海洋石油工程股份有限公司
Offshore Oil Engineering Co.,Ltd.

Stock Name: 600583. SH

2022 Annual Results

March 21, 2023

Disclaimer

This document contains forward-looking information about the Company, including statements concerning the probable future development of the Company’ s business, such as expected future events, business expectations, or financial results. Words such as “expect” , “plan” , “will” , “forecast” , “target” , “continue” and similar expressions are intended to determine such forward-looking statements. These statements are based on assumptions and analyses made by the Company at this date according to its experience and its understanding of historical development trends, current conditions and expected future developments, as well as other reasonable factors that the Company currently believes in. However, it is uncertain whether actual results and developments will meet the Company’ s current expectations and predictions. Actual results, performance, and financial conditions may greatly differ from the Company’ s expectations due to factors including, but not limited to, macro political and economic factors, factors related to price fluctuations of crude oil and natural gas, the highly competitive nature of the oil and gas industry, climate change and environmental protection policy factors, and changes in regulations related to corporate governance.

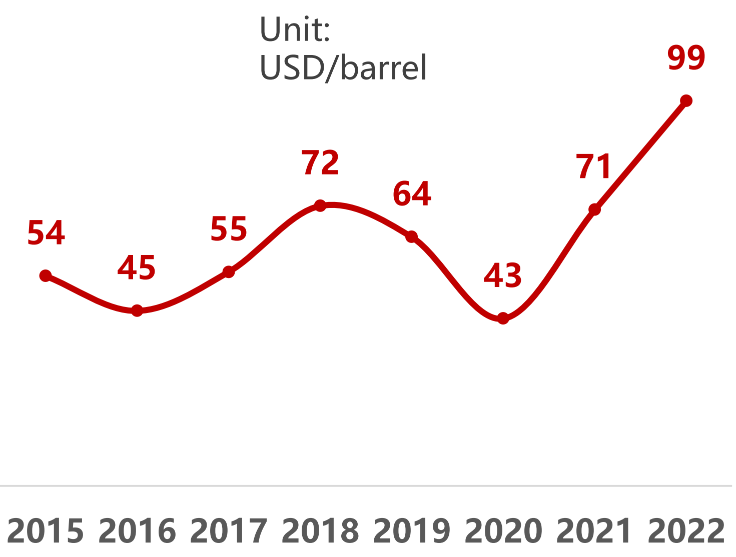
Therefore, all forward-looking statements made in this document are subject to these cautious statements. The Company is unable to guarantee that the expected performance or development will be achieved or, if achieved to a large extent, that it will have the desired effect on the Company, its business or operation.

Contents

Macro Environment in 2022

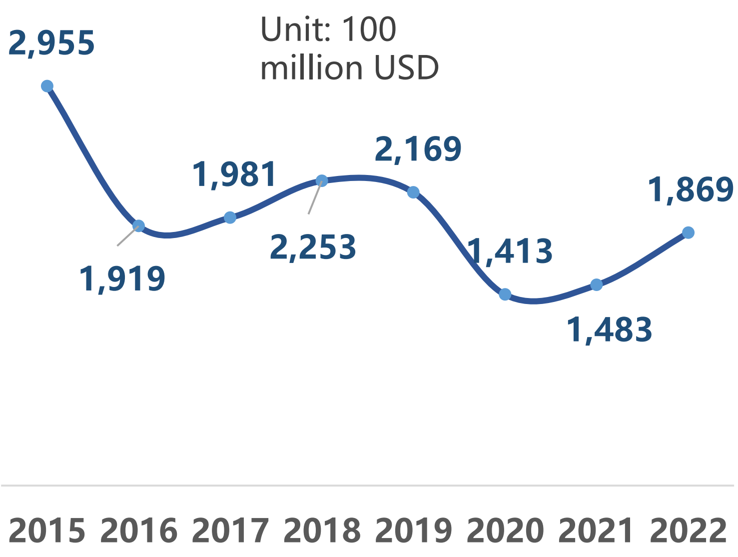
- Affected by geopolitics, OPEC+ production reduction and other factors, and due to the overall growth trend of global demand, **international oil and gas prices continue to fluctuate at a high level.**
- Short-term oil price fluctuations and increases do not result in overall rapid growth in capital expenditure in the global upstream industry, **so the industry is recovering slowly**.
- Commodity prices are on the rise, and **prices of cost elements such as steel and non-ferrous metals remain high**.

Price of Brent Crude Oil Futures



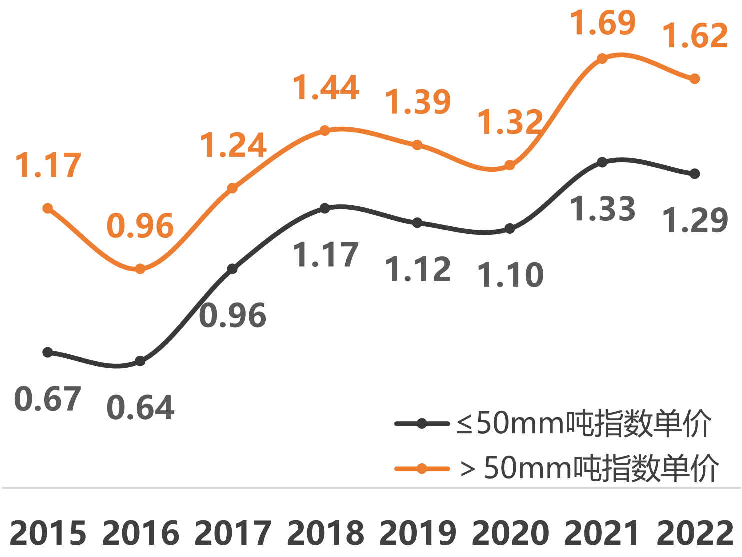
**Source：IMF database，2023，WIND*

Capital Expenditure for Exploration and Development in the Upstream Industry



**Source：Capex(upstream)，2023，Wood Mackenzie*

Steel Price Index in China



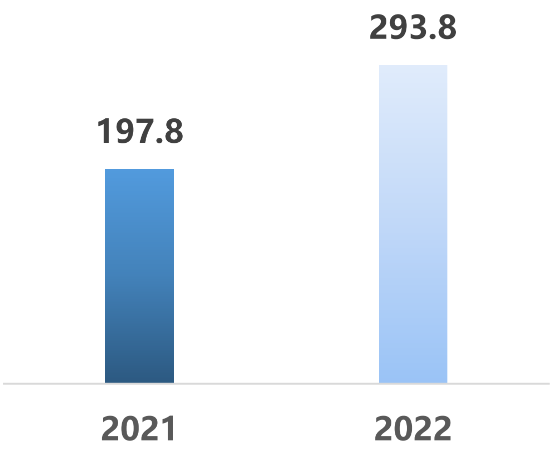
A Record High of Operating Income

- Adhering to the development orientation of “building a world-class energy engineering company with Chinese characteristics” and focusing on the Company’s strategy, **we have achieved initial success in optimizing the layout of three business segments: domestic oil and gas, clean energy, and overseas business**.
- **Operating income hits a new high after the Company was listed 20 years ago, total profit and net profit return to the "double digit" threshold within six years, and the cash flow from operating activities is abundant.**

48.31%	5.99%	39.77%	3.75%	RMB 796,200*/person • year
Growth rate of operating income	**Return on equity**	**Asset-liability ratio**	**R&D investment intensity**	**Overall labour productivity**

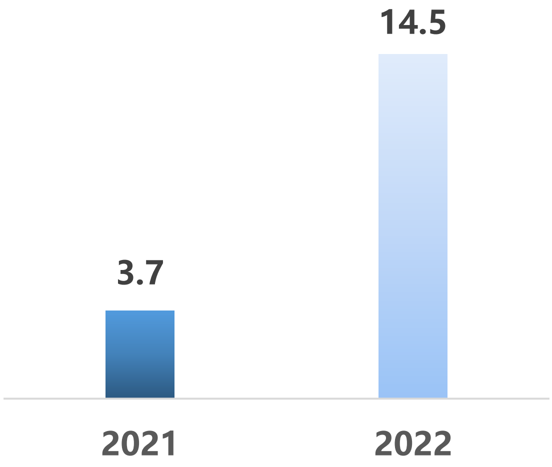
Operating Income

Unit: RMB 100 million



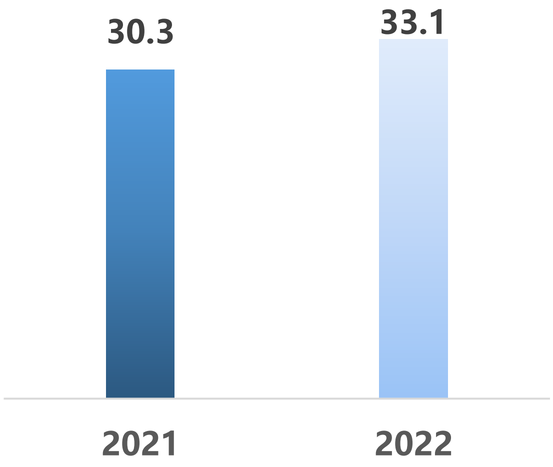
Net Profit

Unit: RMB 100 million



Net Cash Flow from Operating Activities

Unit: RMB 100 million



*: The impact of COOEC-Fluor’s consolidated financial statement is excluded. If it is not excluded, the overall labour productivity in 2022 is RMB 849,900/person · year.

Fruitful Results of Market Development

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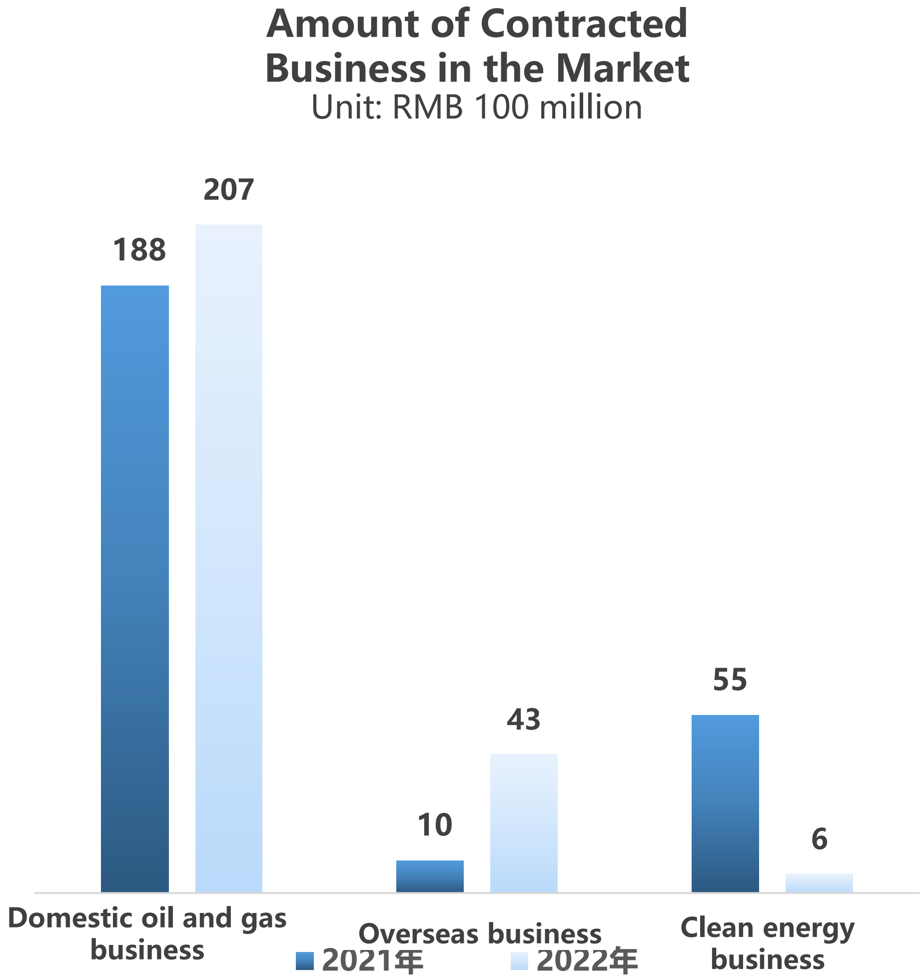
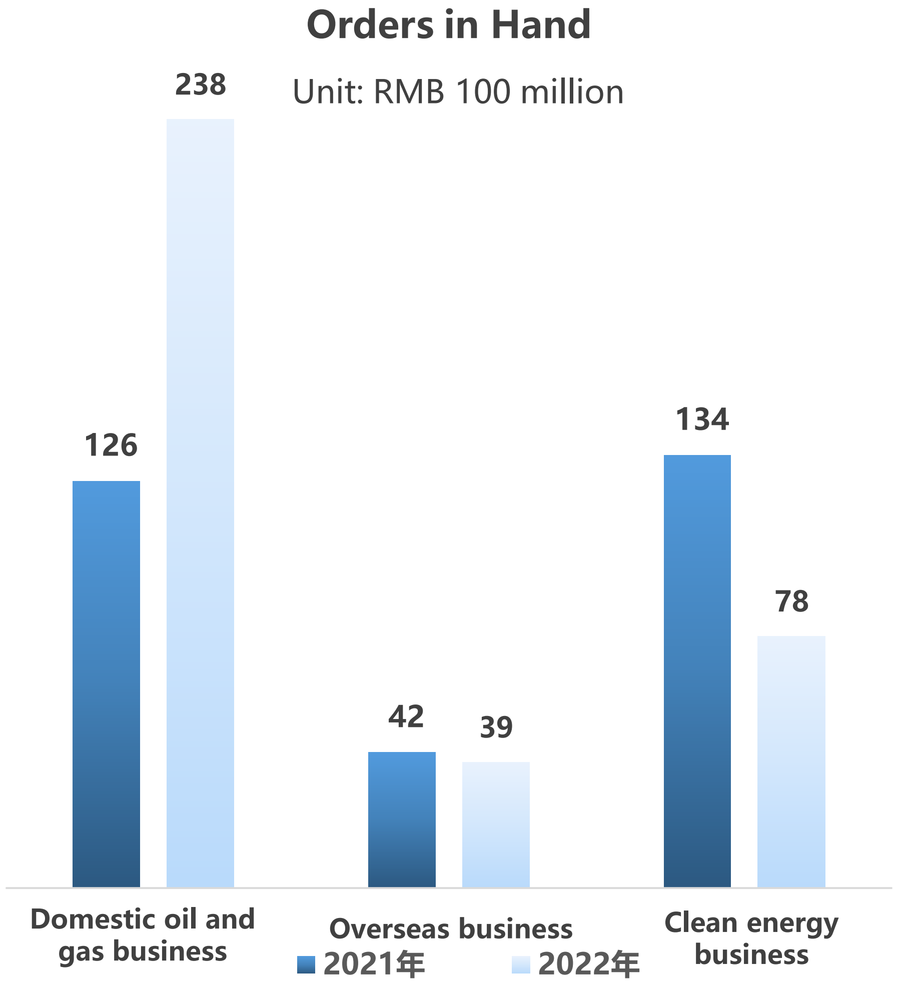
- During the year, **the amount of contracted business in the market is RMB 25.6 billion**, exceeding the annual target, and **the amount of orders in hand is RMB 35.5 billion** at the end of the period.

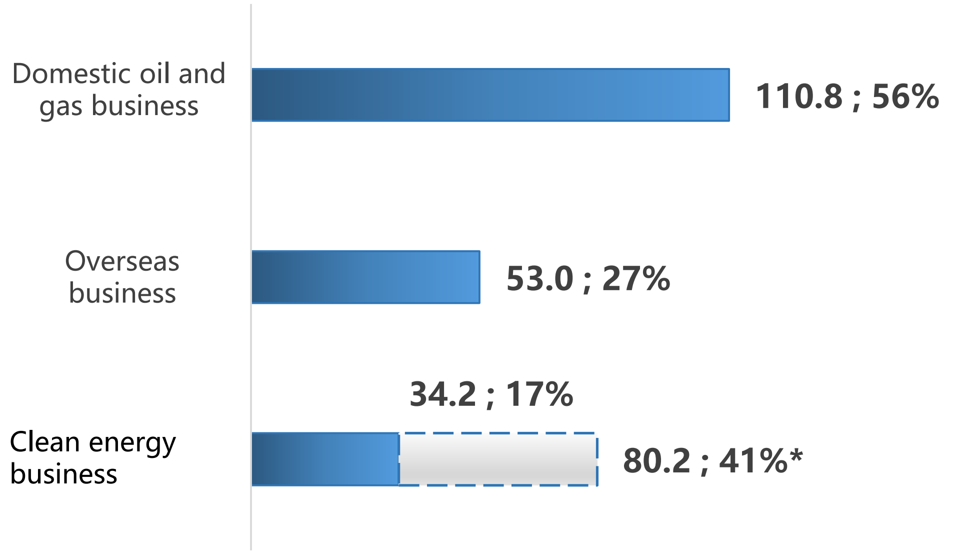




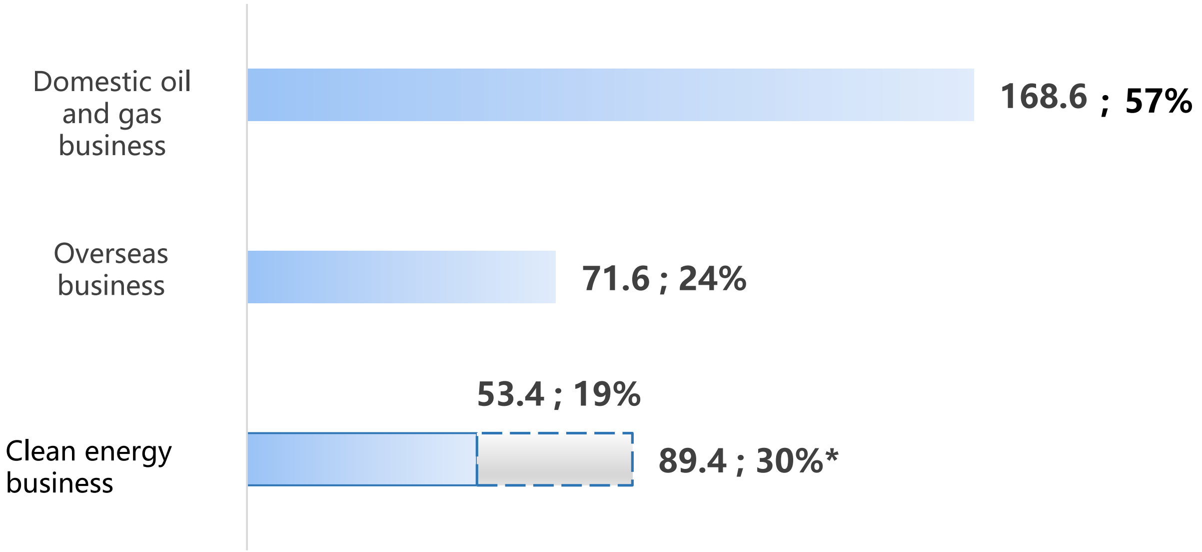
Steady Income Increase in Three Business Areas

◆ Focusing on the Company’s strategy, further conducting the traditional oil and gas business, and actively arranging overseas business and clean energy fields, the annual operating income increases year on year by RMB 9.6 billion, an increase of 48%. The income from **domestic oil and gas business** has a year-on-year **growth of 52%**, the income from **overseas business** has a year-on-year **growth of 35%**, and the income from **clean energy business** has a year-on-year **growth of 56%**.

Contribution to Income in 2021
Unit: RMB 100 million



Contribution to Income in 2022
Unit: RMB 100 million



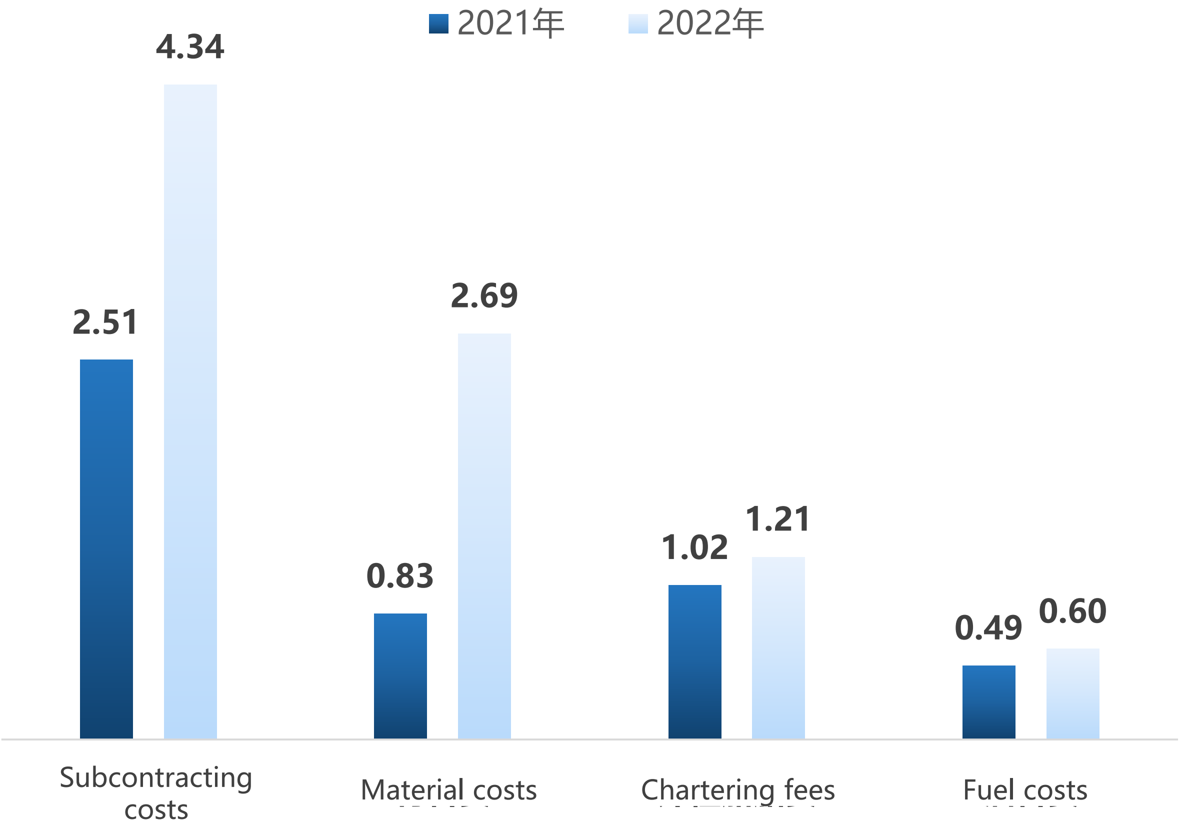
*: Including LNG projects in Hong Kong and Canada.

Remarkable Results of Cost Reduction, Quality Improvement, and Efficiency Improvement

◆ **Through in-depth implementation of cost reduction, quality improvement, and efficiency improvement**, focusing on the key points of "four costs", and promoting the application of long-term mechanisms, the cost reduction of the four costs increases by 82% year on year, and **the ratio of profits to cost increases by 1.29%**.

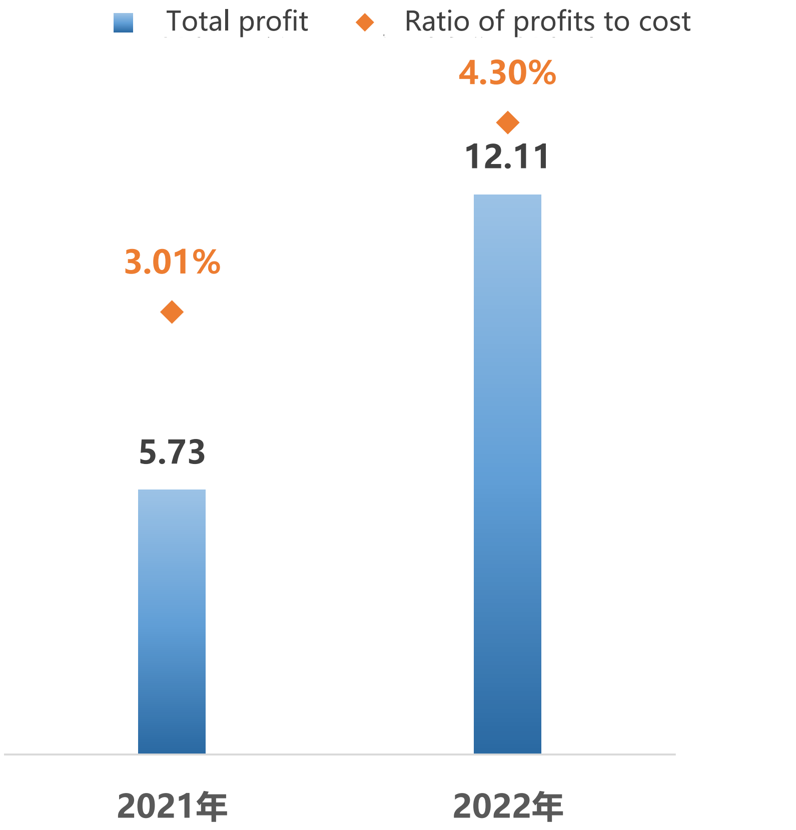
Cost Reduction, Quality Improvement, and Efficiency Improvement

Unit: RMB 100 million



Ratio of Profits to Cost

Unit: RMB 100 million



*: The impact of COOEC-Fluor's consolidated financial statement is actually excluded in 2022.

Safe and Smooth Progress of the Production Plan

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- Under the huge pressure and challenge of repeated impact of the epidemic, **the annual production plan has been completed with high quality**, and a total of 63 projects above the designated size have been implemented, and **the workload has reached a record high**.
- **Safety performance** continues the good trend of the previous year and **sets the best record in 10 years**. OHSA calculates the event rate of lost work days, being 0.0023, with a year-on-year decrease of 20.7%.

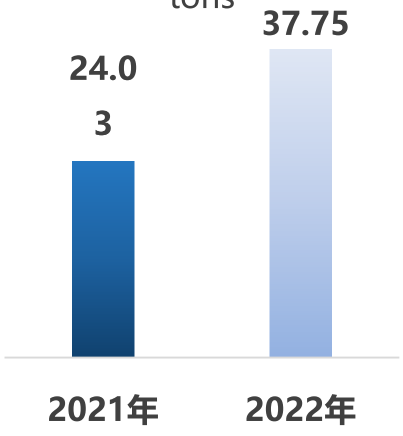
377,500 structural ton
Steel processed **+57%**

26,100 ship days
Ship days input **+18%**

86.8 million man-hour
Man-hour input **+25%**

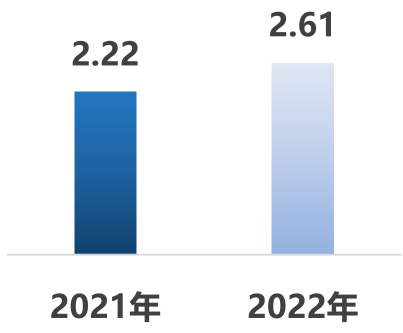
Steel Processed

Unit: 10,000 structural tons



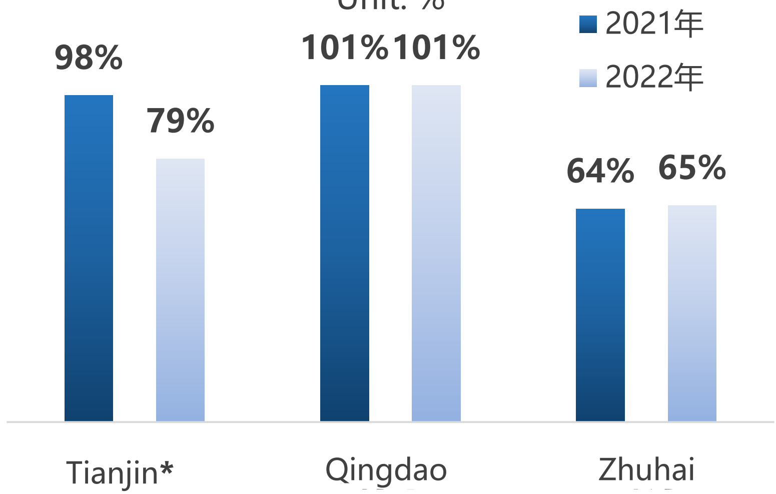
Ship Days Input

Unit: 10,000 ship days



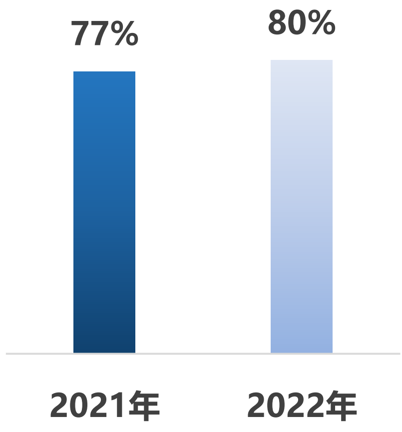
Site Utilization Rate

Unit: %



Ratio of Operation Time to Total Time of a Ship

Unit: %



Results of Key Projects - “Haiji No. 1” in Lufeng Oilfields

➢ Project characteristics

- It is the first fixed oil drilling and production platform designed, built and installed for the first time in China in 300 meters deep sea.
- Its total height is 340 meters and its total weight is over 40,000 tons. Both height and weight refresh the record of offshore monosomic platform in our country.
- With 229 largest jacket launch barges in the world, it is a piece of important strategic equipment for developing deep sea and guaranteeing national energy security.

➢ Key results

- We has overcome the world-wide problem of precise launching and positioning of ultra-large structures.
- We have mastered the complete set of key technologies for manufacturing and installation of deepwater ultra-large jacket platforms and have reached the leading level in Asia.

Results of Key Projects - Kenli 6-1 Shore Power Project

➢ Project characteristics

- It is the largest shore power replacement and smart oilfield project with the highest offshore AC transmission voltage, including four EPPs.

➢ Key results

- It shortens the construction period of the entire oilfield and effectively reduces the dependence on imported equipment.
- It is conducive to shortening the construction period of projects in the surrounding area and reducing development, operation and maintenance costs.
- It has revolutionary significance in the utilization of clean energy in the development of offshore oil and gas fields in China, realizing the supply of onshore power to offshore production, and providing innovative solutions to the realization of the goal of "carbon peak and carbon neutrality".

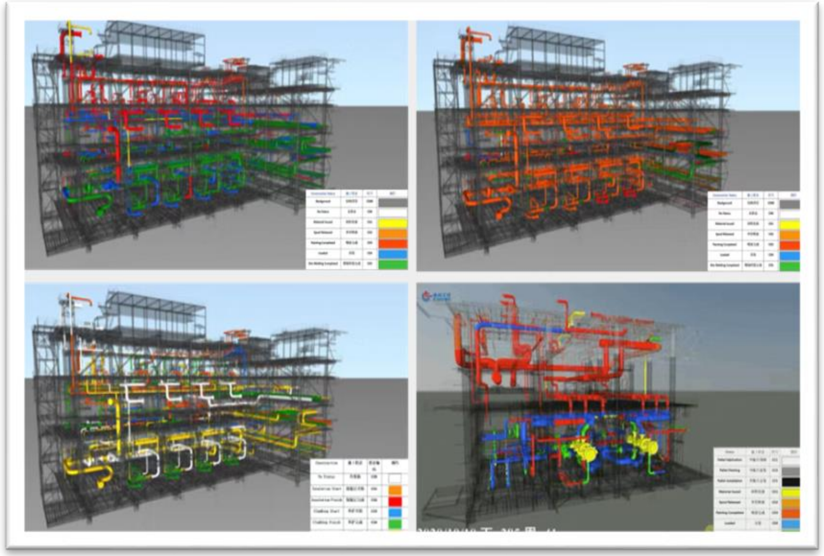
Results of Key Projects - LNG Project in Canada

➢ Project characteristics

- It is the world’ s first integrated LNG plant.
- The 35 modules, including all 19 core process modules, have a total weigh of about 179,000 tons, which is equivalent to nearly 3 times of the weight of the steel structure of the world’ s tallest building, Burj Khalifa Tower.

➢ Key results

- We set a global record for the highest safe man-hours in LNG modular construction, namely, 43.76 million safe man-hours.
- We created the world’ s first integrated construction model for core process modules and pipe galleries. The new NBG (No Backing Gas) welding process was realized for the first time in the world.
- The 4D visualization technology was applied to the construction of LNG core process modules for the first time in China.



Results of Key Projects - Shell’s Penguins FPSO in the UK North Sea

➢ Project characteristics

- Due to the cylindrical FPSO and the high degree of integration, the technical requirements for construction are more stringent.

- The whole ship is composed of more than 1 million parts, with 217 sets of large-scale mechanical equipment and more than 17,000 sets of equipment and facilities integrated on the rounded deck with a diameter of 78 meters. The minimum equipment spacing is less than 10 mm, and the total length of cable laying exceeds 800,000 meters.

➢ Key results

- We have fully mastered the capabilities of construction and final assembly of the world’s most complex cylindrical FPSO, and the integration speed and accuracy have reached an advanced level in the world.

- The construction of the largest and most intelligent cylindrical FPSO is of great significance to the promotion of the intelligent, green, and low-carbon development of China’s high-end manufacturing industry.

Remarkable Results of Scientific and Technological Innovation

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- We continued to promote the construction of **core capabilities of technology research and development**, and **tackled 119 key problems in scientific research** under the guidance of the strategic layout of science and technology.
- In 2022, outstanding progress has been made in deepwater jackets, underwater products, deep-sea floating wind power, intelligent manufacturing technology, and localization of key operation equipment.

Underwater Product

500-meter underwater production system
Product development, final assembly and integration

Intelligence

Commissioning of the first intelligent manufacturing production line
for ocean engineering in China

New Energy

Final assembly of the floating body of
the first deep-sea floating wind power project in China

LNG

Automatic welding technology for vertical seam of inner LNG tanks, with 150% efficiency improvement

Deepwater Jacket

Digital empowerment of 300-meter
ultra-deepwater jacket

Floating Platform

Technology for segmental construction of cylindrical FPSO
and integration of hull and modules

Key Facilities and Equipment for Ocean Engineering

Localization of jacket packers and other bottleneck equipment
Localization of multi-function subsea manifolds, underwater connectors, MQC, hydraulic flying leads, and other key underwater products
Steady progress in underwater data centers, shallow-water subsea Christmas trees, and deepwater SCM

Steady Progress in “Carbon Peak and Carbon Neutrality”

- We follow the trend of energy transformation, adhere to the idea of green and low-carbon development, and promote **the technological change in energy efficiency and the innovation in energy efficiency management**.

“New business” of offshore wind power

We have undertaken the construction of deep-sea floating wind power projects and Qingzhou VI Offshore Wind Power Project, which are expected to produce about 25,000 MW of green electricity per year after being put into operation.

Green and low-carbon “new equipment”

We developed the world’s first and largest commercial subsea data center, with a water depth of more than 30 meters and a weight of up to 1,300 tons.

“New technology” for carbon negative engineering

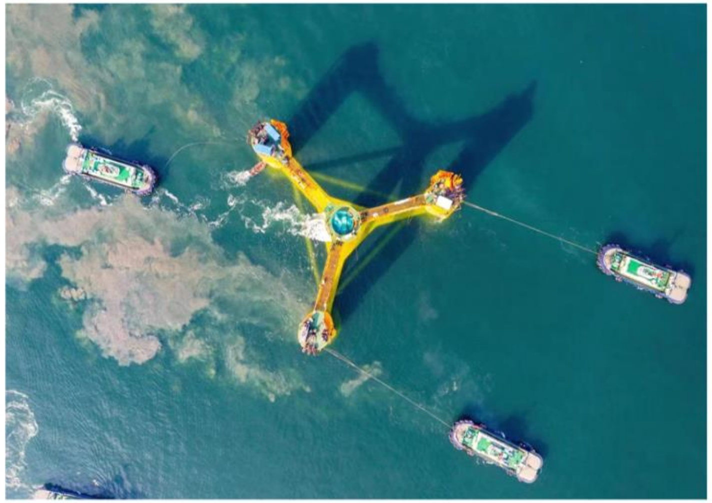
The first offshore CO_2 sequestration module has been applied in China, which can store 1.46 million tons of CO_2 in total, which is equivalent to planting 14 million trees.

“New construction” of green enterprise

The Company was selected as the “Demonstration Enterprise for Green Supply Chain Management” by the Ministry of Industry and Information Technology of the People’s Republic of China in 2022.

International green “new cooperation”

The Company cooperated with Shell (China) to carry out carbon emission investigation and low-carbon emission reduction path planning for the value chain of the ocean engineering equipment manufacturing base.



Contents

Vision, Strategy, and Planning

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Company Vision

World-class energy engineering company with Chinese characteristics

Development Strategy

"One core"

- **Design-oriented EPCI**

"Two foundations"

- **Management**
- **Technology**

"Three directions"

- Internationalization
- Deepwater
- New industrialization

"Five measures"

- Talent
- Market
- Cost
- Risk control
- Digitization

300/600

- By 2025, the operating income will be stable at **RMB 30 billion**
- By 2025, we will strive to realize **RMB 60 billion** of operating income

1:1:1

- Domestic oil and gas business
- Clean energy business
- Overseas business

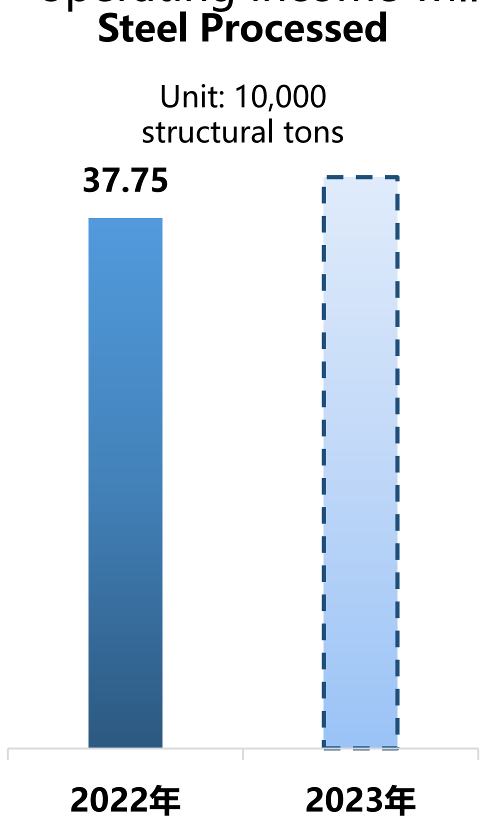
50%/50%

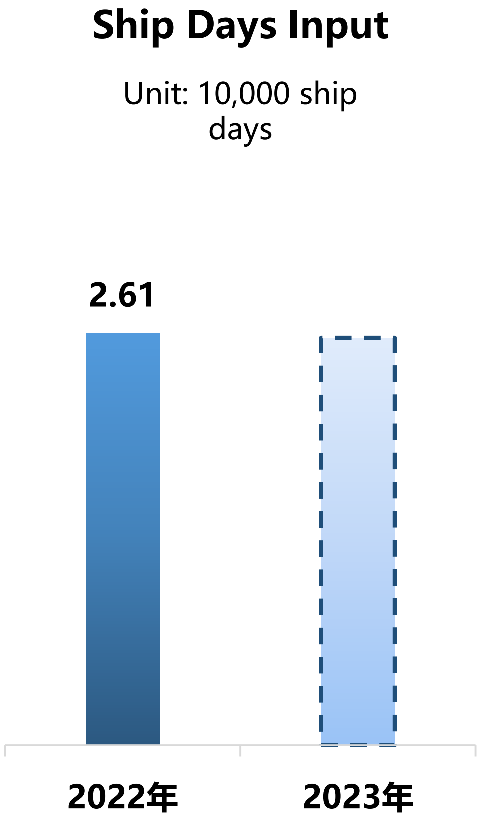
- Income from non-related parties accounts for 50%
- Income from technical services accounts for 50%

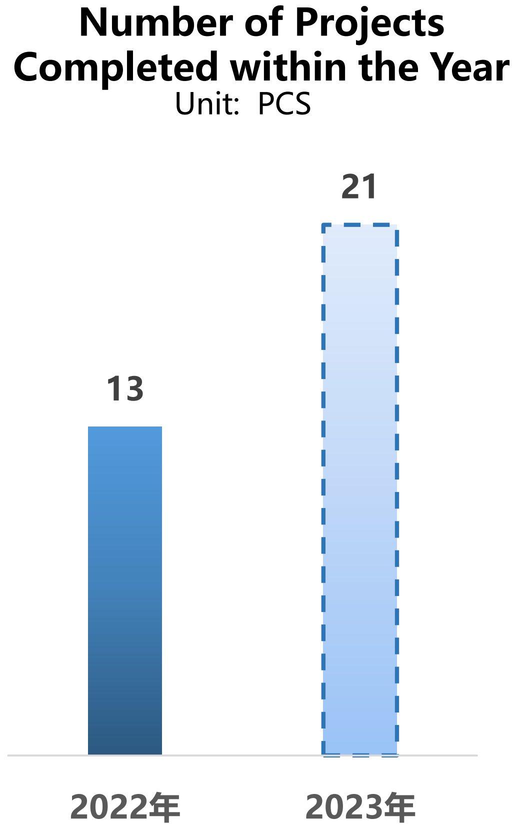
Operating Plan in 2023

◆ **In 2023, 21 projects will be completed and delivered, and annual income is expected to grow steadily compared to 2022**. It is expected that:

- ✓ The proportion of operating costs in operating income will be controlled within 90%;
- ✓ The proportion of sales expenses, administrative expenses, R&D expenses, and financial expenses in operating income will be controlled within 5%.







Customer Relations and Market Development

◆ Promote simultaneous development of domestic and international markets, and optimize the layout of traditional business and emerging markets

➢ Strengthening strategic cooperation with key customers and partners

- ✓ Change the domestic oil and gas business from "EPCI general contract" to "EPCI general contracting long-term agreement + order";
- ✓ Deepen the cooperation with international first-class engineering companies to sign a series of strategic cooperation agreements.

➢ Domestic oil and gas business

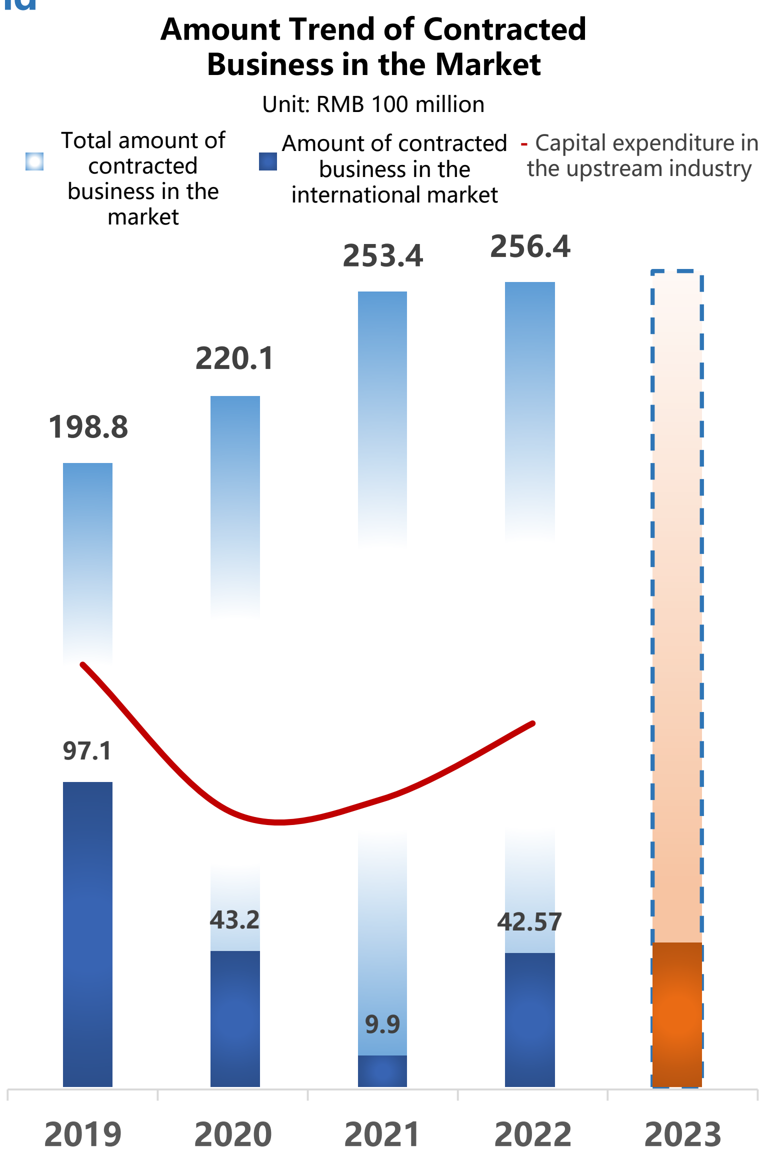
- ✓ Maintain the pioneering advantages in the development technology and capability of shallow-water oil ar gas fields in China, and continue to improve the deepwater development capability.

➢ Clean energy business

- ✓ Consolidate our leading position in domestic LNG terminal business and closely follow domestic and overseas wind power development projects.

➢ Overseas business

- ✓ Strengthen the construction of three overseas regional centers, namely, the Middle East - Africa, the Asia-Pacific region, and Europe - the Americas, focusing on making a breakthrough in the EPC market of oil and gas development in the Middle East, South America, and other places.



Adhering to Green and Low-carbon Development

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- Follow the green and low-carbon development of the global energy industry; be **a practitioner of low-carbon production model** and **a low-carbon solution provider**; with market demands as the orientation and technological innovation as the main means, strive to build technical service capabilities of green engineering.

Accelerate the development of new energy engineering business

Provide innovative engineering technical services for offshore wind power, onshore power, hydrogen energy, and offshore comprehensive energy development.

Continue to build the green and low-carbon production mode

Continue to promote the construction of "green factories"; accelerate the development of rooftop distributed PV; explore best practices for operational energy efficiency of ocean engineering fleets; expand the application of energy management information system.

Actively develop carbon reduction engineering business

Provide carbon capture, utilization and storage engineering technical services, and assist in achieving the goal of "carbon peak and carbon neutrality" with ocean engineering technology.

Breakthrough in key core technologies

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Standardized and serial design, construction, installation, and commissioning of engineering facilities for offshore fixed platforms

Ocean engineering digitization and full-cycle monitoring, detection and evaluation

Design, construction, installation, and commissioning of deepwater floating production facilities

Design, construction, and installation of ultra-large offshore structures

Installation of floating supports for offshore oil and gas platforms

Design, construction, installation, and commissioning technology for 1,500-meter submarine pipeline and underwate production system

IMR for in-service facilities of offshore oil and gas fields

Full-capacity LNG tank project

Design, construction, and installation of 300-meter deepwater jacket

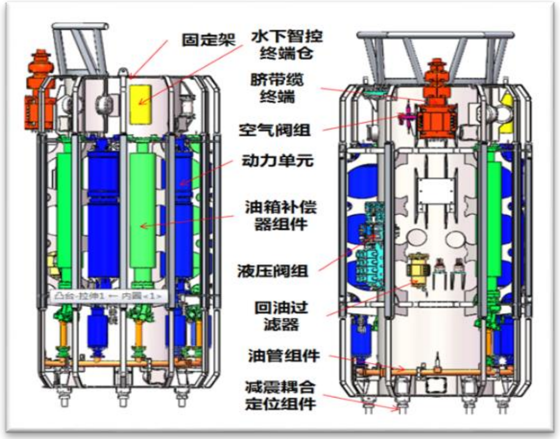
Intelligent manufacturing for ocean engineering and simulation of offshore operation

“Ten Core Technologies”

Internal turret single-point mooring system

Underwater control module and installation tool prototype

Underwater power unit of ultra-deepwater pile hammer



Digital simulation technology

Build a permanent platform!