as at the end of the reporting period (2)	Cumulative investment progress as at the end of the reporting period (%) (3) = (2)/(1)	Date when the project reaches the scheduled usable status	Whether the project has been closed	Whether the investment progress is as planned	Specific reasons why the investment progress fails to meet the plan	Benefits achieved in the current year	Achieved benefits or research and development results of the project	Whether the project feasibility has changed significantly, if so, please specify	Balance
Others	Project of Zhuhai Deep Water Marine Engineering Equipment Manufacturing Base	Production and construction	Yes	No	347,149.62	6,872.75	334,870.64	96.46%	As at the end of the period, Phases I, II and III of the Base were completed and put Into use	No	Yes	Not applicable	2,591.29	When Offshore Oil Engineering (Zhuhai) Co., Ltd. and COOEC-Fluor acted as the implementation entities of the equity investment project, the cumulative investment income created by the project to COOEC was -RMB 1.2570030 billion calculated at the shareholding ratio.	No	0
Total	/	/	/	/	347,149.62	6,872.75	334,870.64	96.46%	/	/	/	/	2,591.29	/	/	0

2. **Detailed use of excess proceeds**

□ Applicable √ Not applicable

(III) Change or termination of the equity investment during the reporting period

□ Applicable √ Not applicable

(IV) Other use of proceeds during the reporting period

1. **Pre-investment and replacement of the project invested with proceeds**

□ Applicable √ Not applicable

2. **Using part of the idle proceeds to temporarily replenish the working capital**

√ Applicable □ Not applicable

At the 3rd meeting of the 8th Board of Directors held on March 15, 2024, the Company deliberated and adopted the Proposal on Using Part of the Idle Proceeds to Temporarily Replenish the Working Capital, and agreed that the Company would use no more than RMB 410 million of idle proceeds to temporarily replenish the working capital within one year as resolved by the Board of Directors.

3. **Cash management of idle proceeds, and investment-related products**

□ Applicable √ Not applicable

4. **Others**

□ Applicable √ Not applicable

XV. Other significant matters that have significant impact on investors' value judgment and investment decisions

□ Applicable √ Not applicable

Changes in Shares and Shareholders

I. Changes in share capital

(I) Changes in shares

1. Changes in shares

   During the reporting period, the total number of shares and share capital structure of the Company did not changed.

2. Notes to changes in shares

   □ Applicable √ Not applicable

3. Effect of changes in shares on financial indicators such as earnings per share and net assets per share for the latest year and the latest period (if any)

   □ Applicable √ Not applicable

4. Other content that COOEC deems necessary or required to be disclosed by securities regulators

   □ Applicable √ Not applicable

(II) Changes in restricted shares

□ Applicable √ Not applicable

II. Securities issuance and listing

(I) Issuance of securities during the reporting period

□ Applicable √ Not applicable

Issuance of securities during the reporting period (please separately describe bonds with different interest rates during the duration):

□ Applicable √ Not applicable

(II) Changes in the total number of shares and shareholder structure of COOEC and changes in the structure of COOEC's assets and liabilities

□ Applicable √ Not applicable

(III) Existing internal employee shares

□ Applicable √ Not applicable

III. Shareholders and actual controller

(I) Total number of shareholders

Total number of common shareholders as at the end of the reporting period	83,303
Total number of common shareholders as at the end of the latest month before the date of disclosure of the annual report	84,785
Total of preferred shareholders whose voting rights have been restored as at the end of the reporting period	0
Total number of preferred shareholders whose voting rights have been restored as at the end of the previous month prior to the disclosure date of the annual report	0

(II) Shareholdings of top ten shareholders and top ten floating shareholders (or non-restrictive shareholders) as at the end of the reporting period

Unit: shares

Top 10 shareholders' holdings (excluding shares lent through refinancing)							
Shareholder's name (full name)	Increase or decrease during the reporting period	Number of shares held at the end of the period	Ratio (%)	Number of restrictive stocks held	Pledged, tagged or frozen		Nature
					Status	Number	
China National Offshore Oil Corporation	0	2,446,340,509	55.33	0	None	0	State
Hong Kong Securities Clearing Company Ltd.	-95,252,265	122,703,059	2.78	0	None	0	Overseas legal person
Harvest Fund - Agricultural Bank of China - Harvest CSI Asset Management Plan	-679,200	36,025,200	0.81	0	None	0	Unknown
Dacheng Fund- Agricultural Bank of China - Dacheng China Securities Financial Asset Management Plan	-1,087,100	35,488,500	0.80	0	None	0	Unknown
Yinhua Fund- Agricultural Bank of China - Yinhua China Securities Financial Asset Management Plan	-227,200	34,686,234	0.78	0	None	0	Unknown
Southern Asset Management- Agricultural Bank of China - China Southern Asset Management China Securities Financial Asset Management Plan	-1,778,200	33,127,200	0.75	0	None	0	Unknown
ICBC Credit Suisse Fund- Agricultural Bank of China - ICBC Credit Suisse China Securities Financial Asset Management Plan	-1,070,000	31,612,300	0.71	0	None	0	Unknown
Bosera Fund - Agricultural Bank of China - Bosera China Securities Financial Assets Management Plan	-151,100	31,189,660	0.71	0	None	0	Unknown
Agricultural Bank of China Co., Ltd. - CSI 500 ETF	19,207,210	31,099,750	0.70	0	None	0	Unknown
GF Fund- Agricultural Bank of China - GF China Securities Financial Asset Management Plan	-1,544,900	30,830,900	0.70	0	None	0	Unknown

Shareholdings of top ten non-restrictive shareholders (excluding shares loaned through refinancing facilities)			
Shareholder's name	Number of non-restrictive tradable shares held	Type and number of stocks	
		Category	Number
China National Offshore Oil Corporation	2,446,340,509	RMB common stocks	2,446,340,509
Hong Kong Securities Clearing Company Ltd.	122,703,059	RMB common stocks	122,703,059
Harvest Fund - Agricultural Bank of China - Harvest CSI Asset Management Plan	36,025,200	RMB common stocks	36,025,200
Dacheng Fund- Agricultural Bank of China - Dacheng China Securities Financial Asset Management Plan	35,488,500	RMB common stocks	35,488,500
Yinhua Fund- Agricultural Bank of China - Yinhua China Securities Financial Asset Management Plan	34,686,234	RMB common stocks	34,686,234
Southern Asset Management- Agricultural Bank of China - China Southern Asset Management China Securities Financial Asset Management Plan	33,127,200	RMB common stocks	33,127,200
ICBC Credit Suisse Fund- Agricultural Bank of China - ICBC Credit Suisse China Securities Financial Asset Management Plan	31,612,300	RMB common stocks	31,612,300
Bosera Fund - Agricultural Bank of China - Bosera China Securities Financial Assets Management Plan	31,189,660	RMB common stocks	31,189,660
Agricultural Bank of China Co., Ltd. - CSI 500 ETF	31,099,750	RMB common stocks	31,099,750
GF Fund- Agricultural Bank of China - GF China Securities Financial Asset Management Plan	30,830,900	RMB common stocks	30,830,900
Special repurchase accounts among the top ten shareholders			Not applicable
The above shareholders' proxy voting rights, proxy voting rights and abstention from voting rights			Not applicable

Shareholdings of top ten non-restrictive shareholders (excluding shares loaned through refinancing facilities)			
Shareholder's name	Number of non-restrictive tradable shares held	Type and number of stocks	
		Category	Number
Notes to shareholders' related relationship or persons acting in concert			Unknown
Preferred shareholders with recovered voting rights and number of stocks held by them			Not applicable

Participation of shareholders holding more than 5% of the shares, the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares in lending shares through refinancing business

□ Applicable √ Not applicable

Changes of the top 10 shareholders and the top 10 shareholders of unrestricted tradable shares compared with the previous period due to refinancing lending/repayment

□ Applicable √ Not applicable

Shareholding quantity of top ten shareholders with sales restriction and the sales restriction

□ Applicable √ Not applicable

(III) Strategic investors or legal persons becoming the top ten shareholders due to placement of new shares

□ Applicable √ Not applicable

IV. Controlling shareholders and actual controller

(I) Controlling shareholders

1. Legal person

√ Applicable □ Not applicable

Name	China National Offshore Oil Corporation
Person in charge or legal representative	Wang Dongjin
Date of establishment	February 15, 1982
Main operating business	Organization of exploration, development, production and sales of petroleum, natural gas, coalbed methane, shale oil, shale gas; oil refining, processing and utilization of petrochemical engineering and natural gas and product sales and storage, the development and utilization of liquefied natural gas (LNG) project, pipeline network transmission of oil and natural gas; development, production and sales and related business of fertilizers and chemical products; provision of services for exploration and mining of oil, natural gas and other geological mining products; engineering general contracting; science and technology research, technology consulting, technology services and technology transfer related to the exploration, development and production of the oil and natural gas; import of crude oil and refined products; compensation trade or transit trade; wholesale of gasoline, kerosene and diesel oil (the operation limited to the sales branches and valid until February 20, 2022); undertaking of Sino-foreign joint venture; cooperative production; international bidding for mechanical and electrical products; wind energy, biomass energy, hydrate, coal chemical and solar energy and other new energy production, sales and related services.
Equities of other domestic and overseas public companies during the reporting period	Other domestic and foreign listed companies controlled by China National Offshore Oil Corporation during the reporting period are: CNOOC Limited, China Oilfield Services Company Limited, CNOOC Energy Technology & Services Limited and CNOOC Petrochemical Company Limited.
Other circumstances	China National Offshore Oil Corporation is a central enterprise controlled by the State-owned Assets Supervision and Administration Commission of the State Council. The State-owned Assets Supervision and Administration Commission of the State Council holds 90% of the shares of China National Offshore Oil Corporation and the National Council for Social Security Fund holds 10% of the shares of China National Offshore Oil Corporation.

2. Natural person

□ Applicable √ Not applicable

3. Special note on the absence of controlling shareholders of COOEC

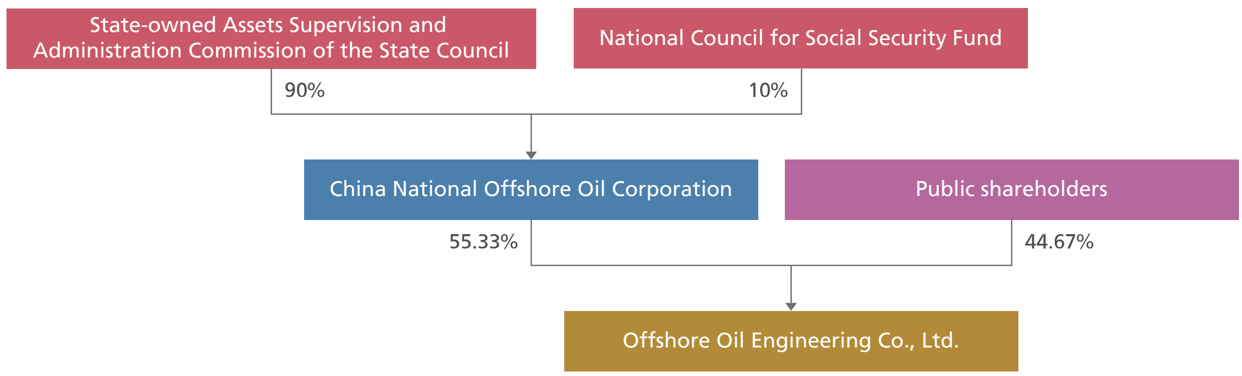
□ Applicable √ Not applicable

4. Changes in controlling shareholders during the reporting period

□ Applicable √ Not applicable

5. Chart for the property and controlling relationships between COOEC and the controlling shareholders

√ Applicable □ Not applicable



(II) Actual controller

1. Legal person

√ Applicable □ Not applicable

Name	China National Offshore Oil Corporation
Person in charge or legal representative	Wang Dongjin
Date of establishment	February 15, 1982
Main operating business	Organization of exploration, development, production and sales of petroleum, natural gas, coalbed methane, shale oil, shale gas; oil refining, processing and utilization of petrochemical engineering and natural gas and product sales and storage, the development and utilization of liquefied natural gas (LNG) project, pipeline network transmission of oil and natural gas; development, production and sales and related business of fertilizers and chemical products; provision of services for exploration and mining of oil, natural gas and other geological mining products; engineering general contracting; science and technology research, technology consulting, technology services and technology transfer related to the exploration, development and production of the oil and natural gas; import of crude oil and refined products; compensation trade or transit trade; wholesale of gasoline, kerosene and diesel oil (the operation limited to the sales branches and valid until February 20, 2022); undertaking of Sino-foreign joint venture; cooperative production; international bidding for mechanical and electrical products; wind energy, biomass energy, hydrate, coal chemical and solar energy and other new energy production, sales and related services.
Equities of other domestic and overseas public companies during the reporting period	Other domestic and foreign listed companies controlled by China National Offshore Oil Corporation during the reporting period are: CNOOC Limited, China Oilfield Services Company Limited, CNOOC Energy Technology & Services Limited and CNOOC Petrochemical Company Limited.
Other circumstances	China National Offshore Oil Corporation is a central enterprise controlled by the State-owned Assets Supervision and Administration Commission of the State Council. The State-owned Assets Supervision and Administration Commission of the State Council holds 90% of the shares of China National Offshore Oil Corporation and the National Council for Social Security Fund holds 10% of the shares of China National Offshore Oil Corporation.

2. Natural person

□ Applicable √ Not applicable

3. Special note on the absence of the actual controller of COOEC

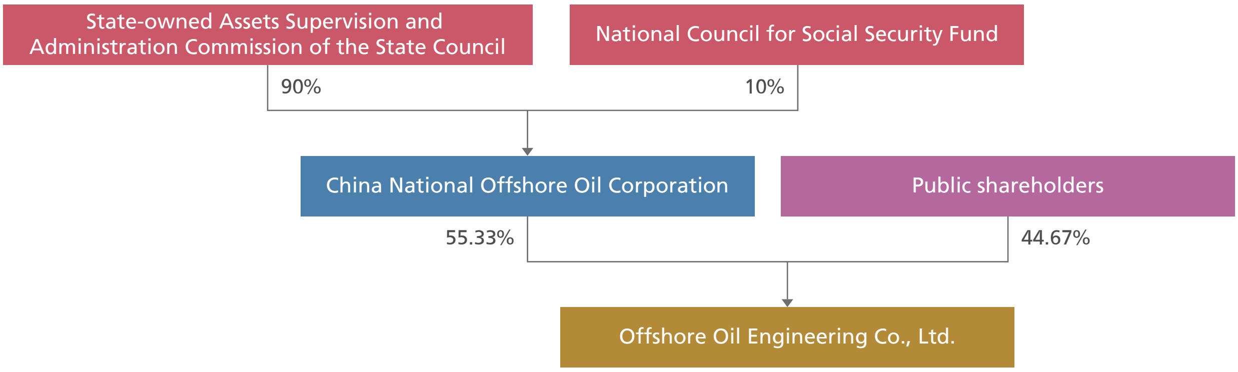
□ Applicable √ Not applicable

4. Change in control of COOEC during the reporting period

□ Applicable √ Not applicable

5. Chart for the property and controlling relationships between COOEC and the actual controllers

√ Applicable □ Not applicable



6. The actual controller controls COOEC by way of trust or other asset management methods

□ Applicable √ Not applicable

(III) Other information on controlling shareholders and actual controller

□ Applicable √ Not applicable

V. The cumulative number of shares pledged by the controlling shareholder or the largest shareholder of COOEC and persons acting in concert therewith accounted for more than 80% of the number of shares held by COOEC

□ Applicable √ Not applicable

VI. Other institutional shareholder holding more than 10%

□ Applicable √ Not applicable

VII. Notes to limitation on selling shares

□ Applicable √ Not applicable

VIII. Specific implementation of share re-purchase in the reporting period

□ Applicable √ Not applicable

Preferred Shares

□ Applicable √ Not applicable

Bonds

I. Corporate bonds (including enterprise bonds) and non-financial enterprise debt financing instruments

□ Applicable √ Not applicable

II. Convertible corporate bonds

□ Applicable √ Not applicable

Financial Reports

中审众环
ZHONGSHENZHONGHUAN

I. Auditor's report

√ Applicable □ Not applicable

ZHSZ (2025) No. 0200601

All shareholders of Offshore Oil Engineering Co., Ltd.:

I. Opinion

We have audited the accompanying financial statements of Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "COOEC"), which comprise the consolidated balance sheet and the Company's balance sheet as at December 31, 2024, the consolidated income statement and the Company's income statement, the consolidated statement of cash flows and the Company's statement of cash flows, and the consolidated statement of changes in shareholders' equity and the Company's statement of changes in shareholders' equity for the year ended December 31, 2024 as well as the notes to the relevant financial statements for the year then ended.

In our opinion, the financial statements attached are prepared in accordance with Accounting Standards for Business Enterprises and present fairly, in all material respects, the consolidated financial position of COOEC and the Company's financial position as at December 31, 2024 and the consolidated operating results and cash flows and the Company's operating results and cash flows for the year then ended.

II. Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing ("CSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of this auditors' report. We are independent of COOEC in accordance with the Code of Ethics for Professional Accountants of the Chinese Institute of Certified Public Accountants ("CICPA Code"), and we have fulfilled our other ethical responsibilities in accordance with the CICPA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

III. Key Audit Matters

Key matters are matters we deem the most significant to the audit of financial statements based on our professional judgment. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have identified the following matters as key audit matters to be communicated in the auditors' report.

(I) Revenue recognition of engineering contracting business

Key audit matters	How the audit addressed the matter
Revenue recognition of engineering contracting business	
For the disclosure of the accounting policy on revenue recognition, please refer to Note V. 34, and for the disclosure of revenue categories, please refer to Note VII. 60. In 2024, the consolidated operating revenue of COOEC was RMB 29.9544159 billion, of which RMB 29.8442137 billion, or 99.63% of the consolidated operating revenue, was recognized from the engineering contracting business, which is material to the financial statements as a whole. The engineering contracting business of COOEC is mainly a performance obligation to be performed within a certain period of time in accordance with the provisions of ASBE No. 14 - Revenue, and revenue is recognized over the contract period in accordance with the performance progress determined by the input method. The management of COOEC makes reasonable estimates of the expected total contract revenue and expected total contract cost to determine the contract performance schedule based on the contract budget of the contracted projects, and evaluates and revises them continuously during the contract execution process, which involves the use of significant accounting estimates and judgments by management, and such estimates this involves management applying significant accounting estimates and judgments that are affected by judgments about future markets and economic conditions, which in turn may affect whether COOEC recognizes revenue in the appropriate accounting period in accordance with the performance progress. For the above reasons, we recognize the revenue from engineering contracting business as a key audit matter.	For the revenue recognition of engineering contracting business, the main audit procedures we implemented include: 1. Testing and evaluating the effectiveness of key internal controls related to the preparation of estimated total costs and revenue recognition for engineering contracting projects; 2. Sampling and reviewing project contracts in the engineering contracting contract ledger, inspecting the main trading terms, evaluating the correctness of the management's performance judgment at a certain time or within a certain period of time, and evaluating the reasonableness of transaction price and variable consideration evaluated by the management; 3. Selecting the contracting projects by sampling, checking project contracts and cost budget data on which the estimated total revenue and estimated total cost are based, and evaluating whether the estimates made by the management are reasonable and sufficiently grounded; 4. Selecting the contracting projects by sampling to test the contract costs incurred in the current period; 5. Sampling and selecting projects in the engineering contracting contract ledger, and recalculating the performance progress to verify their accuracy; 6. Selecting major engineering projects, confirming the image progress of the project by checking the monthly project report and the project image progress on site, comparing it with the performance progress recorded in the book, and performing further inspection procedures for abnormal deviations.

IV. Other Information

The management of COOEC (hereinafter referred to as the "management") is responsible for other information. The other information comprises information of the 2024 annual report of COOEC, but excludes the financial statements and our auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of Management and Those Charged with Governance for the Financial Statements

COOEC's management is responsible for preparing the financial statements in accordance with the requirements of Accounting Standards for Business Enterprises to achieve a fair presentation, and for designing, implementing and maintaining internal control that is necessary to ensure that the financial statements are free from material misstatements, whether due to frauds or errors.

In preparing the financial statements, the management is responsible for assessing COOEC's ability to continue as a going concern, disclosing matters related to going concern (if applicable) and using the going concern basis of accounting unless management either intends to liquidate COOEC or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of COOEC are responsible for supervising the financial reporting process of COOEC.

VI. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(II) Understand the internal control related to auditing as a way to design appropriate audit procedures.

(III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

(IV) Conclude on the appropriateness of the Management's use of the going concern basis of accounting. Meanwhile, based on the audit evidence obtained, we come to a conclusion on whether a material uncertainty exists in events or conditions that may cause significant doubt on COOEC's going-concern ability. If we conclude that a material uncertainty exists, we are required to, in our auditors' report, draw attention of the users of statements to the related disclosures in the financial statements; If such disclosures are inadequate, we should modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause COOEC to cease to continue as a going concern.

(V) Evaluate the overall presentation (including the disclosures), structure and contents of the financial statements, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

(VI) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within COOEC to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding the planned scope and timing of the audit, significant audit findings and other matters, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of this period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. BDO China Shu Lun Pan CPAs

Zhongshenzhonghuan Certified Public Accountants
(Special General Partnership)

Certified Public Accountant of China: Zhao Yunjie
(Project partner)

Certified Public Accountant of China: Li Yan

Wuhan, China

March 14, 2025

II. Financial statements

Consolidated Balance Sheet

December 31, 2024

Preparing unit: Offshore Oil Engineering Co., Ltd.

Unit: RMB'0,000

Item	Notes	December 31, 2024	December 31, 2023
Current assets:			
Monetary funds	VII.1	606,704.22	432,081.13
Balances with clearing companies			
Loans to other banks and financial institutions			
Financial assets held for trading	VII.2	1,010,697.32	872,523.58
Derivative financial assets			
Notes receivable	VII.4	893.55	
Accounts receivable	VII.5	755,681.84	614,740.03
Receivable financing			
Advances to suppliers	VII.8	95,845.25	40,745.12
Premium receivable			
Reinsurance accounts receivable			
Provision of cession receivable			
Other receivables	VII.9	23,230.55	2,090.67
Including: interest receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories	VII.10	75,410.26	98,279.37
Including: data resources			
Contract assets	VII.6	290,054.08	281,211.88
Assets held for sale			
Non-current assets maturing within one year	VII.11		66,743.01
Other current assets	VII.12	43,448.16	51,256.65
Total current assets		2,901,965.23	2,459,671.44
Non-current assets:			
Loans and advances			
Debt investments	VII.13	238,829.19	232,385.80
Other debt investments			
Long-term receivables			
Long-term equity investments			
Investments in other equity instruments	VII.17	7,067.14	7,067.14
Other non-current financial assets			
Investment properties			
Fixed assets	VII.20	1,244,686.85	1,281,758.11
Construction in process	VII.21	59,330.27	46,651.73
Productive biological assets			
Oil and gas assets			
Right-of-use assets	VII.24	85,754.97	12,099.13
Intangible assets	VII.25	217,211.59	223,580.16
Including: data resources			
Development expenses			

Item	Notes	December 31, 2024	December 31, 2023
Including: data resources			
Goodwill			
Long-term deferred expenses	VII.27	22,168.44	23,990.36
Deferred income tax assets	VII.28	46,074.59	37,962.48
Other non-current assets			
Total non-current assets		1,921,123.04	1,865,494.91
Total assets		4,823,088.27	4,325,166.35
Current liabilities:			
Short-term borrowings			
Borrowings from central bank			
Loans from other banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	VII.34	11,560.20	41,185.44
Accounts payable	VII.35	1,314,462.55	1,211,690.46
Advances from customers			
Contract liabilities	VII.37	231,811.06	100,641.06
Financial assets sold under repurchase agreements			
Absorption of deposits and interbank deposits			
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employee compensation payable	VII.38	54,684.53	53,232.03
Taxes and surcharges payable	VII.39	55,272.52	38,136.48
Other payables	VII.40	65,701.56	60,687.03
Including: interest payable			
Dividends payable			
Handling charges and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year	VII.42	50,530.59	6,057.75
Other current liabilities	VII.43	58,455.73	53,903.89
Total current liabilities		1,842,478.74	1,565,534.14
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings	VII.44	13,000.40	22,000.67
Bonds payable			
Including: preferred shares			
Perpetual bond			
Lease liabilities	VII.46	59,651.54	6,686.42
Long-term payables			
Long-term employee compensation payable			
Estimated liabilities	VII.49	59,985.96	31,515.90
Deferred income	VII.50	16,756.47	17,707.76
Deferred income tax liabilities	VII.28	3,697.37	3,886.00
Other non-current liabilities			
Total non-current liabilities		153,091.74	81,796.75

Item	Notes	December 31, 2024	December 31, 2023
Total liabilities		1,995,570.48	1,647,330.89
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	VII.52	442,135.48	442,135.48
Other equity instruments			
Including: preferred shares			
Perpetual bond			
Capital reserve	VII.54	424,802.17	424,802.17
Less: treasury stock			
Other comprehensive income	VII.56	-5,532.99	-3,547.76
Special reserves	VII.57	11,431.68	13,399.54
Surplus reserves	VII.58	230,410.06	206,980.83
General risk reserves			
Undistributed profits	VII.59	1,523,405.63	1,395,689.11
Total equity attributable to owners (shareholders) of the parent company		2,626,652.03	2,479,459.37
Minority equity		200,865.76	198,376.09
Total owners' equity (or shareholders' equity)		2,827,517.79	2,677,835.46
Total liabilities and owners' (or shareholders') equity		4,823,088.27	4,325,166.35

Legal representative: Wang Zhangling Chief accountant: Cai Huaiyu Chief finance officer: Yao Baoqin

Company's Balance Sheet

December 31, 2024

Preparing unit: Offshore Oil Engineering Co., Ltd.

Unit: RMB'0,000

Item	Notes	December 31, 2024	December 31, 2023
Current assets:			
Monetary funds		422,004.74	250,670.97
Financial assets held for trading		1,010,697.32	872,523.58
Derivative financial assets			
Notes receivable		893.55	
Accounts receivable	XIX.1	723,526.14	633,563.43
Receivable financing			
Advances to suppliers		83,576.75	37,449.99
Other receivables	XIX.2	34,715.95	33,562.74
Including: interest receivable			
Dividends receivable		12.29	
Inventories		31,823.14	44,267.59
Including: data resources			
Contract assets		194,878.83	261,602.14
Assets held for sale			
Non-current assets maturing within one year			66,743.01
Other current assets		21,748.78	16,405.12
Total current assets		2,523,865.20	2,216,788.57
Non-current assets:			
Debt investments		238,829.19	232,385.80
Other debt investments			

Item	Notes	December 31, 2024	December 31, 2023
Long-term receivables			
Long-term equity investments	XIX.3	1,004,048.85	917,918.15
Investments in other equity instruments		7,067.14	7,067.14
Other non-current financial assets			
Investment properties			
Fixed assets		550,924.06	549,546.40
Construction in process		38,900.14	38,398.75
Productive biological assets			
Oil and gas assets			
Right-of-use assets		11,934.11	9,960.15
Intangible assets		41,265.18	41,723.88
Including: data resources			
Development expenses			
Including: data resources			
Goodwill			
Long-term deferred expenses		13,157.89	15,133.44
Deferred income tax assets		33,576.33	27,292.44
Other non-current assets			
Total non-current assets		1,939,702.89	1,839,426.15
Total assets		4,463,568.09	4,056,214.72
Current liabilities:			
Short-term borrowings		520,016.74	423,940.00
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable		11,560.20	34,187.26
Accounts payable		1,046,706.12	1,069,412.70
Advances from customers			
Contract liabilities		218,857.82	82,115.76
Employee compensation payable		27,525.20	25,307.19
Taxes and surcharges payable		37,890.66	29,633.39
Other payables		54,344.29	137,205.24
Including: interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities maturing within one year		20,423.73	5,834.71
Other current liabilities		55,413.48	53,013.99
Total current liabilities		1,992,738.24	1,860,650.24
Non-current liabilities:			
Long-term borrowings		13,000.40	22,000.67
Bonds payable			
Including: preferred shares			
Perpetual bond			
Lease liabilities		2,003.57	3,498.35
Long-term payables			
Long-term employee compensation payable			
Estimated liabilities		23,410.38	17,137.57
Deferred income		8,961.52	9,437.11

Item	Notes	December 31, 2024	December 31, 2023
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities		47,375.87	52,073.70
Total liabilities		2,040,114.11	1,912,723.94
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)		442,135.48	442,135.48
Other equity instruments			
Including: preferred shares			
Perpetual bond			
Capital reserve		424,538.80	424,538.80
Less: treasury stock			
Other comprehensive income		54.38	-6,121.76
Special reserves		11,098.28	13,045.04
Surplus reserves		229,445.48	206,016.25
Undistributed profits		1,316,181.56	1,063,876.97
Total owners' equity (or shareholders' equity)		2,423,453.98	2,143,490.78
Total liabilities and owners' (or shareholders') equity		4,463,568.09	4,056,214.72

Legal representative: Wang Zhangling Chief accountant: Cai Huaiyu Chief finance officer: Yao Baoqin

Consolidated Income Statement

January-December 2024

Unit: RMB'0,000

Item	Notes	2024	2023
I. Total operating revenue	VII.60	2,995,441.59	3,075,203.75
Including: operating revenue	VII.60	2,995,441.59	3,075,203.75
Interest income			
Premiums earned			
Income from handling charges and commissions:			
II. Total operating costs		2,789,065.28	2,906,122.03
Including: operating costs	VII.60	2,627,480.22	2,744,626.19
Interest expenditures			
Handling charges and commission expenditures			
Surrender value			
Net amount of compensation payout			
Net insurance liability reserves withdrawn			
Policy dividend payment			
Reinsurance costs			
Taxes and surcharges	VII.61	13,952.19	14,212.95
Selling expenses	VII.62	3,443.84	2,062.65
Administrative expenses	VII.63	36,059.72	32,262.48
Research and development expenses	VII.64	122,733.73	118,628.34
Financial expenses	VII.65	-14,604.42	-5,670.58
Including: interest expenses	VII.65	1,984.19	1,109.03
Interest income	VII.65	12,457.09	5,931.66
Plus: other income	VII.66	29,235.91	8,028.96

Item	Notes	2024	2023
Investment income ("-" for losses)	VII.67	20,154.44	26,231.80
Including: income from investment in associates and joint ventures			
Income from derecognition of financial asset measured at amortized cost			
Gains on foreign exchange ("-" for losses)			
Income from net exposure hedging ("-" for losses)			
Gains from changes in fair value ("-" for losses)	VII.69	10,697.32	11,350.75
Credit loss ("-" for loss)	VII.70	-188.17	-19,753.82
Losses from asset impairment ("-" for loss)	VII.71	-2,637.02	-4,567.81
Gains from disposal of assets ("-" for losses)	VII.72	19.68	-54.84
III. Operating profit ("-" for loss)		263,658.47	190,316.76
Plus: non-operating revenue	VII.73	5,106.31	3,623.29
Less: non-operating expenses	VII.74	999.14	2,746.33
IV. Total profits ("-" for total losses)		267,765.64	191,193.72
Less: income tax expenses	VII.75	49,136.31	28,159.86
V. Net profit ("-" for net loss)		218,629.33	163,033.86
(I) Classified by operating sustainability			
1. Net profit from continued operation ("-" for net loss)		218,629.33	163,033.86
2. Net profit from discontinued operations ("-" for net loss)			
(II) Classified by ownership			
1. Net profit attributable to shareholders of the parent company ("-" for net loss)		216,139.66	162,050.63
2. Minority interest income/expense ("-" for net loss)		2,489.67	983.23
VI. Other comprehensive income, net of tax		-1,985.23	-2,110.54
(I) Other comprehensive income, net of tax, attributable to owners of the parent company		-1,985.23	-2,103.54
1. Other comprehensive income that cannot be reclassified into profit or loss			
(1) Changes in re-measurement of the defined benefit plan			
(2) Other comprehensive income that cannot be transferred to profit or loss under the equity method			
(3) Changes in fair value of investments in other equity instruments			
(4) Changes in the fair value of the enterprise's own credit risk			
2. Other comprehensive income to be reclassified into profit or loss later		-1,985.23	-2,103.54
(1) Other comprehensive income that can be transferred to profit or loss under the equity method			
(2) Changes in the fair value of other debt investments			
(3) Amount of financial assets reclassified into other comprehensive income			
(4) Provision for credit impairment of other debt investments			
(5) Reserve for cash flow hedges			
(6) Differences arising from translation of foreign currency financial statements		-1,985.23	-2,103.54
(7) Others			
(II) Other comprehensive income, net of tax, attributable to minority shareholders			-7.00
VII. Total comprehensive income		216,644.10	160,923.32
(I) Total comprehensive income attributable to owners of the parent company		214,154.43	159,947.09
(II) Total comprehensive income attributable to minority shareholders		2,489.67	976.23
VIII. Earnings per share:			

Item	Notes	2024	2023
(I) Basic earnings per share (RMB/share)	XX.2	0.49	0.37
(II) Diluted earnings per share (RMB/share)	XX.2	0.49	0.37

Legal representative: Wang Zhangling Chief accountant: Cai Huaiyu Chief finance officer: Yao Baoqin

Company's Income Statement

January-December 2024

Unit: RMB'0,000

Item	Notes	2024	2023
I. Operating revenue	XIX.4	2,494,768.96	2,542,262.63
Less: operating costs	XIX.4	2,263,168.24	2,353,233.74
Taxes and surcharges		8,759.77	7,445.55
Selling expenses		744.86	415.06
Administrative expenses		19,388.20	16,454.58
Research and development expenses		85,804.86	78,911.94
Financial expenses		-4,683.06	1,575.01
Including: interest expenses		5,781.17	6,467.73
Interest income		7,732.01	3,237.34
Plus: other income		21,299.58	3,287.92
Investment income ("-" for losses)	XIX.5	102,385.72	61,949.05
Including: income from investment in associates and joint ventures			
Income from derecognition of financial asset measured at amortized cost			
Income from net exposure hedging ("-" for losses)			
Gains from changes in fair value ("-" for losses)		10,697.32	11,350.75
Credit loss ("-" for loss)		-264.24	-2,402.24
Losses from asset impairment ("-" for loss)		-665.78	-1,429.20
Gains from disposal of assets ("-" for losses)		277.86	-11,676.54
II. Operating profits ("-" for loss)		255,316.55	145,306.49
Plus: non-operating revenue		3,344.04	1,083.80
Less: non-operating expenses		456.11	774.86
III. Total profit ("for" total loss)		258,204.48	145,615.43
Less: income tax expenses		23,912.15	13,419.96
IV. Net profit ("-" for net loss)		234,292.33	132,195.47
(I) Net profit from continued operation ("-" for net loss)		234,292.33	132,195.47
(II) Net profit from discontinued operations ("-" for net loss)			
V. Other comprehensive income, net of tax		6,176.14	-1,858.49
(I) Other comprehensive income that cannot be reclassified into profit or loss later			
1. Changes in re-measurement of the defined benefit plan			
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method			
3. Changes in fair value of investment in other equity instruments			
4. Changes in the fair value of the enterprise's own credit risk			
(II) Other comprehensive income that will be reclassified into profit or loss		6,176.14	-1,858.49
1. Other comprehensive income that can be transferred to profit or loss under the equity method			
2. Changes in fair value of other debt investments			

Item	Notes	2024	2023
3. Amount of financial assets reclassified into other comprehensive income			
4. Provision for credit impairment of other debt investments			
5. Reserve for cash flow hedges			
6. Differences arising from translation of foreign currency financial statements		6,176.14	-1,858.49
7. Others			
VI. Total comprehensive income		240,468.47	130,336.98
VII. Earnings per share:			
(I) Basic earnings per share (RMB/share)			
(II) Diluted earnings per share (RMB/share)			

Legal representative: Wang Zhangling Chief accountant: Cai Huaiyu Chief finance officer: Yao Baoqin

Consolidated Statement of Cash Flows

January-December 2024

Unit: RMB'0,000

Item	Notes	2024	2023
I. Cash flows from operating activities:			
Cash received from sale of goods and rendering of services		3,203,916.12	3,409,336.47
Net increase in deposits from customers and deposits with banks and other financial institutions			
Net increase in borrowings from central bank			
Net increase in loans from other financial institutions			
Cash received from receiving insurance premium of original insurance contract			
Net cash received from reinsurance business			
Net increase in deposits and investments from policyholders			
Cash received from interests, handling charges and commissions			
Net increase in loans from banks and other financial institutions			
Net capital increase in repurchase business			
Net cash received from vicariously traded securities			
Refunds of taxes and surcharges		42,449.88	20,407.05
Cash received from other operating activities	VII.77	44,136.85	39,437.78
Sub-total of cash inflows from operating activities		3,290,502.85	3,469,181.30
Cash paid for purchase of goods or acceptance of services		2,317,139.57	2,435,173.05
Net increase in loans and advances to customers			
Net increase in deposits with central bank and with banks and other financial institutions			
Cash paid for original insurance contract claims			
Net increase in loans to banks and other financial institutions			
Cash paid for interests, handling charges and commissions			
Cash paid for policy dividends			
Cash paid to and on behalf of employees		424,660.87	377,812.22
Cash paid for taxes and surcharges		133,362.01	95,624.27
Cash paid for other operating activities	VII.77	30,315.54	48,079.35
Sub-total of cash outflows from operating activities		2,905,477.99	2,956,688.89
Net cash flows from operating activities		385,024.86	512,492.41
II. Cash flows from investing activities:			

Item	Notes	2024	2023
Cash received from disposal of investments		1,388,000.00	1,207,590.55
Cash received from investment income		34,171.60	28,989.01
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		81.02	
Net cash from disposal of subsidiaries and other business units			605.98
Cash received from other investing activities			
Subtotal of cash inflows from investing activities		1,422,252.62	1,237,185.54
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		94,718.12	84,707.54
Cash paid for investments		1,638,000.00	1,347,475.95
Net increase in pledge loans			
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities			
Sub-total of cash outflows from investing activities		1,732,718.12	1,432,183.49
Net cash flows from investing activities		-310,465.50	-194,997.95
III. Cash flows from financing activities:			
Cash received from investors			
Including: cash received by subsidiaries from investments of minority shareholders			
Cash received from borrowings			22,194.40
Cash received from other financing activities			
Subtotal of cash inflows from financing activities			22,194.40
Cash paid for debt repayments			76,302.58
Cash paid for distribution of dividends and profits or payment of interests		65,016.28	45,271.71
Including: dividends and profit paid to minority shareholders by subsidiaries			217.53
Cash paid for other financing activities	VII.77	12,546.62	5,796.95
Sub-total of cash outflows from financing activities		77,562.90	127,371.24
Net cash flows from financing activities		-77,562.90	-105,176.84
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		4,569.72	1,920.55
V. Net increase in cash and cash equivalents	VII.78	1,566.18	214,238.17
Plus: beginning balance of cash and cash equivalents	VII.78	422,910.15	208,671.98
VI. Ending balance of cash and cash equivalents	VII.78	424,476.33	422,910.15

Legal representative: Wang Zhangling Chief accountant: Cai Huaiyu Chief finance officer: Yao Baoqin

Company's Statement of Cash Flows

January-December 2024

Unit: RMB'0,000

Item	Notes	2024	2023
I. Cash flows from operating activities:			
Cash received from sale of goods and rendering of services		2,809,288.09	2,728,206.77
Refunds of taxes and surcharges		26,124.13	11,464.83
Cash received from other operating activities		59,095.29	76,565.58
Sub-total of cash inflows from operating activities		2,894,507.51	2,816,237.18
Cash paid for purchase of goods or acceptance of services		2,290,789.56	2,194,256.76
Cash paid to and on behalf of employees		284,714.64	255,637.43
Cash paid for taxes and surcharges		85,032.11	61,804.28

Item	Notes	2024	2023
Cash paid for other operating activities		24,127.71	29,829.52
Sub-total of cash outflows from operating activities		2,684,664.02	2,541,527.99
Net cash flows from operating activities		209,843.49	274,709.19
II. Cash flows from investing activities:			
Cash received from disposal of investments		1,388,000.00	1,260,455.67
Cash received from investment income		116,555.26	67,445.71
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		2.13	10,521.70
Net cash from disposal of subsidiaries and other business units			407.54
Cash received from other investing activities		77,724.03	36,724.35
Subtotal of cash inflows from investing activities		1,582,281.42	1,375,554.97
Cash paid to acquire and construct fixed assets, intangible assets and other long-term assets		65,442.69	77,728.32
Cash paid for investments		1,696,636.46	1,353,373.03
Net cash paid to acquire subsidiaries and other business units			
Cash paid for other investing activities		43,751.50	19,083.95
Sub-total of cash outflows from investing activities		1,805,830.65	1,450,185.30
Net cash flows from investing activities		-223,549.23	-74,630.33
III. Cash flows from financing activities:			
Cash received from investors			
Cash received from borrowings			13,000.00
Cash received from other financing activities		885,911.31	694,740.59
Subtotal of cash inflows from financing activities		885,911.31	707,740.59
Cash paid for debt repayments			13,000.00
Cash paid for distribution of dividends and profits or payment of interests		70,412.65	49,288.31
Cash paid for other financing activities		804,210.51	698,236.16
Sub-total of cash outflows from financing activities		874,623.16	760,524.47
Net cash flows from financing activities		11,288.15	-52,783.88
IV. Effect of fluctuation in exchange rate on cash and cash equivalents		3,482.87	1,280.39
V. Net increase in cash and cash equivalents		1,065.28	148,575.37
Plus: beginning balance of cash and cash equivalents		250,644.93	102,069.56
VI. Ending balance of cash and cash equivalents		251,710.21	250,644.93

Legal representative: Wang Zhangling Chief accountant: Cai Huaiyu Chief finance officer: Yao Baoqin

Consolidated Statement of Changes in Owners' Equity

January-December 2024

Unit: RMB'0,000

Item	2024 – Equity attributable to owners of the parent company – Paid-in capital (or share capital)	Other equity instruments – Preferred shares	Other equity instruments – Perpetual bond	Other equity instruments – Others	Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Others	Sub-total	Minority equity	Total owners' equity
I. Balance as at the end of the last year	442,135.48				424,802.17		-3,547.76	13,399.54	206,980.83		1,395,689.11		2,479,459.37	198,376.09	2,677,835.46
Plus: changes in accounting policies															
Correction of accounting errors in prior periods															
Others															
II. Balance as at the beginning of this year	442,135.48				424,802.17		-3,547.76	13,399.54	206,980.83		1,395,689.11		2,479,459.37	198,376.09	2,677,835.46
III. Increases/decreases in the current period ("-" for decreases)							-1,985.23	-1,967.86	23,429.23		127,716.52		147,192.66	2,489.67	149,682.33
(I) Total comprehensive income							-1,985.23				216,139.66		214,154.43	2,489.67	216,644.10
(II) Capital contributed or reduced by owners															
1. Common stock contributed by owners															
2. Capital invested by the holders of other equity instruments															
3. Amounts of share-based payments recognized in owner's equity															
4. Others															
(III) Profit distribution									23,429.23		-88,423.14		-64,993.91		-64,993.91
1. Withdrawal of surplus reserves									23,429.23		-23,429.23				
2. Withdrawal of general risk reserves															
3. Profit distributed to owners (or shareholders)											-64,993.91		-64,993.91		-64,993.91
4. Others															
(IV) Internal carry-forward of owners' equity															
1. Conversion of capital reserves into paid-in capital (or share capital)															
2. Conversion of surplus reserves into paid-in capital (or share capital)															
3. Surplus reserves offsetting losses															
4. Forwarding of retained earnings from changes in remeasurement of defined benefit plans															
5. Transfer of other comprehensive income into retained earnings															
6. Others															
(V) Special reserves								-1,967.86					-1,967.86		-1,967.86
1. Withdrawal in this period								44,085.70					44,085.70		44,085.70
2. Amount used in this period								46,053.56					46,053.56		46,053.56
(VI) Others															
IV. Balance as at the end of this period	442,135.48				424,802.17		-5,532.99	11,431.68	230,410.06		1,523,405.63		2,626,652.03	200,865.76	2,827,517.79

Item	2023														
	Equity attributable to owners of the parent company													Minority equity	Total owners' equity
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	General risk reserves	Undistributed profits	Others	Sub-total		
		Preferred shares	Perpetual bond	Others											
I. Balance as at the end of the last year	442,135.48				424,802.17		-1,444.22	19,861.60	193,761.28		1,291,071.58		2,370,187.89	197,959.04	2,568,146.93
Plus: changes in accounting policies															
Correction of accounting errors in prior periods															
Others															
II. Balance as at the beginning of this year	442,135.48				424,802.17		-1,444.22	19,861.60	193,761.28		1,291,071.58		2,370,187.89	197,959.04	2,568,146.93
III. Increases/decreases in the current period ("-" for decreases)							-2,103.54	-6,462.06	13,219.55		104,617.53		109,271.48	417.05	109,688.53
(I) Total comprehensive income							-2,103.54				162,050.63		159,947.09	976.23	160,923.32
(II) Capital contributed or reduced by owners														-341.65	-341.65
1. Common stock contributed by owners															
2. Capital invested by the holders of other equity instruments															
3. Amounts of share-based payments recognized in owner's equity															
4. Others														-341.65	-341.65
(III) Profit distribution									13,219.55		-57,433.10		-44,213.55	-217.53	-44,431.08
1. Withdrawal of surplus reserves									13,219.55		-13,219.55				
2. Withdrawal of general risk reserves															
3. Profit distributed to owners (or shareholders)											-44,213.55		-44,213.55	-217.53	-44,431.08
4. Others															
(IV) Internal carry-forward of owners' equity															
1. Conversion of capital reserves into paid-in capital (or share capital)															
2. Conversion of surplus reserves into paid-in capital (or share capital)															
3. Surplus reserves offsetting losses															
4. Forwarding of retained earnings from changes in remeasurement of defined benefit plans															
5. Transfer of other comprehensive income into retained earnings															
6. Others															
(V) Special reserves								-6,462.06					-6,462.06		-6,462.06
1. Withdrawal in this period								42,188.78					42,188.78		42,188.78
2. Amount used in this period								48,650.84					48,650.84		48,650.84
(VI) Others															
IV. Balance as at the end of this period	442,135.48				424,802.17		-3,547.76	13,399.54	206,980.83		1,395,689.11		2,479,459.37	198,376.09	2,677,835.46

Legal representative: Wang Zhangling Chief accountant: Cai Huaiyu Chief finance officer: Yao Baoqin

Company's Statement of Changes in Owners' Equity

January-December 2024

Unit: RMB'0,000

Item	2024										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Total owners' equity
		Preferred shares	Perpetual bond	Others							
I. Balance as at the end of the last year	442,135.48				424,538.80		-6,121.76	13,045.04	206,016.25	1,063,876.97	2,143,490.78
Plus: changes in accounting policies											
Correction of accounting errors in prior periods											
Others											
II. Balance as at the beginning of this year	442,135.48				424,538.80		-6,121.76	13,045.04	206,016.25	1,063,876.97	2,143,490.78
III. Increases/decreases in the current period ("-" for decreases)							6,176.14	-1,946.76	23,429.23	252,304.59	279,963.20
(I) Total comprehensive income							6,176.14			234,292.33	240,468.47
(II) Capital contributed or reduced by owners										106,435.41	106,435.41
1. Common stock contributed by owners											
2. Capital invested by the holders of other equity instruments											
3. Amounts of share-based payments recognized in owner's equity											
4. Others										106,435.41	106,435.41
(III) Profit distribution									23,429.23	-88,423.15	-64,993.92
1. Withdrawal of surplus reserves									23,429.23	-23,429.23	
2. Profit distributed to owners (or shareholders)										-64,993.92	-64,993.92
3. Others											
(IV) Internal carry-forward of owners' equity											
1. Conversion of capital reserves into paid-in capital (or share capital)											
2. Conversion of surplus reserves into paid-in capital (or share capital)											
3. Surplus reserves offsetting losses											
4. Forwarding of retained earnings from changes in remeasurement of defined benefit plans											
5. Transfer of other comprehensive income into retained earnings											
6. Others											
(V) Special reserves								-1,946.76			-1,946.76
1. Withdrawal in this period								37,819.55			37,819.55
2. Amount used in this period								39,766.31			39,766.31
(VI) Others											
IV. Balance as at the end of this period	442,135.48				424,538.80		54.38	11,098.28	229,445.48	1,316,181.56	2,423,453.98

Item	2023										
	Paid-in capital (or share capital)	Other equity instruments			Capital reserve	Less: treasury stock	Other comprehensive income	Special reserves	Surplus reserves	Undistributed profits	Total owners' equity
		Preferred shares	Perpetual bond	Others							
I. Balance as at the end of the last year	442,135.48				424,538.80		-4,263.27	18,690.94	192,796.70	989,114.60	2,063,013.25
Plus: changes in accounting policies											
Correction of accounting errors in prior periods											
Others											
II. Balance as at the beginning of this year	442,135.48				424,538.80		-4,263.27	18,690.94	192,796.70	989,114.60	2,063,013.25
III. Increases/decreases in the current period ("-" for decreases)							-1,858.49	-5,645.90	13,219.55	74,762.37	80,477.53
(I) Total comprehensive income							-1,858.49			132,195.47	130,336.98
(II) Capital contributed or reduced by owners											
1. Common stock contributed by owners											
2. Capital invested by the holders of other equity instruments											
3. Amounts of share-based payments recognized in owner's equity											
4. Others											
(III) Profit distribution									13,219.55	-57,433.10	-44,213.55
1. Withdrawal of surplus reserves									13,219.55	-13,219.55	
2. Profit distributed to owners (or shareholders)										-44,213.55	-44,213.55
3. Others											
(IV) Internal carry-forward of owners' equity											
1. Conversion of capital reserves into paid-in capital (or share capital)											
2. Conversion of surplus reserves into paid-in capital (or share capital)											
3. Surplus reserves offsetting losses											
4. Forwarding of retained earnings from changes in remeasurement of defined benefit plans											
5. Transfer of other comprehensive income into retained earnings											
6. Others											
(V) Special reserves								-5,645.90			-5,645.90
1. Withdrawal in this period								36,551.47			36,551.47
2. Amount used in this period								42,197.37			42,197.37
(VI) Others											
IV. Balance as at the end of this period	442,135.48				424,538.80		-6,121.76	13,045.04	206,016.25	1,063,876.97	2,143,490.78

Legal representative: Wang Zhangling   Chief accountant: Cai Huaiyu   Chief finance officer: Yao Baoqin

III. Company profile

1. Company profile

√ Applicable □ Not applicable

(1) Incorporation

Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "COOEC" or the "Company") was established on April 20, 2000 by CNOOC Petroleum Engineering Design Company, CNOOC Platform Manufacturing Corporation, CNOOC Offshore Engineering Company, China National Offshore Oil Bohai Company Limited and China National Offshore Oil Nanhai West Company Limited. The Unified Social Credit Code of COOEC is 91120116722950227Y. The Company was listed on the Shanghai Stock Exchange on February 5, 2002, and operates in mining auxiliary activities. As at December 31, 2024, the total accumulated issued share capital of COOEC was 4,421,354,800 shares with a registered capital of RMB 4,421,354,800. Its registered office is at Room 202-F105, 2nd Floor, Podium of Ligang Building, No. 82 West 2nd Road, Tianjin Pilot Free Trade Zone (Airport Economic Zone), and its head office is located at No.199 Binhai 15th Road, Tianjin Port Free Trade Zone; legal representative: Wang Zhangling.

The Company and its subsidiaries (collectively referred to as the "Group") are mainly engaged in the general contracting business.

(2) Business scope of the Company

The business scope of the Company includes engineering general contracting; design of oil and gas (offshore oil) and construction projects; planning and evaluation consulting of oil and gas projects; construction of various types of offshore oil construction projects and other marine engineering projects; construction of land-based petrochemical projects; production and installation of various types of steel structures and grids; design and manufacture of pressure vessels, design of pressure pipelines; research and development, manufacturing and sales of electrometer automation products; quality control and testing, physicochemical, surveying and mapping and related technical services; the export business of the Company's own products and technologies; the import of raw and auxiliary materials, instruments and meters, machinery equipment, spare parts and technologies required for the production of the enterprise; the import processing; contracting of offshore oil projects and domestic international bidding projects; contracting survey, consultation, design and supervision of the above overseas projects; exporting equipment and materials required for the above overseas projects; dispatching laborers required for the implementation of the above overseas projects; domestic coastal general cargo ship transportation; international general cargo transportation; leasing of owned houses; the sale of steel, pipe fittings, cables, valves, instruments, hardware and electricity (projects that are subject to approval according to the law can only be operated with the approval by relevant departments).

(3) COOEC's initial issue of shares

COOEC issued 80 million shares of public stock on January 21, 2002, as approved by the CSRC (ZJFXZ [2002] No. 2 Document). After the fund raising, COOEC's shares were listed on the Shanghai Stock Exchange on February 5, 2002 with the stock code: 600583. The change in business registration was completed on July 9, 2002, and the changed business license number is 1200001000326, with registered capital of RMB 250 million.

(4) The successive capital increases after the initial issue of COOEC's shares

① At the First Extraordinary General Meeting in 2003, COOEC adopted the Proposal to Increase the Capital Stock of COOEC by Transferring Capital Stock to 1 share for every 10 shares of capital stock, based on the total share capital of 250,000,000 shares. After the completion of the capital transfer program, the total share capital of COOEC was 275 million shares, of which 88 million shares were outstanding. On January 12, 2004, COOEC completed the registration of the change in business registration, and the changed registered capital is RMB 275 million.

② At the 2003 Annual General Meeting, COOEC adopted the Proposal for the Transfer of Capital Reserve and Undistributed Profits to Share Capital, whereby 275,000,000 shares were transferred to all shareholders from capital stock at a ratio of 1 share for every 10 shares, and 27.5 million bonus shares were distributed to all shareholders from undistributed profits at a ratio of 1 share for every 10 shares, implying a total increase in share capital by 55 million shares. On October 27, 2004, COOEC completed the registration of the change in business registration, and the changed registered capital was RMB 330 million.

③ At the 2004 annual general meeting, COOEC approved the 2004 Profit Distribution Plan and the 2004 Capitalization of the COOEC's Capital Provident Fund, under which 330 million bonus shares were distributed to all shareholders from undistributed profits on the basis of the total share capital of 330 million shares at a ratio of 1 share per 10 shares as stock dividends, and 330 million shares were transferred to all shareholders from capital reserve at the ratio of 1 share per 10 shares. The profit distribution and transfer program increased the share capital by 66 million shares in total. COOEC completed the registration of industrial and commercial changes on July 15, 2005, and the changed registered capital was RMB 396 million.

④ At the 2005 annual general meeting, COOEC approved the 2005 Profit Distribution Plan and the 2005 Capitalization of the COOEC's Capital Provident Fund, under which 277.2 million bonus shares were distributed to all shareholders from undistributed profits on the basis of the total share capital of 396 million shares at a ratio of 7 shares per 10 shares as stock dividends, and 118.8 million shares were transferred to all shareholders from capital reserve at the ratio of 3 shares per 10 shares. The profit distribution and transfer program increased the share capital by 396 million shares in total. COOEC completed the registration of industrial and commercial changes on January 31, 2007, and the changed registered capital was RMB 792 million.

⑤ At the 2006 annual general meeting, COOEC approved the 2006 Profit Distribution Plan of COOEC, under which bonus shares of 158.4 million shares were distributed as stock dividends to all shareholders with undistributed profits based on the total share capital of 792 million shares at a ratio of 2 shares for every 10 shares. COOEC completed the registration of industrial and commercial changes on September 6, 2007, and the changed registered capital was RMB 950.4 million.

⑥ At the 2007 annual general meeting, COOEC approved the 2007 Profit Distribution Plan of COOEC, under which 475.2 million bonus shares were distributed to all shareholders from undistributed profits based on the total share capital of 950.4 million shares at the ratio of 5 shares per 10 shares as stock dividends, and 475.2 million shares were transferred to all shareholders from capital reserve at the ratio of 5 shares per 10 shares. The profit distribution and transfer program increased the share capital by a total of 950.4 million shares. COOEC completed the registration of industrial and commercial changes on July 31, 2008, and the changed registered capital is RMB 1,900,800,000.

⑦ As approved by the China Securities Regulatory Commission under ZJXK [2008] No. 1091 document, COOEC issued 260,000,000 RMB common stocks (A shares) to eight specific investors, including China National Offshore Oil Corporation, by way of non-public offering of shares. After the availability of the proceeds, the registration of the A shares and the restriction of sale of shares were completed on December 29, 2008 at the Shanghai Branch of China Securities Depository and Clearing Corporation, and the registration of industrial and commercial changes was completed on February 16, 2009, with the changed registered capital of RMB 2,160,800,000.

⑧ At the 2008 annual general meeting, COOEC approved the 2008 Profit Distribution Plan of COOEC, under which 2160.8 million bonus shares were distributed to all shareholders from undistributed profits at the ratio of 1 share for every 10 shares based on the total share capital of 216.08 million shares, and 864.32 million shares were transferred to all shareholders from the capital reserve at the ratio of 4 shares for every 10 shares. The profit distribution and transfer program increased the share capital by a total of 1,080,400,000 shares. COOEC completed the registration of industrial and commercial changes on December 31, 2009, and the changed registered capital was RMB 3,241,200,000.

⑨ At the 2009 Annual General Meeting, COOEC approved the Proposal for Capital Reserve Transfer to Share Capital for 2009, under which, based on the total share capital of 3,241.2 million shares, 648.24 million shares were transferred to all shareholders from capital reserve at a ratio of 2 shares for every 10 shares, thereby increasing the share capital by 648.24 million shares. The registered capital after the change is RMB three billion eight hundred and eighty-nine million four hundred and forty thousand only.

⑩ As approved by the China Securities Regulatory Commission with ZJXK [2013] No. 1180 Document, COOEC issued 531,914,800 RMB common stocks (A shares) by way of non-public offering to six specific investors including China National Offshore Oil Corporation. After the availability of the proceeds, the registration of the A shares and the share restriction procedures of the non-public offering were completed on October 9, 2013 at Shanghai Branch of China Securities Depository and Clearing Corporation Limited, and the registration of industrial and commercial changes was completed on October 14, 2013, with the changed registered capital of RMB 4,421,354,800.

(5) Changes in the shareholdings of the COOEC's promoters

① On September 28, 2003, China National Offshore Oil Corporation (CNOOC), the actual controller of the COOEC, became the largest shareholder of COOEC by acquiring a total of 159,233,800 shares held by CNOOC Platform Manufacturing Company, CNOOC Offshore Engineering Company and CNOOC Petroleum Engineering Design Company, the founders of COOEC, by agreement without compensation, accounting for 57.91% of the total number of shares of COOEC at that time. The transfer of shares was completed on February 13, 2004. The three founding companies, CNOOC Platform Manufacturing Company, CNOOC Offshore Engineering Company and CNOOC Petroleum Engineering Design Company, no longer held shares of COOEC.

② With the Approval on Issues Relating to the Equity Subdivision Reform of Offshore Oil Engineering Co., Ltd. by the State-owned Assets Supervision and Administration Commission of the State Council (GZCQ [2006] No.2) and the shareholder's meeting held on January 16, 2006 to consider and approve the share subdivision reform plan of COOEC, the shareholders of the COOEC's non-circulating shares paid their shares to the shareholders of COOEC registered with the China Securities Depository and Clearing Corporation Shanghai Branch on January 20, 2006, the non-circulating shareholders of COOEC paid 2.4 shares of stock for every 10 shares of COOEC, and the non-circulating shareholders paid a total of 30,412,800 shares. After the implementation of the consideration, the number of shares held by non-circulating shareholders of COOEC were 203,399,600 shares, 1,414,800 shares and 34,052,800 shares, with the shareholding ratio of 51.36%, 0.36% and 8.60%, respectively, of China National Offshore Oil Corporation, China National Offshore Oil Bohai Company Limited and China National Offshore Oil Nanhai West Company Limited. On the first trading day after the implementation of the stock split reform, the non-floating shares held by all non-floating shareholders of COOEC were granted the right to be listed and circulated.

③ As approved by the China Securities Regulatory Commission under ZJXK [2008] No. 1091 document, COOEC issued 260,000,000 RMB common stocks (A shares) to eight specific investors, including China National Offshore Oil Corporation, by way of non-public offering of shares. After the funds were raised, the registration of the A shares and the share restriction procedures of the non-public offering were completed on December 29, 2008 at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. After the completion of this directed issue, the number of shares held by China National Offshore Oil Corporation, China National Offshore Oil Nanhai West Company Limited and China National Offshore Oil Bohai Company Limited are 1,054,318,252 shares, 163,453,282 shares and 6,791,026 shares respectively, with the shareholding ratio of 48.79%, 7.56% and 0.32% respectively.

④ As approved by the China Securities Regulatory Commission with ZJXK [2013] No. 1180 Document, COOEC issued 531,914,800 RMB common stocks (A shares) by way of non-public offering to six specific investors including China National Offshore Oil Corporation. After the funds were raised, the registration of the A shares and the share restriction procedures of the non-public offering were completed on October 9, 2013 at the Shanghai Branch of China Securities Depository and Clearing Corporation Limited. After the completion of this directed issue, the number of shares held by China National Offshore Oil Corporation, China National Offshore Oil Nanhai West Company Limited and China National Offshore Oil Bohai Company Limited were 2,270,113,454 shares, 294,215,908 shares and 12,223,847 shares respectively, with the shareholding ratio of 51.34%, 6.65% and 0.28% respectively.

⑤ In 2015, China National Offshore Oil Corporation, the controlling shareholder of COOEC, and CNOOC Finance Co., Ltd., a person acting in concert, bought 856,100 shares and 1,571,800 shares of COOEC through the trading system of Shanghai Stock Exchange from July 9, 2015 to August 25, 2015, respectively. After the purchase, the number of shares held by China National Offshore Oil Corporation and CNOOC Finance Co., Ltd. were 2,270,969,554 shares and 1,571,800 shares respectively, with the shareholding ratio of 51.36% and 0.04% respectively.

⑥ In accordance with the relevant arrangements made by the State, China National Offshore Oil Corporation transferred in October 2018 its 3% shares of COOEC of 132,640,600 shares to the CSI Central Enterprises Structure Adjustment Trading Open-ended Index Securities Investment Fund managed by Huaxia Fund, Bosera Fund and Yinhua Fund, respectively, in exchange for the Central Enterprises Structure Adjustment ETF Fund. Upon completion of the subscription, the shareholding of China National Offshore Oil Corporation in COOEC was reduced from 2,270,969,554 shares to 2,138,328,954 shares, and the shareholding ratio was reduced from 51.36% to 48.36%. The parent company and actual controller of the Company is China National Offshore Oil Corporation.

⑦ In order to optimize the COOEC's equity structure, on October 30, 2023, China National Offshore Oil Corporation received 1,571,800 shares of COOEC held by CNOOC Finance Co., Ltd. through a block transaction at an average transaction price of RMB 6.33/share. On October 31, 2023, China National Offshore Oil Corporation signed the "Agreement on Share Transferring Without Compensation" with China National Offshore Oil Nanhai West Company Limited and China National Offshore Oil Bohai Company Limited, receiving 294,215,900 shares and 12,223,800 shares of COOEC held by China National Offshore Oil Nanhai West Company Limited and China National Offshore Oil Bohai Company Limited respectively through the free transfer, for which the securities transfer registration formalities have been secured on November 29, 2023. COOEC has received the Transfer Registration Confirmation issued by China Securities Depository and Clearing Corporation Limited. After the change in equity, China National Offshore Oil Corporation directly holds 2,446,340,500 shares of COOEC, accounting for 55.33% of the total share capital. The controlling shareholder and actual controller of COOEC remain unchanged, and China National Offshore Oil Corporation still acts as the controlling shareholder of COOEC.

The financial statements were approved by the Board of Directors of COOEC for disclosure on March 14, 2025.

IV. Basis of preparation for financial statements

1. Preparation basis

The Group's financial statements are prepared on a going concern basis of accounting, based on actual transactions and events, in accordance with the Accounting Standards for Business Enterprises - Basic Standards (issued by Order of the Ministry of Finance No.33 and revised by Order of the Ministry of Finance No.76) issued by the Ministry of Finance, 40 specific accounting standards, Interpretation on the Accounting Standards for Business Enterprises and other relevant provisions (collectively referred to as the "Accounting Standards for Business Enterprises") issued and revised on and after February 15, 2006, and the disclosure provisions of the China Securities Regulatory Commission's Rules for the Compilation and Reporting of Information Disclosure of Companies Issuing Securities to the Public No.15 - General Provisions on Financial Reports (Revised in 2023).

In accordance with the relevant provisions of the Accounting Standards for Business Enterprises, the Group's accounting is based on the accrual basis. Except for certain financial instruments, the financial statements are measured on the basis of historical cost. In the event of any asset impairment, a provision for impairment will be made in accordance with relevant provisions.

2. Going concern

√ Applicable □ Not applicable

The Group's financial statements are based on the going concern basis of accounting.

V. Significant accounting policies and accounting estimates

Tips of specific accounting policies and accounting estimates:

□ Applicable √ Not applicable

1. Statement on compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company meet the requirements of the Accounting Standards for Business Enterprises and truly and completely reflect the Company and the Group's financial position as at December 31, 2024, and the operating results, cash flows and other relevant information for the year then ended. In addition, the financial statements of the Group comply with the disclosure requirements of the China Securities Regulatory Commission's Rules for the Compilation and Reporting of Information Disclosure of Companies Issuing Securities to the Public No.15 - General Provisions on Financial Reports (Revised in 2023) in all material respects.

2. Accounting period

The accounting period of the Group is divided into annual and interim period. Interim period refers to the reporting period shorter than a full accounting year. The calendar year is adopted for the accounting year of the Group, namely, from January 1 to December 31 of each year.

3. Business cycle

√ Applicable □ Not applicable

The Group takes 12 months as a normal operating cycle, and as the classification standard for the liquidity of assets and liabilities.

4. Recording currency

RMB is the currency in the main economic environment in which the Company and its domestic subsidiaries operate. The Company and its domestic subsidiaries adopt RMB as the recording currency.

The recording currency of the Group's overseas subsidiaries, COOEC International Co., Ltd., COOEC Nigeria Limited, Nigeria Free Trade Zone Company of Offshore Oil Engineering Co., Ltd. and COOEC Saudi Limited, is USD.

COOEC Canada Co., Ltd. uses the Canadian dollar as the recording currency.

The Thai company of COOEC International Co., Ltd. uses the Thai baht as the recording currency.

The Brazilian company of COOEC International Co., Ltd. uses the Brazilian real as the recording currency.

The currency used in the preparation of the financial statements by the Group is RMB.

5. Importance criteria determination method and selection basis

√ Applicable □ Not applicable

Item	Importance standard (RMB'0,000)
Receivables for significant single provision for bad debts	1,000.00
Significant amounts of recovery or reversal of provision for bad debts for receivables in the current year	1,000.00
Write-off of significant receivables in the current year	1,000.00
Significant changes in the book value of contract assets	1,000.00
Important debt investments	1,000.00
Significant construction in process	1,000.00
Major non-wholly-owned subsidiaries	1,000.00
Significant capitalized R & D projects	1,000.00

Remarks: the importance judgment index is mainly the book balance corresponding to the item, and the importance judgment index of important non-wholly-owned subsidiary is the total assets.

6. Accounting treatment of business combinations under and not under common control

√ Applicable □ Not applicable

The term "business combination" refers to a transaction or event that combines two or more separate business combination into one reporting entity. Business combination can be divided into business combination under common control and business combination not under common control.

(1) Business combination under common control

If the enterprises involved in the combination are subject to the ultimate control of the same party or the same parties before and after the combination, and the control is not temporary, it is a business combination under common control. For business combination under common control, the party that obtained the control over the other enterprises involved in the combination at the combination date is the combining party, and the other enterprises involved in a combination are the combinee. The combination date refers to the date when the combining party has actually obtained the control over the combinee.

The assets and liabilities acquired by the combining party shall be measured at the book value thereof in the combinee on the combination date. Capital reserves (share premiums) shall be adjusted according to the difference between the book value of the net assets acquired by the combining party and the book value of the consideration paid for the combination (or the total par value of the issued shares); Where the capital reserves (share premiums) are insufficient to offset, the retained earnings shall be adjusted.

Various direct costs incurred by the combining party for the business combination shall be included in the current profit or loss when incurred.

(2) Business combination not under common control

If the enterprises participating in the business combination are not ultimately controlled by the same party or the same parties before and after the combination, it is business combination not under common control. For business combination not under common control, the party that obtains control over other enterprises participating in the business combination on the acquisition date is the acquirer, and the other enterprises participating in the combination are acquirees. The acquisition date refers to the date on which the acquirer actually obtains control over the acquiree.

For business combination not under common control, the combination costs, including the fair values of the assets paid, liabilities incurred or assumed and equity securities issued by the acquirer to obtain the control over the acquiree on the acquisition date, intermediary service charges such as audit fee, legal service fee, appraisal and consultancy fee and other general and administrative expenses incurred for the business combination, are included in the current profit or loss when incurred. Transaction expenses incurred by the acquirer for issuance of equity or debt securities as consideration for business combination shall be included in the initial recognition amount of those equity securities or debt securities. The contingent consideration involved shall be included in the combination costs at the fair value on the acquisition date. If the contingent consideration needs to be adjusted due to new or further evidence of any situation existing on the acquisition date within 12 months after the acquisition date, the consolidated goodwill shall be adjusted accordingly. The combination cost incurred by the acquirer and the net identifiable assets acquired in the combination shall be measured at the fair value on the acquisition date. The difference between the combination cost and the fair value of net identifiable assets of the acquiree on the acquisition date obtained through the combination is recognized as the goodwill. If the combination cost is less than the fair value of net identifiable assets of the acquiree obtained through the combination, the Company shall firstly review the fair values of such identifiable assets, liabilities and contingent liabilities obtained from the acquiree and the measurement of the combination cost. If the combination cost is still less than the fair value of net identifiable assets of the acquiree obtained after the review, the difference shall be included in the current profit or loss.

If the deductible temporary differences obtained by the acquirer from the acquiree are not recognized on the acquisition date as they do not meet the recognition conditions for deferred tax assets, within 12 months after the acquisition date, if new or further information is obtained, indicating that relevant circumstances on the acquisition date have existed and it is expected that the economic benefits brought by the acquiree's deductible temporary differences on the acquisition date can be realized, relevant deferred tax assets will be recognized and goodwill will be reduced at the same time. If the goodwill is insufficient to offset, the balance will be recognized as the current profit or loss; in addition to the above circumstances, the deferred tax assets related to the business combination recognized shall be included in the current profit or loss.

For business combination not under common control realized step by step through multiple transactions, according to the "Notice of the Ministry of Finance on Issuing the Interpretation on the Accounting Standards for Business Enterprises No. 5" (CK [2012] No. 19) and Article 51 of the "Accounting Standards for Business Enterprises No. 33 - Consolidated Financial Statements" on the judgment criteria of "package transactions" (see Note V.7 "Preparation Method of Consolidated Financial Statements"), it is judged whether the multiple transactions belong to "package transactions". If they belong to "package transactions", refer to the preceding paragraphs of this part and Note V.19 "long-term equity investment" for accounting treatment; if they do not belong to "package transactions", they shall be subject to relevant accounting treatment by distinguishing individual financial statements from consolidated financial statements:

In individual financial statements, the sum of the book value of the acquiree's equity investments held before the acquisition date and the newly increased investment costs on the acquisition date shall be recognized as the initial investment cost of such investment; if the equity of the acquiree held before the acquisition date involves other comprehensive income, the other comprehensive income related to it shall be accounted for on the same basis as the acquiree's direct disposal of the relevant assets or liabilities when the investment is disposed of.

In the consolidated financial statements, the equity of the acquiree held before the acquisition date shall be re-measured according to the fair value of the equity on the acquisition date, and the difference between the fair value and its book value shall be included in the current investment income. if the equity of the acquiree held before the acquisition date involves other comprehensive income, the other comprehensive income related to it will be accounted for on the same basis as the acquiree's direct disposal of the relevant assets or liabilities.

7. Judgment criteria for control measures and preparation of the consolidated financial statements

√ Applicable □ Not applicable

(1) Judgment criteria for control

The scope of consolidation of the consolidated financial statements is determined on the basis of control. Control means that the Group has the power over the investee, enjoys the variable return through participating in activities related to the investee, and has the ability to affect the amount of the return by using the power over the investees. If the Group has the current right that enables it to dominate the relevant activities of the investee, regardless of whether the Group actually exercises such right, it is considered that the Group has power over the investee. the Group is deemed to enjoy variable returns if the returns obtained from the investee may change with the performance of the investee; where the Group exercises the decision-making power as the principal responsible person, it is deemed that the Group has the ability to use the power over the investee to affect the amount of such return. The scope of consolidation includes the Company and all its subsidiaries. The term "subsidiary" refers to the entity controlled by the Group.

The Group makes a judgment on whether to control the investee based on a comprehensive consideration of all relevant facts and circumstances. relevant facts and circumstances mainly include: the purpose of the investee; relevant activities of the investee and how to make decisions on relevant activities; whether the rights enjoyed by the Group enable the Group to lead the relevant activities of the investee at present; whether the Group enjoys variable returns by participating in the investee's related activities; whether the Group has the ability to use its power over the investee to affect the amount of its return; relationship between the Group and other parties. Once relevant facts and circumstances change, leading to changes in factors relating to the definition of the foresaid control, the Group will carry out a reappraisal.

(2) Preparation method of consolidated financial statements

From the date when the Group obtains the net assets and the actual control over the production and operation decisions of the subsidiary, the Group begins to include the subsidiary in the scope of consolidation; the Group will cease to include such subsidiary in the scope of consolidation as of the date when it losses the actual control. The operating results and cash flows of the subsidiary disposed of before the disposal date have been properly included in the consolidated income statement and the consolidated statement of cash flows; the beginning amount of the subsidiary disposed of in the current period in the consolidated balance sheet will not be adjusted. The operating results and cash flows after the acquisition date of the subsidiary added under the business combination not under common control have been properly included in the consolidated income statement and the consolidated statement of cash flows, and the beginning amount and comparison amount of the same in the consolidated financial statements will not be adjusted. The operating results and cash flows of the subsidiary added under the business combination under common control from the beginning of the combination period to the combination date have been properly included in the consolidated income statement and the consolidated statement of cash flows, and the comparison amounts in the consolidated financial statements are adjusted at the same time.

When preparing the consolidated financial statements, if the accounting policies or accounting period adopted by the subsidiaries are inconsistent with those adopted by the Company, the financial statements of the subsidiaries will be adjusted according to the accounting policies and accounting period of the Company. For subsidiaries acquired from business combinations not under common control, the financial statements will be adjusted on the basis of the fair value of the identifiable net assets on the acquisition date.

All major current balances, transactions and unrealized profits within the group are offset in the preparation of consolidated financial statements.

Shareholders' equity of the subsidiary and the part of the current net profit or loss not owned by the Company will be separately presented as minority equity and minority interest income/expense under shareholders' equity and net profit in the consolidated financial statements. The share attributable to minority equity in the current net profit or loss of the subsidiary will be presented under the item of "minority interest income/expense" in the consolidated income statement. If the loss of a subsidiary shared by minority shareholders exceeds the share enjoyed by minority shareholders in the shareholders' equity of the subsidiary at the beginning of the period, minority equity will still be offset.

When the Company loses the control over the original subsidiary due to disposal of part of the equity investments or for other reasons, the remaining equity will be re-measured at the fair value on the date of loss of control. The difference between the sum of the consideration received from the disposal of equity and the fair value of the remaining equity, and the share of the net assets of the original subsidiary calculated based on the original equity holding ratio from the acquisition date, is recognized in the investment income of the period in which control is lost. For other comprehensive income related to the original subsidiary's equity investments, accounting treatment will be made on the same basis for direct disposal of relevant assets or liabilities by the subsidiary when the control is lost. Subsequently, the remaining equity will be measured in accordance with the Accounting Standards for Business Enterprises No. 2 - Long-term Equity Investment or the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments and other relevant provisions. See Note V.19 "Long-term Equity Investment" or Note V.11 "Financial Instruments" for details.

Where the Group disposes of the equity investments to the subsidiary by stages through multiple transactions until the loss of control, it is necessary to distinguish whether the transactions of disposing the equity investments of subsidiaries until the loss of control belong to package transactions. If the terms, conditions and economic impact of various transactions of disposing the equity investments of subsidiaries meet one or more of the following circumstances, it usually indicates that multiple transaction events should be accounted for as package transactions: ① these transactions are concluded at the same time or under the consideration of mutual impact; ② these transactions can reach a complete business result only when they are taken as a whole; ③ the occurrence of one transaction depends on the occurrence of at least one other transaction; ④ a single transaction is uneconomical but it is economical when considered together with other transactions. If it does not belong to package transactions, each transaction will be accounted for according to the applicable principles of "partial disposal of long-term equity investment in subsidiaries without losing control" (see Note V.19 "long-term equity investment" (2) ④) and "loss of control over the original subsidiary due to disposal of part of equity investment or other reasons" (see the preceding paragraph for details). Where the transactions of disposing equity investments of subsidiaries until the loss of control belong to package transactions, the accounting treatment will be made by taking them as one transaction of disposing subsidiaries till the loss of control; However, before loss of control, the difference between each disposal price and the share of the subsidiary's net assets corresponding to the disposal investment is recognized as other comprehensive income in consolidated financial statements, and is transferred into the current profit or loss on the loss of control.

8. Classification of joint venture arrangements and accounting treatment of joint operation

√ Applicable □ Not applicable

Joint venture arrangements refer to the arrangements under the joint control of two or more parties. The Group divides joint venture arrangements into joint operation and joint ventures according to the rights enjoyed and obligations assumed in the joint venture arrangements. Joint operation refers to the joint venture arrangements under which the Group enjoys relevant assets and assumes relevant liabilities of the arrangements. Joint ventures refer to the joint venture arrangements in which the Group is only entitled to the net assets of the arrangements.

The Group's investment in joint ventures is accounted for by the equity method and treated in accordance with the accounting policies described in Note V. 19 "Long-term equity investment" "Long-term equity investment accounted for by the equity method".

For the joint operation, the Group, as a party to the joint venture, recognizes the assets and liabilities it solely holds and assumes, and recognizes the assets and liabilities jointly held and jointly assumed based on its share; recognizes the revenue arising from the sale of output enjoyed by the Group from the joint operation; recognizes the revenue arising from sale of output enjoyed by the Group from the joint operation based on its share; recognizes separate expenses incurred by the Group and expenses for the joint operation based on its share.

When the Group, as a joint venture, invests or sells assets (such assets do not constitute business, hereinafter the same) to the joint operation, or purchases assets from the joint operation, before such assets are sold to a third party, the Group only recognizes the part of the profit or loss arising from the transaction attributable to other parties to the joint operation. If such assets incur losses from asset impairment in accordance with the Accounting Standards for Business Enterprises No. 8 - Asset Impairment, the Group shall recognize the losses in full in the case of assets invested or sold by the Group to the joint operation. For the purchase of assets by the Group from the joint operation, the Group recognizes the loss based on its share.

9. Recognition criteria of cash and cash equivalents

The Group's cash and cash equivalents include cash on hand, unrestricted deposits and short-term (generally maturing within three months from the acquisition date) and highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

10. Foreign currency transactions and translation of foreign currency financial statements

√ Applicable □ Not applicable

(1) Recognition method of conversion exchange rate when foreign currency transactions occur

At the initial recognition of foreign currency transactions of the Group, the middle exchange rate of the RMB exchange rate published by the People's Bank of China on the last trading day of the previous month on which the business occurs shall be taken as the conversion exchange rate, and the foreign currency shall be converted into the amount of recording currency.

(2) Conversion method used for foreign currency monetary item and treatment method of exchange profit or loss on the balance sheet date

On the balance sheet date, the foreign currency monetary item is converted at the spot exchange rate on the balance sheet date, and the resulting exchange difference is: ① The exchange difference arising from foreign currency special borrowings related to the acquisition and construction of assets eligible for capitalization shall be treated in accordance with the principle of borrowing costs capitalization; ② foreign currency monetary items classified as measured at fair value through other comprehensive income are included in the current profit or loss, except for the exchange differences arising from changes in other book balances other than amortized cost (including impairment), which are included in other comprehensive income.

Foreign currency non-monetary items measured at historical cost shall still be measured at the amount of recording currency translated at the spot exchange rate on the date when the transaction occurs. Foreign currency non-monetary items measured in fair value shall be translated at the spot exchange rates on the date when the fair value is determined. The difference between the translated amount in recording currency and the original amount in recording currency shall be treated as change in fair value (including fluctuation in exchange rate) and included in the current profit or loss or recognized as other comprehensive income.

(3) Conversion method of foreign currency financial statements

Foreign currency financial statements of overseas business shall be translated into the statements in RMB by the following methods: the assets and liabilities items in the balance sheet shall be translated at the spot exchange rate on the balance sheet date; shareholders' equity items, except for the item of "undistributed profits", are translated at the spot exchange rate when they occur. Income and expense items in the income statement are translated using the arithmetic average of the market exchange rates published by the People's Bank of China on the first and last business days of the month when the transactions occur. Undistributed profits at the beginning of the year refers to the undistributed profits at the end of the year after translation in the previous year; the undistributed profits at the end of the period shall be calculated and presented according to the translated profit distribution items; the difference between the translated assets and the total of the translated liabilities and shareholders' equity is recognized as translation differences of foreign currency statements and recognized as other comprehensive income. When disposing of an overseas operation and losing control, the translation differences of foreign currency statements related to the overseas operation shown in the balance sheet under the shareholders' equity item shall be transferred to the current profit or loss in whole or in proportion to the disposal of the overseas operation.

Foreign currency cash flows and cash flows of overseas subsidiaries shall be translated at the average exchange rate of the month in which the cash flows occur. Effect of fluctuation in exchange rate on cash shall be separately presented as an adjustment item in the statement of cash flows.

The beginning-of-year figures and the actual figures for the previous year shall be presented based on the amounts converted from the financial statements of the previous year.

When the Group loses control over the overseas operations due to the disposal of all the owners' equity or part of the equity investment or other reasons, the translation differences of foreign currency statements of the owners' equity attributable to the parent company related to the overseas operations listed below in the balance sheet will be transferred to the current profit or loss of the disposal.

When the proportion of the overseas business interests held decreases due to the partial disposal of equity investments or for other reasons, without the loss of control over the overseas business, the translation differences of foreign currency statements related to the disposal of the overseas business shall be attributable to minority equity and shall not be transferred to the current profit or loss. Where the Company disposes of part of the equity of an overseas business as associates or joint ventures, the translation differences of foreign currency statements related to the overseas business shall be transferred to the current profit or loss at the proportion of disposal of the overseas business.

If there are foreign currency monetary items that substantially constitute net investment in an overseas business, the exchange difference arising from fluctuation in exchange rate shall be recognized as "translation differences of foreign currency statements" and included in other comprehensive income in the consolidated financial statements; When the overseas operation is disposed of, the difference therefrom shall be included in the current profit or loss.

11. Financial instruments

√ Applicable □ Not applicable

A financial asset or a financial liability is recognized when the Group becomes a party to a financial instruments contract.

(1) Classification, recognition and measurement of financial assets

According to the business model of managing financial assets and the contractual cash flows characteristics of the financial assets, the Group classifies the financial assets into: Financial assets measured by amortized cost; financial assets measured at fair value through other comprehensive income; financial assets measured at fair value through the current profit or loss.

The financial assets are measured at fair value upon initial recognition. For financial assets measured at fair value through the current profit or loss, relevant transaction costs are directly included in the current profit or loss; for other categories of financial assets, relevant transaction costs are included in the initial recognition amount. The Group initially recognizes accounts receivable or notes receivable arising from the sales of goods or rendering of services and not containing or considering any significant financing component at the amount of the consideration it is expected to be entitled to.

① Financial assets measured at amortized cost

The Group manages financial assets measured at amortized cost for the purpose of collecting contractual cash flows, and the contractual cash flows characteristics of such financial assets are consistent with the underlying lending arrangements, which means that cash flows generated on specified dates can only be used to pay for the principal and the interest for the outstanding principal. The Group adopts the effective interest method for the subsequent measurement of such financial assets at amortized cost, and the gains or losses arising from amortization or impairment are included in the current profit or loss.

② Financial assets at fair value through other comprehensive income

The Group manages such kind of financial assets for both collection of contractual cash flows and sales, and the contractual cash flows characteristics of these financial assets are consistent with the underlying lending arrangements. The Group measures such financial assets at the fair value with changes included in the other comprehensive income, but the impairment losses or gains, exchange profit or loss and interest income calculated at the effective interest method are included in the current profit or loss revenue.

In addition, the Group designates part of non-trading investments in equity instruments as financial assets measured at fair value through other comprehensive income. The Group includes the relevant dividends of such financial assets in the current profit or loss revenue, and includes the changes in fair value in the other comprehensive income. When the financial assets are derecognized, the accumulated profit or loss previously included in other comprehensive income will be transferred from other comprehensive income to retained earnings and will not be included in the current profit or loss.

③ Financial assets measured at fair value through current profit or loss

The Group classifies the above financial assets measured at amortized cost and financial assets other than those measured at fair value through other comprehensive income as financial assets measured at fair value through the current profit or loss. In addition, at the time of initial recognition, in order to eliminate or significantly reduce accounting mismatches, the Group designates part of financial assets as financial assets measured at fair value through the current profit or loss. For such financial assets, the Group makes the subsequent measurement at fair value, and the changes in fair value are included in the current profit or loss.

(2) Classification, recognition and measurement of financial liabilities

Financial liabilities are classified into financial liabilities measured at fair value through the current profit or loss and other financial liabilities, at the initial recognition. For financial liabilities measured at fair value through the current profits and losses, the relevant transaction costs are directly included in the current profits and losses, and the relevant transaction costs of other financial liabilities are included in their initial recognition amount.

① Financial liabilities measured at fair value through the current profit or loss

Financial liabilities measured at fair value through current profits and losses include financial liabilities held for trading (including derivative instruments belonging to financial liabilities) and financial liabilities designated to be measured at fair value through current profits and losses upon initial recognition.

Financial liabilities held for trading (including derivative instruments belonging to financial liabilities) will be subsequently measured at fair value. Except for those related to hedge accounting, changes in fair value will be included in the current profit or loss.

For financial liabilities designated to be measured at fair value through the current profit or loss, the changes in the fair value of such liabilities caused by changes in the Group's own credit risk are included in other comprehensive income; and when the liabilities are derecognized, the accumulated changes in the fair value caused by changes in its own credit risk and included in other comprehensive income will be transferred to retained earnings. Other changes in fair value will be included in the current profit or loss. If the treatment for the impact of changes in own credit risk of the financial liabilities in the above manner will cause or enlarge the accounting mismatch in the profit or loss, the Group will include all the gains or losses of the financial liabilities (including the amount affected by changes in the enterprise's own credit risk) in the current profit or loss.

② Other financial liabilities

Financial liabilities other than the financial liabilities arising from the inconformity of financial assets with the derecognition conditions or the continuous involvement of financial assets transferred and financial guarantee contracts are classified as the financial liabilities measured at amortized cost initially and subsequently, and the profit or loss from the derecognition or amortization are included in the current profit or loss.

(3) Recognition basis and measurement method of transfer of financial assets

Financial assets meeting any of the following conditions will be derecognized: ① the contractual rights to receive the cash flows of the financial assets are terminated; ② the financial assets have been transferred, and nearly all the risks and rewards associated with the ownership of the financial assets have been transferred to the transferee; ③ the financial assets have been transferred, and although the enterprise has neither transferred nor retained nearly all the risks and rewards related to the ownership of the financial assets, it has waived the control over the financial assets.

If the enterprise neither transfers nor retains nearly all the risks and rewards associated with the ownership of the financial assets, and does not waive the control over the financial assets, relevant financial assets shall be recognized according to the extent of its continuous involvement in the transferred financial assets, and relevant liabilities shall be recognized accordingly. The degree of continuous involvement in the financial assets transferred refers to the risk level faced by the enterprise due to the change in the value of financial assets.

If the overall transfer of financial assets meets the conditions for derecognition, the difference between book value of the transferred financial assets and the sum of the consideration received due to the transfer and the cumulative amount of changes in fair value originally included in other comprehensive income is included in the current profit or loss.

If the partial transfer financial assets satisfies the conditions for derecognition, book value of the transferred financial assets shall be apportioned between the derecognized part and the part not derecognized according to the relative fair value, and the difference between the sum of the consideration received due to the transfer and the accumulative amount of change in fair value that should be apportioned to the derecognized part and originally included in other comprehensive income and the aforesaid book amount apportioned is included in the current profit or loss.

For the financial assets sold with recourse or the endorsement transfer of the financial assets held by the Group, it is necessary to determine whether nearly all the risks and rewards of the ownership of the financial assets have been transferred. Where nearly all the risks and rewards related to the ownership of the financial assets have been transferred to the transferee, the financial assets shall be derecognized; If the Company retains nearly all the risks and rewards related to the ownership of the financial assets, it shall not derecognize the financial assets; If it neither transfers nor retains nearly all the risks and rewards related to the ownership of the financial assets, it shall continue to judge whether the enterprise retains control over the assets, and make accounting treatment according to the principles described in the preceding paragraphs.

(4) Derecognition of financial liabilities

If the present obligations of the financial liabilities (or part thereof) have been discharged, the Group derecognizes the financial liabilities (or part thereof). If the Group (the borrower) enters into an agreement with the lender to replace the original financial liabilities by assuming new financial liabilities, and the new financial liabilities are substantially different from the contractual terms of the original financial liabilities, the original financial liabilities shall be derecognized and a new financial liability shall be recognized at the same time. If the Group substantially modifies the contractual terms of the original financial liabilities (or part thereof), it derecognizes the original financial liabilities and recognizes a new financial liability in accordance with the modified terms.

If the financial liabilities (or part thereof) are derecognized, the Group shall include the difference between its book value and the consideration paid (including non-cash assets transferred out or liabilities assumed) in the current profit or loss.

(5) Offset of financial assets and financial liabilities

When the Group has the legal right to offset the financial assets and financial liabilities with recognized amounts, and such legal right is currently enforceable, and the Group plans to settle in net amount or realize the financial assets and pay off the financial liabilities at the same time, the net amount after mutual offsetting of the financial assets and financial liabilities shall be presented in the balance sheet. In addition, financial assets and financial liabilities shall be separately presented in the balance sheet without mutual offset.

(6) Determination method for the fair value of financial assets and financial liabilities

Fair value refers to the price that a market participant can receive from selling an asset or pay for transferring a liability in an orderly transaction on the measurement date. Where there is an active market for financial instruments, the Group determines their fair value based on the quoted prices in the active market. Quoted prices in active market are prices that are readily available on a regular basis from exchanges, brokers, industry associations, pricing services, etc., and represent the prices of actual market transactions in arm's length transactions. Where there is no active market for financial instruments, the Group uses valuation technique to determine their fair value. Valuation techniques include using prices from recent market transactions between market participants who are familiar with the situation and voluntarily engaged in the transactions, referring to the current fair value of other financial instruments that are substantially identical, discounted cash flow methods, and option pricing models, etc. At the time of valuation, the Group adopts the valuation techniques that are applicable in the current situation and supported by enough available data and other information, selects the input values that are consistent with the features of assets or liabilities as considered by market participants in relevant asset or liability transactions, and gives priority to use relevant observable inputs. When relevant observable inputs cannot be obtained or are impracticable to obtain, non-observable inputs are used.

(7) Equity instrument

An equity instrument refers to a contract that can prove the ownership of the remaining equity in the Group's assets after deducting all liabilities. The Group issues (including refinancing), repurchases, sells or cancels equity instruments as changes in equity, and transaction costs related to equity transactions are deducted from equity. The Group does not recognize changes in the fair value of equity instruments.

If the Group's equity instruments distribute dividends (including "interest" generated by instruments classified as equity instruments) during the existence period, it will be treated as profit distribution.

(8) Impairment of financial assets

The Group's financial assets where the impairment losses should be recognized refer to the financial assets measured at amortized cost, debt instruments measured at fair value through other comprehensive income, and lease receivables, mainly including notes receivable, accounts receivable, receivable financing, other receivables, debt investments, other debt investments, and long-term receivables, etc. In addition, for contract assets and some financial guarantee contracts, provision for impairment and credit loss are recognized in accordance with the accounting policies described in this section.

① Methods for the recognition of provision for impairment

Based on the expected credit losses, the Group makes provision for impairment of the above items and recognizes the credit impairment loss by the measurement method for the applicable expected credit loss (general method or simplified method).

Credit loss refers to the difference between all contractual cash flows receivable under the contract and all cash flows expected to be received by the Group discounted at the original effective interest rate, that is, the present value of all cash shortfalls. The Group discounts the purchased or original financial assets with credit impairment at the credit-adjusted effective interest rate of such financial assets.

The general method of measurement of expected credit losses refers to that the Group assesses on each balance sheet date whether the credit risk of financial assets (including contract assets and other applicable items, the same below) has increased significantly since the initial recognition. If the credit risk has increased significantly since the initial recognition, the Group measures the provision for losses at the amount equivalent to the lifetime expected credit losses. if the credit risk has not increased significantly since initial recognition, the Group measures the provision for losses at an amount equal to the 12-month expected credit losses. In assessing the expected credit losses, the Group considers all reasonable and well-founded information, including forward-looking information.

For financial instruments with low credit risk on the balance sheet date, the Group assumes that its credit risk has not increased significantly since the initial recognition, and chooses to measure the provision for losses according to the expected credit losses in the next 12 months. According to whether its credit risk has increased significantly since the initial recognition, the provision for losses is measured on the basis of the expected credit losses amount in the next 12 months or the whole duration.

② Judgment criteria of whether credit risk has increased significantly since initial recognition

If the probability of default of a financial asset during the expected life determined at the balance sheet date is significantly higher than the probability of default during the expected life determined at initial recognition, this indicates a significant increase in the credit risk of that financial asset.

③ A portfolio approach to assessing expected credit risk on a portfolio basis

The Group evaluates the credit risk of financial assets with significantly different credit risk, such as: receivables in dispute with the other party or involving litigation or arbitration; receivables where there are clear indications that the debtor is likely to be unable to meet its repayment obligations.

Except for financial assets with individual assessment credit risk, the Group divides financial assets into different groups based on common risk characteristics and assesses credit risk on a portfolio basis.

④ Accounting treatment for impairment of financial assets

At the end of the period, the Group calculates the estimated credit losses of various financial assets. If the estimated credit losses are greater than the book value of the current provision for impairment, the difference is recognized as impairment losses; if it is less than the book amount of the current provision for impairment, the difference is recognized as an impairment gain.

12. Notes receivable

√ Applicable □ Not applicable

Categories and determination basis of provision for bad debts based on credit risk characteristic portfolio

√ Applicable □ Not applicable

The Group measures the provision for losses of notes receivable at an amount equal to the expected credit losses over the entire duration. Based on the credit risk characteristics of notes receivable, they are divided into different portfolios:

Item	Basis for determining the portfolio
Bank acceptance bills	The acceptor is a bank with relatively low credit risk.
Commercial acceptance bills	Recognize the credit risk characteristic portfolio based on aging

Aging calculation method of credit risk characteristic portfolio based on aging

□ Applicable √ Not applicable

Judgment criteria for provision for bad debts made on an individual basis

□ Applicable √ Not applicable

13. Accounts receivable

√ Applicable □ Not applicable

Categories and determination basis of provision for bad debts based on credit risk characteristic portfolio

√ Applicable □ Not applicable

For accounts receivable and contract assets that do not contain significant financing components, the Group measures the provision for losses at an amount equivalent to the expected credit losses over the entire duration.

For accounts receivable, contract assets and lease receivables that contain significant financing components, the Group chooses to always measure the provision for losses at an amount equivalent to the expected credit losses during the duration.

Except for the accounts receivable of the individual appraisal credit risk, based on its credit risk characteristic, it is divided into different portfolios:

Item	Basis for determining the portfolio
Portfolio of related parties	The Group classifies receivables from the parent company and its affiliated branches and subsidiaries based on capital ties and management relationships.
Aging portfolio	Recognize the credit risk characteristic portfolio based on aging.

Aging calculation method of credit risk characteristic portfolio based on aging

√ Applicable □ Not applicable

Aging	Provision ratio (%)
Within 1 year (including 1 year)	0
1-2 years (including 2 years)	30
2-3 years (including 3 years)	60
Over 3 years	100

Judgment criteria for recognition of provision for bad debts made on an individual basis

√ Applicable □ Not applicable

The Group conducts separate impairment test on accounts receivable with significantly different credit risk characteristics such as obvious deterioration of the debtor's credit status, low possibility of future repayment, and credit impairment that has already occurred.

14. Receivable financing

□ Applicable √ Not applicable

Categories and determination basis of provision for bad debts based on credit risk characteristic portfolio

□ Applicable √ Not applicable

Aging calculation method of credit risk characteristic portfolio based on aging

□ Applicable √ Not applicable

Judgment criteria for provision for bad debts made on an individual basis

□ Applicable √ Not applicable

15. Other receivables

√ Applicable □ Not applicable

Categories and determination basis of provision for bad debts based on credit risk characteristic portfolio

√ Applicable □ Not applicable

The Group measures impairment losses at an amount equal to the expected credit losses in the next 12 months or the entire duration based on whether the credit risk of other receivables has increased significantly since the initial recognition. Except for other receivables with individual appraisal credit risk, they are divided into different portfolios based on their credit risk characteristics:

Item	Basis for determining the portfolio
Portfolio of related parties	The Group classifies receivables from the parent company and its affiliated branches and subsidiaries based on capital ties and management relationships.
Aging portfolio	Recognize the credit risk characteristic portfolio based on aging
Other specific portfolios	Quality guarantee, margin, advance payment and other receivables

Aging calculation method of credit risk characteristic portfolio based on aging

√ Applicable □ Not applicable

Aging	Provision ratio (%)
Within 1 year (including 1 year)	0
1-2 years (including 2 years)	30
2-3 years (including 3 years)	60
Over 3 years	100

Judgment criteria for provision for bad debts made on an individual basis

□ Applicable √ Not applicable

16. Inventory

√ Applicable □ Not applicable

Inventory category, measurement method of dispatched inventories, inventory system, amortization method of low-value consumables and packing materials

√ Applicable □ Not applicable

Inventory primarily consists of raw materials, consumable supplies, and other items. Contract fulfillment costs that are amortized over a period not exceeding one year or one operating cycle are also reported as inventory.

(1) Measurement method of inventory acquisition and dispatch

Inventory is valued at actual cost when acquired, and inventory cost includes purchase cost, processing cost and other costs. Measured at weighted average method when received and dispatched

(2) The inventory system is the perpetual inventory system.

(3) Amortization method of low-value consumables and packing materials

Amortization of low-value consumables is subject to one-off amortization method when received for use; packaging materials are amortized at the one-off amortization method when received for use.

Recognition standard and calculation method of provision for inventory depreciation reserve

√ Applicable □ Not applicable

During routine activities, net realizable value of inventory refers to the amounts of the estimated selling prices of inventories minus the estimated costs to completion, estimated selling expenses and relevant taxes and surcharges. When determining the net realizable value of inventory, the Company shall take the conclusive evidence obtained as the basis, and consider the purpose of holding the inventories and the impact of post balance sheet events.

On the balance sheet date, the inventory shall be measured at the lower of the cost and the net realizable value. When the net realizable value is lower than the cost, the provision for inventory depreciation reserves shall be made. Provision for inventory depreciation is usually made for the difference between the cost and the net realizable value of individual inventory items.

After the provision for inventory depreciation is made, the factors causing any write-down of inventory value have disappeared, leading to the net realizable values of inventories higher than its book value, the amount of write-down shall be resumed and be reversed from the original provision for inventory devaluation with the reversal being included in current profit or loss.

The combination category and determination basis of provision for inventory depreciation made on a combination basis, and the determination basis of net realizable value of different categories of inventory

□ Applicable √ Not applicable

Calculation method and determination basis of net realizable value of each inventory age combination based on net realizable value of inventory

□ Applicable √ Not applicable

17. Contract assets

√ Applicable □ Not applicable

Recognition method and standards for contract assets

√ Applicable □ Not applicable

If the customer has not paid the consideration, but the Group has fulfilled its performance obligations according to the contract, and it is not an unconditional right (only depending on the time lapses) to collect money from the customer, the Group presents such right as contract assets in the balance sheet. Contract assets and contract liabilities under the same contract should be presented at net value; contract assets and contract liabilities under different contracts should not be offset.

For the determination method and accounting treatment of expected credit losses of contract assets, please refer to Note V. 11. Impairment of financial assets.

Categories and determination basis of provision for bad debts based on credit risk characteristic portfolio

√ Applicable □ Not applicable

Except for the contract assets of the individual appraisal credit risk, based on its credit risk characteristic, it is divided into different portfolios:

Item	Basis for determining the portfolio
Engineering services portfolio	Contract assets arising from engineering project services
Product sales portfolio	Contract assets arising from the sale of products

Aging calculation method of credit risk characteristic portfolio based on aging

□ Applicable √ Not applicable

Judgment criteria for recognition of provision for bad debts made on an individual basis

√ Applicable □ Not applicable

The Group conducts separate impairment test on contract assets with significantly different credit risk characteristics such as obvious deterioration of the debtor's credit status, low possibility of future repayment, and credit impairment that has already occurred.

18. Non-current assets held for sale or disposal group

√ Applicable □ Not applicable

If the Group recovers its book value mainly by selling (including non-monetary asset exchange with commercial substance, the same below) rather than continuous use of non-current assets or disposal group, it shall be classified as held for sale. The specific criteria are that the following conditions are met at the same time: a non-current asset or disposal group can be sold immediately under the current conditions according to the practice of selling such assets or disposal groups in similar transactions; the Group has made a resolution on the sale plan and obtained a firm purchase commitment; the sale is expected to be completed within one year. The disposal group refers to a group of assets disposed of as a whole through sale or other means in a transaction, and the liabilities directly related to these assets transferred in the transaction. If the asset group or asset group portfolio to which the disposal group belongs has amortized the goodwill obtained in the business combination in accordance with the Accounting Standards for Business Enterprises No. 8 - Asset Impairment, the disposal group shall include the goodwill amortized to the disposal group.

Criteria for the recognition and accounting treatment of non-current assets held for sale or disposal groups

√ Applicable □ Not applicable

When the Group initially measures or re-measures the non-current assets and disposal groups classified as held for sale on the balance sheet date, if the book value is higher than the net amount of fair value minus selling expenses, the book value shall be written down to the net amount of fair value minus selling expenses, and the amount written down shall be recognized as losses from asset impairment and included in the current profit or loss, and the provision for impairment of assets held for sale shall be made at the same time. For the disposal group, the recognized losses from asset impairment shall first offset the book value of goodwill in the disposal group, and then offset the book value of each non-current assets in the disposal group that is subject to the measurement provisions of the Accounting Standards for Business Enterprises No. 42 - Non-current Assets and Disposal Group Held for Sale and Discontinued Operations (hereinafter referred to as the "Held-for-Sale Standard") in proportion. If the net amount of the fair value of the disposal group held for sale minus the selling expenses increases on the subsequent balance sheet date, the amount previously written down shall be restored and reversed within the amount of losses from asset impairment recognized by the non-current assets applicable to the measurement provisions of the held-for-sale standard after being classified as held for sale, and the reversed amount shall be included in the current profit or loss, and the book value of each non-current asset in the disposal group except goodwill shall be increased in proportion to the proportion of the book value of the held-for-sale standard measurement provisions; The goodwill book value that has been offset and the losses from asset impairment recognized before the non-current assets subject to the measurement provisions of the applicable held-for-sale standard are classified as held for sale shall not be reversed.

No provision for depreciation or amortization shall be made for non-current assets held for sale or non-current assets in the disposal group, and the interest and other expenses of liabilities in the disposal group held for sale shall continue to be recognized.

When the non-current assets or disposal group no longer meets the classification conditions of the held-for-sale category, the Group will no longer continue to classify it as held for sale or remove the non-current assets from the held-for-sale disposal group, and measure it at the lower of: (1) the book value before being classified as held for sale, which is the amount adjusted for depreciation, amortization or impairment that would have been recognized if it had not been classified as held for sale; (2) Recoverable amount.

Identification criteria and presentation methods for discontinued operations

√ Applicable □ Not applicable

Discontinued operations refer to the components that can be separately distinguished and have been disposed of or classified as held for sale by the Group and meet one of the following conditions: ① the component represents an independent main business or a separate main business area; ② the component is a part of the plan on intended disposal of an independent major business or a sole major business area; or ③ the component is a subsidiary acquired exclusively for resale.

The Group separately presents the profit or loss of discontinued operations in the income statement, and the operating profit or loss and disposal profit or loss of the discontinued operations such as the impairment losses and reversal amount are presented as the profit or loss of discontinued operations.

19. Long-term equity investments

√ Applicable □ Not applicable

The long-term equity investments referred to in this part are those where the Group has control, joint control, or significant influence over the investee. The Group's long-term equity investment that has no control, joint control or significant influence on the investee is accounted for as a financial asset measured at fair value through current profit or loss. If it is non-trading, the Group may choose to designate it as a financial asset measured at fair value through other comprehensive income at the time of initial recognition. See Note V.11 "Financial Instruments" for its accounting policies.

Joint control refers to the control shared over an arrangement in accordance with the relevant stipulations, and the decision-making of related activities of the arrangement should not be made before the party sharing the control agrees the same. Significant influence refers to the power to participate in making decisions on the financial and operating policies of the investee, but not the power to control, or jointly control, the formulation of such policies with other parties.

(1) Determination of investment cost

For the long-term equity investments acquired from business combination under common control, the share of book value of its owners' equity in the combinee in the consolidated financial statements of the ultimate controller shall be recognized, on the combination date, as the initial investment cost of the long-term equity investment. If there is a difference between the initial investment cost of the long-term equity investment and the book value of the paid cash, transferred non-cash assets and assumed debts, the difference shall be used to adjust the capital reserves; if capital reserve is insufficient for offset, retained earnings shall be adjusted. If the Company pays a consideration to the combinee by issuing equity securities, the share of book value of its owners' equity in the combinee in the consolidated financial statements of the ultimate controlling party shall be regarded, on the combination date, as the initial cost of the long-term equity investment, and the capital reserves is adjusted according to the difference between the initial investment cost of the long-term equity investment and the total amount of the equity issued, with the total amount of the equity issued as the share capital; if capital reserve is insufficient for offset, retained earnings shall be adjusted.

For long-term equity investments acquired from business combinations not under common control, the initial investment cost of long-term equity investments shall be the combination cost on the acquisition date. The combination cost includes the sum of the fair value of the assets paid by the acquirer, liabilities incurred or assumed and equity securities issued. If the equity of the acquiree is acquired step by step through multiple transactions and finally forms a business combination not under common control, it shall be treated according to whether it belongs to "package transactions": if it belongs to " package transactions", the transactions shall be accounted for as a transaction with control. If it does not belong to "package transactions", the sum of the book value of the equity investments originally held by the acquiree and the newly increased investment cost shall be recognized as the initial investment cost of the long-term equity investments accounted for under the cost method. Where the equity originally held is accounted for under the equity method, the relevant other comprehensive income shall not be subject to accounting treatment temporarily.

The intermediary service charges, including audit, legal service, evaluation and consultancy fees and other relevant administrative expenses incurred by the combining party or the acquirer for business combination, shall be charged to the current profit or loss when they are incurred.

Other equity investments (excluding long-term equity investments formed by business combination) shall be initially measured at cost. Such cost shall be determined in accordance with the purchase price actually paid by the Group in cash, the fair value of the equity securities issued by the Group, the value agreed in the investment contract or agreement, the fair value or original book value of the assets traded out in the exchange of non-monetary assets, and the fair value of the long-term equity investments, depending on the different acquisition methods of the long-term equity investments. The expenses, taxes and other necessary expenses that are directly related to the acquisition of long-term equity investments are also included in investment costs. For additional investment that can have significant influence on the investee or implement joint control but does not constitute control, the long-term equity investment cost is the sum of the fair value of the original equity investment determined in accordance with the Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments plus the cost of the new investment.

(2) Subsequent measurements and recognition of profit or loss

The equity method shall be adopted for accounting of long-term equity investments that have joint control (except for those constituting joint operators) or significant influence on the investee. In addition, the Company uses the cost method to account for long-term equity investments in investees over which it has control in its financial statements.

① Long-term equity investments calculated under cost method

When the cost method is adopted for accounting, the Company shall measure the long-term equity investments at the initial investment cost and increase or recover the investment to adjust the cost of long-term equity investments. Except for the actual price paid for acquisition of investment or the cash dividends or profits contained in the consideration which have been declared but not yet distributed, the Group recognizes the current investment income based on the cash dividends or profits enjoyed by the Company and declared to be distributed by the investee.

② Long-term equity investments calculated under equity method

When the equity method is adopted for accounting, if the cost of initial investment of long-term equity investments is in excess of the proportion of the fair value of the identifiable net assets in the investee when the investment is made, the initial investment cost of long-term equity investment will not be adjusted; if the initial investment cost is in short of the share of the fair value of the identifiable net assets in the investee when the investment is made, the difference will be included in the current profit or loss, and will be adjusted to the cost of long-term equity investment.

When the equity method is adopted for accounting, the Group, based on its attributable share of the net profit or loss and other comprehensive income realized by the investee, respectively recognize the investment income and other comprehensive income, and simultaneously adjust the book value of the long-term equity investment. COOEC shall calculate the shares according to profits or cash dividends declared by the investee and correspondingly reduce the book value of long-term equity investments; As to any change in owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution, the Group shall adjust the book value of the long-term equity investment and include such change in capital reserves. When recognizing the attributable share of net profit or loss of the investee, the Group should, based on the fair value of identifiable net asset of the investee when it obtains the investment, recognize the net profits of the investee after adjustment. If accounting policies and accounting periods adopted by the investee are inconsistent with those of the Group, the financial statements of the investee should be adjusted according to the accounting policies and accounting periods of the Group and investment income and other comprehensive income etc. should be recognized on such basis. For transactions between the Group and associates and joint ventures, if the invested or sold assets do not constitute business, the unrealized profit or loss from internal transactions will be offset at the part attributable to the Group and the investment profit or loss will be recognized on that basis. However, the unrealized internal transaction losses incurred between the Group and the investee shall not be offset if they belong to the transferred losses from asset impairment. If the assets invested by the Group in joint ventures or associates constitute any business, and the investor obtains long-term equity investments but does not obtain control, the fair value of the invested business shall be taken as the initial investment cost of the newly increased long-term equity investments, and the difference between the initial investment cost and the book value of the invested business shall all be included in the current profit or loss. Where the assets sold by the Group to joint ventures or associates constitute a business, the difference between the consideration obtained and the book value of the business shall be fully included in the current profit or loss. If the assets purchased by the Group from associates and joint ventures constitute a business, they shall be accounted for in accordance with the Accounting Standards for Business Enterprises No. 20 - Business Combination, and the gains or losses related to the transaction shall be fully recognized.

When recognizing the net losses occurred in the investee that should be shared, the reduction value of book value of long-term equity investments and other long-term equities that constitute net investments in the investee will be the limit until it becomes zero. In addition, if the Group has the obligation to assume extra-amount losses for the investee, the estimated liabilities are recognized according to the estimated obligations and included in the current investment losses. Where the investee realizes net profits in the subsequent period, the Group shall restore the income shared after making up for unrecognized losses undertaken by such income.

③ Acquisition of minority stakes

In the preparation of the consolidated financial statements, the capital reserve will be adjusted at the difference between the long-term equity investments acquired by the Company for the purchase of minority equities and the share of net assets of subsidiaries calculated constantly from the acquisition date (or combination date) according to the newly increased shareholding ratio; in case the capital reserve is insufficient to cover the difference, retained earnings will be adjusted.

④ Disposal of long-term equity investment

In the consolidated financial statements, the parent company partially disposes of the long-term equity investments in the subsidiary without losing control, and the difference between the disposal price and the share of net assets of subsidiaries corresponding to the disposal of long-term equity investments shall be included in the shareholders' equity; if the parent company partially disposes of the long-term equity investment of the subsidiary and loses control over the subsidiary, it shall be treated according to the relevant accounting policies described in (2) of Note V.7. "Method of preparation of consolidated financial statements".

For the disposal of long-term equity investments under other circumstances, the difference between the book value of the disposed equity and the actual purchase price is included in the current profit or loss.

For long-term equity investment accounted for under the equity method, if the remaining equity after disposal is still accounted for under the equity method, the other comprehensive income originally included in shareholders' equity shall be accounted for on the same basis as the investee directly disposes of the relevant assets or liabilities. Owners' equity recognized from changes in other owners' equity of the investee other than net profit or loss, other comprehensive income and profit distribution shall be included in the current profit or loss according to the proportion.

For the long-term equity investments accounted for under the cost method, if the remaining equity after disposal is still accounted for by the cost method, other comprehensive income recognized by using the equity method or financial instruments recognition and measurement standards before obtaining the control over the investee shall be accounted for on the same basis as that for the direct disposal of the relevant assets or liabilities by the investee, and shall be carried forward to the current profit or loss in proportion; changes in other owners' equity other than net profit or loss, other comprehensive income and profit distribution in net assets of the investee accounted for and recognized by using the equity method shall be carried forward to the current profit or loss.

When the Group disposes of a portion of its equity investment and thereby loses control over the investee, in the preparation of individual financial statements, if the remaining equity after disposal allows the Group to exercise joint control or significant influence over the investee, the remaining equity is accounted for using the equity method. The remaining equity is retrospectively adjusted as if it had been accounted for using the equity method since the date of acquisition; if the remaining equity after disposal can not exercise joint control or significant influence on the investee, such equity will be changed to be accounted for according to recognition and measurement standards of financial instruments and the difference between fair value and book value on the date of loss of the control should be included in the current profit or loss. For other comprehensive income recognized by using the equity method or financial instruments recognition and measurement standards before the Group obtains the control over the investee, accounting treatment shall be made on the same basis as that for direct disposal of relevant assets or liabilities by the investee when the Group loses the control over the investee. Changes in other owners' equity other than net profit or loss, other comprehensive income and profit distribution in net assets of the investee recognized by using the equity method shall be carried forward to the current profit or loss when the control over the investee is lost. Where the remaining equities after disposal are accounted for under the equity method, the other comprehensive income and other owners' equity shall be carried forward in proportion; The remaining equities after the disposal are changed to be made in accordance with the relevant provisions in the recognition and measurement criteria of financial instruments while other comprehensive income and other owners' equity are carried forward in full.

In case the joint control or significant influence over the investee is lost for disposing part of equity investments, the remaining equity will be changed to be accounted for according to the recognition and measurement principles of financial instruments. The difference between the fair value and the book value on the date of the loss of joint control or significant influence should be included in the current profit or loss. When the accounting by the equity method is terminated, other comprehensive income recognized upon the accounting by the equity method from the original equity investment should be subject to the accounting treatment which is made on the basis same with that for the direct disposal of relevant assets or liabilities by the investee. Owner's equity recognized from changes in other owner's equity of the investee other than net profit or loss, other comprehensive income and the profit distribution should be included in the current investment income when the equity method is terminated.

Where the Group disposes of equity investments in subsidiaries through multiple transactions and by stages until loss of the control, if the above transactions belong to package transactions, accounting treatment shall be made on the transactions as a transaction to dispose equity investments of subsidiaries and lose the control. The difference between each disposal cost and the book value of long-term equity investments corresponding to disposed equities before the loss of the control should be firstly recognized as other comprehensive income and then transferred into the current profit or loss at the loss of the control.

20. Investment properties

Investment properties refer to the properties held to earn rentals or for capital appreciation or for both, including leased land use right, land use right held for transfer upon appreciation, and leased buildings.

The investment properties shall be initially measured at the cost. Subsequent expenses related to the investment property, if the economic benefits related to the asset are likely to flow in and the cost can be measured reliably, should be included in the cost of the investment properties. Other subsequent expenses should be included in the current profit or loss when incurred.

The Group adopts the cost model for the subsequent measurement of investment properties, and depreciates or amortizes the investment properties in accordance with the policies consistent with those for houses and buildings or land use right.

See Note V. 27 "Impairment of long-term assets" for the impairment test method and provision for impairment method of investment properties.

When the self-use property or the inventory is converted into investment properties or the investment properties are converted into the self-use property, the book-entry value after the conversion shall be the book value before the conversion.

When the use of the investment properties is changed to self-use, the investment properties shall be converted into fixed assets or intangible assets from the date of change. When the use of self-use real estate is changed to earn rent or capital appreciation, the fixed assets or intangible assets shall be converted into investment properties from the date of change. When the conversion occurs, the Group records the book value of the fixed assets or intangible assets before the conversion as the book value of the investment properties after the conversion.

When investment properties are being disposed of or permanently withdraws from use without any economic benefits expected from the disposal, the investment property shall be derecognized. The difference between the disposal proceeds arising from sales, transfer, scrapping or damage of the investment properties and the sum of the book values and related taxes and surcharges shall be recognized in the current profit or loss.

21. Fixed assets

(1) Recognition conditions

√ Applicable □ Not applicable

Fixed assets refer to tangible assets held for the purpose of producing goods, providing services, renting or operating management, with a service life exceeding one accounting year. Fixed assets will only be recognized when the economic benefits associated with such assets are likely to flow into the Group and the cost can be measured reliably. Fixed assets are initially measured at cost, taking into account the impact of estimated abandonment costs.

(2) Method of depreciation

√ Applicable □ Not applicable

Type	Depreciation method	Depreciation life (year)	Residual value rate	Annual depreciation rate
Buildings and constructions	Straight-line method	20-30	5%-10%	3%-4.75%
Machinery equipment	Straight-line method	5-10	5%-10%	9%-19%
Transportation facilities	Straight-line method	5-20	5%-10%	4.5%-19%
Electronic equipment	Straight-line method	5-10	5%-10%	9%-19%
Office facilities	Straight-line method	2-5	0-5%	19%-50%

The fixed assets shall be depreciated within the service life using the straight-line method, commencing from the month following the date when the assets are ready for their intended use. Estimated net residual value refers to the amount obtained by the Group from the disposal of the fixed assets at present after deducting the estimated disposal expenses, assuming that the estimated service life of the fixed asset has expired and the fixed asset is in the expected state at the end of its service life.

22. Construction in process

√ Applicable □ Not applicable

The cost of the construction in process is determined according to the actual project expenditures, including various project expenditures incurred during the construction period, capitalized borrowing costs before the project reaches the working condition for its intended use and other relevant expenses.

The construction in process shall be carried forward to the fixed assets after it reaches the working condition for its intended use.

See Note V. 27 "Impairment of long-term assets" for the impairment test method and provision for impairment method of the construction in process.

23. Borrowing costs

√ Applicable □ Not applicable

Borrowing costs include the interest of borrowings, the amortization of discount or premium, auxiliary expenses, exchange differences incurred by foreign currency borrowings, etc. The capitalization of the borrowing costs that can be directly attributable to the acquisition, construction or production of assets that meet the capitalization conditions will start when the asset expenditure has incurred, the borrowing costs have incurred, and the acquisition, construction or production activities necessary for the asset to reach the intended usable or salable state have begun; the capitalization should be ceased when the acquired and constructed or produced assets eligible for capitalization have reached their intended use or sale condition. The remaining borrowing costs are recognized as expenses on occurrence.

The actual interest expenses incurred in the current period of special borrowings shall be capitalized after deducting the interest income obtained by depositing unused borrowing funds in the bank or the investment income obtained by making temporary investments. As for general borrowings, the amount of capitalization should be determined by multiplying the weighted average of asset disbursements of the part of accumulated asset disbursements exceeding special borrowings by the capitalization rate for the used general borrowings. The capitalization rate is determined based on the weighted average interest rate for general borrowings.

During the capitalization period, the exchange differences of special borrowings in foreign currencies shall be fully capitalized. The exchange difference of general borrowings in foreign currency shall be included in the current profit or loss.

Assets eligible for capitalization refer to fixed assets, investment properties, inventory and other assets that may reach the working condition for their intended use or sale only after long-time acquisition and construction or production activities.

If the acquisition and construction or production activities of assets eligible for capitalization are abnormally interrupted and such condition lasts for more than three months, the capitalization of borrowing costs should be suspended until the restart of the acquisition and construction or production activities of the assets.

24. Biological assets

□ Applicable √ Not applicable

25. Oil and gas assets

□ Applicable √ Not applicable

26. Intangible assets

(1) Service life and its basis for determination, estimate, amortization method or review procedure

√ Applicable □ Not applicable

Intangible assets refer to the identifiable non-monetary assets without physical substance owned or controlled by the Group.

The intangible assets shall be initially measured at the cost. Expenditures related to intangible assets are included in the costs of intangible assets if it is probable that the relevant economic benefits will flow into the Group and the cost can be measured reliably. The expenses except for those mentioned above are included in the current profit or loss at the occurrence.

The land use right obtained is usually accounted for as intangible assets. For self-developed and constructed plants and other buildings, relevant land use right expenditure and cost of building construction shall be accounted for as intangible assets and fixed assets respectively. For externally purchased houses and buildings, the related payments are distributed in the land use right and buildings; those difficult to be distributed shall be all handled as fixed assets.

For intangible assets with definite service life, the accumulated amount of its original value less estimated net residual value and accrued provision for impairment shall be evenly amortized by using the straight-line method within the estimated service life from the date when it is available for use. Intangible assets with uncertain service life shall not be amortized. All intangible assets of the Group mainly include land use right, with the service life of the land use right certificate. Other intangible assets are evenly amortized at the shortest of estimated useful lives, benefit period stipulated in contracts and effective period stipulated by law in stages.

At the end of the period, the service life and amortization method of the intangible assets with definite service life shall be reviewed, and any change shall be handled as a change in accounting estimates. In addition, the service life of intangible assets with uncertain service life is reviewed. If there is evidence that the period for which the intangible assets will bring economic benefits to the enterprise is foreseeable, the service life is estimated and amortized in accordance with the amortization policy of intangible assets with limited service life.

(2) The scope of research and development expenditure and related accounting treatment

√ Applicable □ Not applicable

The Group's expenditures for its internal research and development projects are classified into research expenditures and development expenditures.

The expenditures in research phase will be included in current profit or loss on occurrence.

Expenditures in the development stage will be recognized as intangible assets only when the following conditions are simultaneously satisfied, and included in current profit or loss if the following conditions are not satisfied:

① It is feasible technically to finish intangible assets for use or sale;

② It is intended to finish and use or sell the intangible assets;

③ The usefulness of methods for intangible assets to generate economic benefits shall be proved, including being able to prove that there is a potential market for the products manufactured by applying the intangible assets or there is a potential market for the intangible assets themselves or the intangible assets will be used internally;

④ It is able to finish the development of the intangible assets and able to use or sell the intangible assets, with the support of sufficient technologies, financial resources and other resources;

⑤ The expenditure attributable to the intangible assets during its development phase can be measured reliably.

Where the research expenditures and the development expenditures are indistinguishable, the COOEC shall include research expenditures and development expenditures incurred in current profit or loss.

27. Long-term assets impairment

√ Applicable □ Not applicable

For non-current non-financial assets such as fixed assets, construction in process, right-of-use assets, intangible assets with limited service life, investment properties measured in cost mode and long-term equity investment to subsidiaries, joint ventures and associates, the Group determines whether there is any indication of impairment on the balance sheet date. If there is any indication that the assets may be impaired, the Company will estimate the recoverable amount and carry out an impairment test. Impairment tests for goodwill, intangible assets with uncertain service life and intangible assets not reaching serviceable condition shall be conducted every year whether they have indication of impairment or not.

If the recoverable amount of the asset is less than its book value after the impairment test, provision for impairment will be made at the difference and included into impairment losses. The recoverable amount is determined at the higher of the net of the fair value less disposal costs and the present value of the expected future cash flows. The fair value of the assets shall be determined according to the sales agreement price in the fair transaction; where there is no sales contract but an active market, the fair value of assets shall be determined at the bid price of the assets; where there is neither sales contract nor an active market, the fair value of assets may be estimated based on the accessible optimum information. Disposal expenses include legal expenses related to the asset disposal, relevant taxes and surcharges and carriage expenses and direct costs incurred to make such assets reach the conditions for sales. Present value of assets in expected future cash flows shall be determined by discounting the expected future cash flow generated during the continuous use and final disposal of assets at appropriate discount rate. The provision for asset impairment shall be calculated and recognized on the basis of single asset, if it is difficult to estimate the recoverable amount of the individual asset, the Company will estimate the recoverable amount of the asset group that the individual asset belongs to. Asset group is the minimum combination of assets that can independently generate cash inflows.

For the goodwill separately listed in the financial statements, the book value of the goodwill will be amortized to the asset group or asset group portfolio expected to benefit from the synergistic effect of the business combination when the impairment test is conducted. If the test result shows that the recoverable amount of the asset group or asset group portfolio containing the apportioned goodwill is lower than the book value, the corresponding impairment losses shall be recognized. Amount of impairment losses should be firstly used to deduct book value of goodwill allocated to the asset group or the asset group portfolio, and then deduct book value of other assets according to the proportion of the book value of other assets other than the goodwill in the asset group or the asset group portfolio.

Once the above-mentioned losses from asset impairment are recognized, the part whose value can be recovered shall not be reversed in subsequent periods.

28. Long-term deferred expenses

√ Applicable □ Not applicable

Long-term deferred expenses refer to all expenses with an amortization period of more than one year that have occurred but should be borne by the reporting period and subsequent periods. Long-term deferred expenses are amortized on a straight-line basis over the expected benefit period.

29. Contract liabilities

√ Applicable □ Not applicable

Contract liabilities are obligations of the Group to transfer goods to customers for consideration received or receivable from customers. Contract assets and contract liabilities under the same contract should be presented at net value; contract assets and contract liabilities under different contracts should not be offset.

30. Employee compensation

(1) Accounting treatment of short-term compensation

√ Applicable □ Not applicable

The short-term compensation mainly includes wages, bonuses, allowances and subsidies, employee benefits, medical insurance premium, maternity insurance premium, industrial injury insurance premium, housing provident fund, labor union funds and employee education fund, non-monetary welfare, etc. During the accounting period when employees provide services to the Group, the Group recognizes the short-term employee compensation actually incurred as liabilities and includes it in the current profit or loss or the related asset cost. Among them, the non-monetary benefits are measured at the fair value.

(2) Accounting treatment of post-employment benefits

√ Applicable □ Not applicable

The post-employment benefits mainly include basic endowment insurance, unemployment insurance and annuity, etc. Post-employment benefit plan includes defined contribution plan. If the defined contribution plan is adopted, the corresponding amount payable shall be included in the relevant asset cost or current profit or loss when incurred.

(3) Accounting treatment of dismissal benefits

√ Applicable □ Not applicable

The employee compensation liabilities arising from dismissal benefits are recognized and included in the current profit or loss on the earlier date of the date when the Group cannot unilaterally withdraw the dismissal benefits provided by the plan for the termination of the labor relationship or the proposal for the reduction and the date when the Group recognizes the costs related to the restructuring involving the payment of dismissal benefits. However, if the dismissal benefits are not expected to be fully paid within twelve months after the end of the annual reporting period, it shall be treated as other long-term employee compensation.

Internal retirement plan for employees shall be handled by using the same principles of dismissal benefits above. The Group will include the wages and social insurance premiums to be paid for early retirees during the period from the date when employees stop providing services to the normal retirement date into the current profit or loss (dismissal benefits) when the conditions for recognition of estimated liabilities are met.

(4) Accounting treatment of other long-term employee's benefits

√ Applicable □ Not applicable

Where other long-term employee benefits provided by the Group to employees conform to the defined contribution plans, they shall be accounted for according to the defined contribution plans. In addition, they shall be accounting for according to the defined benefit plans.

31. Estimated liabilities

√ Applicable □ Not applicable

When the obligation related to the contingency meets the following conditions at the same time, it is recognized as estimated liabilities: (1) the obligation is a current obligation of the Group; (2) the performance of the obligation is likely to result in an outflow of economic benefits; and (3) the amount of the obligation can be measured reliably.

On the balance sheet date, by considering the risks, uncertainty and time value of money and other factors related to contingency, the estimated liabilities will be measured according to the best estimate of the required expenditures for performance of relevant present obligation.

If all or part of the expenses required for the settlement of estimated liabilities are expected to be compensated by a third party, the compensation amount shall be separately recognized as an asset when it is basically certain that it can be received, and the recognized compensation amount shall not exceed the book value of estimated liabilities.

① Loss-making contract

A loss-making contract is a contract where the cost of performing contractual obligations exceeds the expected economic benefits. If a contract to be executed becomes a loss-making contract and the obligation arising from the loss-making contract meets the above recognition criteria for estimated liabilities, the portion of the estimated loss of the contract in excess of the recognized impairment losses (if any) of the subject asset of the contract shall be recognized as estimated liabilities.

② Quality assurance

The quality assurance is to ensure to the customer that the goods sold meet the established standards. If the obligations arising from the quality assurance clause meet the relevant conditions, the estimated liabilities shall be recognized for the quality assurance.

32. Share-based payment

√ Applicable □ Not applicable

(1) Accounting treatment of share-based payment

The Company's share-based payments are transactions in which it grants equity instruments or undertakes equity-instrument-based liabilities in return for services from employees (or other parties). Share-based payment is divided into equity-settled share-based payment and cash-settled share-based payment.

① Equity-settled share-based payment

Equity-settled share-based payment used in exchange for services rendered by employees are measured at the fair value of the equity instrument granted to employees on the grant date. If the amount of the fair value is only feasible when the service in the waiting period is completed or the specified performance conditions are met, the best estimate of the number of equity instrument that can be exercised is based on the waiting period, and the right is immediately feasible after the grant, the relevant costs or expenses are included on the grant date, and the capital reserves are increased accordingly.

On each balance sheet date during the waiting period, the Group makes the best estimate based on the latest subsequent information such as the change in the number of employees with exercisable rights, and revises the estimated number of equity instruments with exercisable rights. The impact of the above estimates is included in the relevant costs or expenses of the current period, and the capital reserves are adjusted accordingly.

For equity-settled share-based payments in exchange for services from other parties, if the fair value of the services received can be reliably measured, the services are measured at their fair value on the date of receipt. If the fair value of the services received cannot be reliably measured, but the fair value of the equity instruments can be reliably measured, the equity instruments are measured at their fair value on the date the services are received. The measured amount is recognized as part of the relevant costs or expenses and correspondingly increases shareholders' equity.

② Cash-settled share-based payment

A cash-settled share-based payment shall be measured in accordance with the fair value of liability calculated and confirmed based on the shares or other equity instruments undertaken by the Group. If the right is exercised immediately after the grant, it shall be included in the relevant costs or expenses on the grant date, and the liabilities shall be increased accordingly. If it is necessary to complete the service within the waiting period or reach the specified performance conditions before the right is exercisable, on each balance sheet date of the waiting period, based on the best estimate of the exercisable right, the service obtained in the current period shall be included in the cost or expense according to the fair value amount of the Group's assumed liabilities, and the liabilities shall be increased accordingly.

The Group shall, on each balance sheet date and on each account date prior to the settlement of the relevant liabilities, re-measure the fair values of the liabilities and include the changes in the current profit or loss.

(2) Accounting treatment for modification and termination of share-based payment plans

When the Group modifies the share-based payment plan, if the modification increases the fair value of the equity instrument granted, the increase in services obtained shall be recognized correspondingly according to the increase in the fair value of the equity instrument. The increase in the fair value of the equity instrument refers to the difference between the fair value of the equity instrument before and after the modification on the modification date. If the modification reduces the total fair value of the share-based payment or adopts other methods that are not beneficial to the employees, the accounting treatment for the services obtained will continue to be carried out, and the change will be deemed as if it had never occurred, unless the Group cancels part or all of the granted equity instrument.

If the Group canceled equity instruments granted during the waiting period, it shall treat such cancellation as acceleration of the exercisable rights and shall immediately include the amount that should be recognized during the remaining waiting period in the current profit or loss and shall simultaneously recognize the capital reserve. If employees or other parties can choose to meet the conditions for non-vesting but fail to meet them during the waiting period, the Group will treat them as the cancellation of the granted equity instrument.

33. Preferred shares, perpetual bond and other financial instruments

√ Applicable □ Not applicable

(1) The distinction between perpetual bond and preferred shares

Financial instruments such as perpetual bond and preferred shares issued by the Group shall be regarded as equity instrument if they meet the following conditions simultaneously:

① The financial instruments do not include the contractual obligations to deliver cash or other financial assets to other parties, or to exchange financial assets or financial liabilities with other parties under potentially adverse conditions;

② If the financial instruments must be or can be settled with the enterprise's own equity instrument in the future, if the financial instruments is non-derivative, it does not include the contractual obligation to deliver a variable quantity of its own equity instrument for settlement. In the case of derivatives, the Group can only settle the financial instruments by exchanging a fixed amount of its own equity instrument for a fixed amount of cash or other financial assets.

Except for financial instruments that can be classified as equity instruments according to the above conditions, other financial instruments issued by the Group shall be classified as financial liabilities.

If the financial instruments issued by the Group are composite financial instruments, they are recognized as a liability according to the fair value of the liability component, and recognized as "other equity instrument" according to the amount of the actually received amount deducting the fair value of the liability component. Transaction expenses incurred in the issuance of composite financial instruments are allocated between the liability component and the equity component in proportion to their respective share of the total issue price.

(2) Accounting treatment of perpetual bond and preferred shares

Financial instruments such as perpetual bond and preferred shares classified as financial liabilities, their related interest, dividends (or dividend), gains or losses, and gains or losses arising from redemption or refinancing, are included in the current profit or loss, except for borrowing costs eligible for capitalization (see Note V. 23 "Borrowing costs").

When financial instruments such as perpetual bond and preferred shares classified as equity instrument are issued (including refinancing), repurchased, sold or canceled, the Group treats them as changes in equity, and the relevant transaction costs are also deducted from equity. The Group treats the distribution to equity instrument holders as profit distribution.

The Group does not recognize changes in the fair value of equity instruments.

34. Revenue

(1) Accounting policies adopted for revenue recognition and measurement disclosed by business type

√ Applicable □ Not applicable

Revenue is the total inflow of economic benefits formed in the daily activities of the Group, which will lead to an increase in shareholders' equity and has nothing to do with the capital invested by shareholders. When the contract between the Group and the customer meets the following conditions at the same time, the revenue is recognized when the customer obtains the control of the relevant goods (including labor services, the same below): the parties to the contract have approved the contract and promised to perform their respective obligations; the contract specifies the rights and obligations of the parties to the contract in relation to the goods transferred or services provided; the contract has clear payment terms related to the transferred goods; the contract has commercial substance, that is, the performance of the contract will change the risks, time distribution or amount of the Group's future cash flows. The consideration that the Group is entitled to obtain due to the transfer of goods to customers is likely to be recovered. Specifically, obtaining the control of relevant goods means being able to dominate the use of the goods and obtain almost all the economic benefits from it.

On the starting date of the contract, the Group identifies each individual performance obligation in the contract, and allocates the transaction price to each individual performance obligation in the relative proportion of the individual selling price of the goods for which each individual performance obligation is committed. In determining the transaction price, the impact of variable consideration, significant financing elements in the contract, non-cash consideration, consideration payable to customers and other factors has been considered.

For each individual performance obligation in the contract, if one of the following conditions is met, the Group recognizes the transaction price allocated to the individual performance obligation in accordance with the performance progress during the relevant performance period as the revenue: the customer obtains and consumes the economic benefits brought by the Group's performance at the same time when the Group performs the contract; the customer is able to control the goods under construction in the course of the Group's performance; the goods produced in the course of the Group's performance are of irreplaceable use and the Group is entitled to receive payment for the cumulative portion of performance completed to date throughout the term of the contract. The performance progress is determined by the input method or the output method according to the nature of the transferred goods. When the performance progress cannot be reasonably determined, if the Company's costs incurred are expected to be compensated, the revenue shall be recognized based on the amount of costs incurred, until the performance progress can be determined reasonably.

If one of the above conditions is not met, the Group recognizes revenue at the point when the customer obtains control of the relevant goods in accordance with the transaction price allocated to the individual performance obligation. When determining whether the customer has obtained the right of control over goods, the Group considers the following indications: the enterprise has the current right to receive payment for the goods, that is, the customer has the current payment obligation for the goods; the enterprise has transferred the legal ownership of the goods to the customer, that is, the customer already owns the legal ownership of the goods; the enterprise has transferred the goods to the customer in kind, that is, the customer has taken physical possession of the goods; the enterprise has transferred the principal risks and rewards of ownership of the goods to the customer; that is, the customer has obtained the principal risks and rewards of ownership of the goods; the customer has accepted the goods; other indications that the customer has obtained the control over the goods.

The Group provides EPC services to customers. As the customer obtains and consumes the economic benefits brought by the Group's performance while the Group is performing the contract, and the customer can control the goods under construction during the Group's performance of the contract, which belongs to the performance obligation performed within a certain period of time, the revenue is recognized according to the performance progress. The method for determining the performance progress is the input method, which is determined according to the proportion of the accumulated incurred cost to the estimated total cost. When the performance progress can be reasonably determined, on the balance sheet date, the amount of the total contract revenue multiplied by the performance progress minus the accumulated recognized revenue in previous accounting periods is recognized as the current contract revenue. When the performance progress cannot be reasonably determined, revenue is recognized at the costs incurred when the costs incurred are expected to be reimbursed until the performance progress can be reasonably determined.

(2) Similar services using different business models involve different revenue recognition methods and measurement methods

□ Applicable √ Not applicable

35. Contract costs

√ Applicable □ Not applicable

If the incremental costs incurred by the Group for obtaining the contract is expected to be recovered, they, as contract acquisition costs, are recognized as an asset. However, if the amortization period of the asset does not exceed one year, it is included in the current profit or loss when it occurs.

Costs incurred to perform a contract are not covered by other enterprise accounting standards other than the Accounting Standard for Enterprises No. 14 - Revenue (Revised in 2017) and are recognized as an asset as contract performance costs if they meet the following conditions: ① the cost is directly related to a current or anticipated contract and include direct labor, direct materials, manufacturing overhead (or similar costs), costs expressly borne by the customer and other costs incurred solely in connection with the contract; ② the cost increases the Group's resources available to meet performance obligations in the future; ③ the cost are expected to be recovered.

Assets related to contract costs are amortized on the same basis as the recognition of commodity revenue related to the asset, and included in the current profit or loss.

When the book value of the assets related to the contract costs is higher than the difference between the following two items, the provision for impairment shall be made for the excess and the losses from asset impairment shall be recognized: (I) the remaining consideration expected to be obtained due to the transfer of the goods related to the assets; (II) the estimated costs to be incurred for the transfer of the relevant goods. When the difference between (I) and (II) in the preceding paragraph is higher than the book value of the asset due to changes in the factors of impairment in previous periods, the provision for asset impairment that has been withdrawn shall be reversed and included in the current profit or loss, but the book value of the asset after reversal shall not exceed the book value of the asset on the reversal date under the assumption that no provision for impairment is made.

36. Government grants

√ Applicable □ Not applicable

Government grants refer to the monetary assets and non-monetary assets obtained free of charge by the Group from the government, excluding the capital invested by the government as an investor with corresponding owners' equity. Government grants are classified into asset-related government grants and income-related government grants.

The Group defines the government grants obtained for acquisition, construction or other formation of long-term assets as asset-related government grants; the remaining government grants are defined as income-related government grants. If the government document does not clearly specify the object of the subsidy, the subsidy shall be divided into income-related government grants and asset-related government grants in the following ways:

(1) if the government document specifies the specific project for which the subsidy is aimed, it shall be divided according to the relative proportion of the expenditure amount that will form assets and the expenditure amount that will be included in expenses in the budget of the specific project. The division ratio shall be reviewed on each balance sheet date and changed if necessary;

(2) if the government document only makes a general statement on the use and does not specify a specific project, the Group's judgment basis for classifying the government grants as asset-related or income-related is whether it is used for acquisition and construction or otherwise forms long-term assets.. Government grants considered as monetary assets are measured at the amount received or receivable. Government grants considered as non-monetary assets are measured at fair value; if the fair value cannot be obtained in a reliable way, it shall be measured at nominal amount. Government grants measured at the nominal amount are directly included in current profit or loss.

The Group usually recognizes and measures government grants at the actually received amount upon receipt. However, if there is conclusive evidence at the end of the period that the relevant conditions stipulated in the financial support policies can be met and the financial support funds are expected to be received, they shall be measured at the amount receivable. Government grants measured at the amount receivable shall meet the following conditions at the same time:

(1) the amount of subsidy receivable has been confirmed by the competent government department, or can be reasonably measured according to the relevant provisions of the officially issued financial fund management measures, and it is estimated that there is no major uncertainty in its amount;

(2) it is based on the financial support projects and their financial fund management measures officially issued by the

local finance department and actively disclosed in accordance with the Regulations on the Disclosure of Government Information, and the management measures shall be inclusive (any enterprise that meets the prescribed conditions can apply), rather than specifically for specific enterprises;

(3) the disbursement period has been clearly promised in the relevant grant approval, and the disbursement of the amount is guaranteed by the corresponding budget, so there is reasonable assurance that it will be received within the specified period;

(4) other relevant conditions (if any) that shall be met according to the specific circumstances of the Group and the subsidy.

Asset-related government grants are recognized as deferred income and included in the current profit or loss by stages within the service life of the relevant assets according to a reasonable and systematic method. Income-related government grants used as compensation for relevant costs or losses in subsequent periods are recognized as deferred income, and are included in the current profit or loss or used to offset relevant costs during the period when the relevant costs or losses are recognized; those used for compensating the relevant costs or losses incurred shall be directly included in the current profit or loss or used to offset the relevant costs.

Where both asset-related government grants and income-related government grants are covered, the accounting treatment should be done respectively by distinguishing between asset-related government grants and income-related government grants; if it is difficult to distinguish them, they shall be classified as income-related government grants as a whole.

Government grants related to the daily activities of the Group shall be included in other income or used to offset the relevant costs according to the essence of economic business; government grants unrelated to daily activities are included in non-operating revenue and expenditure.

When the recognized government grants need to be returned, if there is relevant deferred income balance, the book balance of relevant deferred income shall be offset, and the excess shall be included in the current profit or loss; if it falls under other circumstances, it shall be directly included in the current profit or loss.

37. Deferred tax assets/deferred tax liabilities

√ Applicable □ Not applicable

(1) Current income tax

On the balance sheet date, the current income tax liabilities (or assets) incurred in the current and prior periods shall be measured at the amount of income tax that is expected to be paid (or returned) and calculated in accordance with the tax law. The taxable income on which the current income tax expense is calculated is calculated after making corresponding adjustments to the pre-tax accounting profit for the reporting period in accordance with the relevant tax laws.

(2) Deferred tax assets and deferred tax liabilities

For the temporary differences arising from the difference between the book values and tax bases of certain assets and liabilities, as well as the difference between the book value and the tax bases of items that have not been recognized as assets and liabilities but whose tax bases can be determined in accordance with the tax law, the balance sheet liability method is adopted to recognize the deferred tax assets and deferred tax liabilities.

Deferred tax liabilities are not recognized for taxable temporary differences associated with the initial recognition of goodwill and for taxable temporary differences associated with the initial recognition of assets or liabilities arising from transactions that are neither business combination nor, when incurred, affect accounting profit or taxable income (or deductible losses) (except for individual transactions in which the initially recognized assets and liabilities result in equal taxable temporary differences and deductible temporary differences). In addition, for the taxable temporary differences related to the investments in subsidiaries, associates and joint ventures, if the timing of the reversal of the temporary differences is able to be controlled by the Group and the temporary differences are unlikely to be reversed in the foreseeable future, the relevant deferred tax liabilities should not be recognized. Except for the above exceptions, the Group recognizes the deferred tax liabilities arising from all other taxable temporary differences.

Deductible temporary differences related to the initial recognition of assets or liabilities arising from transactions that are neither business combination nor affect accounting profits and taxable income (or deductible losses) are not recognized as relevant deferred tax assets (except for individual transactions where the initially recognized assets and liabilities result in equal taxable temporary differences and deductible temporary differences). In addition, for the deductible temporary differences related to the investments in subsidiaries, associates and joint ventures, if the temporary differences are not likely to be reversed in the foreseeable future or the taxable income are not likely to be obtained to offset the deductible temporary differences in the future, the relevant deferred tax assets should not be recognized. Except for the above exceptions, the Group recognizes the deferred tax assets arising from other deductible temporary differences to the extent of the taxable income that is likely to be obtained and used to offset the deductible temporary differences,

For deductible losses and tax credits that can be carried forward to subsequent periods, COOEC recognized deferred tax assets to the extent that it is probable that taxable profit will be available against which the deductible losses and tax credits can be utilized.

On the balance sheet date, deferred tax assets and deferred tax liabilities should be measured at the applicable tax rate during the period of expected recovery of the relevant assets or liquidation of the relevant assets according to the provisions of tax laws.

On the balance sheet date, the book value of the deferred tax assets shall be reviewed. If it is unlikely to obtain sufficient taxable income to offset the benefit of the deferred tax assets in the future, the book value of the deferred tax assets shall be written down. When it is likely to earn sufficient taxable income, the write-down amount should be reversed.

(3) Income tax expenses

Income tax expenses include current income tax and deferred income tax.

Except for the current income tax and deferred income tax related to transactions and events recognized as other comprehensive income or directly included in shareholders' equity, which are included in other comprehensive income or shareholders' equity, and the deferred income tax arising from business combination to adjust the book value of goodwill, the remaining current income tax and deferred income tax expenses or income are included in the current profit or loss.

(4) Offset of income tax

If COOEC has the legal right of netting and intends to settle in net amount or to obtain assets and discharge liabilities simultaneously, the current tax assets and current income tax liabilities of COOEC shall be presented based on the net amount after offset.

When the Company has the legal right to settle current income tax assets and current income tax liabilities on a net basis, and the deferred tax assets and deferred tax liabilities are related to the income tax levied by the same tax collection authority on the same taxpayer or on different taxpayers, but in each important future period of reversal of deferred tax assets and liabilities, the involved taxpayer intends to settle current income tax assets and liabilities on a net basis or to obtain assets and settle liabilities at the same time, the deferred tax assets and deferred tax liabilities of the Group are presented at the net amount after offset.

38. Lease

√ Applicable □ Not applicable

Judgment basis and accounting method for simplified treatment of short-term lease and low value asset leasing as the lessee

√ Applicable □ Not applicable

(1) Initial measurement

On the commencement date of the lease term, the Group recognizes the right to use the leased asset during the lease term as the right-of-use assets, and recognizes the present value of the unpaid lease payment as the lease liabilities, except for short-term lease and low-value asset lease. In calculating the present value of the lease payment, the Group adopts the implicit rate of lease as the discount rate; if the implicit rate of lease cannot be determined, the lessee's incremental borrowing interest rate shall be adopted as the discount rate.

(2) Subsequent measurement

The Group makes provision for depreciation of right-of-use assets with reference to the relevant depreciation provisions of the Accounting Standards for Business Enterprises No. 4 - Fixed Assets (see Note V. 21 "Fixed Assets" for details). If it can be reasonably determined that the ownership of the leased asset will be obtained at the expiration of the lease term, the Group shall make provision for depreciation within the remaining service life of the leased asset. If it cannot be reasonably determined that the ownership of the leased assets will be obtained at the expiration of the lease term, the Group shall make provision for depreciation within the shorter period of the lease term or the remaining service life of the leased asset.

For lease liabilities, the Group calculates the interest expenses in each period of the lease term at a fixed periodic interest rate and includes them in the current profit or loss or the cost of related assets. Variable lease payments that are not included in the lease liabilities are included in current profit or loss or related asset costs when incurred.

After the commencement date of the lease term, when there is any change in the actual fixed payment, the estimated amount payable of the guaranteed residual value, the index or ratio used to determine the lease payment, the evaluation result or actual exercise of the purchase option, renewal option or termination option, the Group re-measures the lease liabilities at the present value of the lease payment after the change, and adjusts the book value of the right-of-use assets accordingly, If the book value of the right-of-use assets has been reduced to zero, but the lease liabilities still needs to be further reduced, the Group will include the remaining amount in the current profit or loss.

(3) Short-term and low-value asset leases

For short-term lease with a lease term of not more than 12 months on the lease commencement date and low-value asset lease, the Group adopts a simplified treatment method and does not recognize right-of-use assets and lease liabilities, and includes the lease payment in the relevant asset cost or current profit or loss according to the straight-line method or other systematic and reasonable methods during each period of the lease term.

Lease classification standard and accounting treatment method as the lessor

√ Applicable □ Not applicable

On the lease commencement date, the Group divides the lease into financing lease and operating lease based on the substance of the transaction. Financing lease refers to the lease under which nearly all the risks and rewards related to the ownership of the leased asset have been transferred in substance. Operating lease refers to the leases other than financing lease.

(1) Operating lease

The Group adopts the straight-line method to recognize the lease receipt of the operating lease as the rental revenue for each period during the lease term. The variable lease payment related to the operating lease but not included in the lease receipt shall be included in the current profit or loss when it actually occurs.

(2) Financing lease

On the commencement date of the lease term, the Group recognizes the financing lease receivables and derecognizes the financing lease assets. Financing lease receivables are initially measured at the net amount of lease investment (the sum of the unguaranteed residual value and the present value of the lease receipt not received on the lease commencement date discounted at the implicit rate of lease), and the interest income during the lease term is calculated and recognized at a fixed periodic interest rates. The variable lease payment acquired by the Group but not included in the measurement of net lease investment shall be included in the current profit or loss when actually incurred.

39. Other significant accounting policies and accounting estimates

√ Applicable □ Not applicable

(1) Hedge accounting

In order to avoid certain risks, the Group uses certain financial instruments as hedging instruments for hedging. For the hedges that meet the prescribed conditions, the Group adopts the hedge accounting method for processing. Hedging includes fair value hedge, cash flow hedge and hedge of net investment in foreign operations.

At the beginning of the hedge, the Group formally designates the hedging instruments and the hedged item, and prepares written documents on the hedge relationship and the Group's risk management strategy and risk management objectives for the hedge. In addition, the Group continuously evaluates the hedge effectiveness at the inception of the hedge and thereafter.

① Fair value hedging

Gains or losses arising from hedging instruments designated as fair value hedges and meeting the conditions are included in the current profit or loss. If the hedging instruments are used to hedge non-trading investments in equity instruments (or part thereof) that are measured at fair value through other comprehensive income, the profit or loss arising from the hedging instruments are included in other comprehensive income. Gains or losses arising from the hedged risk exposure of the hedged item are included in the current profit or loss, and the book value of the hedged item is adjusted at the same time. If the hedged item is measured at fair value, the book value of the hedged item does not need to be adjusted for the gains or losses arising from the hedged risk, and the relevant profit or loss are included in the current profit or loss or other comprehensive income.

The hedge accounting shall be terminated when the Group revokes the designation of the hedging relationship, the hedging instruments has expired or been sold, the contract has been terminated or exercised, or no longer meets the conditions for the application of hedge accounting.

② Cash flow hedge

For the hedging instruments designated as cash flow hedge and meeting the conditions, the part of the gains or losses arising therefrom that is valid for the hedging shall be recognized as the reserve for cash flow hedges and included in the other comprehensive income, and the part of the invalid hedging shall be included in the current profit or loss.

If the expected transaction causes the Group to subsequently recognize a non-financial asset or non-financial liability, or the expected transaction of the non-financial asset or non-financial liability forms a firm commitment for fair value hedge accounting, the Group shall transfer the amount of the reserve for cash flow hedges recognized in other comprehensive income to the initial recognition amount of the asset or liability. For cash flow hedges other than these, the Group transfers the amount of the reserve for cash flow hedges originally recognized in other comprehensive income to the current profit or loss in the same period as the expected cash flow of the hedged item affects profit or loss.

If it is expected that all or part of the net loss originally included in the other comprehensive income cannot be compensated in the future accounting period, the irrecoverable part shall be transferred out and included in the current profit or loss.

When the Group terminates the application of hedge accounting for cash flow hedges, the accumulated reserve for cash flow hedges included in other comprehensive income shall be retained when the future cash flow is expected to occur, and shall be transferred out of other comprehensive income and included in the current profit or loss when the future cash flow is expected not to occur.

③ Net investment hedging of overseas operations

Net investment hedging of overseas operations is accounted for using a method similar to that of cash flow hedge. The portion of the gain or loss on the hedging instruments that is effective for the hedge is recognized as other comprehensive income, and the portion of the gain or loss that is not effective for the hedge is recognized in the current profit or loss.

profit or loss that have been included in other comprehensive income shall be transferred out of other comprehensive income and included in the current profit or loss when the overseas operation is disposed of.

(2) Debt restructuring

When the Group participates in debt restructuring as a creditor, and pays off debts with assets or converts debts into equity instruments for debt restructuring, the relevant assets shall be recognized when they meet the definition and recognition conditions. If the acquired debt assets are financial assets, the recognition principle of amount at initial measurement is shown in "(1) Classification, Recognition and Measurement of Financial Assets" in "Financial Instruments" of Note V.11; if the debt assets obtained are non-financial assets, the initial measurement amount is the sum of the fair value of the waived creditor's rights and other directly attributable costs. The difference between the fair value and the book value of the creditor's right waived shall be included in the current profit or loss. If the debt restructuring is carried out by modifying other terms, the Group shall, according to the substantial modification of the contract, judge whether to derecognize the original creditor's rights, and at the same time recognize a new creditor's rights according to the modified terms, or recalculate the book balance of the creditor's rights.

When the Group participates in debt restructuring as a debtor, and the debt is settled with assets or converted into equity instrument for debt restructuring, the relevant assets and liabilities shall be derecognized when they meet the conditions for derecognition (see the relevant contents of the conditions for derecognition of relevant assets and liabilities in Note V), and shall be measured at the fair value of the equity instrument converted (measured at the fair value of the debt settled when the fair value cannot be reliably estimated). The difference between the book value of the debt discharged and the book value of the transferred asset (or the recognized amount of the equity instrument) is included in the current profit or loss. If the debt restructuring is carried out by modifying other terms, the Group shall judge whether to derecognize the original debt according to the substantive modification of the contract, and at the same time recognize a new debt according to the modified terms, or recalculate the book balance of the debt. For the debt exempted in the debt restructuring, the Group can derecognize the exempted debt and recognize the debt restructuring gain only when it is no longer obliged to repay the debt.

40. Changes in significant accounting policies and accounting estimates

(1) Adjustments for changes in significant accounting policies

√ Applicable □ Not applicable

Unit: RMB'0,000

Changes in accounting policies and reasons thereof	Names of statement items materially affected	Amount affected
On December 31, 2024, the Group re-divided the "estimated liabilities - quality deposit items"	Other current liabilities	3,358.83
	Non-current liabilities maturing within one year	2,140.55
	Estimated liabilities	-5,499.38
On December 31, 2023, the Group re-divided the "estimated liabilities - quality deposit items" and made retrospective adjustments	Other current liabilities	1,966.11
	Non-current liabilities maturing within one year	690.23
	Estimated liabilities	-2,656.34

Other notes:

The Ministry of Finance issued the Interpretation on the Accounting Standards for Business Enterprises No. 18 (hereinafter referred to as "Interpretation No. 18") on December 31, 2024, which came into force from the date of issuance. The Group chose to implement the Interpretation in advance from the year of issuance (2024). According to Article 2 of Interpretation No. 18 "Accounting Treatment of Guarantee-type Quality Guarantee that does not belong to individual performance obligation", the Group re-divided the following "estimated liabilities-quality deposit item" and presented it in the "other current liabilities", "non-current liabilities maturing within one year" and "estimated liabilities" in the balance sheet, and made retrospective adjustments.

(2) Changes in significant accounting estimates

□ Applicable √ Not applicable

(3) The first implementation of new accounting standards or interpretation of standards since 2024 involves adjusting the financial statements at the beginning of the year when the first implementation is carried out.

√ Applicable □ Not applicable

Reasons for adjusting the financial statements at the beginning of the current year

The Ministry of Finance issued the Interpretation on the Accounting Standards for Business Enterprises No. 18 (hereinafter referred to as "Interpretation No. 18") on December 31, 2024, which came into force from the date of issuance. The Group chose to implement the Interpretation in advance from the year of issuance (2024). According to Article 2 of Interpretation

No. 18 "Accounting Treatment of Guarantee-type Quality Guarantee that does not belong to individual performance obligation", the Group re-divided the "estimated liabilities-quality deposit items" and made retrospective adjustments.

Consolidated Balance Sheet

Unit: RMB'0,000

Item	December 31, 2023	January 1, 2024	Adjustment number
Current assets:			
Monetary funds	432,081.13	432,081.13	
Balances with clearing companies			
Loans to other banks and financial institutions			
Financial assets held for trading	872,523.58	872,523.58	
Derivative financial assets			
Notes receivable			
Accounts receivable	614,740.03	614,740.03	
Receivable financing			
Advances to suppliers	40,745.12	40,745.12	
Premium receivable			
Reinsurance accounts receivable			
Provision of cession receivable			
Other receivables	2,090.67	2,090.67	
Including: interest receivable			
Dividends receivable			
Financial assets purchased under resale agreements			
Inventories	98,279.37	98,279.37	
Contract assets	281,211.88	281,211.88	
Assets held for sale			
Non-current assets maturing within one year	66,743.01	66,743.01	
Other current assets	51,256.65	51,256.65	
Total current assets	2,459,671.44	2,459,671.44	
Non-current assets:			
Loans and advances			
Debt investments	232,385.80	232,385.80	
Other debt investments			
Long-term receivables			
Long-term equity investments			
Investments in other equity instruments	7,067.14	7,067.14	
Other non-current financial assets			
Investment properties			
Fixed assets	1,281,758.11	1,281,758.11	
Construction in process	46,651.73	46,651.73	
Productive biological assets			
Oil and gas assets			
Right-of-use assets	12,099.13	12,099.13	
Intangible assets	223,580.16	223,580.16	
Development expenses			
Goodwill			
Long-term deferred expenses	23,990.36	23,990.36	
Deferred income tax assets	37,962.48	37,962.48	
Other non-current assets			

Item	December 31, 2023	January 1, 2024	Adjustment number
Total non-current assets	1,865,494.91	1,865,494.91	
Total assets	4,325,166.35	4,325,166.35	
Current liabilities:			
Short-term borrowings			
Borrowings from central bank			
Loans from other banks and other financial institutions			
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	41,185.44	41,185.44	
Accounts payable	1,211,690.46	1,211,690.46	
Advances from customers			
Contract liabilities	100,641.06	100,641.06	
Financial assets sold under repurchase agreements			
Absorption of deposits and interbank deposits			
Receivings from vicariously traded securities			
Receivings from vicariously sold securities			
Employee compensation payable	53,232.03	53,232.03	
Taxes and surcharges payable	38,136.48	38,136.48	
Other payables	60,687.03	60,687.03	
Including: interest payable			
Dividends payable			
Handling charges and commissions payable			
Reinsurance accounts payable			
Liabilities held for sale			
Non-current liabilities maturing within one year	5,367.52	6,057.75	690.23
Other current liabilities	51,937.78	53,903.89	1,966.11
Total current liabilities	1,562,877.80	1,565,534.14	2,656.34
Non-current liabilities:			
Reserves for insurance contracts			
Long-term borrowings	22,000.67	22,000.67	
Bonds payable			
Including: preferred shares			
Perpetual bond			
Lease liabilities	6,686.42	6,686.42	
Long-term payables			
Long-term employee compensation payable			
Estimated liabilities	34,172.24	31,515.90	-2,656.34
Deferred income	17,707.76	17,707.76	
Deferred income tax liabilities	3,886.00	3,886.00	
Other non-current liabilities			
Total non-current liabilities	84,453.09	81,796.75	-2,656.34
Total liabilities	1,647,330.89	1,647,330.89	
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	442,135.48	442,135.48	
Other equity instruments			
Including: preferred shares			

Item	December 31, 2023	January 1, 2024	Adjustment number
Perpetual bond			
Capital reserve	424,802.17	424,802.17	
Less: treasury stock			
Other comprehensive income	-3,547.76	-3,547.76	
Special reserves	13,399.54	13,399.54	
Surplus reserves	206,980.83	206,980.83	
General risk reserves			
Undistributed profits	1,395,689.11	1,395,689.11	
Total equity attributable to owners (shareholders) of the parent company	2,479,459.37	2,479,459.37	
Minority equity	198,376.09	198,376.09	
Total owners' equity (or shareholders' equity)	2,677,835.46	2,677,835.46	
Total liabilities and owners' (or shareholders') equity	4,325,166.35	4,325,166.35	

Company's Balance Sheet

Unit: RMB'0,000

Item	December 31, 2023	January 1, 2024	Adjustment number
Current assets:			
Monetary funds	250,670.97	250,670.97	
Financial assets held for trading	872,523.58	872,523.58	
Derivative financial assets			
Notes receivable			
Accounts receivable	633,563.43	633,563.43	
Receivable financing			
Advances to suppliers	37,449.99	37,449.99	
Other receivables	33,562.74	33,562.74	
Including: interest receivable			
Dividends receivable			
Inventories	44,267.59	44,267.59	
Contract assets	261,602.14	261,602.14	
Assets held for sale			
Non-current assets maturing within one year	66,743.01	66,743.01	
Other current assets	16,405.12	16,405.12	
Total current assets	2,216,788.57	2,216,788.57	
Non-current assets:			
Debt investments	232,385.80	232,385.80	
Other debt investments			
Long-term receivables			
Long-term equity investments	917,918.15	917,918.15	
Investments in other equity instruments	7,067.14	7,067.14	
Other non-current financial assets			
Investment properties			
Fixed assets	549,546.40	549,546.40	
Construction in process	38,398.75	38,398.75	
Productive biological assets			
Oil and gas assets			
Right-of-use assets	9,960.15	9,960.15	

Item	December 31, 2023	January 1, 2024	Adjustment number
Intangible assets	41,723.88	41,723.88	
Development expenses			
Goodwill			
Long-term deferred expenses	15,133.44	15,133.44	
Deferred income tax assets	27,292.44	27,292.44	
Other non-current assets			
Total non-current assets	1,839,426.15	1,839,426.15	
Total assets	4,056,214.72	4,056,214.72	
Current liabilities:			
Short-term borrowings	423,940.00	423,940.00	
Financial liabilities held for trading			
Derivative financial liabilities			
Notes payable	34,187.26	34,187.26	
Accounts payable	1,069,412.70	1,069,412.70	
Advances from customers			
Contract liabilities	82,115.76	82,115.76	
Employee compensation payable	25,307.19	25,307.19	
Taxes and surcharges payable	29,633.39	29,633.39	
Other payables	137,205.24	137,205.24	
Including: interest payable			
Dividends payable			
Liabilities held for sale			
Non-current liabilities maturing within one year	5,554.34	5,834.71	280.37
Other current liabilities	51,573.66	53,013.99	1,440.33
Total current liabilities	1,858,929.54	1,860,650.24	1,720.70
Non-current liabilities:			
Long-term borrowings	22,000.67	22,000.67	
Bonds payable			
Including: preferred shares			
Perpetual bond			
Lease liabilities	3,498.35	3,498.35	
Long-term payables			
Long-term employee compensation payable			
Estimated liabilities	18,858.27	17,137.57	-1,720.70
Deferred income	9,437.11	9,437.11	
Deferred income tax liabilities			
Other non-current liabilities			
Total non-current liabilities	53,794.40	52,073.70	-1,720.70
Total liabilities	1,912,723.94	1,912,723.94	
Owners' equity (or shareholders' equity):			
Paid-in capital (or share capital)	442,135.48	442,135.48	
Other equity instruments			
Including: preferred shares			
Perpetual bond			
Capital reserve	424,538.80	424,538.80	
Less: treasury stock			

Item	December 31, 2023	January 1, 2024	Adjustment number
Other comprehensive income	-6,121.76	-6,121.76	
Special reserves	13,045.04	13,045.04	
Surplus reserves	206,016.25	206,016.25	
Undistributed profits	1,063,876.97	1,063,876.97	
Total owners' equity (or shareholders' equity)	2,143,490.78	2,143,490.78	
Total liabilities and owners' (or shareholders') equity	4,056,214.72	4,056,214.72	

41. Others

□ Applicable √ Not applicable

VI. Taxation

1. Main tax types and tax rates

Main tax types and tax rates

√ Applicable □ Not applicable

Tax type	Tax basis	Tax rate
Value added tax (VAT)	Output VAT is calculated based on taxable sales revenue and service revenue calculated in accordance with tax laws, and VAT payable shall be the difference between the output VAT and input VAT deductible in the same period;	13%、9%、6%
Urban maintenance and construction tax	Based on the value-added tax payable and the current tax exemption amount approved by the State Taxation Administration after formal review and approval	7%、1%
Enterprise income tax	Calculated and paid on the basis of amount of taxable income	See the instructions
Education surcharge	Based on the value-added tax payable and the current tax exemption amount approved by the State Taxation Administration after formal review and approval	3%
Local education surtax	Based on the value-added tax payable and the current tax exemption amount approved by the State Taxation Administration after formal review and approval	2%
Property taxes	70% of the original value of the property / property rental income	1.2%/12%

Notes to disclosure of enterprises with different enterprise income tax rates

√ Applicable □ Not applicable

Name of taxpayer	Income tax rate (%)
The COOEC	15
Offshore International Engineering Co., Ltd	25
Offshore Oil Engineering (Qingdao) Co., Ltd.	15
CNOOC Offshore Engineering Solutions Co., Ltd.	15
COOEC Nigeria Co., Ltd	30
Offshore Oil Engineering Co., Ltd. Nigeria Free Trade Zone Company	Duty-free
COOEC International Co., Ltd.	25
Offshore Oil Engineering (Canada) Co., Ltd.	23
COOEC International Co., Limited Thai Company	20
COOEC International Co., Limited Brazilian Company	34
Offshore Oil Engineering (Zhuhai) Co., Ltd.	25
COOEC-Fluor Heavy Industries Co., Ltd.	25
COOEC Saudi Limited	20

2. Tax preference

√ Applicable □ Not applicable

(1) On December 3, 2024, the Company was jointly recognized as a high-tech enterprise by the Tianjin Municipal Bureau of Science and Technology, the Tianjin Finance Bureau and the Tianjin Municipal Tax Service, State Taxation Administration and obtained the High-tech Enterprise Certificate with the number GR202412001965, which is valid for 3 years, with an

income tax rate of 15%.

(2) In December 2024, Offshore Oil Engineering (Qingdao) Co., Ltd. was jointly recognized as a high-tech enterprise by the Qingdao Municipal Bureau of Science and Technology, the Finance Bureau of Qingdao and the Qingdao Tax Service, State Taxation Administration, and obtained the High-tech Enterprise Certificate with the number GR202437100091, which is valid for 3 years, with an income tax rate of 15%.

(3) In November 2023, CNOOC Offshore Engineering Solutions Co., Ltd. was jointly recognized as a high-tech enterprise by Shenzhen Science and Technology Innovation Committee, Shenzhen Finance Committee, Shenzhen State Taxation Bureau and Shenzhen Local Taxation Bureau, and obtained the High-tech Enterprise Certificate with the number GR202344205284, which is valid for 3 years and the income tax rate is 15%.

(4) The registered address of the Nigeria Free Trade Zone Company of Offshore Oil Engineering Co., Ltd. is in Lekki Free Trade Zone. According to Nigerian law, enterprises in Lekki Free Trade Zone can enter Lekki Free Trade Zone first when importing raw materials and finished products. Lekki Free Trade Zone has bonded function. After paying relevant taxes according to Nigerian government regulations, it can be sold in the Nigerian market and all tax types of the enterprise will be exempted.

3. Others

√ Applicable □ Not applicable

(1) According to the Circular of the Ministry of Finance and the State Taxation Administration on the Policy of VAT and Consumption Tax on Exported Goods and Services (CS [2012] No. 39), the self-produced offshore engineering structures sold by COOEC and its subsidiaries, Offshore Oil Engineering (Qingdao) Co., Ltd. and Offshore Petroleum Engineering (Zhuhai) Co., Ltd., to offshore oil and gas exploration enterprises are treated as exported goods and are subject to Tax exemption, credit and refund management method. According to the Notice of the Ministry of Finance and the State Taxation Administration on the Clarification of VAT Policies on Finance, Real Estate Development and Educational Auxiliary Services (CS [2016] No. 140), the sales contracts on the sales of self-produced offshore engineering structures signed by COOEC and its subsidiaries, Offshore Oil Engineering (Qingdao) Co., Ltd. and Offshore Oil Engineering (Zhuhai) Co., Ltd. after January 1, 2017 are no longer subject to the credit exemption policy.

(2) Pursuant to the Notice on the Full-scale Implementation of the Pilot Program of Business Tax Reform and Value-added Tax (2016) issued by the Ministry of Finance and the State Taxation Administration with the approval of the State Council, COOEC and its domestic subsidiaries have been subject to the provision on value added tax in lieu of business tax since May 1, 2016. According to Article 1 of the Announcement of the State Taxation Administration No. 11 of 2017 Announcement of the State Taxation Administration on Further Clarification of Issues Relating to Collection and Administration of Business Tax Conversion, taxpayers who provide construction and installation services while selling self-produced goods such as activity rooms, machinery and equipment and steel structure parts do not fall under mixed sales as set forth in Article 40 of the Implementation Measures for the Pilot Scheme of Business Tax Conversion and Value-added Tax (CS [2016] No. 36 Document) and sales of goods and construction services shall be accounted for separately and different tax or levy rates shall be applied respectively, and the general contracting or subcontracting contracts entered into by COOEC apply different tax or levy rates to the price of construction labor, the price of self-produced goods and the price of providing VAT taxable services respectively.

VII. Notes to consolidated financial statements items

1. Monetary funds

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Cash on hand	1.00	1.00
Bank deposit	507,256.91	332,650.09
Other monetary funds		
Deposits with financial companies	99,446.31	99,430.04
Total	606,704.22	432,081.13
Including: total amount deposited abroad	39,270.26	46,618.00

Other notes:

Cash or cash equivalents being restricted for use due to mortgage, pledge or freezing, being subject to restriction on withdrawal due to unified management, or being placed overseas with restrictions on fund repatriation are listed as follows:

Item	Ending balance	Beginning balance
Frozen funds involved in lawsuits	10,731.20	8,942.06
Total	10,731.20	8,942.06

2. Financial assets held for trading

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance	Specify reasons and basis
Financial assets measured at fair value through current profit or loss	1,010,697.32	872,523.58	/
Including:			
Structural deposits	1,010,697.32	563,187.59	/
Non-principal-protected floating-income financial products		309,335.99	/
Total	1,010,697.32	872,523.58	/

Other notes:

□ Applicable √ Not applicable

3. Derivative financial assets

□ Applicable √ Not applicable

4. Notes receivable

(1) Presentation of notes receivable by category

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Bank acceptance bill	893.55	
Commercial acceptance bill		
Total	893.55	

(2) The Company's pledged notes receivable at the end of the period

□ Applicable √ Not applicable

(3) Notes receivable endorsed or discounted by the Company and not yet due on the balance sheet date at the end of the period

□ Applicable √ Not applicable

(4) Classified disclosure by provision of bad debts

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Ending balance					Beginning balance				
	Book balance		Provision for bad debts		Book Value	Book balance		Provision for bad debts		Book Value
	Amount	Ratio (%)	Amount	Proportion of provision (%)		Amount	Ratio (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis										

Type	Ending balance					Beginning balance				
	Book balance		Provision for bad debts		Book Value	Book balance		Provision for bad debts		Book Value
	Amount	Ratio (%)	Amount	Proportion of provision (%)		Amount	Ratio (%)	Amount	Proportion of provision (%)	
Provision for bad debts made by portfolio	893.55	100.00			893.55					
Including:										
Bank acceptance bills	893.55	100.00			893.55					
Total	893.55	/		/	893.55		/		/	

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

√ Applicable □ Not applicable

Unit: RMB'0,000

Name	Ending balance		
	Notes receivable	Provision for bad debts	Provision ratio (%)
Bank acceptance bills	893.55		
Total	893.55		

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

The provision for bad debts made according to the general model of expected credit losses

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of notes receivables with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(5) Provision for bad debts

□ Applicable √ Not applicable

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(6) Actual notes receivable written off in the current period

□ Applicable √ Not applicable

Write-off of significant notes receivable:

□ Applicable √ Not applicable

Write-off of notes receivable:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

5. Accounts receivable

(1) Disclosure by aging

√ Applicable □ Not applicable

Unit: RMB'0,000

Aging	Book balance as at the end of the year	Book balance as at the beginning of the year
Within 1 year		
Including: items within 1 year		
Within 1 year	748,041.61	611,260.21
Subtotal within 1 year	748,041.61	611,260.21
1-2 years	8,245.94	5,570.67
2-3 years	3,746.60	22,371.78
Over 3 years	27,257.84	6,578.60
Total	787,291.99	645,781.26

(2) Classified disclosure by provision of bad debts

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Ending balance					Beginning balance				
	Book balance		Provision for bad debts		Book Value	Book balance		Provision for bad debts		Book Value
	Amount	Ratio (%)	Amount	Proportion of provision (%)		Amount	Ratio (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis	31,032.22	3.94	25,511.19	82.21	5,521.03	27,683.72	4.29	22,146.98	80.00	5,536.74
Provision for bad debts made by portfolio	756,259.77	96.06	6,098.96	0.81	750,160.81	618,097.54	95.71	8,894.25	1.44	609,203.29
Including:										
Portfolio of related parties	682,380.62	90.23			682,380.62	556,124.91	89.97			556,124.91
Aging portfolio	73,879.15	9.77	6,098.96	8.26	67,780.19	61,972.63	10.03	8,894.25	14.35	53,078.38
Total	787,291.99	/	31,610.15	/	755,681.84	645,781.26	/	31,041.23	/	614,740.03

Individual provision for bad debts:

√ Applicable □ Not applicable

Unit: RMB'0,000

Name	Ending balance			
	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
DANGOTE OIL REFINING COMPANY LIMITED	28,096.86	22,575.83	80.35	Pending litigation
Haifu Industrial (Shanghai) Co., Ltd.	2,935.36	2,935.36	100.00	Litigation has no enforceable property
Total	31,032.22	25,511.19	82.21	/

Individual provision for bad debts:

√ Applicable □ Not applicable

See Note XVI Commitments and Contingencies for the specific reasons for the provision made by DANGOTE OIL REFINING COMPANY LIMITED.

The reason for the provision of Haifu Industrial (Shanghai) Co., Ltd. is that the debtor has no enforceable property after litigation and compulsory execution, and the creditor's rights cannot be recovered.

Provision for bad debts made by portfolio:

√ Applicable □ Not applicable

Provision made on portfolio basis: aging portfolio

Unit: RMB'0,000

Name	Ending balance		
	Accounts receivable	Provision for bad debts	Provision ratio (%)
Portfolio of related parties	682,380.62		
Aging portfolio	73,879.15	6,098.96	8.26
Total	756,259.77	6,098.96	0.81

Provision for bad debts made by portfolio:

√ Applicable □ Not applicable

Provision for impairment by aging combination:

Aging	Book balance as at the end of the year	Provision for impairment at the end of the period
Within 1 year	67,042.01	
1-2 years		
2-3 years	1,845.44	1,107.26
Over 3 years	4,991.70	4,991.70
Total	73,879.15	6,098.96

The provision for bad debts made according to the general model of expected credit losses

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of receivables with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(3) Provision for bad debts

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Beginning balance	Change in this period				Ending balance
		Provision	Recovery or reversal	Resale or write-off	Other changes	
Provision for bad debts accrued on an individual basis	22,146.98	3,364.21				25,511.19
Provision for bad debts made by portfolio	8,894.25	-3,202.14			406.85	6,098.96
Total	31,041.23	162.07			406.85	31,610.15

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(4) Accounts receivable actually written off in this period

□ Applicable √ Not applicable

Writ-off of significant receivables

□ Applicable √ Not applicable

Explanations on writing off receivables:

□ Applicable √ Not applicable

(5) Top five accounts receivable by the debtor in terms of the ending balance and contract assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balances of accounts receivable and contract assets	Proportion to total amount of ending balance of receivable and contract assets (%)	Balance of provision for bad debts as at the end of the year
CNOOC Limited	630,737.43	40,212.27	670,949.70	62.15	68.36
CNOOC Energy Technology & Services Limited	28,369.98	4.30	28,374.28	2.63	0.01
DANGOTE OIL REFINING COMPANY LIMITED	28,096.86	2,161.43	30,258.29	2.80	24,312.54
Hong Kong LNG Terminal Limited	27,903.11	23,433.58	51,336.69	4.76	39.84
CNOOC Gas & Electricity Group Co., Ltd.	22,975.04	9,019.79	31,994.83	2.96	15.33
Total	738,082.42	74,831.37	812,913.79	75.30	24,436.08

Other notes:

□ Applicable √ Not applicable

6. Contract assets

(1) Contract assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance			Beginning balance		
	Book balance	Provision for bad debts	Book value	Book balance	Provision for bad debts	Book value
Engineering services	292,299.88	2,245.80	290,054.08	284,664.03	3,452.15	281,211.88
Total	292,299.88	2,245.80	290,054.08	284,664.03	3,452.15	281,211.88

(2) Amount and reasons for significant changes in book value during the reporting period

□ Applicable √ Not applicable

(3) Classified disclosure by provision of bad debts

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Ending balance					Beginning balance				
	Book balance		Provision for bad debts		Book Value	Book balance		Provision for bad debts		Book value
	Amount	Ratio (%)	Amount	Proportion of provision (%)		Amount	Ratio (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis	2,161.43	0.74	1,736.71	80.35	424.72	3,788.47	1.33	3,030.84	80.00	757.63
Provision for bad debts made by portfolio	290,138.45	99.26	509.09	0.17	289,629.36	280,875.56	98.67	421.31	0.15	280,454.25
Including:										
Credit risk characteristic portfolio	290,138.45	99.26	509.09	0.17	289,629.36	280,875.56	98.67	421.31	0.15	280,454.25
Total	292,299.88	/	2,245.80	/	290,054.08	284,664.03	/	3,452.15	/	281,211.88

Individual provision for bad debts:

√ Applicable □ Not applicable

Unit: RMB'0,000

Name	Ending balance			
	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
DANGOTE OIL REFINING COMPANY LIMITED	2,161.43	1,736.71	80.35	Pending litigation
Total	2,161.43	1,736.71	80.35	/

Individual provision for bad debts:

√ Applicable □ Not applicable

See Note XVI Commitments and Contingencies for the specific reasons for the provision made by DANGOTE OIL REFINING COMPANY LIMITED.

Provision for bad debts made by portfolio:

√ Applicable □ Not applicable

Unit: RMB'0,000

Name	Ending balance		
	Contract assets	Provision for bad debts	Provision ratio (%)
Credit risk characteristic portfolio	290,138.45	509.09	0.17
Total	290,138.45	509.09	0.17

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

The provision for bad debts made according to the general model of expected credit losses

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of contract assets with changes in provision for losses in the current period

□ Applicable √ Not applicable

(4) Provision for bad debts of contract assets during the period

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Change in this period				Ending balance	Reasons
		Provision in this period	Recovery or reversal in this period	Write-off/ cancellation after verification in this period	Other changes		
Engineering services	3,452.15	167.73	1,401.48		27.40	2,245.80	
Total	3,452.15	167.73	1,401.48		27.40	2,245.80	/

Significant amounts of bad debt recovery or reversal in the current period:

√ Applicable □ Not applicable

Unit: RMB'0,000

Entity name	Recovered or reversed amount	Reason for reversal	Recovery method	Determine the basis and rationality of the original provision for bad debts accrual ratio
DANGOTE OIL REFINING COMPANY LIMITED	1,401.48	Partial recovery	Arrears received	Calculate the probability of loss according to different situations
Total	1,401.48	/	/	/

(5) Contract assets actually written off during the current period

□ Applicable √ Not applicable

Write-off of significant contract assets

□ Applicable √ Not applicable

Contract asset write-off:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

7. Receivable financing

(1) Presentation of receivable financing by category

□ Applicable √ Not applicable

(2) The Company's pledged receivable financing at the end of the period

□ Applicable √ Not applicable

(3) Receivable financing endorsed or discounted by the Company and not yet due on the balance sheet date at the end of the period

□ Applicable √ Not applicable

(4) Classified disclosure by provision of bad debts

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

The provision for bad debts made according to the general model of expected credit losses

Significant changes in the book balance of receivable financing with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(5) Provision for bad debts

□ Applicable √ Not applicable

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(6) Actual receivable financing written off in the current period

□ Applicable √ Not applicable

Write-off of significant receivable financing

□ Applicable √ Not applicable

□ Applicable √ Not applicable

(7) Increase/decrease and change in fair value of receivable financing in the current period:

□ Applicable √ Not applicable

(8) Other notes

□ Applicable √ Not applicable

8. Advances to suppliers

(1) Presentation of advances to suppliers by aging

√ Applicable □ Not applicable

Unit: RMB'0,000

Aging	Ending balance		Beginning balance	
	Amount	Ratio (%)	Amount	Ratio (%)
Within 1 year	95,493.58	99.63	39,455.48	96.83
1-2 years	351.67	0.37	120.23	0.30
2-3 years			11.15	0.03
Over 3 years			1,158.26	2.84
Total	95,845.25	100.00	40,745.12	100.00

(2) Top five prepayments in terms of their balance as at the end of the period presented by the payee

√ Applicable □ Not applicable

Unit: RMB'0,000

Entity name	Ending balance	Proportion in the total ending balance (%)
WELSPUN CORP LIMITED	19,691.78	20.55
Guangzhou Baosteel Southern Trading Co., Ltd.	12,203.30	12.73
Baowu Echeng Iron & Steel Group Co., Ltd.	8,092.49	8.44
Tianjin Taigang Sales Co., Ltd.	7,317.08	7.63
CITIC Pacific Special Steel International Trading Company Limited	5,694.17	5.94
Total	52,998.82	55.29

Other notes:

□ Applicable √ Not applicable

9. Other receivables

Presentation

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Interest receivable		
Dividends receivable		
Other receivables	23,230.55	2,090.67
Total	23,230.55	2,090.67

Other notes:

□ Applicable √ Not applicable

Interest receivable

(1) Classification of interest receivable

□ Applicable √ Not applicable

(2) Significant overdue interest

□ Applicable √ Not applicable

(3) Classified disclosure by provision of bad debts

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

(4) **The provision for bad debts made according to the general model of expected credit losses**

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of interest receivable with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(5) **Provision for bad debts**

□ Applicable √ Not applicable

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(6) **Actual interest receivable written off in the current period**

□ Applicable √ Not applicable

Write-off of significant interest receivable

□ Applicable √ Not applicable

Notes to write-off:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Dividends receivable

(1) **Dividends receivable**

□ Applicable √ Not applicable

(2) **Significant dividends receivable aged over one year**

□ Applicable √ Not applicable

(3) **Classified disclosure by provision of bad debts**

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

(4) The provision for bad debts made according to the general model of expected credit losses

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of dividends receivable with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(5) Provision for bad debts

□ Applicable √ Not applicable

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(6) Actual write-off of dividends receivable in the current period

□ Applicable √ Not applicable

Write-off of significant dividends receivable

□ Applicable √ Not applicable

Notes to write-off:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Other receivables

(1) Disclosure by aging

√ Applicable □ Not applicable

Unit: RMB'0,000

Aging	Book balance as at the end of the year	Book balance as at the beginning of the year
Within 1 year		
Including: items within 1 year		
Within 1 year	22,791.16	1,621.27
Subtotal within 1 year	22,791.16	1,621.27
1-2 years	113.12	80.88
2-3 years	28.02	227.46
Over 3 years	298.25	161.06
Total	23,230.55	2,090.67

(2) Classification by nature of payment

√ Applicable □ Not applicable

Unit: RMB'0,000

Nature of payment	Book balance as at the end of the year	Book balance as at the beginning of the year
Deposits, reserve funds, security deposits	757.24	893.51
Insurance compensation	214.98	1,021.22
Joint venture development funds	21,816.88	
Advances and others	441.45	175.94
Total	23,230.55	2,090.67

(3) Provision for bad debts

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of other receivables with changes in provision for losses in the current period:

□ Applicable √ Not applicable

The basis for the provision for bad debts in the current period and the assessment of whether the credit risk of financial instruments has increased significantly:

□ Applicable √ Not applicable

(4) Provision for bad debts

□ Applicable √ Not applicable

Reversal or recovery of significant amount of provision for bad debts in the current period:

□ Applicable √ Not applicable

(5) Other receivables actually written off during the period

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount for write-off
Other receivables actually written off	26.10

Other significant receivables actually written off:

□ Applicable √ Not applicable

Explanations on writing off other receivables:

√ Applicable □ Not applicable

The subsidiary of the Company, CNOOC Offshore Engineering Solutions Co., Ltd., has a ship customs transfer margin of RMB 261,000, which has not been recovered for more than 5 years of aging. In December 2024, the lawyer issued a professional opinion that the payment has exceeded the limitation of action and the lawsuit does not conform to the principle of cost and benefit, and it was written off with the approval of the Party Committee of the aforesaid company.

(6) Other receivables of the top five in terms of ending balances by debtors

√ Applicable □ Not applicable

Unit: RMB'0,000

Entity name	Ending balance	Proportion in the total ending balance of other receivables (%)	Nature of amount	Aging	Provision for bad debts Ending balance
China Petroleum Engineering & Construction Corporation	21,816.88	93.91	Joint venture development funds	Within 1 year	
CNOOC Energy Technology & Services Limited	183.18	0.79	Others	Within 1 year	
AkzoNobel Protective Coatings (Suzhou) Co., Ltd.	170.49	0.73	Compensation receivable	Within 1 year	
Subsea 7 Australia Contracting Pty	135.58	0.58	Others	Within 1 year	
Tianjin Port Power Co., Ltd.	120.00	0.52	Margin and security deposit	Over 3 years	
Total	22,426.13	96.53	/	/	

(7) Reported in other receivables due to centralized management of funds

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

10. Inventory

(1) Classification of inventory

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance			Beginning balance		
	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value	Book balance	Provision for inventory depreciation reserve/provision for impairment of contract performance costs	Book value
Raw materials	72,229.81	9,871.74	62,358.07	102,131.58	8,753.85	93,377.73
Circular materials	13,052.19		13,052.19	4,901.64		4,901.64
Total	85,282.00	9,871.74	75,410.26	107,033.22	8,753.85	98,279.37

(2) Data resources recognized as inventory

□ Applicable √ Not applicable

(3) **Provision for inventory depreciation reserve and provision for impairment of contract performance costs**

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period		Decrease in this period		Ending balance
		Provision	Others	Reversal or write-off	Others	
Raw materials	8,753.85	3,870.77		2,752.88		9,871.74
Total	8,753.85	3,870.77		2,752.88		9,871.74

Reasons for reversing or writing off provision for inventory depreciation in the current period

√ Applicable □ Not applicable

The provision for inventory depreciation reversed or written off in the current period is mainly due to the use and consumption of raw materials.

Provision for inventory depreciation made on a portfolio basis

□ Applicable √ Not applicable

Provision criteria for provision for inventory depreciation by portfolio

□ Applicable √ Not applicable

(4) **Capitalized amount of borrowing costs included in ending balance of inventory and calculation criteria and basis**

□ Applicable √ Not applicable

(5) **Contract performance costs amortized in the current period**

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(6) **Assets held for sale**

□ Applicable √ Not applicable

11. Non-current assets maturing within one year

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Debt investments maturing within one year		66,743.01
Other debt investments maturing within one year		
Total		66,743.01

(1) **Debt investment maturing within one year**

□ Applicable √ Not applicable

(2) **Other debt investments maturing within one year**

□ Applicable √ Not applicable

12. Other current assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
VAT to be deducted and certified	40,031.11	47,420.23
Prepayment of enterprise income tax	1,449.72	1,352.64
Prepaid and deferred expenses	1,967.33	2,483.78
Total	43,448.16	51,256.65

13. Debt investment

(1) Information of debt investment

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance			Beginning balance		
	Book balance	Provisions for impairment	Book value	Book balance	Provisions for impairment	Book value
Certificates of deposit convertible within three years	238,829.19		238,829.19	232,385.80		232,385.80
Total	238,829.19		238,829.19	232,385.80		232,385.80

Changes in provision for impairment of debt investment in the current period

□ Applicable √ Not applicable

(2) Significant debt investments at the end of the period

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance					Beginning balance				
	Book value	Nominal interest rate	Effective interest rate	Maturity date	Overdue principal	Book value	Nominal interest rate	Effective interest rate	Maturity date	Overdue principal
Construction Bank of China, Tianjin Development Branch	50,000.00	2.90%	2.90%	2026-08-31		50,000.00	2.90%	2.90%	2026-08-31	
Tianjin Xinkailu Subbranch, China Guangfa Bank	50,000.00	3.25%	3.25%	2026-05-08		50,000.00	3.25%	3.25%	2026-05-08	
Tianjin Xinkailu Subbranch, China Guangfa Bank	30,000.00	2.90%	2.90%	2026-09-11		30,000.00	2.90%	2.90%	2026-09-11	

Item	Ending balance					Beginning balance				
	Book value	Nominal interest rate	Effective interest rate	Maturity date	Overdue principal	Book value	Nominal interest rate	Effective interest rate	Maturity date	Overdue principal
Beijing Chaowai Subbranch, Industrial Bank	30,000.00	2.90%	2.90%	2026-09-12		30,000.00	2.90%	2.90%	2026-09-12	
Beijing Chaowai Subbranch, Industrial Bank	30,000.00	2.85%	2.85%	2026-10-11		30,000.00	2.85%	2.85%	2026-10-11	
Tianjin Xinkailu Subbranch, China Guangfa Bank	20,000.00	2.90%	2.90%	2026-11-22		20,000.00	2.90%	2.90%	2026-11-22	
Tianjin Shipping Center Subbranch, ICBC	10,000.00	2.90%	2.90%	2026-08-31		10,000.00	2.90%	2.90%	2026-08-31	
Tianjin Xinkailu Subbranch, China Guangfa Bank	10,000.00	2.90%	2.90%	2026-10-16		10,000.00	2.90%	2.90%	2026-10-16	
Total	230,000.00	/	/	/		230,000.00	/	/	/	

(3) Provision for impairment

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of debt investment with changes in provision for losses in the current period

□ Applicable √ Not applicable

The basis for the provision for impairment in the current period and the assessment of whether the credit risk of financial instruments has increased significantly

□ Applicable √ Not applicable

(4) Actual write-off of debt investment in the current period

□ Applicable √ Not applicable

Significant debt investment and write-off

□ Applicable √ Not applicable

Write-off of debt investment:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

14. Other debt investments

(1) Information of other debt investments

□ Applicable √ Not applicable

Changes in provision for impairment of other debt investments in the current period

□ Applicable √ Not applicable

(2) Other significant debt investments at the end of the period

□ Applicable √ Not applicable

(3) Provision for impairment

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of other debt investments with changes in provision for losses in the current period

□ Applicable √ Not applicable

The basis for the provision for impairment in the current period and the assessment of whether the credit risk of financial instruments has increased significantly

□ Applicable √ Not applicable

(4) Information of other debt investments actually written off in the current period

□ Applicable √ Not applicable

Write-off of other significant debt investments

□ Applicable √ Not applicable

Write-off of other debt investments:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

15. Long-term receivables

(1) Long-term receivables

□ Applicable √ Not applicable

(2) Classified disclosure by provision of bad debts

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

(3) The provision for bad debts made according to the general model of expected credit losses

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of long-term receivables with changes in provision for losses in the current period:

□ Applicable √ Not applicable

The basis for the provision for bad debts in the current period and the assessment of whether the credit risk of financial instruments has increased significantly:

□ Applicable √ Not applicable

(4) Provision for bad debts

□ Applicable √ Not applicable

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(5) Information of long-term receivables actually written off in the current period

□ Applicable √ Not applicable

Verification of significant long-term receivables

□ Applicable √ Not applicable

Write-off of long-term receivables:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

16. Long-term equity investment

(1) Information of long-term equity investment

□ Applicable √ Not applicable

(2) Impairment test of long-term equity investment

□ Applicable √ Not applicable

17. Investments in other equity instruments

(1) Investment in other equity instruments

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning Balance	Increase/decrease in this period					Ending Balance	Dividend income recognized during the period	Accumulative gains accrued to other comprehensive income	Accumulative losses accrued to other comprehensive income	Reasons designated as being measured at fair value through other comprehensive income
		Additional investment	Reduced investment	Gains accrued to other comprehensive income in the current period	Loss accrued to other comprehensive income in the current period	Others					
CNOOC Finance Co., Ltd.	7,067.14						7,067.14				
Total	7,067.14						7,067.14				/

(2) Derecognition in this period

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

18. Other non-current financial assets

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

19. Investment properties

Measurement mode of investment properties

(1) Investment properties measured at cost

□ Applicable √ Not applicable

(2) Investment properties without a certificate of title

□ Applicable √ Not applicable

(3) Impairment test of investment properties measured by cost

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

20. Fixed assets

Presentation

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Fixed assets	1,243,187.65	1,280,833.37
Liquidation of fixed assets	1,499.20	924.74
Total	1,244,686.85	1,281,758.11

Other notes:

□ Applicable √ Not applicable

Fixed assets

(1) Fixed assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Buildings and constructions	Machinery equipment	Means of transportation	Electronic equipment	Office facilities	Total
I. Total original book value:						
1. Beginning balance	874,625.60	488,543.01	1,291,290.53	14,050.63	25,948.04	2,694,457.81
2. Increase in this period	29,652.28	42,364.24	492.34	1,485.07	2,561.30	76,555.23
(1) Purchase	3.72	20,744.97	96.66	1,244.38	2,558.45	24,648.18
(2) Transfer from construction in process	29,648.56	21,619.57		240.31	15.37	51,523.81
(3) Translation of foreign currency financial statements		-0.30	395.68	0.38	-12.52	383.24
3. Decrease in this period	340.06	14,179.47	1,252.33	2,386.24	1,511.45	19,669.55
(1) Scrap	23.06	13,074.39	1,042.93	2,386.24	1,181.21	17,707.83

Item	Buildings and constructions	Machinery equipment	Means of transportation	Electronic equipment	Office facilities	Total
(2) Disposal		168.00	209.40			377.40
(3) Other decreases	317.00	937.08			330.24	1,584.32
4. Ending balance	903,937.82	516,727.78	1,290,530.54	13,149.46	26,997.89	2,751,343.49
II. Accumulated depreciation						
1. Beginning balance	300,694.58	329,632.97	709,153.87	9,966.30	17,037.01	1,366,484.73
2. Increase in this period	29,340.88	23,870.25	54,106.01	1,938.37	2,844.98	112,100.49
(1) Provision	29,340.88	23,870.24	53,738.24	1,938.03	2,857.03	111,744.42
(2) Translation of foreign currency financial statements		0.01	367.77	0.34	-12.05	356.07
3. Decrease in this period	286.86	12,566.45	1,127.10	2,220.81	1,251.03	17,452.25
(1) Scrap	1.56	11,661.79	938.64	2,220.81	1,179.48	16,002.28
(2) Disposal		151.20	188.46			339.66
(3) Other decreases	285.30	753.46			71.55	1,110.31
4. Ending balance	329,748.60	340,936.77	762,132.78	9,683.86	18,630.96	1,461,132.97
III. Provision for impairment						
1. Beginning balance	44,971.52	2,168.19				47,139.71
2. Increase in this period						
(1) Provision						
3. Decrease in this period		116.84				116.84
(1) Scrap		116.84				116.84
4. Ending balance	44,971.52	2,051.35				47,022.87
IV. Book value						
1. Book value as at the end of the period	529,217.70	173,739.66	528,397.76	3,465.60	8,366.93	1,243,187.65
2. Book value as at the beginning of the period	528,959.50	156,741.85	582,136.66	4,084.33	8,911.03	1,280,833.37

(2) Temporarily idle fixed assets

□ Applicable √ Not applicable

(3) Fixed assets leased out through operating lease

□ Applicable √ Not applicable

(4) Fixed assets without a certificate of title

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Book value	Reason for failure to properly handle the certificates of title
Houses and buildings	17,594.64	In handling

(5) Impairment test of fixed assets

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Liquidation of fixed assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Buildings and constructions		16.98
Machinery equipment	1,108.70	528.87
Transportation equipment	56.54	134.87
Office facilities	74.03	100.16
Electronic equipment	259.93	143.86
Total	1,499.20	924.74

21. Construction in process

Presentation

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Construction in process	59,330.27	46,651.73
Project materials		
Total	59,330.27	46,651.73

Other notes:

□ Applicable √ Not applicable

Construction in process

(1) Construction in process

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance			Beginning balance		
	Book balance	Provisions for impairment	Book value	Book balance	Provisions for impairment	Book value
Port infrastructure project	24,168.33		24,168.33	24,780.26		24,780.26
Construction of a multifunctional marine engineering vessel	7,183.12		7,183.12	221.22		221.22
#3 Slideway Gantry Crane Purchase Project	4,235.79		4,235.79			
Intelligent monitoring system for deep water pipe laying	2,623.20		2,623.20	894.79		894.79
Site Heavy-duty Slideway Construction Project	2,326.32		2,326.32	69.58		69.58
Site fixed assets investment - equipment, etc.	1,702.48		1,702.48	1,133.66		1,133.66
Large deepwater jacket leveler	1,290.72		1,290.72	1,054.27		1,054.27
High-efficiency deep trenching equipment for subsea pipelines	1,102.10		1,102.10	180.81		180.81
Intelligent robot welding system for reinforcing rings	784.93		784.93	588.05		588.05

Item	Ending balance			Beginning balance		
	Book balance	Provisions for impairment	Book value	Book balance	Provisions for impairment	Book value
Offshore Oil-201 Middle East Regional Adaptability Improvement Project	674.11		674.11			
Intelligent welding equipment system for T/K/Y pipe nodes	619.14		619.14	454.78		454.78
Intelligent welding equipment for block node robots	605.51		605.51	472.88		472.88
Ultra-deepwater piling hammer				5,536.13		5,536.13
226 Marine wind turbine booster system project				778.77		778.77
#3 Slipway extension				2,436.43		2,436.43
Other projects	12,014.52		12,014.52	8,050.10		8,050.10
Total	59,330.27		59,330.27	46,651.73		46,651.73

(2) Changes in significant construction in process in the current period

√ Applicable □ Not applicable

Unit: RMB'0,000

Project name	Budget	Beginning Balance	Increase in this period	Transfer into fixed assets in this period	Other decreases in this period	Ending Balance	Proportion of accumulated project investment in budget (%)	Progress of construction (%)	Accumulated capitalization amount of interest	Including: Capitalized amount of interest in this period	Capitalization rate of interest in this period (%)	Capital source
Port infrastructure project	246,501.30	24,780.26	30,637.42	30,744.60	504.76	24,168.32	88.25	98.00				Self-financing
Multi-functional marine engineering vessel	48,859.25	221.22	6,961.90			7,183.12	14.70	22.59				Self-financing
#3 Slideway Gantry Crane Purchase Project	14,977.31		4,235.79			4,235.79	28.00	35.00				Self-financing
Intelligent monitoring system for deep water pipe laying	2,926.00	894.79	1,728.41			2,623.20	89.65	82.50				Self-financing
Site Heavy-duty Slideway Construction Project	12,644.93	69.58	2,256.74			2,326.32	18.00	25.00				Self-financing
Site fixed assets investment - equipment, etc.	12,495.49	1,133.66	7,207.62	6,638.80		1,702.48	66.00	95.00				Self-financing
Large deepwater jacket leveler	1,479.00	1,054.27	236.45			1,290.72	87.27	93.65				Self-financing
High-efficiency deep trenching equipment for subsea pipelines	1,326.00	180.81	921.29			1,102.10	83.11	88.50				Self-financing
Intelligent robot welding system for reinforcing rings	830.00	588.05	196.88			784.93	94.57	98.00				Self-financing
Offshore Oil-201 Middle East Regional Adaptability Improvement Project	873.21		674.11			674.11	77.20	82.28				Self-financing
Intelligent welding equipment system for T/K/Y pipe nodes	851.46	454.78	164.35			619.13	73.00	73.00				Self-financing

Project name	Budget	Beginning Balance	Increase in this period	Transfer into fixed assets in this period	Other decreases in this period	Ending Balance	Proportion of accumulated project investment in budget (%)	Progress of construction (%)	Accumulated capitalization amount of interest	Including: Capitalized amount of interest in this period	Capitalization rate of interest in this period (%)	Capital source
Intelligent welding equipment for block node robots	641.92	472.88	132.63			605.51	94.33	90.00				Self-financing
Ultra-deepwater piling hammer	6,262.00	5,536.13	400.09	5,936.22			94.80	100.00				A combination of self-financing and government compensation
226 Marine wind turbine booster system project	862.00	778.77		778.77			90.34	100.00				Self-financing
#3 Slipway extension	3,142.90	2,436.43		2,355.40	81.03		90.00	100.00				Self-financing
Total	354,672.77	38,601.63	55,753.68	46,453.79	585.79	47,315.73	/	/			/	/

(3) Provision for impairment of construction in process in the current period

□ Applicable √ Not applicable

(4) Impairment test of construction in process

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Project materials

(1) Project materials

□ Applicable √ Not applicable

22. Productive biological assets

(1) Productive biological assets measured at cost

□ Applicable √ Not applicable

(2) Impairment test of productive biological assets measured at cost

□ Applicable √ Not applicable

(3) Productive biological assets measured at fair value

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

23. Oil and gas assets

(1) Oil and gas assets

□ Applicable √ Not applicable

(2) Impairment test of oil and gas assets

□ Applicable √ Not applicable

24. Right-of-use assets

(1) Right-of-use assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Land	Buildings and constructions	Means of transportation	Machinery equipment	Total
I. Total original book value					
1. Beginning balance	6,011.47	15,426.23		164.58	21,602.28
2. Increase in this period		7,349.65	90,863.56	129.88	98,343.09
(1) New contract		6,033.97	90,863.56	129.88	97,027.41
(2) Contract change		1,326.97			1,326.97
(3) Translation of foreign currency financial statements		-11.29			-11.29
3. Decrease in this period		2,223.91			2,223.91
(1) Transfer-out upon maturity		970.07			970.07
(2) Contract change		224.76			224.76
(3) Termination of contract		1,029.08			1,029.08
4. Ending balance	6,011.47	20,551.97	90,863.56	294.46	117,721.46
II. Accumulated depreciation					
1. Beginning balance	4,971.53	4,405.56		126.06	9,503.15
2. Increase in this period	389.98	7,518.93	15,992.72	81.81	23,983.44
(1) Provision	389.98	6,741.66	15,992.72	81.81	23,206.17
(2) Contract change		781.13			781.13
(3) Translation of foreign currency financial statements		-3.86			-3.86
3. Decrease in this period		1,520.10			1,520.10
(1) Transfer-out upon maturity		970.07			970.07
(2) Contract change		0.64			0.64
(3) Termination of contract		549.39			549.39
4. Ending balance	5,361.51	10,404.39	15,992.72	207.87	31,966.49
III. Provision for impairment					
1. Beginning balance					
2. Increase in this period					
3. Decrease in this period					
4. Ending balance					
IV. Book value					
1. Book value as at the end of the period	649.96	10,147.58	74,870.84	86.59	85,754.97
2. Book value as at the beginning of the period	1,039.94	11,020.67		38.52	12,099.13

(2) Impairment test of right-of-use assets

□ Applicable √ Not applicable

25. Intangible assets

(1) Intangible assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Land use rights	Patent right	Software	Total
I. Total original book value				
1. Beginning balance	267,148.46	1,530.17	32,378.90	301,057.53
2. Increase in this period			2,778.74	2,778.74
(1) Purchase			895.51	895.51
(2) Self-developed			1,629.90	1,629.90
(3) Co-developed			253.57	253.57
(4) Translation of foreign currency financial statements			-0.50	-0.50
(5) Others			0.26	0.26
3. Decrease in this period	0.26		5,183.10	5,183.36
(1) Expiration and derecognition			5,183.10	5,183.10
(2) Others	0.26			0.26
4. Ending balance	267,148.20	1,530.17	29,974.54	298,652.91
II. Accumulated accumulation				
1. Beginning balance	53,749.48	270.03	23,457.86	77,477.37
2. Increase in this period	5,776.21	270.03	3,100.59	9,146.83
(1) Provision	5,776.21	270.03	3,100.36	9,146.60
(2) Translation of foreign currency financial statements			-0.03	-0.03
(3) Others			0.26	0.26
3. Decrease in this period	0.26		5,182.62	5,182.88
(1) Expiration and derecognition			5,182.65	5,182.65
(2) Translation of foreign currency financial statements			-0.03	-0.03
(3) Others	0.26			0.26
4. Ending balance	59,525.43	540.06	21,375.83	81,441.32
III. Provision for impairment				
1. Beginning balance				
2. Increase in this period				
3. Decrease in this period				
4. Ending balance				
IV. Book value				
1. Book value as at the end of the period	207,622.77	990.11	8,598.71	217,211.59
2. Book value as at the beginning of the period	213,398.98	1,260.14	8,921.04	223,580.16

(2) Data resources recognized as intangible assets

□ Applicable √ Not applicable

(3) Land use right without a certificate of title

□ Applicable √ Not applicable

(4) Impairment testing of intangible assets

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

26. Goodwill

(1) Original book value of goodwill

□ Applicable √ Not applicable

(2) Impairment provision of goodwill

□ Applicable √ Not applicable

(3) Asset group or asset group portfolio the goodwill belongs to

□ Applicable √ Not applicable

Changes in asset group or asset group combination

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(4) Specific recognition method of recoverable amount

The recoverable amount is determined at the net amount of the fair value minus the disposal expenses

□ Applicable √ Not applicable

The recoverable amount is determined based on the present value of the estimated future cash flows

□ Applicable √ Not applicable

Reasons for the obvious inconsistency between the above information and the information used in previous impairment test or external information

□ Applicable √ Not applicable

Reasons for the difference between the information used in the impairment test of the Company in previous years and the actual situation of the current year

□ Applicable √ Not applicable

(5) Performance commitments and corresponding goodwill impairment

There is a performance commitment when the goodwill is formed and the reporting period or the previous period of the reporting period is within the performance commitment period

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

27. Long-term deferred expenses

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period	Amount amortized in this period	Other decreases	Ending balance
Car parking space usage fees	5,405.26		185.33		5,219.93
Ship docking repair fees	7,786.34	1,819.03	3,546.77		6,058.60
Dredging of terminal waters	6,401.09		834.92		5,566.17
Insurance premiums	4,144.65	4,453.78	5,886.67		2,711.76
Improvement expenses of operating leased-in fixed assets		2,753.75	299.37		2,454.38
Software usage fee	253.02		95.42		157.60
Total	23,990.36	9,026.56	10,848.48		22,168.44

28. Deferred tax assets/deferred income tax liabilities

(1) Deferred tax assets without offset

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance		Beginning balance	
	Deductible temporary differences	Deferred income tax assets	Deductible temporary differences	Deferred income tax assets
Provision for asset impairment	23,781.52	3,564.39	23,960.92	3,653.10
Deductible loss	22,501.42	5,625.35	29,276.04	7,319.01
Estimated liabilities	47,669.17	7,157.07	28,015.72	4,244.42
Costs not invoiced are pending	201,367.63	30,315.52	167,813.73	25,172.07
Right-of-use assets/lease liabilities	96,916.50	14,626.08	10,163.06	1,551.69
Unrealized profit or loss of internal transactions	5,667.66	850.15	8,777.40	1,316.61
Deferred income	16,733.23	2,509.98	17,707.76	2,656.16
Total	414,637.13	64,648.54	285,714.63	45,913.06

(2) Deferred tax liabilities without offset

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance		Beginning balance	
	Taxable temporary differences	Deferred tax Liabilities	Taxable temporary differences	Deferred tax Liabilities
Accrued interest on debt investments	8,829.19	1,324.38	9,128.81	1,369.32
Asset evaluation increment from business combination not under common control	14,704.39	3,676.10	15,543.99	3,886.00
Depreciation, depletion and amortization of assets	20,929.72	3,139.46	21,196.54	3,179.48
Right-of-use assets/lease liabilities	82,981.82	12,526.79	10,006.57	1,523.24
Changes in fair value of financial assets held for trading	10,697.32	1,604.60	12,523.59	1,878.54
Total	138,142.44	22,271.33	68,399.50	11,836.58

(3) Deferred tax assets or liabilities listed net amount after write-offs

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Deduction amount of deferred tax assets and liabilities at the end of the period	Ending balance of deferred tax assets or liabilities after write-off	Deduction amount of deferred tax assets and liabilities from the beginning of the period	Beginning balance of deferred tax assets or liabilities after write-off
Deferred income tax assets	18,573.95	46,074.59	7,950.58	37,962.48
Deferred income tax liabilities	18,573.95	3,697.37	7,950.58	3,886.00

(4) Unrecognized deferred tax assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Deductible temporary differences	59,191.56	63,627.36
Deductible loss	35,315.15	99,003.74
Total	94,506.71	162,631.10

(5) Deductible losses from unrecognized deferred tax assets will be expired in the following years

√ Applicable □ Not applicable

Unit: RMB'0,000

Year	Ending amount	Beginning amount	Remark
2024		41,187.17	
2025	14,093.30	18,115.93	
2026	15,199.69	25,888.42	
2027	6,022.16	13,812.22	
Indefinitely			
Total	35,315.15	99,003.74	/

Other notes:

□ Applicable √ Not applicable

29. Other non-current assets

□ Applicable √ Not applicable

30. Assets with restricted ownership or use right

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending				Beginning			
	Book balance	Book value	Restricted type	Restricted condition	Book balance	Book value	Restricted Type	Restricted Status
Monetary funds	10,731.20	10,731.20	Frozen	Frozen	8,942.06	8,942.06	Frozen	Frozen
Total	10,731.20	10,731.20	/	/	8,942.06	8,942.06	/	/

31. Short-term borrowings

(1) Classification

□ Applicable √ Not applicable

(2) Unpaid short-term borrowings in maturity

□ Applicable √ Not applicable

Overdue and outstanding short-term borrowings:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

32. Financial liabilities held for trading

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

33. Derivative financial liabilities

□ Applicable √ Not applicable

34. Notes payable

(1) Presentation of notes payable

Unit: RMB'0,000

Category	Ending balance	Beginning balance
Commercial acceptance bills		
Bank acceptance bills	11,560.20	41,185.44
Total	11,560.20	41,185.44

35. Accounts payable

(1) Presentation of accounts payable

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Within 1 year	1,294,142.14	1,173,086.75
1-2 years	5,902.82	21,601.41
2-3 years	8,766.56	10,902.79
Over 3 years	5,651.03	6,099.51
Total	1,314,462.55	1,211,690.46

(2) Significant accounts payable aged over one year or overdue

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Reason for no settlement or carrying-forward
MARINE PLATFORMS LIMITED	4,484.19	Not finished yet
Tianjin Huali Thermal Insulation Building Material Co. Ltd.	1,158.99	Not finished yet
EPIC International FZN	1,126.33	Not finished yet
Total	6,769.51	/

Other notes:

□ Applicable √ Not applicable

36. Advances from customers

(1) Presentation of advances from customers

□ Applicable √ Not applicable

(2) Significant advances from customers aged over one year

□ Applicable √ Not applicable

(3) Amount and reasons for significant changes in book value during the reporting period

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

37. Contract liabilities

(1) Contract liabilities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Engineering services	231,016.33	99,114.26
Product sales	794.73	1,526.80
Total	231,811.06	100,641.06

(2) Significant contract liabilities aged over one year

□ Applicable √ Not applicable

(3) Amount and reasons for significant changes in book value during the reporting period

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

38. Employee compensation payable

(1) Presentation of employee compensation payable

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period	Decrease in this period	Ending balance
I. Short-term compensation	50,031.11	375,212.74	374,056.64	51,187.21
II. Post-employment benefits-defined contribution plans	3,119.10	55,502.27	55,193.22	3,428.15
III. Dismissal welfare	81.82	136.41	149.06	69.17
IV. Other benefits maturing within one year				
Total	53,232.03	430,851.42	429,398.92	54,684.53

(2) Presentation of short-term compensation

√ Applicable □ Not applicable

Unit: RMB 10,000

Item	Beginning balance	Increase in this period	Decrease in this period	Ending balance
I. Salary, bonus, allowance and subsidy	38,431.29	293,056.45	293,527.84	37,959.90
II. Employee welfare fees		16,357.36	16,357.36	-
III. Social insurance premiums	0.04	21,870.19	21,781.98	88.25
Including: medical insurance premium and maternity insurance premium	0.04	20,336.24	20,255.13	81.15
Work-related injury insurance premiums		1,533.95	1,526.85	7.10
Others				
IV. Housing fund	127.23	28,384.21	28,511.44	
V. Labor union expenditures and employee education expenses	11,472.55	10,137.40	8,470.89	13,139.06
VI. Short-term compensated absences				
VII. Short-term profit sharing plan				
VIII. Others		5,407.13	5,407.13	
Total	50,031.11	375,212.74	374,056.64	51,187.21

(3) Presentation of defined contribution plans

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period	Decrease in this period	Ending balance
1. Basic endowment insurance premiums	0.10	36,386.89	36,097.20	289.79
2. Unemployment insurance premiums		1,370.17	1,350.81	19.36
3. Enterprise annuity payment	3,119.00	17,745.21	17,745.21	3,119.00
Total	3,119.10	55,502.27	55,193.22	3,428.15

Other notes:

□ Applicable √ Not applicable

39. Taxes and surcharges payable

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Value added tax (VAT)	1,012.96	1,655.73
Enterprise income tax	44,031.97	29,387.86
Individual income tax	7,674.74	3,860.00
Property taxes	320.06	1,856.31
Urban maintenance and construction costs	257.18	11.57
Stamp tax	438.00	501.84
Land use taxes	139.56	344.99
Educational surtax (including local educational surtax)	183.70	8.63
Other taxes	1,214.35	509.55
Total	55,272.52	38,136.48

40. Other payables

(1) Presentation of items

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Interest payable		
Dividends payable		
Other payables	65,701.56	60,687.03
Total	65,701.56	60,687.03

Other notes:

□ Applicable √ Not applicable

(2) Interest payable

Presentation by classification

□ Applicable √ Not applicable

Significant overdue interest payable:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(3) Dividends payable

Presentation by classification

□ Applicable √ Not applicable

(4) Other payables

Other payables by nature

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Guarantee and margin payable	55,030.05	39,428.92
Temporary receipts	1,184.52	141.27
Consumption tax rebate		12,507.96
Employee reimbursement and others	9,486.99	8,608.88
Total	65,701.56	60,687.03

Other significant payables aged over one year or overdue

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Reason for no settlement or carrying-forward
Tianjin Xingyuan Petrochemical Engineering Co., Ltd.	1,113.12	Quality bond
Total	1,113.12	/

Other notes:

□ Applicable √ Not applicable

41. Liabilities held for sale

□ Applicable √ Not applicable

42. Non-current liabilities maturing within one year

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Long-term borrowings maturing within one year	9,000.27	
Lease liabilities maturing within one year	39,389.77	5,367.52
Estimated liabilities maturing within one year	2,140.55	690.23
Total	50,530.59	6,057.75

43. Other current liabilities

Other current liabilities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Output tax to be carried forward	55,096.90	51,937.78
Estimated liabilities - quality deposit	3,358.83	1,966.11
Total	58,455.73	53,903.89

Increases or decreases in short-term bonds payable:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

44. Long-term borrowings

(1) Classification

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Pledged loan		
Mortgage loan		
Guaranteed borrowings		
Fiduciary loans	13,000.40	22,000.67
Total	13,000.40	22,000.67

Other notes:

√ Applicable □ Not applicable

The Company signed a tripartite entrusted loan contract with China National Offshore Oil Corporation and CNOOC Finance Co., Ltd. According to the contract, China National Offshore Oil Corporation would entrust CNOOC Finance Co., Ltd. to lend RMB 220 million to the Company, and the balance at the end of the year included an interest payable of RMB 6,700. The loan funds are all used for the construction of the National Oil and Gas Pipeline Emergency Rescue South China Sea Base Project, of which the loan period of RMB 90 million is from May 2022 to May 2025, and the annual interest rate of the loan is 0.1%; the loan period of RMB 130 million is from June 2023 to June 2026, and the annual interest rate of the loan is 0.1%;

45. Bonds payable

(1) Bonds payable

□ Applicable √ Not applicable

(2) Details of bonds payable: (excluding preferred shares, perpetual bond and other financial instruments classified as financial liabilities)

□ Applicable √ Not applicable

(3) Notes to convertible corporate bonds

□ Applicable √ Not applicable

Accounting treatment and judgment basis for equity conversion

□ Applicable √ Not applicable

(4) Other financial instruments classified as financial liabilities

Basic information on preferred shares, perpetual bond and other financial instruments issued at the end of the period

□ Applicable √ Not applicable

Changes in preferred shares, perpetual bond and other financial instruments issued at the end of the period

□ Applicable √ Not applicable

Basis for classifying other financial instruments as financial liabilities

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

46. Lease liabilities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Land	765.17	1,162.09
Site and constructions	9,875.65	10,891.85
Ship	88,394.21	
Machinery equipment	6.28	
Less: Lease liabilities maturing within one year	39,389.77	5,367.52
Total	59,651.54	6,686.42

47. Long-term payables

Presentation

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Long-term payables

(1) Presentation by nature of payment

□ Applicable √ Not applicable

Special payables

(1) Presentation of special payables by nature of payment

□ Applicable √ Not applicable

48. Long-term employee compensation payable

□ Applicable √ Not applicable

49. Estimated liabilities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance	Formation causes
Pending litigation	1,370.86		Note 1
Product quality guarantee	11,097.77	1,519.50	Note 2
Loss-making contracts to be executed	47,517.33	29,996.40	Note 3
Total	59,985.96	31,515.90	/

Note 1: For details of "estimated liabilities - pending litigation", please see "Note XIV. Commitments and Contingencies".

Note 2: According to the requirements of the Accounting Standards for Business Enterprises No.14-Revenue and the Accounting Standards for Business Enterprises No.13-Contingencies, quality assurance is to assure customers that the goods sold meet the established standards. If the obligations arising from this quality assurance clause meet the relevant conditions, the estimated liabilities shall be confirmed for quality assurance.

Note 3: According to the requirements of the Accounting Standards for Business Enterprises No.14-Revenue and the Accounting Standards for Business Enterprises No.13-Contingencies, if the contract to be executed becomes a loss-making one, and the obligations generated by the loss-making contract meet the relevant conditions, the estimated liabilities shall be confirmed to the loss-making contract. The closing balance of RMB 475.1733 million is the projected loss to be incurred for the remaining, uncompleted work to be recognized based on the performance progress for projects where the total projected cost of the contract exceeds the total contract revenue.

50. Deferred income

Deferred income

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period	Decrease in this period	Ending balance	Formation causes
Government grants	17,707.76	9,679.87	10,631.16	16,756.47	Government grants
Total	17,707.76	9,679.87	10,631.16	16,756.47	/

Other notes:

√ Applicable □ Not applicable

Liabilities	Balance as at the end of last year	New grants in the current period	Amounts included in other income in the current period	Other changes	Ending balance	Related to assets/related to income
Appropriation for scientific research projects	734.92		301.41		433.51	Related to assets
Appropriation for special equipment assets	792.50		110.00		682.50	Related to assets
Tax refund	308.88		35.30		273.58	Related to assets
Government-supported funds		5.00			5.00	Related to assets
Return of supporting land	4,550.42		136.51		4,413.91	Related to assets
Recycling and transformation funds		18.24			18.24	Related to assets
National scientific research projects, etc.	11,321.04	9,656.63	4,968.19	-5,079.75	10,929.73	Related to income
Total	17,707.76	9,679.87	5,551.41	-5,079.75	16,756.47	

51. Other non-current liabilities

□ Applicable √ Not applicable

52. Share capital

√ Applicable □ Not applicable

Unit: RMB'0,000

	Beginning balance	Increase/decrease (+, -)					Ending balance
		Issuance New shares	Share donation	Provident fund Transfer of shares	Others	Sub-total	
Total shares	442,135.48						442,135.48

53. Other equity instruments

(1) Preferred shares, perpetual bond and other financial instruments issued at the end of the period

□ Applicable √ Not applicable

(2) Changes in preferred shares, perpetual bond and other financial instruments issued at the end of the period

□ Applicable √ Not applicable

Increase or decrease in other equity instruments in the current period, explanation of the reasons for the changes, and the basis for relevant accounting treatment:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

54. Capital reserve

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period	Decrease in this period	Ending balance
Capital premium (share premium)	422,970.20			422,970.20
Other capital reserves	1,831.97			1,831.97
Total	424,802.17			424,802.17

55. Treasury shares

□ Applicable √ Not applicable

56. Other comprehensive income

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning Balance	Amount in the current period						Ending Balance
		Amount before income tax in the current period	Less: the amount included in other comprehensive income in prior period and transferred to current profit or loss	Less: retained earning included in other comprehensive income in prior periods and transferred to current profit or loss	Less: income tax expenses	Attributable to parent company after tax	Attributable to minority shareholders after tax	
I. Other comprehensive income that cannot be reclassified into profit or loss								
Including: changes in re-measurement of defined benefit plans								
Other comprehensive income that cannot be transferred to profit or loss under the equity method								
Changes in fair value of investments in other equity instruments								

Item	Beginning Balance	Amount in the current period						Ending Balance
		Amount before income tax in the current period	Less: the amount included in other comprehensive income in prior period and transferred to current profit or loss	Less: retained earning included in other comprehensive income in prior periods and transferred to current profit or loss	Less: income tax expenses	Attributable to parent company after tax	Attributable to minority shareholders after tax	
Changes in the fair value of the enterprise's own credit risk								
II. Other comprehensive income to be reclassified into profit or loss later	-3,547.76	-1,985.23				-1,985.23		-5,532.99
Including: other comprehensive income that can be transferred to profit or loss under the equity method								
Changes in the fair value of other debt investments								
Amount of financial assets reclassified into other comprehensive income								
Provision for credit impairment of other debt investments								
Reserve for cash flow hedges								
Foreign currency translation differences	-3,547.76	-1,985.23				-1,985.23		-5,532.99
Total of other comprehensive income	-3,547.76	-1,985.23				-1,985.23		-5,532.99

57. Special reserve

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period	Decrease in this period	Ending balance
Work safety expenses	13,399.54	44,085.70	46,053.56	11,431.68
Total	13,399.54	44,085.70	46,053.56	11,431.68

58. Surplus reserve

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period	Decrease in this period	Ending balance
Statutory surplus reserve	198,066.24	23,429.23		221,495.47
Discretionary surplus reserve	8,914.59			8,914.59
Total	206,980.83	23,429.23		230,410.06

59. Undistributed profit

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Current period	Previous period
Retained earnings as at the end of the previous period before the adjustment	1,395,689.11	1,291,071.58
Total adjusted opening undistributed profits (increase is indicated by "+" and decrease is indicated by "-")		
Undistributed profits at the beginning of the period after adjustment	1,395,689.11	1,291,071.58
Plus: Net profit attributable to owners of the parent company in this period	216,139.66	162,050.63
Less: Withdrawal of statutory surplus reserves	23,429.23	13,219.55
Withdrawal of discretionary surplus reserves		
Withdrawal of general risk reserves		
Common share dividends payable	64,993.91	44,213.55
Common share dividends transferred to share capital		
Others		
Undistributed profits as at the end of the period	1,523,405.63	1,395,689.11

60. Operating revenue and operating cost

(1) Operating revenue and operating cost

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	2,984,421.37	2,618,875.04	3,063,252.88	2,739,304.33
Other business	11,020.22	8,605.18	11,950.87	5,321.86
Total	2,995,441.59	2,627,480.22	3,075,203.75	2,744,626.19

Main business income by products:

Item	Current period	Prior period
Revenue from marine engineering general contracting projects	2,166,727.94	1,925,897.43
Revenue from marine engineering non-general contracting projects	539,244.35	324,378.58
Including: Offshore installation and sea pipe laying income	152,713.69	242,992.46
Maintenance income	34,864.99	55,232.63
Land-based construction revenue	327,497.72	31.52
Revenues from design	24,167.95	26,121.97
Revenue from non-marine engineering projects	278,449.08	812,976.87
Total	2,984,421.37	3,063,252.88

(2) Breakdown of operating revenue and operating cost

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(3) Performance obligations

□ Applicable √ Not applicable

(4) Allocation to remaining performance obligations

□ Applicable √ Not applicable

(5) Major contract change or major transaction price adjustment

□ Applicable √ Not applicable

61. Taxes and surcharges

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Urban maintenance and construction tax	3,699.39	3,863.38
Property taxes	4,550.92	4,489.73
Land use taxes	817.93	817.35
Education surcharge	1,793.45	1,663.85
Local education surcharges	1,196.15	1,109.24
Stamp tax	1,789.17	2,141.49
Vehicle and vessel tax	77.86	68.10
Others	27.32	59.81
Total	13,952.19	14,212.95

62. Selling expenses

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Employee salary	1,657.07	1,155.44
Publicity and exhibition expenses	433.89	130.09
Traveling expenses	295.07	157.08
Amortization of long-term deferred expenses		56.16
Low-value consumables	0.87	0.34
Depreciation and amortization of intangible assets	44.69	68.21
Office and utilities communication fees	30.32	373.02
Rental	11.12	2.67
Consulting fee	398.70	0.06
Outsourcing service fee	416.45	28.76
Others	155.66	90.82
Total	3,443.84	2,062.65

63. Administrative expenses

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Employee salary	21,330.64	20,094.34
Depreciation and amortization of intangible assets	3,484.58	3,161.68
Audit and consulting fees	1,992.45	1,739.19
Rental	329.82	171.19
Property management fees and greening fees	1,004.68	1,077.15
Traveling expenses	901.27	857.73
Operation and maintenance cost of information system	613.64	189.70
Transportation expenses	327.72	280.51
Office and utilities communication fees	396.60	380.43
Low-value consumables	143.30	59.83
Outsourcing service fee	1,296.05	1,433.15
Caucus association fees	466.00	1,002.93
Legal fare	441.33	544.51
Administrative charges	1,479.94	552.91
Publicity expenses	936.10	456.18
Others	915.60	261.05
Total	36,059.72	32,262.48

64. Research and development expenses

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Employee salary	39,648.59	24,859.32
Vessel service fee	35,074.00	20,191.90
Material consumption cost	24,161.23	31,277.92
Outsourced research and development expenses	9,847.57	29,058.80
Manufacturing expenses	2,190.05	6,984.05
Technical service fee	1,852.67	993.13
Traveling expenses	847.55	752.60
Others	9,112.07	4,510.62
Total	122,733.73	118,628.34

65. Financial expenses

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Interest expenses	1,984.19	1,109.03
Including: Interest expense on lease liabilities	1,961.83	299.40
Less: interest income	12,457.09	5,931.66

Item	Amount in the current period	Amount in the previous period
Profit or loss on exchange	-6,236.12	-2,901.92
Others	2,104.60	2,053.97
Total	-14,604.42	-5,670.58

66. Other income

√ Applicable □ Not applicable

Unit: RMB'0,000

Classification by nature	Amount in the current period	Amount in the previous period
Government grants	5,551.41	7,462.38
Consumption tax rebate	23,290.23	
Refund of handling charges related to individual income tax	194.07	147.14
Allowance of input tax	128.15	412.75
Others	72.05	6.69
Total	29,235.91	8,028.96

Government grants included in other income

Grants	Current period	Prior period	Related to assets/related to income
Appropriation for scientific research projects	301.41	301.41	Related to assets
Appropriation for special equipment assets	110.00	195.00	Related to assets
Tax refund	35.30	35.30	Related to assets
Return of supporting land	136.51	136.51	Related to assets
Appropriation for scientific research projects	811.23	182.80	Related to income
National scientific research projects	3,096.44	2,426.58	Related to income
Government-supported funds		749.35	Related to income
Financial incentives	48.36		Related to income
Others	1,012.16	3,435.43	Related to income
Total	5,551.41	7,462.38	

67. Investment income

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Investment income from disposal of long-term equity investments		725.68
Investment income obtained during holding the financial assets held for trading	12,828.98	17,212.87
Interest income in debt investment during the holding period	6,471.61	7,830.99
Interest income from other debt investments during the holding period		462.26
Investment income from disposal of financial assets held for trading	853.85	
Total	20,154.44	26,231.80

68. Net exposure hedging gains

□ Applicable √ Not applicable

69. Gains from changes in fair value

√ Applicable □ Not applicable

Unit: RMB'0,000

Sources of gains from changes in fair value	Amount in the current period	Amount in the previous period
Financial assets held for trading	10,697.32	11,350.75
Total	10,697.32	11,350.75

70. Credit loss

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Losses from bad debts of accounts receivable	-162.07	-19,753.82
Bad debt loss of other receivables	-26.10	
Total	-188.17	-19,753.82

Note: In the above table, losses are filled in with "-" and gains with "+".

71. Losses from asset impairment

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Losses from contract asset impairment	1,233.75	-2,947.50
Losses from inventory depreciation and impairment losses of contract performance cost	-3,870.77	-1,620.31
Total	-2,637.02	-4,567.81

Note: In the above table, losses are filled in with "-" and gains with "+".

72. Income from asset disposal

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Incomes from disposal of fixed assets	0.06	-63.42
Profits from lease contract change	19.62	8.58
Total	19.68	-54.84

73. Non-operating revenue

Non-operating revenue

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period	Amount included in the current non-recurring profit or loss
Net amercement income	507.03	515.42	507.03
Compensation for contract breach	3,128.89	2,075.98	3,128.89
Gains from the damage and scrapping of non-current assets	1.46		1.46
Payables need not be paid	1,341.33	946.20	1,341.33
Insurance claims income	68.01	65.18	68.01
Others	59.59	20.51	59.59
Total	5,106.31	3,623.29	5,106.31

Other notes:

□ Applicable √ Not applicable

74. Non-operating expenses

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period	Amount included in the current non-recurring profit or loss
Donations made	193.50	180.50	193.50
Loss from the damage and scrapping of non-current assets	591.39	873.96	591.39
Liquidated damages and compensation	19.26	57.42	19.26
Others	194.99	1,634.45	194.99
Total	999.14	2,746.33	999.14

75. Income tax expenses

(1) List of income tax expenses

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Income tax expenses for the current period	57,448.32	46,933.38
Deferred tax expenses	-8,312.01	-18,773.52
Total	49,136.31	28,159.86

(2) Accounting profit and income tax expenses adjustment process

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period
Total profits	267,765.64
Income tax expenses calculated at statutory/applicable tax rate	40,164.85
Influence of different tax rates applicable to subsidiaries	2,706.41
Influence of adjustments to the income tax for the prior years	1,508.54
Influence of non-taxable income	-1,896.66
Influence of nondeductible costs, expenses and losses	9,919.60
Influence of deductible losses on the use of preliminarily unrecognized deferred tax assets in previous periods	-111.56
Effect of deductible temporary differences or deductible losses from deferred tax assets unrecognized in the current period	119.03
Others	-3,273.90
Income tax expenses	49,136.31

Other notes:

□ Applicable √ Not applicable

76. Other comprehensive income

√ Applicable □ Not applicable

See Note 57 in this Section

77. Items of statement of cash flows

(1) Cash related to operating activities

Cash from other operating activities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Scientific research and government grants	11,779.04	18,891.78
Insurance claims	6,500.88	4,510.10
Interest income	12,457.09	5,931.66
Reserves, margin and security deposit	5,463.16	5,883.03
Income from waste materials	4,398.45	
Payments and receipts	1,275.14	
Deblocking of funds		3,800.28
Others	2,263.09	420.93
Total	44,136.85	39,437.78

Cash paid for other operating activities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Short-term and low-value lease expenses	4,135.39	7,872.26
Reserves, margin and security deposit	4,059.79	5,760.75
Audit and consulting fees	2,112.00	1,736.60
Handling charges	1,808.88	2,053.97
Traveling expenses	12,357.20	12,893.75
Property management fees and greening fees	1,064.96	897.52
Publicity and advertising expenses	536.10	100.82
Office costs	432.29	355.44
Transportation expenses	327.72	290.74
Increased frozen funds this year	1,789.14	9,788.72
Others	1,692.07	6,328.78
Total	30,315.54	48,079.35

(2) Cash related to investing activities

Cash received from significant investing activities

□ Applicable √ Not applicable

Cash paid for significant investing activities

□ Applicable √ Not applicable

Cash received from other investing activities

□ Applicable √ Not applicable

Cash paid for other investing activities

□ Applicable √ Not applicable

(3) Cash related to financing activities

Cash received from other financing activities

□ Applicable √ Not applicable

Cash paid for other financing activities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Cash paid for lease liabilities	12,546.62	5,483.64
Return of investment funds to minority shareholders		313.31
Total	12,546.62	5,796.95

Changes in various liabilities arising from financing activities

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Beginning balance	Increase in this period		Decrease in this period		Ending balance
		Changes in cash	Non-cash changes	Changes in cash	Non-cash changes	
Dividends payable			64,993.91	64,993.91		
Non-current liabilities maturing within one year - long-term borrowings maturing within one year			9,000.27			9,000.27
Non-current liabilities maturing within one year - lease liabilities maturing within one year	5,367.52		34,022.25			39,389.77
Long-term borrowings	22,000.67		22.37	22.37	9,000.27	13,000.40
Lease liabilities	6,686.42		99,533.99	12,546.62	34,022.25	59,651.54
Total	34,054.61		207,572.79	77,562.90	43,022.52	121,041.98

(4) Notes to cash flow expressed in net amount

□ Applicable √ Not applicable

(5) Significant activities and financial impacts that do not involve current cash receipts and payments, but affect the financial position of the enterprise or may affect the cash flow in the future

□ Applicable √ Not applicable

78. Supplementary information to the statement of cash flows

(1) Supplementary information to the statement of cash flows

√ Applicable □ Not applicable

Unit: RMB'0,000

Supplementary information	Current period	Prior period
1. Net profit adjusted to cash flows from operating activities:		
Net profit	218,629.33	163,033.86
Plus: provision for assets impairment	2,637.02	4,567.81
Credit loss	188.17	19,753.82
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of productive biological assets	111,744.42	119,485.18
Amortization of right-of-use assets	23,206.17	5,648.11
Amortization of intangible assets	9,146.83	8,260.85
Amortization of long-term deferred expenses	10,848.48	9,683.90
Losses from disposal of fixed assets, intangible assets and other long-term assets ("-" for gains)	-19.68	54.84
Losses on write-off of fixed assets ("-" for gains)	589.93	873.96
Losses from changes in fair value ("-" for gains)	-10,697.32	-11,350.75
Financial expenses ("-" for gains)	-4,251.93	-1,792.89

Supplementary information	Current period	Prior period
Investments losses ("-" for gains)	-20,154.44	-26,231.80
Decreases in deferred tax assets ("-" for increases)	-8,112.11	-13,371.55
Increase in deferred tax liabilities ("-" for decreases)	-188.63	-5,443.22
Decreases in inventories ("-" for increases)	18,998.35	34,725.68
Decreases in operating receivables ("-" for increases)	-218,471.66	83,607.04
Increases in operating payables ("-" for decreases)	252,899.79	126,841.77
Others	-1,967.86	-5,854.20
Net cash flows from operating activities	385,024.86	512,492.41
2. Significant investing and financing activities not involving in cash receipts and payments:		
Transfer of debts into capital		
Convertible corporate bonds maturing within one year		
Fixed assets leased from financing		
3. Net change in cash and cash equivalents:		
Ending balance of cash	424,476.33	422,910.15
Less: beginning balance of cash	422,910.15	208,671.98
Plus: ending balance of cash equivalents		
Less: beginning balance of cash equivalents		
Net increase of cash and cash equivalents	1,566.18	214,238.17

(2) Net cash paid for acquisition of subsidiaries in the current period

□ Applicable √ Not applicable

(3) Net cash received for disposal of subsidiaries in this period

□ Applicable √ Not applicable

(4) Composition of cash and cash equivalents

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
I. Cash	424,476.33	422,910.15
Including: cash on hand	1.00	1.00
Unrestricted bank deposits	424,475.33	422,909.15
Other unrestricted monetary funds		
Available-for-payment deposits in the central bank		
II. Cash equivalents		
Including: Bond investment maturing within three months		
III. Ending balance of cash and cash equivalents	424,476.33	422,910.15
Including: cash and cash equivalents with restricted use right by parent company or subsidiaries of the Group		

(5) Limited use but still presented as cash and cash equivalents

□ Applicable √ Not applicable

(6) Monetary funds other than cash and cash equivalents

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Current period	Prior period	Reason
Time deposits of more than three months	170,000.00		Purpose is held to maturity
Frozen funds	10,731.20	8,942.06	Not withdrawn at any time
Interest accrued on fixed time deposits	1,461.85	190.86	Not withdrawn at any time
Interest accrued on deposits of Finance Company	34.84	38.06	Not withdrawn at any time
Total	182,227.89	9,170.98	/

Other notes:

□ Applicable √ Not applicable

79. Notes to items of the statement of changes in owners' equity

Specify the name of the item of "others" adjusted for the ending balance of the previous year, the adjusted amount and other matters:

□ Applicable √ Not applicable

80. Foreign currency monetary items

(1) Foreign currency monetary items

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance of foreign currency	Exchange rate of conversion	Closing converted CNY Balance Balance
Monetary funds	-	-	122,656.93
Including: USD	16,186.38	7.1884	116,354.17
HKD	533.23	0.926	493.77
UAE Dirham	14.21	1.9628	27.89
CAD	1,100.06	5.0498	5,555.08
Qatari Riyal	76.28	1.972	150.42
NGN	711.27	0.0043	3.06
Saudi riyal	27.54	1.9169	52.79
UGX	8,976.88	0.0022	19.75
Accounts receivable	-	-	13,521.83
Including: USD	1,839.32	7.1884	13,221.77
CAD	59.42	5.0498	300.06
Other receivables	-	-	5,754.51
Including: USD	798.01	7.1884	5,736.42
UAE Dirham	9.10	1.9628	17.86
HKD	0.25	0.926	0.23
Accounts payable	-	-	77,482.13
Including: USD	8,506.91	7.1884	61,151.07
UAE Dirham	27.46	1.9628	53.90

Item	Ending balance of foreign currency	Exchange rate of conversion	Closing converted CNY Balance Balance
Brazilian real	80.11	1.195	95.73
HKD	154.68	0.926	143.23
CAD	35.93	5.0498	181.44
Qatari Riyal	389.28	1.972	767.66
Norwegian Krone	14.17	0.6386	9.05
EUR	1.40	7.5257	10.54
Saudi riyal	7,213.32	1.9169	13,827.21
THB	3,137.93	0.2126	667.12
Sterling	63.37	9.0765	575.18
Other payables	-	-	7,351.09
Including: USD	233.98	7.1884	1,681.94
UAE Dirham	7.04	1.9628	13.82
HKD	0.81	0.926	0.75
CAD	1,100.00	5.0498	5,554.78
Qatari Riyal	1.15	1.972	2.27
EUR	12.96	7.5257	999.15

(2) Foreign operating entities, including, for significant foreign operating entities, disclosure of their principal place of business outside of the country, the recording currency and the basis of selection, and disclosure of the reasons for any change in the recording currency

√ Applicable □ Not applicable

Important overseas operational entity	Main premise overseas	Recording currency	Basis for selection
COOEC International Co., Ltd.	Hong Kong	USD	Operating business is mainly denominated and settled in such currencies
COOEC Nigeria Co., Ltd	Nigeria	USD	Operating business is mainly denominated and settled in such currencies
Offshore Oil Engineering Co., Ltd. Nigeria Free Trade Zone Company	Nigeria	USD	Operating business is mainly denominated and settled in such currencies
Offshore Oil Engineering (Canada) Co., Ltd.	Canada	CAD	Operating business is mainly denominated and settled in such currencies
COOEC International Co., Limited Thai Company	Thailand	THB	Operating business is mainly denominated and settled in such currencies
COOEC International Co., Limited Brazilian Company	Brazil	Real	Operating business is mainly denominated and settled in such currencies
Saudi Company of COOEC International Co., Ltd.	Saudi Arabia	USD	Operating business is mainly denominated and settled in such currencies

81. Lease

(1) As a lessee

√ Applicable □ Not applicable

Variable lease payments not included in the measurement of lease liabilities

□ Applicable √ Not applicable

Lease expense of short-term lease or low-value assets with simplified treatment

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in this year	Amount in previous year
Interest expense on lease liability	1,961.83	299.40
Short-term lease expenses charged to the cost of the related assets or to current profit or loss as a simplified treatment	3,763.98	7,872.26
Lease payments for low-value assets included in the cost of the relevant asset or in current profit or loss as a simplified treatment (other than short-term lease payments for low-value assets)	371.41	
Variable lease payments included in relevant asset costs or current profit or loss but not included in the measurement of lease liabilities		
Including: part arising from sale and leaseback transactions		
Revenue from subletting right-of-use assets	13.93	161.95
Total cash outflows related to leases	16,682.01	13,355.89
Related profit or loss from sale and leaseback transactions		
Cash inflows from sale and leaseback transactions		
Cash outflows from sale and leaseback transactions		

After-sales and leaseback transactions and judgment basis

□ Applicable √ Not applicable

(2) As a lessor

Operating lease as lessor

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Lease income	Including: income related to variable lease payments not included in lease receipts
Operating lease income	490.01	
Total	490.01	

Financing lease as lessor

□ Applicable √ Not applicable

Reconciliation of undiscounted lease receipt and net lease investment

□ Applicable √ Not applicable

Undiscounted lease receipt for the next five years

□ Applicable √ Not applicable

(3) Recognition of profit or loss from sales of financing lease as a manufacturer or distributor

□ Applicable √ Not applicable

82. Data resources

□ Applicable √ Not applicable

83. Others

□ Applicable √ Not applicable

VIII. Research and development expenditures

1. Presentation by nature of expenses

□ Applicable √ Not applicable

2. Development expenditures of R&D projects eligible for capitalization

□ Applicable √ Not applicable

Significant capitalized R & D projects

□ Applicable √ Not applicable

Provision for impairment of development expenditures

□ Applicable √ Not applicable

3. Important outsourced projects under research

□ Applicable √ Not applicable

IX. Changes in the scope of consolidation

1. Business combination not under common control

□ Applicable √ Not applicable

2. Business combination under common control

□ Applicable √ Not applicable

3. Counter purchase

□ Applicable √ Not applicable

4. Disposal of subsidiaries

Whether there were any transactions or events during the period in which control over the subsidiary is lost

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Whether there are multiple transactions and step-by-step disposal of the investment in a subsidiary leading the loss of the control right over the subsidiary in the current period

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

5. Changes in consolidation scope due to other reasons

Describe changes in the scope of consolidation due to other reasons (e.g., establishment of new subsidiaries, liquidation of subsidiaries, etc.) and the related situations:

√ Applicable □ Not applicable

To further implement the Company's development strategy in the Middle East and accelerate the materialization and localization of Saudi Company, the Company converted COOEC Saudi Branch into COOEC Saudi Subsidiary in combination with local laws, regulations and policies of Saudi Arabia. On December 22, 2023, the Company held the 2nd meeting of the 8th Board of Directors and reviewed and approved the Proposal on the Conversion of COOEC Saudi Branch to COOEC Saudi Subsidiary, and authorized the Company's management to handle the establishment procedures of the Arabia Subsidiary. On April 15, 2024, the Company completed the establishment procedures of the subsidiary.

6. Others

□ Applicable √ Not applicable

X. Equity in other entities

1. Equity in the subsidiaries

(1) Composition of enterprise groups

√ Applicable □ Not applicable

Unit: RMB'0,000

Name of subsidiaries	Main premise	Registered capital	Registration place	Business nature	Shareholding ratio (%)		Method of acquisition Direct
					Direct	Indirect	
Offshore International Engineering Co., Ltd	Beijing	6,000.00	Beijing	Project contracting	100.00		Establishment
Offshore Oil Engineering (Qingdao) Co., Ltd.	Qingdao	300,000.00	Qingdao	Project contracting	99.00	1.00	Establishment
CNOOC Offshore Engineering Solutions Co., Ltd.	Shenzhen	228,561.47	Shenzhen	Project contracting and labor services	100.00		Establishment
COOEC Nigeria Co., Ltd	Nigeria	54.88	Nigeria	Project contracting	95.00	5.00	Establishment
Offshore Oil Engineering Co., Ltd. Nigeria Free Trade Zone Company	Nigeria	344.03	Nigeria	Project contracting		100.00	Establishment
COOEC International Co., Ltd.	Hong Kong	669.11	Hong Kong	Project contracting	100.00		Establishment
Offshore Oil Engineering (Canada) Co., Ltd.	Canada	2,067.66	Canada	Project contracting and labor services		100.00	Establishment
COOEC International Co., Limited Thai Company	Thailand	283.04	Thailand	Project contracting		100.00	Establishment
COOEC International Co., Limited Brazilian Company	Brazil	314.30	Brazil	Project contracting and labor services		100.00	Establishment
Offshore Oil Engineering (Zhuhai) Co., Ltd.	Zhuhai City	395,000.00	Zhuhai City	Project contracting	100.00		Establishment
COOEC-Fluor Heavy Industries Co., Ltd.	Zhuhai City	657,641.38	Zhuhai City	Project contracting		51.00	Business combination not under common control
Saudi Company of COOEC International Co., Ltd.	Saudi Arabia	9,869.83	Saudi Arabia	Project contracting	100.00		Establishment

(2) Major non-wholly-owned subsidiaries

√ Applicable □ Not applicable

Unit: RMB'0,000

Name of subsidiaries	Shareholding by a minority of shareholders Ratio	Profit or loss attributable to minority shareholders in this period	Dividends declared to be distributed to minority shareholders in this period	Balance of minority equity as at the end of the period
COOEC-Fluor Heavy Industries Co., Ltd.	49.00	2,489.67		200,865.76

Notes to the differences between the shareholding ratios by minority shareholders in subsidiaries and the corresponding voting ratios:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(3) Main financial information of major non-wholly-owned subsidiaries

√ Applicable □ Not applicable

Unit: RMB'0,000

Name of subsidiaries	Ending balance						Beginning balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
COOEC-Fluor Heavy Industries Co., Ltd.	209,736.14	362,340.05	572,076.19	162,940.52	13,633.34	176,573.86	208,368.12	376,573.59	584,941.71	189,596.12	4,924.23	194,520.35

Name of subsidiaries	Amount in the current period				Amount in the previous period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
COOEC-Fluor Heavy Industries Co., Ltd.	227,620.98	5,080.97	5,080.97	-7,603.22	311,865.30	2,421.30	2,421.30	87,288.83

(4) Major restrictions on the use of assets of the Group by subsidiaries and liquidation of debts of the Group

□ Applicable √ Not applicable

(5) Financial support or other supports provided to a structured entity included into the scope of consolidated financial statements

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

2. Transactions leading to changes in the share of owners' equity in subsidiaries and still controlling the subsidiaries

□ Applicable √ Not applicable

3. Equity in joint ventures or associates

□ Applicable √ Not applicable

4. Important joint operation

√ Applicable □ Not applicable

Joint operation name	Main premise	Registration place	Business nature	Shareholding ratio/ share enjoyed (%)	
				Direct	Indirect
COOEC AND CPECC JOINT VENTURE	Uganda	Uganda	Project contracting	50.00	

5. Equity in the structured entities not included in the scope of consolidated financial statements

Related notes to structuring subjects not included in the scope of consolidated financial statements in the current period:

□ Applicable √ Not applicable

6. Others

□ Applicable √ Not applicable

XI. Government grants

1. Government grants not recognized by amounts receivable at the end of the reporting period

□ Applicable √ Not applicable

Reasons for not receiving the expected amounts of government grants at the expected time

□ Applicable √ Not applicable

2. Liability items involving government grants

√ Applicable □ Not applicable

Unit: RMB'0,000

Financial statement items	Beginning balance	New grants in the current period	Amount included in non-operating revenue in the current period	Other income transferred in the current period	Other changes in the current period	Ending balance	Related to assets/ income
Deferred income	6,386.72	23.24		583.22		5,826.74	Related to assets
Deferred income	11,321.04	9,656.63		4,968.19	-5,079.75	10,929.73	Related to income
Total	17,707.76	9,679.87		5,551.41	-5,079.75	16,756.47	/

3. Government grants included in the current profit or loss

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Amount in the current period	Amount in the previous period
Related to assets	583.22	668.22
Related to income	4,968.19	6,794.16
Total	5,551.41	7,462.38

XII. Risk related to financial instruments

1. Risks of financial instruments

√ Applicable □ Not applicable

(1) Risks of financial instruments

The Group's main financial instruments include equity investment, debt investment, borrowings, receivables, accounts payable, etc. See related items in Note V for details of each financial instrument. The Group's objective in risk management is to strike an appropriate balance between risks and returns, minimize the negative impact of risks on the Group's operating results, and maximize the interests of shareholders and other equity investors. Based on this risk management objective, the basic strategy of the Group's risk management is to determine and analyze various risks faced by the Group, establish an appropriate risk tolerance bottom line and carry out risk management, and supervise various risks in a timely and reliable manner to control risks within a limited range.

(2) Market risk

Market risk associated with financial instruments refers to the risk that fair value or future cash flows of financial instruments fluctuate due to variations in market prices, and it includes exchange rate risk, interest rate risk and other price risks.

The Group uses sensitivity analysis techniques to analyze the possible impact of reasonable and possible changes in market risk-related variables on the current profit or loss or shareholders' equity. Since any risk variable rarely changes in isolation, and the correlation between variables will have a significant effect on the final impact amount of the change of a risk variable, the following contents are carried out under the assumption that the change of each variable is independent.

① Exchange rate risk

Exchange rate risk refers to the risk that the fair value or future cash flow of the financial instruments will fluctuate due to fluctuation in foreign exchange rates. The Group's foreign exchange risk is mainly related to US dollars. Except for several subsidiaries of the Group that purchase and sell in US dollars, other major business activities of the Group are denominated and settled in RMB. Exchange rate risk has an impact on the Group's transactions and the performance of overseas operations. As at December 31, 2024, the balance of the Group's foreign currency monetary item refers to Note VII. 81 "Foreign Currency Monetary Item".

The Group closely monitors the impact of fluctuation in exchange rate on the Group's exchange rate risk. Minimise exposure to foreign exchange risk. In addition, the COOEC also signed forward foreign exchange contracts or currency swap contracts to avoid exchange rate risk. During the current and prior periods, the Group did not enter into any forward foreign exchange contracts or currency swap contracts.

As at December 31, 2024, when all other variables remain unchanged, the net profits of COOEC would increase or decrease by RMB 30.8037 (December 31, 2023: RMB 9.3359 million) supposing that RMB to USD appreciates or depreciates by 5%. The management thinks that 5% reflect the reasonable range of the possible changes of RMB to USD in the next year.

② Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flow of the financial instruments will fluctuate due to changes in market interest rates. The Group's interest rate risk arises from interest-bearing debts such as bank borrowings and bonds payable. Financial liabilities with floating interest rates expose the Group to cash flow interest rate risk, and financial liabilities with fixed interest rates expose the Group to fair value interest rate risk. The Group determines the relative proportion of fixed-rate and floating-rate contracts according to the prevailing market environment. As at December 31, 2024, the Group's interest-bearing debts were mainly fixed interest rate contracts denominated in RMB, in an amount of RMB 220 million (end of last year: RMB 220 million).

On December 31, 2024, with other variables unchanged, if the borrowing rate calculated at the floating rate increases or decreases by 100 basis points, the Group's net profit will not change (the net profit on December 31, 2023 will not change). The management believes that 100 base points reasonably reflects the scope of potential changes in the interest rate for the next year.

③ Other price risks

Other price risks refer to the risk that the fair value or future cash flow of financial instruments fluctuates due to market price changes other than exchange rate risks and interest rate risks, whether these changes are caused by factors related to a single financial instrument or its issuer, or by factors related to all similar financial instruments traded in the market. The Group's investments classified as financial assets measured at fair value through current profit or loss and financial assets measured at fair value through other comprehensive income are measured at fair value on the balance sheet date. The Group therefore bears the risk of changes in the market prices of securities. The Group reduces the price risk of equity securities investments by holding multiple equity securities portfolios.

Since the fair value of some financial instruments is determined by a general pricing model or other valuation techniques based on the discounted cash flow method in the future, and the valuation technique itself is based on certain valuation assumptions, the valuation results are highly sensitive to the valuation assumptions.

As at December 31, 2024, when all other variables remain unchanged, a 5% increase or decrease in the value of equity instruments would not affect the net profit and other comprehensive income of the Group (December 31, 2023: not affecting the Group's net profit and other comprehensive income). The management believes that 5% reasonably reflects the scope of potential changes in the equity instruments for the next year.

(3) Credit risk

Credit risk refers to the risk of financial losses incurred by the Group due to the counterparty's failure to perform its contractual obligations.

The Group's credit risk mainly arises from monetary funds, accounts receivable, contract assets, other receivables, debt investments, other debt investments and financial guarantee contracts, as well as debt instrument investments and derivative financial assets measured at fair value through current profit or loss that are not included in the impairment assessment.

The Group's monetary funds are mainly bank deposits deposited in state-owned banks and other large and medium-sized listed banks with good reputation and high credit rating. The Group believes that there is no significant credit risk and there will be almost no major losses caused by bank default.

In addition, for accounts receivable, contract assets and other receivables, the Group has set up relevant policies to control the credit risk exposure. The Group evaluates customers' credit qualifications and sets corresponding credit periods based on their financial conditions, the possibility of obtaining guarantees from third parties, credit records and other factors such as current market conditions. The Group monitors the customers' credit records periodically. As for the customers with bad credit records, the Group adopts the methods including requesting a payment in writing or shortening or canceling credit term so as to keep its overall credit risks within a controllable scope.

(4) Liquidity risk

Liquidity risk refers to a risk that an enterprise suffers funds shortage in performing the obligations of settlement in cash or other financial assets.

The Group's policy is to secure sufficient cash to meet its debts as they fall due. Liquidity risk is centrally controlled by the finance department of the Group. The financial department monitors cash balance and readily realizable and marketable securities and makes rolling forecast on cash flows of the next 12 months to ensure that the COOEC has sufficient funds to repay debts in all cases of reasonable prediction. Also continuously monitor the COOEC's compliance with the provisions of the loan agreement to obtain commitments from major financial institutions to provide sufficient standby funds to meet short and long-term funding needs.

Financial liabilities of the Group are presented at undiscounted contractual cash flows on the maturity date as follows:

Unit: RMB'0,000

Item	Ending balance						
	Immediate repayment	Within 1 year	1-2 years	2-5 years	5 years and above	Undiscounted contract amount in total	Book value
Notes payable		11,560.20				11,560.20	11,560.20
Accounts payable		1,314,462.55				1,314,462.55	1,314,462.55
Other payables		65,701.56				65,701.56	65,701.56
Long-term borrowings maturing within one year		9,000.27				9,000.27	9,000.27
Long-term borrowings			13,000.40			13,000.40	13,000.40
Total		1,400,724.58	13,000.40			1,413,724.98	1,413,724.98

Item	Balance as at the end of last year						
	Immediate repayment	Within 1 year	1-2 years	2-5 years	Over 5 years	Undiscounted contract amount in total	Book value
Notes payable		41,185.44				41,185.44	41,185.44
Accounts payable		1,211,690.46				1,211,690.46	1,211,690.46
Other payables		60,687.03				60,687.03	60,687.03
Long-term borrowings maturing within one year							
Long-term borrowings			9,000.67	13,000.00		22,000.67	22,000.67
Total		1,313,562.93	9,000.67	13,000.00		1,335,563.60	1,335,563.60

2. Hedging

(1) The Company carries out hedging business for risk management

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(2) The Company conducts eligible hedging business and applies hedge accounting

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(3) The Company conducts hedging business for risk management, expects to achieve risk management objectives but does not apply hedge accounting

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

3. Transfer of financial assets

(1) Classification of transfer modes

□ Applicable √ Not applicable

(2) Financial assets derecognized due to transfer

□ Applicable √ Not applicable

(3) Transfer of financial assets with continued involvement

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

XIII. Disclosure of fair value

1. Ending fair value of assets and liabilities measured at fair value

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Fair value as at the end of the period			
	Measured at the fair value of the 1st level	Measured at the fair value of the 2nd level	Measured at the fair value of the 3rd level	Total
I. Continuous measurement of fair value				
(I) Financial assets held for trading		1,010,697.32		1,010,697.32
1. Financial assets measured at fair values through current profit or loss		1,010,697.32		1,010,697.32
Structural deposits		1,010,697.32		1,010,697.32
2. Designated financial assets measured at fair value through current profit or loss				
(1) Debt instrument investment				
(2) Equity instrument investment				
(II) Other debt investments				
(III) Investments in other equity instruments			7,067.14	7,067.14
(IV) Investment properties				
1. Use right of leased land				
2. Leased buildings				
3. Land use right held for transfer upon appreciation				
(V) Biological assets				
1. Consumable biological assets				
2. Productive biological assets				
Total assets constantly measured at fair value		1,010,697.32	7,067.14	1,017,764.46
(VI) Financial liabilities held for trading				
1. Financial liabilities measured at fair value through current profit or loss				

Item	Fair value as at the end of the period			
	Measured at the fair value of the 1st level	Measured at the fair value of the 2nd level	Measured at the fair value of the 3rd level	Total
Including: issued bonds held for trading				
Derivative financial liabilities				
Others				
2. Financial liabilities designated to be measured at fair value through current profit or loss				
Total liabilities constantly measured at fair value				
II. Measurement at fair value not on a going concern				
(I) Assets held for trading				
Total amount of assets measured at fair value not on a going concern				
Total amount of liabilities measured at fair value not on a going concern				

2. Basis for recognition of the market price of items measured at fair value of level 1 on a going and non-going concern

□ Applicable √ Not applicable

3. Qualitative and quantitative valuation techniques and important parameters of sustainable and non-sustainable items measured on the basis of fair value of level 2

□ Applicable √ Not applicable

4. Continuous and non-continuous third-level fair value measurement projects, the valuation techniques adopted and the qualitative and quantitative information of important parameters

√ Applicable □ Not applicable

The fair value is determined using level 3 inputs. If the recent information used to determine fair value is insufficient, or the possible estimated amount of fair value is widely distributed, and the cost represents the best estimate of fair value within this range, the cost may represent its appropriate estimates of fair value within this range.

5. The information of adjustment between the beginning and the end of the book value and analysis on the sensitivity of the unobservable parameters of sustainable and non-sustainable items measured on the basis of fair value of tier three

□ Applicable √ Not applicable

6. Continuous measurement items by fair value, reason for conversion among all levels in the current period and policies for determining the time of conversion

□ Applicable √ Not applicable

7. Changes in valuation technique in the current period and reason for change

□ Applicable √ Not applicable

8. Condition of fair value of financial assets and financial liabilities not measured at fair value

□ Applicable √ Not applicable

9. Others

□ Applicable √ Not applicable

XIV. Related parties and related party transactions

1. Parent company

√ Applicable □ Not applicable

Unit: RMB'0,000

Name	Registration place	Business nature	Registered capital	Shareholding ratio in the COOEC (%)	Voting ratio in the COOEC (%)
China National Offshore Oil Corporation	Beijing	Organization of exploration, development and production of offshore oil and natural gas and oil refining; Sales of petroleum and chemical products, etc.	11,380,000.00	55.33	55.33

The ultimate controller of the enterprise is China National Offshore Oil Corporation

2. Subsidiaries

The COOEC's subsidiaries

√ Applicable □ Not applicable

See "Note X. Equity in Other Entities" for details of subsidiaries of the Company.

3. Joint ventures and associates

See the notes for details of the important joint ventures or associates of the Company

√ Applicable □ Not applicable

See "Note X. Equity in Other Entities" for details of the important joint ventures or associates of the Group.

Other joint ventures or associates that have related party transactions with the Group in the current period, or have related party transactions with the Group in the previous period to form a balance, are as follows:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

4. Other related parties

√ Applicable □ Not applicable

Other related parties	Relationship between other related parties with the COOEC
China National Offshore Oil Bohai Company Limited	Wholly-owned subsidiary of the parent company
China National Offshore Oil Nanhai West Company Limited	Wholly-owned subsidiary of the parent company
CNOOC Limited	Holding subsidiary of the parent company
China Oilfield Services Company Limited	Holding subsidiary of the parent company
CNOOC Finance Co., Ltd.	Holding subsidiary of the parent company
China Offshore Oil Nanhai East Corporation	Wholly-owned subsidiary of the parent company
Zhonghai Industry Co., Ltd.	Wholly-owned subsidiary of the parent company
CNOOC Gas & Electricity Group Co., Ltd.	Wholly-owned subsidiary of the parent company
CNOOC Energy Technology & Services Limited	Holding subsidiary of the parent company
CNOOC Refining and Chemical Co., Ltd.	Wholly-owned subsidiary of the parent company
China Ocean Oilfields Services (Hong Kong) Limited	Wholly-owned subsidiary of the parent company
CNOOC Research Institute Co., Ltd.	Wholly-owned subsidiary of the parent company
CNCCC International Bidding Co., Ltd.	Wholly-owned subsidiary of the parent company
China National Offshore Petrochemical Corporation	Holding subsidiary of the parent company
China Offshore Oil Donghai Corporation	Wholly-owned subsidiary of the parent company
China Shipping Petrochemical Import & Export Co., Ltd.	Wholly-owned subsidiary of the parent company

5. Related party transactions

(1) Related party transactions on purchase and sales of goods, rendering and receipt of services

Purchase of goods/receipt of services

√ Applicable □ Not applicable

Unit: RMB'0,000

Related party	Related-party transactions	Amount in the current period	Approved trading quotas (if applicable)	Trading quotas exceeded or not (if applicable)	Amount in the previous period
CNOOC Gas & Electricity Group Co., Ltd.	Project subcontracting services	12,370.98			10,123.91
China Oilfield Services Company Limited	Services such as transportation, ship	3,665.10			4,269.79
China National Offshore Oil Bohai Company Limited	Services such as utilities, employee medical checkups	3,321.71			3,293.36
China National Offshore Oil Corporation	Services such as employee insurance, software usage	2,745.12			2,344.47
CNOOC Research Institute Co., Ltd.	Project subcontracting services	197.17			
CNOOC Insurance Co., Ltd.	Project subcontracting services	77.75			
CNCCC International Bidding Co., Ltd.	Bidding and tendering services	64.90			45.86
China Ocean Oilfields Services (Hong Kong) Limited	Project subcontracting services	4,084.22			752.51
China National Offshore Oil Nanhai West Company Limited	Project subcontracting services	38.68			6.90
China Offshore Oil Donghai Corporation	Project subcontracting services	6.33			4.84
China Offshore Oil Nanhai East Corporation	Project subcontracting services	3.60			44.12
CNOOC Energy Technology & Services Limited	Services such as engineering subcontracting, material procurement, transportation, fuel and property	186,126.15			184,522.77
Zhonghai Industry Co., Ltd.	Property services, engineering subcontracting, fuel and utilities, etc.	1,458.55			1,390.90
CNOOC Refining and Chemical Co., Ltd.	Project subcontracting services	1,028.24			770.90
China National Offshore Petrochemical Corporation	Project subcontracting services	572.86			25.68
CNOOC Limited	Terminal services	267.38			11.64
Joint ventures or associates of other members of the Group to which the COOEC belongs	Project subcontracting services	36,852.05			88,566.20

Sales of goods/ rendering of services

√ Applicable □ Not applicable

Unit: RMB'0,000

Related party	Related-party transactions	Amount in the current period	Amount in the previous period
CNOOC Limited	Engineering services	2,119,490.38	1,993,779.40
CNOOC Gas & Electricity Group Co., Ltd.	Engineering services	100,521.37	121,438.37
CNOOC Energy Technology & Services Limited	Engineering services	33,046.17	33,804.01
China Oilfield Services Company Limited	Engineering services	280.30	628.90
China National Offshore Oil Corporation	Engineering services	56.60	207.55

Related party	Related-party transactions	Amount in the current period	Amount in the previous period
CNOOC Research Institute Co., Ltd.	Engineering services	33.49	50.29
China Ocean Oilfields Services (Hong Kong) Limited	Engineering services	1.45	2.73
China National Offshore Oil Bohai Company Limited	Engineering services		9.75
Zhonghai Industry Co., Ltd.	Engineering services		1.33
Joint ventures or associates of other members of the Group to which the COOEC belongs	Engineering services	77,906.28	29,387.66

Purchase or sale of goods, and rendering or receipt of labor services

□ Applicable √ Not applicable

(2) **Associated entrusted management/contracting and entrusting management/contracting-out**

Entrusted management/contracting of the Group:

□ Applicable √ Not applicable

Custody/contracting of related parties

□ Applicable √ Not applicable

Entrusting management/contracting-out of the Group

□ Applicable √ Not applicable

Information on the related-party management/contracting

□ Applicable √ Not applicable

(3) **Related party leases**

The Group as a lessor:

√ Applicable □ Not applicable

Unit: RMB'0,000

Lessee	Type of leased asset	Lease income recognized in this period	Lease income recognized in previous period
CNOOC Energy Technology & Services Limited	Houses and buildings	19.12	19.07
China Oilfield Services Company Limited	Houses and buildings	13.93	34.46

The Group as a lessee:

√ Applicable □ Not applicable

Unit: RMB'0,000

Lessor	Type of leased asset	Rental costs for short-term leases and low-value asset leases for simplified processing (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Paid rents		Interest expense on lease liabilities assumed		Increase in right-of-use assets	
		Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period
CNOOC Energy Technology & Services Limited	Houses and buildings	35.35				2,321.76		52.75			

Lessor	Type of leased asset	Rental costs for short-term leases and low-value asset leases for simplified processing (if applicable)		Variable lease payments not included in the measurement of lease liabilities (if applicable)		Paid rents		Interest expense on lease liabilities assumed		Increase in right-of-use assets	
		Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period	Amount in the current period	Amount in the previous period
China National Offshore Oil Nanhai West Company Limited	Houses and buildings	8.83	45.53			45.98	6.69	2.85	0.32		19.03
China Offshore Oil Nanhai East Corporation	Houses and buildings					266.18	118.22	10.02	7.97		524.05
Zhonghai Industry Co., Ltd.	Houses and buildings	13.42	221.94			2,696.73	2,014.49	183.77	66.48	337.92	5,106.15
CNOOC Energy Technology & Services Limited	Machinery equipment	29.73	30.53				11.33		0.62		21.82
China National Offshore Oil Bohai Company Limited	Buildings and constructions						41.17		1.04		

Related-party leases

□ Applicable √ Not applicable

(4) Related party guarantees

The Group as a guarantor

□ Applicable √ Not applicable

The Group as the guaranteed party

□ Applicable √ Not applicable

Notes to related party guarantee

√ Applicable □ Not applicable

See "Note XVI. 1. Significant Commitments" for details of the Company's guarantees to subsidiaries

(5) Loans from and to related parties

√ Applicable □ Not applicable

Unit: RMB'0,000

Related party	Amount borrowed	Start date	Maturity date	Notes
Borrowed from				
China National Offshore Oil Corporation	9,000.00	2022/5/1	2025/3/1	
China National Offshore Oil Corporation	13,000.00	2018/2/1	2026/6/1	

(6) Assets transfer and debt restructuring of related parties

□ Applicable √ Not applicable

(7) Remuneration of key management personnel

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Remuneration of key officers	937.00	961.80

(8) Other related party transactions

√ Applicable □ Not applicable

1) Related financial services

Related party	Related-party transactions	Current period	Prior period
CNOOC Finance Co., Ltd.	Interest income	1,217.54	885.93
CNOOC Finance Co., Ltd.	Handling charges	429.17	287.15
China National Offshore Oil Corporation	Interest expenses	22.37	25.23

2) Investment income from related parties

Related party	Current period	Prior period
CNOOC Finance Co., Ltd.		462.26

6. Accounts receivable, accounts payable to related parties and other unsettled items

(1) Receivables

√ Applicable □ Not applicable

Unit: RMB'0,000

Project name	Related party	Ending balance		Beginning balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Accounts receivable	CNOOC Limited	630,737.43		548,897.21	
	CNOOC Energy Technology & Services Limited	28,369.98		6,231.27	
	CNOOC Gas & Electricity Group Co., Ltd.	22,975.04		280.35	
	China Oilfield Services Company Limited	298.17		633.12	
	CNOOC Research Institute Co., Ltd.			53.31	
	China National Offshore Oil Corporation			29.64	
	Joint ventures or associates of other members of the Group to which the COOEC belongs	11,377.12			
	Total	693,757.74		556,124.90	
Advances to suppliers	CNOOC Energy Technology & Services Limited	274.47		11.10	
	CNOOC Limited	27.05			
	Total	301.52		11.10	
Other receivables	CNOOC Energy Technology & Services Limited	183.18		118.89	
	CNCCC International Bidding Co., Ltd.	10.00			
	CNOOC Limited			7.73	
	Total	193.18		126.62	

Project name	Related party	Ending balance		Beginning balance	
		Book balance	Provision for bad debts	Book balance	Provision for bad debts
Contract assets	CNOOC Limited	40,212.27	68.37	21,939.02	32.91
	CNOOC Energy Technology & Services Limited	4.30	0.01	1,280.27	1.92
	CNOOC Gas & Electricity Group Co., Ltd.	9,019.79	15.33	38.27	0.06
	Joint ventures or associates of other members of the Group to which the COOEC belongs	12,157.19	20.66		
	Total	61,393.55	104.37	23,257.56	34.89

(2) Payables

√ Applicable □ Not applicable

Unit: RMB'0,000

Project name	Related party	Book balance as at the end of the year	Book balance as at the beginning of the year
Accounts payable	CNOOC Gas & Electricity Group Co., Ltd.	5,690.25	266.74
	CNOOC Energy Technology & Services Limited	37,520.07	43,302.34
	China Ocean Oilfields Services (Hong Kong) Limited	2,962.93	402.10
	China Oilfield Services Company Limited	2,182.40	3,764.87
	China National Offshore Petrochemical Corporation	582.30	25.49
	CNOOC Refining and Chemical Co., Ltd.	455.03	542.52
	China National Offshore Oil Bohai Company Limited	343.09	425.08
	Zhonghai Industry Co., Ltd.	449.00	205.26
	China National Offshore Oil Corporation	83.73	139.66
	CNOOC Limited	49.19	12.37
	China National Offshore Oil Nanhai West Company Limited	66.07	35.57
	China Offshore Oil Donghai Corporation	3.07	4.88
	China Offshore Oil Nanhai East Corporation	0.91	1.22
	Joint ventures or associates of other members of the Group to which the COOEC belongs	37,435.28	60,473.40
	Total	87,823.32	109,601.53
Other payables	CNOOC Energy Technology & Services Limited	507.04	1,201.74
	China Oilfield Services Company Limited	30.62	69.55
	China Offshore Oil Donghai Corporation		1.09
	Joint ventures or associates of other members of the Group to which the COOEC belongs	87.37	42.12
	Total	625.03	1,314.50
Contract liabilities	China National Offshore Oil Corporation	10,685.34	7,401.58
	CNOOC Gas & Electricity Group Co., Ltd.		20,364.25
	CNOOC Limited	66,448.55	46,881.36
	Joint ventures or associates of other members of the Group to which the COOEC belongs		1,978.38
	Total	77,133.89	76,625.57

Project name	Related party	Book balance as at the end of the year	Book balance as at the beginning of the year
Lease liabilities maturing within one year	China Offshore Oil Nanhai East Corporation	156.56	261.36
	COOEC-Fluor Heavy Industries Co., Ltd.		14.66
	China National Offshore Oil Nanhai West Company Limited	64.65	46.82
	Zhonghai Industry Co., Ltd.	2,258.79	1,948.26
	CNOOC Energy Technology & Services Limited	1,126.10	1,355.18
	China Oilfield Services Company Limited		106.34
	China Ocean Oilfields Services (Hong Kong) Limited	62.50	
	Total	3,668.60	3,732.62
Lease liabilities	China Offshore Oil Nanhai East Corporation	156.56	205.46
	China National Offshore Oil Nanhai West Company Limited	81.15	71.43
	Zhonghai Industry Co., Ltd.	4,291.60	3,823.06
	CNOOC Energy Technology & Services Limited	1,126.10	1,873.26
	China Oilfield Services Company Limited		87.24
	China Ocean Oilfields Services (Hong Kong) Limited	164.57	
	Total	5,819.98	6,060.45
Long-term borrowings maturing within one year	China National Offshore Oil Corporation	9,000.27	
	Total	9,000.27	
Long-term borrowings	China National Offshore Oil Corporation	13,000.40	22,000.67
	Total	13,000.40	22,000.67

(3) Other projects

□ Applicable √ Not applicable

7. Commitments from related parties

□ Applicable √ Not applicable

8. Others

√ Applicable □ Not applicable

Funds collected by the Group to the Group:

Project name	Ending balance		Balance as at the end of last year	
	Book balance	Provision for bad debts	Book balance	Provision for bad debts
Monetary funds	99,446.31		99,430.04	
Total	99,446.31		99,430.04	
Including: funds restricted from being withdrawn due to centralized management of funds				

XV. Share-based payment

1. Various equity instruments

□ Applicable √ Not applicable

Outstanding stock option at the end of the period or other equity instruments

□ Applicable √ Not applicable

2. Share-based payments settled by equity

□ Applicable √ Not applicable

3. Share-based payments settled by cash

□ Applicable √ Not applicable

4. Current share payment expenses

□ Applicable √ Not applicable

5. Modification and termination of share-based payment

□ Applicable √ Not applicable

6. Others

□ Applicable √ Not applicable

XVI. Commitments and contingencies

1. Significant commitments

□ Applicable √ Not applicable

2. Contingencies

(1) Significant contingencies on the balance sheet date

√ Applicable □ Not applicable

Guarantees for subsidiaries

As of the end of the reporting period, the Company had four guarantees in the process of fulfillment, as follows:

① As reviewed and approved at the 10th meeting of the 6th Board of Directors of the Company held on August 17, 2018, the Company opened a bank performance bond and an advance payment bond for its subsidiary Offshore Oil Engineering Co., Ltd. Nigeria Free Trade Zone Company, to fulfill the Dangote Petrochemical Marine Transportation and Installation Project Contract. Due to the increase in the contract amount, the guarantee amount was adjusted from USD 33.2 million to USD 38.2 million, of which the guarantee amount of the performance bond was USD 19.1 million and the guarantee amount of the advance payment bond was USD 19.1 million. The maximum guarantee period was extended from December 31, 2018 to June 30, 2020. The guarantees were later adjusted accordingly as approved by the 24th meeting of the 6th Board of Directors of COOEC held on June 23, 2020 and the 28th meeting of the 6th Board of Directors of COOEC held on December 4, 2020. First, the parent company guarantee of the performance guarantee was extended from December 31, 2020 to April 30, 2021, and the parent company guarantee will be adjusted accordingly with the change in the validity period of the bank guarantee if the project duration changes. Second, the parent company guarantee of the prepayment guarantee was restarted with a guarantee amount of USD 19.1 million and the guarantee period was extended to April 30, 2021. If the project duration changes, the parent company guarantee will be adjusted accordingly with the change in the validity period of the bank guarantee. Third, the parent company guarantee of the warranty guarantee shall be provided. When the project is completed, the performance guarantee will be terminated, and the warranty guarantee shall be started accordingly. The warranty guarantee amount shall be USD 19.1 million, and the warranty guarantee is valid for 24 months from the date when the owner issues the completion certificate. As at the end of the reporting period, the prepayment guarantee had expired and been released, and only the quality guarantee in the amount of USD 19.1 million remained to be fulfilled.

② As approved at the 17th meeting of the 6th Board of Directors of the Company held on June 6, 2019, the Company issued a parent company guarantee for the performance of the LNG module construction contract signed between wholly-owned subsidiary Offshore Oil Engineering (Qingdao) Co., Ltd. and JGC-Fluor. The guarantee amount is RMB 2.449 billion and the guarantee period is from the issuance of the guarantee to September 15, 2025. The above guarantee was deliberated and adopted at the First Extraordinary General Meeting in 2019 held by the Company on June 25, 2019.

③ As approved by the 9th Meeting of the 7th Board of Directors of the Company held on March 18, 2022, the Company provided a parent company guarantee for the contract for BuziosVIII (FPSOP79) module construction project in Brazil signed between Offshore Oil Engineering (Qingdao) Co., Ltd., a wholly-owned subsidiary of the Company, as a subcontractor, and SAIPEMSA, a general contractor, in a gurantee amount of USD 72 million. The guarantee period is 48 months from the date of issuance of the guarantee to the date of issuance of the provisional acceptance certificate of the project by the general contractor.

④ As approved by the 2nd meeting of the 8th Board of Directors of the Company held on December 22, 2023, the Company provided a parent company guarantee for the contract for Qatar NFPSEPC2 Project signed between Offshore Oil Engineering (Qingdao) Co., Ltd., a wholly-owned subsidiary of the Company, as a subcontractor, and SERVIZI ENERGIA ITALIA S.p.A., a general contractor, at a guarantee amount of USD 175 million. The guarantee period is 40 months from the date of issuance of the guarantee to the date of issuance of the provisional acceptance certificate of the project by the general contractor.

Pending litigation and arbitration matters

① As of December 31, 2024, the Company's subsidiary Nigeria Free Trade Zone Company, initiated arbitration regarding the construction delay and construction payment disputes of the Dangote Petroleum Refinery and Polypropylene Plant Project. The counterparties to the contract are Dangote Petroleum Refinery and Petrochemicals Free Zone Enterprise and Dangote Oil Refining Company Limited. Nigeria Free Trade Zone Company demanded for contract price of about USD 48.63 million and overdue interest of USD 10.67 million, claimed additional costs of about USD 79.65 million caused by the other party's responsibility, and requested to extend the contract period and confirm that it would not bear the responsibility for the extension and other related statements.

② On July 13, 2021, Branch of Maridive Offshore Projects Company (MOP) filed an arbitration with Dubai Arbitration Center for the subcontract payment of the 3648 project of COOEC Saudi Limited, demanding that Saudi Company, a subsidiary of the Company, pay the standby expenses and claims for the change in construction period during the execution of the project subcontract. It appealed to the Saudi Company to hire the UK-based Pinsent Masons LLP to defend the arbitration and file a counterclaim, demanding that it pay the losses incurred by Saudi Company due to the termination of the project.

After MOP terminated the work without authorization, the work was completed by Dynamics Industries Saudi Arabia (DISA), the owner of the 3648 project. To obtain the key evidence of MOP counterclaim (the cost document of DISA's completion of the follow-up works), Saudi Company filed a lawsuit against DISA, and DISA has not responded to this lawsuit yet.

③ COOEC International Co., Ltd. a subsidiary of the Company, signed the technical service and logistics service agreements for the Petrobras P67/P70 project with overseas contractor STNP in November 2021 and February 2022, respectively, and confirmed the relevant costs during the offshore commissioning period based on the contract and business volume. STNP filed in January 2025 an arbitration against the Hong Kong International Arbitration Center for the project payment, demanding payment of a total of USD 5.38 million in night shift pay, weekend overtime pay and employee severance pay caused by project delay. COOEC International Co., Ltd. plans to hire the UK-based Pinsent Masons LLP to defend the arbitration claim, and no obvious progress has been made in the arbitration matter at present.

④ As of December 31, 2024, COOEC-Fluor Heavy Industries Co., Ltd. was involved in arbitration matters with Jiangsu Tianmu Construction Group Co., Ltd., Tianjin Huali Thermal Insulation Building Material Co., Ltd., Sinopec Tenth Construction Co., Ltd., etc., with the amount of claims involved being approximately RMB 153.52 million and monetary funds frozen in the litigation being approximately RMB 107.31 million. The Company has withdrawn accounts payable of about RMB129.93 million and estimated liabilities of about RMB13.71 million.

3. Notes to be given even though there were no contingencies required to be disclosed by the COOEC:

□ Applicable √ Not applicable

4. Others

□ Applicable √ Not applicable

XVII. Events after the balance sheet date

1. Significant non-adjustment matters

□ Applicable √ Not applicable

2. Profit distribution

√ Applicable □ Not applicable

Unit: RMB'0,000

Profit or dividend to be distributed	
Profit or dividend declared to be granted upon deliberation and approval	88,869.23

3. Sales return

□ Applicable √ Not applicable

4. Events after the balance sheet date

□ Applicable √ Not applicable

XVIII. Other significant events

1. Correction of accounting errors in prior periods

(1) Retrospective restatement

□ Applicable √ Not applicable

(2) Prospective application

□ Applicable √ Not applicable

2. Important debt restructuring

□ Applicable √ Not applicable

3. Asset replacement

(1) Exchange of non-monetary assets

□ Applicable √ Not applicable

(2) Replacement of other assets

□ Applicable √ Not applicable

4. Annuity plan

□ Applicable √ Not applicable

5. Discontinued operations

□ Applicable √ Not applicable

6. Segments

(1) Determination basis and accounting policies of reporting segments

□ Applicable √ Not applicable

(2) Financial information of reporting segments

□ Applicable √ Not applicable

(3) If the Company has no reporting segments, or cannot disclose the total assets and total liabilities of each reporting segment, it shall explain the reasons.

□ Applicable √ Not applicable

(4) Other notes

□ Applicable √ Not applicable

7. Other important transactions and events that affect the decision-making of investors

□ Applicable √ Not applicable

8. Others

□ Applicable √ Not applicable

XIX. Notes to the main items of the Company's financial statements

1. Accounts receivable

(1) Disclosure by aging

√ Applicable □ Not applicable

Unit: RMB'0,000

Aging	Book balance as at the end of the year	Book balance as at the beginning of the year
Within 1 year		
Including: items within 1 year		
Within 1 year	722,665.76	623,402.27
Subtotal within 1 year	722,665.76	623,402.27
1-2 years	122.20	10,054.56
2-3 years	1,915.16	1,227.84
Over 3 years	4,991.70	4,803.60
Total	729,694.82	639,488.27

(2) Classified disclosure by provision of bad debts

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Ending balance					Beginning balance				
	Book balance		Provision for bad debts		Book Value	Book balance		Provision for bad debts		Book Value
	Amount	Ratio (%)	Amount	Proportion of provision (%)		Amount	Ratio (%)	Amount	Proportion of provision (%)	
Provision for bad debts accrued on an individual basis	69.72	0.01	69.72	100.00						
Provision for bad debts made by portfolio	729,625.10	99.99	6,098.96	0.84	723,526.14	639,488.27	100.00	5,924.84	0.93	633,563.43
Including:										
Aging portfolio	59,427.67	8.14	6,098.96	10.26	53,328.71	52,907.94	8.27	5,924.84	11.20	46,983.10
Portfolio of related parties	670,197.43	91.85			670,197.43	586,580.33	91.73			586,580.33
Total	729,694.82	/	6,168.68	/	723,526.14	639,488.27	/	5,924.84	/	633,563.43

Individual provision for bad debts:

√ Applicable □ Not applicable

Unit: RMB'0,000

Name	Ending balance			
	Book balance	Provision for bad debts	Provision ratio (%)	Reasons for provision
Haifu Industrial (Shanghai) Co., Ltd.	69.72	69.72	100.00	Litigation has no enforceable property
Total	69.72	69.72	100.00	/

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

√ Applicable □ Not applicable

Provision made on portfolio basis: credit risk portfolio

Unit: RMB'0,000

Name	Ending balance		
	Accounts receivable	Provision for bad debts	Provision ratio (%)
Aging portfolio	59,427.67	6,098.96	10.26
Portfolio of related parties	670,197.43		
Total	729,625.10	6,098.96	0.84

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

The provision for bad debts made according to the general model of expected credit losses

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of receivables with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(3) Provision for bad debts

√ Applicable □ Not applicable

Unit: RMB'0,000

Type	Beginning balance	Change in this period				Ending balance
		Provision	Recovery or reversal	Resale or write-off	Other changes	
Individual provision		69.72				69.72
Portfolio provision	5,924.84	194.52			-20.40	6,098.96
Total	5,924.84	264.24			-20.40	6,168.68

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(4) Accounts receivable actually written off in this period

□ Applicable √ Not applicable

Writ-off of significant receivables

□ Applicable √ Not applicable

Explanations on writing off receivables:

□ Applicable √ Not applicable

(5) Top five accounts receivable by the debtor in terms of the ending balance and contract assets

√ Applicable □ Not applicable

Unit: RMB'0,000

Entity name	Ending balance of accounts receivable	Ending balance of contract assets	Ending balances of accounts receivable and contract assets	Proportion to total amount of ending balance of receivable and contract assets (%)	Balance of provision for bad debts as at the end of the year
COOEC NIGERIA FZE	56,109.69	-	56,109.69	6.07	
Hong Kong LNG Terminal Limited	27,903.11	23,433.58	51,336.69	5.55	39.84
CNOOC Gas & Electricity Group Co., Ltd.	22,975.04	9,019.79	31,994.83	3.46	15.33
CNOOC Limited	572,182.38	27,529.94	599,712.31	64.84	46.80
CNOOC Offshore Engineering Solutions Co., Ltd.	12,968.23	3,650.79	16,619.03	1.80	6.21
Total	692,138.45	63,634.10	755,772.55	81.72	108.18

Other notes:

□ Applicable √ Not applicable

2. Other receivables

Presentation

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance	Beginning balance
Interest receivable		
Dividends receivable	12.29	
Other receivables	34,703.66	33,562.74
Total	34,715.95	33,562.74

Other notes:

□ Applicable √ Not applicable

Interest receivable

(1) Classification of interest receivable

□ Applicable √ Not applicable

(2) Significant overdue interest

□ Applicable √ Not applicable

(3) Classified disclosure by provision of bad debts

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

(4) **The provision for bad debts made according to the general model of expected credit losses**

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of interest receivable with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(5) **Provision for bad debts**

□ Applicable √ Not applicable

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(6) **Actual interest receivable written off in the current period**

□ Applicable √ Not applicable

Write-off of significant interest receivable

□ Applicable √ Not applicable

Notes to write-off:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Dividends receivable

(1) **Dividends receivable**

√ Applicable □ Not applicable

Unit: RMB'0,000

Project (or investee)	Ending balance	Beginning balance
COOEC Nigeria Limited	12.29	
Total	12.29	

(1) **Significant dividends receivable aged over one year**

□ Applicable √ Not applicable

(2) **Classified disclosure by provision of bad debts**

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Individual provision for bad debts:

□ Applicable √ Not applicable

Provision for bad debts made by portfolio:

□ Applicable √ Not applicable

(3) **The provision for bad debts made according to the general model of expected credit losses**

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of dividends receivable with changes in provision for losses in the current period:

□ Applicable √ Not applicable

(4) Provision for bad debts

□ Applicable √ Not applicable

Significant amounts of bad debt recovery or reversal in the current period:

□ Applicable √ Not applicable

(5) Actual write-off of dividends receivable in the current period

□ Applicable √ Not applicable

Write-off of significant dividends receivable

□ Applicable √ Not applicable

Notes to write-off:

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

Other receivables

(1) Disclosure by aging

√ Applicable □ Not applicable

Unit: RMB'0,000

Aging	Book balance as at the end of the year	Book balance as at the beginning of the year
Within 1 year		
Including: items within 1 year		
Within 1 year	33,682.41	27,753.17
Subtotal within 1 year	33,682.41	27,753.17
1-2 years	95.45	4,968.92
2-3 years	10.26	175.00
Over 3 years	915.54	665.65
Total	34,703.66	33,562.74

(2) Classification by nature of payment

√ Applicable □ Not applicable

Unit: RMB'0,000

Nature of payment	Book balance as at the end of the year	Book balance as at the beginning of the year
Advances	12,221.86	33,077.54
Margin and security deposit	385.25	430.90
Compensation receivable	214.98	
Petty cash	22.87	54.30
Joint venture development funds	21,816.88	
Others	41.82	
Total	34,703.66	33,562.74

(3) Provision for bad debts

□ Applicable √ Not applicable

Notes to the obvious changes in the book balance of other receivables with changes in provision for losses in the current period:

□ Applicable √ Not applicable

The basis for the provision for bad debts in the current period and the assessment of whether the credit risk of financial instruments has increased significantly:

□ Applicable √ Not applicable

(4) Provision for bad debts

□ Applicable √ Not applicable

Reversal or recovery of significant amount of provision for bad debts in the current period:

□ Applicable √ Not applicable

(5) Other receivables actually written off during the period

□ Applicable √ Not applicable

Other significant receivables actually written off:

□ Applicable √ Not applicable

Write-off of other receivables:

□ Applicable √ Not applicable

(6) Other receivables of the top five in terms of ending balances by debtors

√ Applicable □ Not applicable

Unit: RMB'0,000

Entity name	Ending balance	Proportion in the total ending balance of other receivables (%)	Nature of amount	Aging	Provision for bad debts Ending balance
China Petroleum Engineering & Construction Corporation	21,816.88	62.87	Joint venture development funds	Within 1 year	
COOEC NIGERIA FZE	4,672.46	13.46	Advances	Within 1 year	
CNOOC Offshore Engineering Solutions Co., Ltd.	4,008.70	11.55	Advances	Within 1 year	
Offshore International Engineering Co., Ltd	2,224.45	6.41	Advances	Within 1 year	
COOEC International Co., Ltd. Abu Dhabi Branch	1,007.45	2.90	Advances	Within one year; Over 3 years	
Total	33,729.94	97.19	/	/	

(7) Reported in other receivables due to centralized management of funds

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

3. Long-term equity investments

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Ending balance			Beginning balance		
	Book balance	Impairment Preparations	Book value	Book balance	Impairment Preparations	Book value
Investment in subsidiaries	1,004,048.85		1,004,048.85	917,918.15		917,918.15
Investments in associates and joint ventures						
Total	1,004,048.85		1,004,048.85	917,918.15		917,918.15

(1) Investment in subsidiaries

√ Applicable □ Not applicable

Unit: RMB'0,000

Investee	Beginning balance (book value)	Beginning balance of provision for impairment	Increase/decrease in this period				Ending balance (book value)	Balance of provision for impairment as at the end of the period
			Additional investment	Decrease Investment in construction	Provision for impairment	Others		
Offshore Oil Engineering (Zhuhai) Co., Ltd.	395,000.00						395,000.00	
Offshore Oil Engineering (Qingdao) Co., Ltd.	297,000.00						297,000.00	
CNOOC Offshore Engineering Solutions Co., Ltd.	219,247.36						219,247.36	
Offshore International Engineering Co., Ltd	6,000.00						6,000.00	
COOEC International Co., Ltd.	618.65		48,876.36	618.65			48,876.36	
COOEC Nigeria Co., Ltd	52.14						52.14	
COOEC Saudi Limited			37,872.99				37,872.99	
Total	917,918.15		86,749.35	618.65			1,004,048.85	

(2) Investments in associates and joint ventures

□ Applicable √ Not applicable

(3) Impairment test of long-term equity investments

□ Applicable √ Not applicable

4. Operating revenue and operating costs

(1) Operating revenue and operating costs

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period		Amount in the previous period	
	Revenue	Cost	Revenue	Cost
Primary business	2,489,004.99	2,258,153.96	2,534,699.44	2,351,128.88
Other business	5,763.97	5,014.28	7,563.19	2,104.86
Total	2,494,768.96	2,263,168.24	2,542,262.63	2,353,233.74

(2) Breakdown

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

(3) Performance obligations

□ Applicable √ Not applicable

(4) Allocation to remaining performance obligations

□ Applicable √ Not applicable

(5) Major contract changes or major transaction price adjustments

□ Applicable √ Not applicable

5. Investment income

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount in the current period	Amount in the previous period
Income from long-term equity investment under cost method	82,231.28	37,269.71
Investment income from disposal of long-term equity investments		-740.30
Investment income obtained during holding the financial assets held for trading	12,828.98	17,126.39
Dividend income from investments in other equity instrument during the holding period		462.26
Interest income in debt investment during the holding period	6,471.61	7,830.99
Investment income from disposal of financial assets held for trading	853.85	
Total	102,385.72	61,949.05

6. Others

□ Applicable √ Not applicable

XX. Supplementary information

1. Breakdown of current non-recurring profit or loss

√ Applicable □ Not applicable

Unit: RMB'0,000

Item	Amount	Notes
Profit or loss from disposal of non-current assets, including the writing-off part for which the provision for asset impairment is made	-570.25	

Item	Amount	Notes
Government grants included in the current profit or loss (except for government grants closely related with the normal business of COOEC, obtained according to established criteria and in accordance with the national policies and provisions and those continuously affecting the profit or loss of COOEC)	5,551.41	
Profit or loss on fair value changes arising from the holding of financial assets and financial liabilities by non-financial enterprises and the profit or loss arising from the disposal of financial assets and liabilities, except for effective hedging operations associated with COOEC's normal operations	11,551.17	
Fund possession costs included in the current profit or loss and collected from non-financial enterprises		
Profit or loss from the assets which are invested or managed by others entrusted	19,300.59	
Profit or loss from external entrusted loans		
Asset loss arising from force majeure, such as natural disasters		
Reversal of receivables tested for impairment separately, provision for impairment	1,401.48	
Gains from the difference between the investment costs of acquisition of subsidiaries, associates and joint ventures and share in the net fair value of the identifiable assets of the investees upon investment		
Current net profit or loss of the subsidiaries from business combination under common control from the beginning of the period to the combination date		
Profit or loss from non-monetary assets exchange		
Profit or loss from debt restructuring		
One-off expense arising from discontinued business activities of enterprise, such as the expense of relocating employees		
One-off effect on current profit or loss due to adjustment of laws and regulations regarding taxation and accounting		
Payment expense of one-off recognized shares due to cancellation or modification of the stock incentive plan		
Profit or loss arising from changes in the fair value of employee compensation payable after the vesting date for cash-settled share payments		
Profit or loss on changes in fair value of investment property subsequently measured by adopting the fair value mode		
Profit generated from the transaction with the unfair transaction price		
Profit or loss on contingencies irrelevant to normal business operation of COOEC		
Income from trustee fees charged for entrusted operation		
Non-operating revenue and expenses other than the above-mentioned items	4,697.10	
Other items of profit or loss subject to the definition of non-recurring profit or loss		
Less: income tax effects	6,327.46	
Adjustment to minority equity (after tax)	332.99	
Total	35,271.05	

Please state reasons for defining the items not listed in the Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public--Non-Recurring Profit or Loss as the non-recurring profit or loss in large amount and the non-recurring profit or loss listed in Explanatory Announcement No.1 on Information Disclosure for Companies Offering their Securities to the Public--Non-Recurring Profit or Loss as recurring profit or loss.

□ Applicable √ Not applicable

Other notes:

□ Applicable √ Not applicable

2. Return on net assets and earnings per share

√ Applicable □ Not applicable

Profit in the reporting period	Return on weighted average net assets (%)	Earnings per share	
		Basic earnings per share	Diluted earnings per share
Net profit attributable to common shareholders of the COOEC	8.47	0.49	0.49
Net profits attributable to common shareholders of the COOEC after deducting non-recurring profit or loss	7.08	0.41	0.41

3. Differences between accounting data under domestic and foreign accounting standards

□ Applicable √ Not applicable

4. Others

□ Applicable √ Not applicable

Chairman: Wang Zhangling

Date of approval by the Board of Directors for filing: March 14, 2025

董事会

Amendment history

□ Applicable √ Not applicable

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