

Announcement of CNOOC on Adjustment of Saudi Marjan Project

Important Notes

The Board of Directors and all directors of the Company guarantee that this announcement contains no false records, misleading statements or major omissions, and undertake joint and several liabilities for the authenticity, accuracy and integrity of the announcement.

Important contents:

- **Project adjustments:** Due to the impact of economic environment and changes in the oil and gas industry, the Company and the JV partners decided to adjust the scope of work for the Saudi Marjan Project between the JV partners after consultation. The Company's scope of work is adjusted from the original "onshore fabrication and offshore installation of 6 jackets and 4 topsides" to "onshore fabrication of 1 topside", with the contract value of the Company adjusted from approximately 700 million USD to approximately 100 million USD.
- **Impact on the performance of listed companies:**

Impact on the performance of 2020: As the Project failed to start construction in the second quarter of 2020 as planned, the Company's revenue in 2020 is reduced by approximately 1.364 billion yuan. The above impact has been reflected in the Company's financial report and operating situations of 2020. This is disclosed on page 31 of the annual report.

Impact on performance of 2021: The Company's operating budget for 2021 and the operating plan disclosed in the annual report 2020 have fully considered the adjustment of the Saudi Marjan Project, so it will not cause any substantial impact on the expected performance of 2021. Benefiting

from the implementation of the Seven-year Action Plan for Increasing Domestic Oil and Gas Reserves and Production, the Company's workload in 2021 will hit a record high. For details, please refer to the content disclosed on page 32 of the annual report 2020.

- The Company will not be liable for breach of contract or compensation due to this adjustment.

I. Description of Adjustment

Offshore Oil Engineering Co., Ltd. (hereinafter referred to as "the Company") issued the "Major Contract Announcement" (Announcement No. 2019-024) on October 17, 2019, disclosing the establishment of a JV between the Company and the general contracting partner McDermott to jointly undertake the Saudi Marjan Project. The Company's scope of work covers onshore fabrication, transportation and offshore installation of some platforms under the JV, with the corresponding contract value of about 700 million USD. The Project was originally scheduled to start construction in the second quarter of 2020, and completed in the fourth quarter of 2022.

Recently, after several rounds of friendly negotiation and communication with the general contracting partner, the Company decided to adjust the main contents of the original contract undertaken by the Company. The main scope of work is adjusted from the original "onshore fabrication and offshore installation of 6 jackets and 4 topsides" to "onshore fabrication of 1 topside", with the contract amount of the Company adjusted from approximately 700 million USD to approximately 100 million USD. The Company signed a supplementary agreement on the above adjustment with the general contracting partner McDermott on March 31, 2021.

The adjustment of the construction period under the contract needs to be confirmed after the Company signs a supplementary agreement with the Client Saudi Aramco.

II. Causes for Adjustment

In 2020, the international oil price fluctuated greatly and the global oil and gas sector changed to some extent due to the impact of economic environment.

Based on the principle of respecting the Client and the general contracting partner, the Company has maintained active and timely negotiation and communication with them since the beginning of 2020. After several rounds of negotiations with the general contracting partner, the Company has decided to adjust the contract of the Marjan Project. For the above adjustment, the Company will not be liable for breach of contract or compensation due to such adjustment.

III. Impact on the Company

On one hand, after the Project is adjusted, the workload of the Project undertaken by the Company will be greatly reduced, which will have a certain impact on the Company's overall workload from 2020 to 2022 and will accordingly affect the Company's revenue. As the Project failed to start construction in the second quarter of 2020 as planned, the Company's revenue in 2020 is reduced by approximately 1.364 billion yuan. The above impact has been reflected in the Company's financial report and operating situations of 2020. This is disclosed on page 31 of the annual report. The Company's operating budget for 2021 and the operating plan disclosed in the annual report 2020 have fully considered the adjustment of the Saudi Marjan Project, so it will not cause any substantial impact on the expected performance of 2021. Benefiting from the implementation of the Seven-year Action Plan for Increasing Domestic Oil and Gas Reserves and Production, the Company's workload in 2021 will hit a record high. For details, please refer to the content disclosed on page 32 of the annual report 2020.

On the other hand, such adjustment can help reduce the great uncertainty faced by project operations.

IV. Documents for Future Reference

JV Supplementary Agreement Signed with the Partner for the Marjan Project

The announcement is hereby given.

Board of Directors of COOEC

April 2, 2021