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ALWAYS DO BETTER



COSL

2024 Annual Results Presentation

March 2025

The information contained in this presentation is intended solely for your personal reference. In addition, such information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on assumptions subject to various risks. No assurance can be given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected. Past track records cannot be used as guidance for future performances.



The background of the slide is a large image of an offshore oil rig in the middle of the ocean. The rig is yellow and red, with a tall derrick. A large black pipe extends from the rig towards the bottom right of the frame. The ocean is a deep blue, and the sky is light blue with some white clouds. In the bottom right corner, there is a circular inset showing a close-up of a mechanical component, possibly a valve or a part of the rig's machinery, with a yellow and black color scheme.

1. Annual Results Review

3. Company Outlook



Average Brent oil price in 2024 was US\$80 per barrel

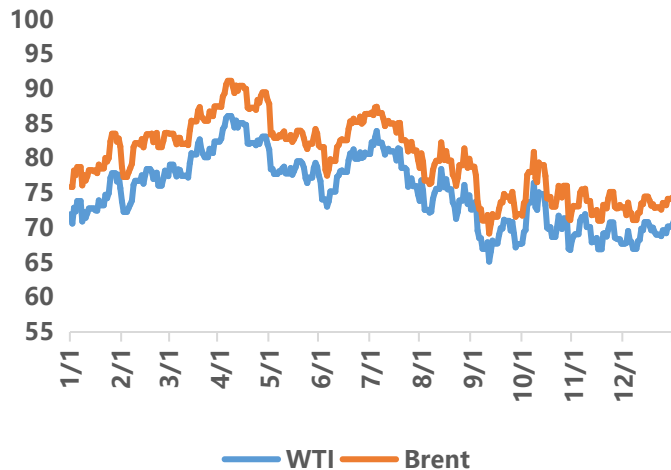


Total global offshore E&P capex in 2024 increased by 7.9% compared to the same period



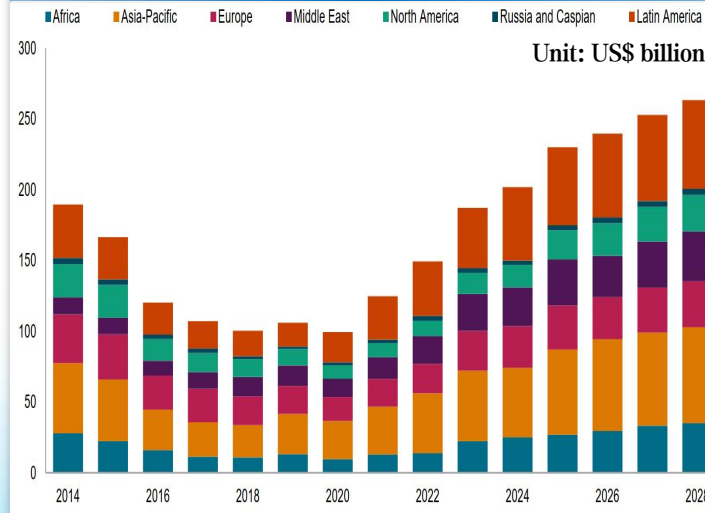
Globally, the utilization rate of jack-up drilling rigs remained stable
Utilization rate of semi-sub drilling rigs returned to same period

International oil price trend in 2024



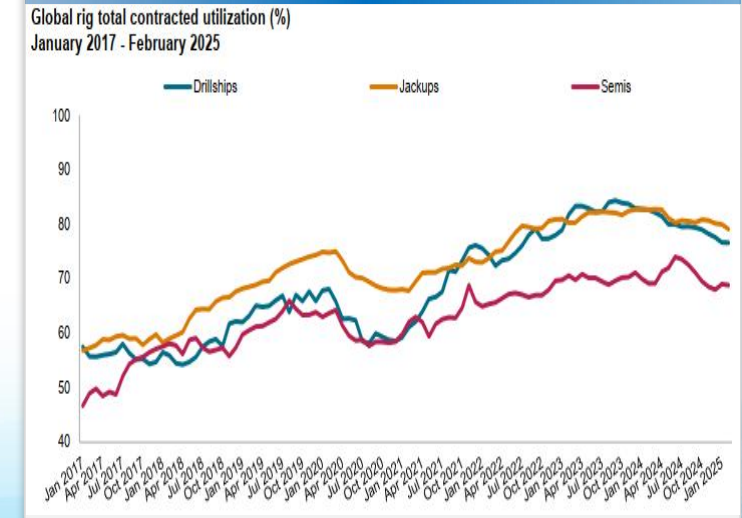
Source: Bloomberg, as of December 2024

Capex by regions for the same period



Source: IHS Markit, as of December 2024

Global rig utilization rate increased



Source: S&P Global, as of February 2025

■ Business performance remained stable, with all indicators improved

Operating
Revenue

**RMB48.30
billion**

↑ 10% yoy

Profit from
Operations

**RMB5.05
billion**

↑ 4% yoy

Total Profit

**RMB4.67
billion**

↑ 10% yoy

EBITDA

**RMB11.76
billion**

↑ 9% yoy

Net Profit

**RMB3.40
billion**

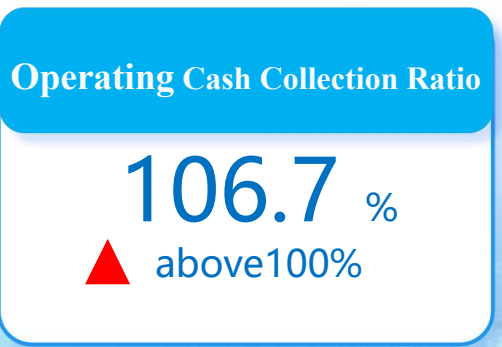
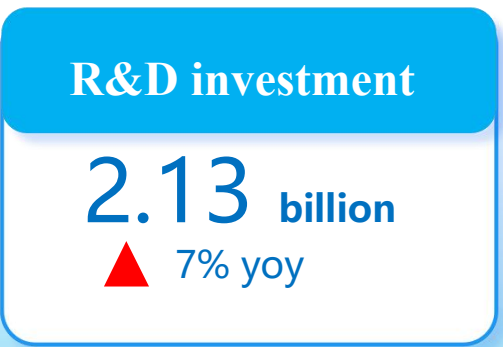
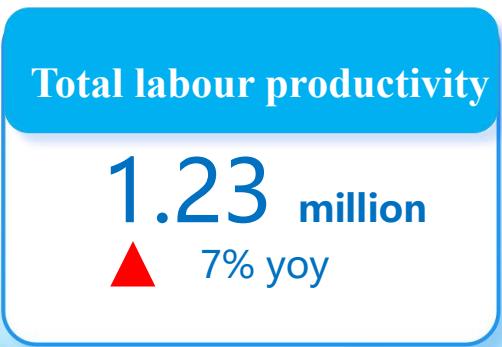
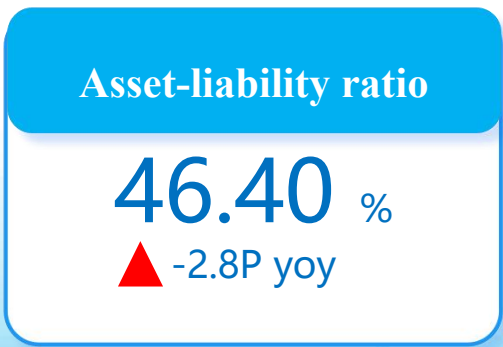
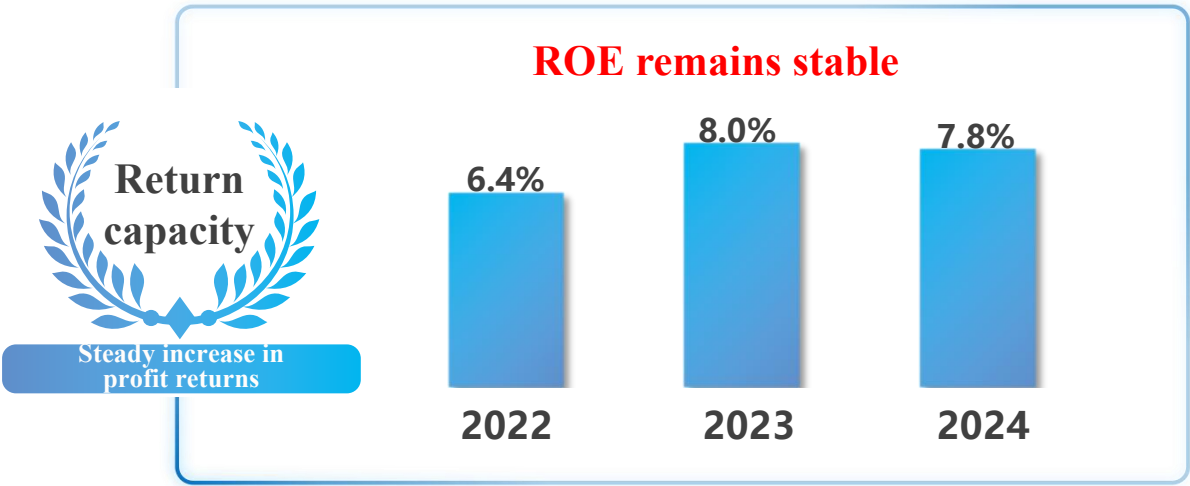
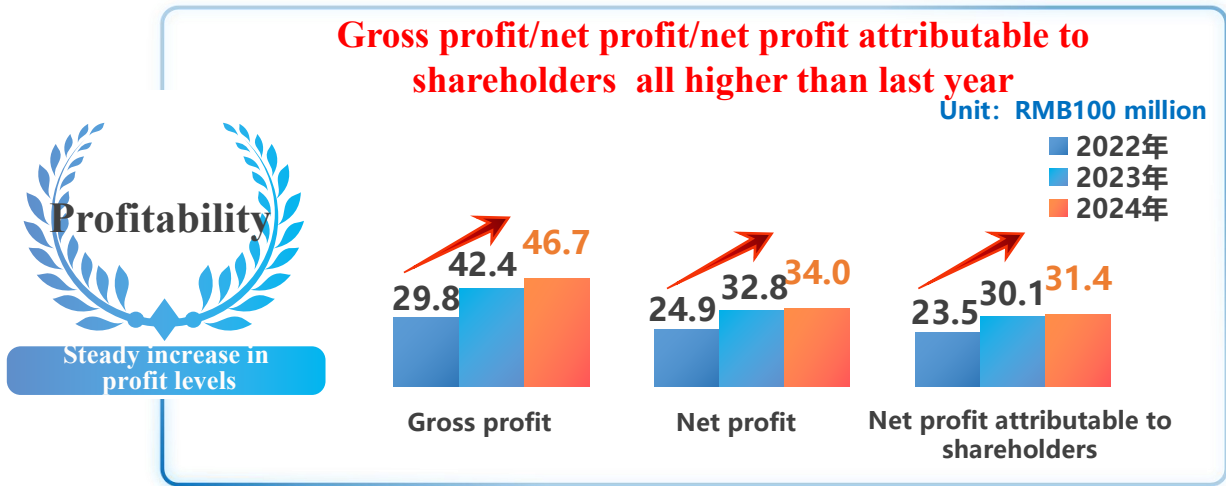
↑ 4% yoy

EPS

RMB0.66

↑ 4% yoy

Overall, the company's various indicators are stable and improving in 2024



Benchmarking Parameters Lead the Industry

COSL

- The Revenue and operating profit margin in the technology segment are at the same level as the industry leaders, and the equipment utilization rate of COSL is better than the international average

Comparison of performance parameters for the same period

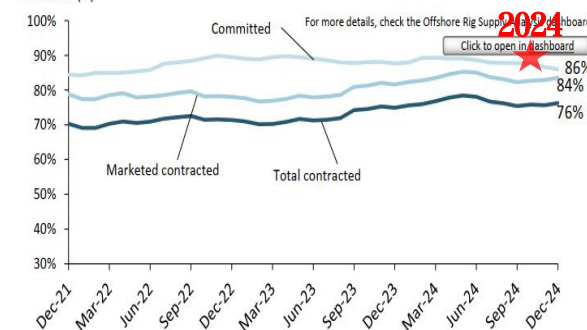
Related indicators	COSL		Oilfield service company A	Oilfield service company B	Oilfield service company C	Drilling company A	Drilling company B
	Drilling segment	Technology segment					
Revenue growth rate %	9.5		9.5	9.1	-0.32	24.4	32.5
Operating profit margin %	2.8	16.2	16.0	11.1	16.7	-11.8	15.4
Asset-liability ratio	46.4		54.3	55.5	58.8	46.9	49.2

International peers: Schlumberger, Baker Hughes, Halliburton, Transocean, Valaris

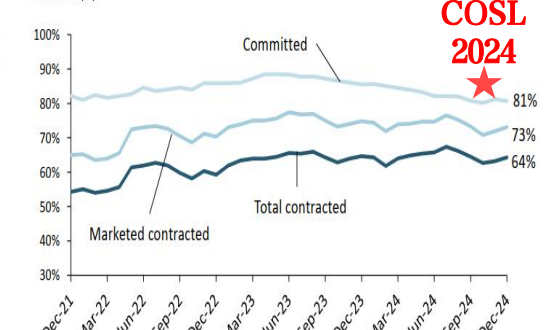
Data from various companies

Rig utilization rate

Global jackup utilization by utilization type
Utilization (%)

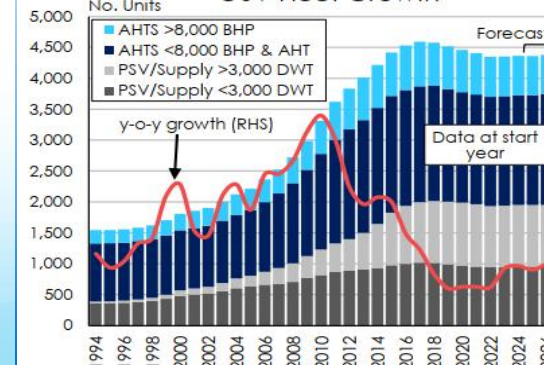


Global floater utilization by utilization type
Utilization (%)

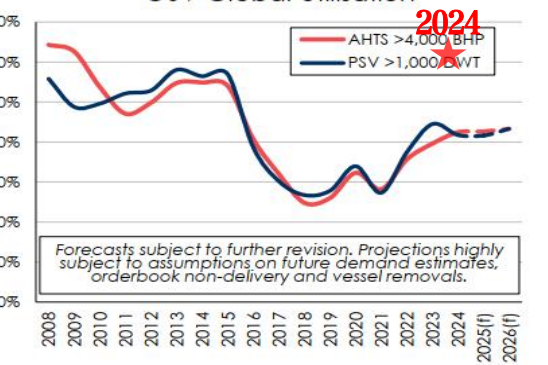


Vessel utilization rate

OSV Fleet Growth



OSV Global Utilisation



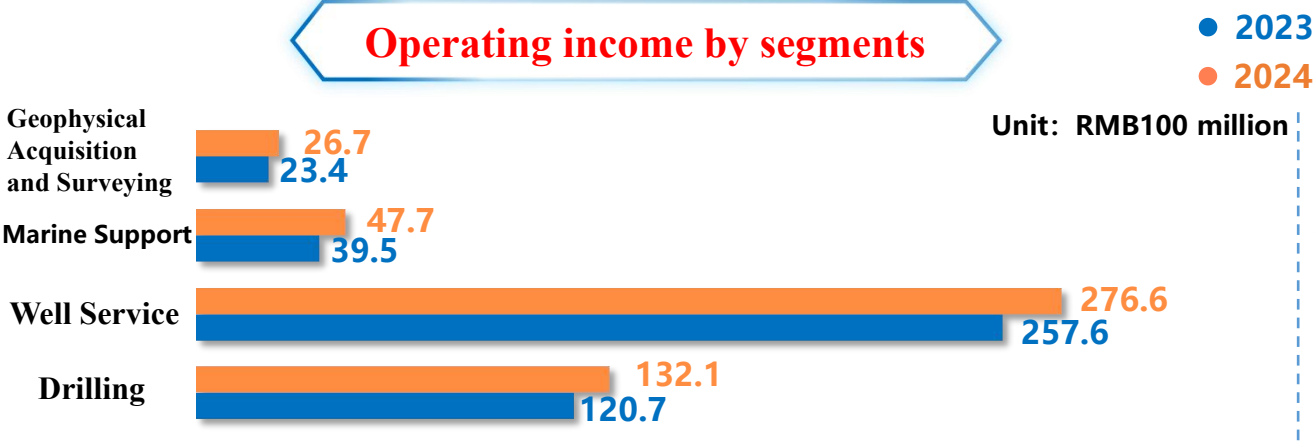
Source: Rystad report

Segments Achieve Stable Business Performance

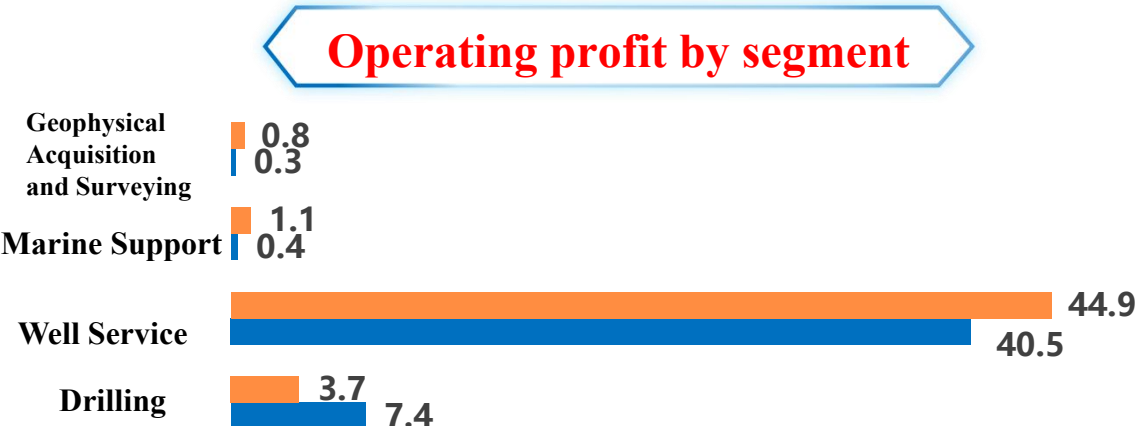


■ The revenue of four major segments displayed steady growth, with the operating profit margin of well service maintaining a growth rate of over 10%

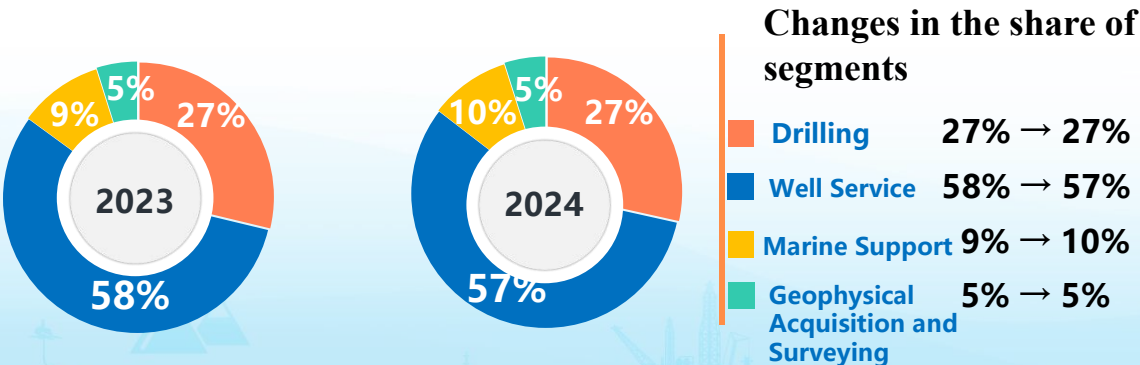
Operating income by segments



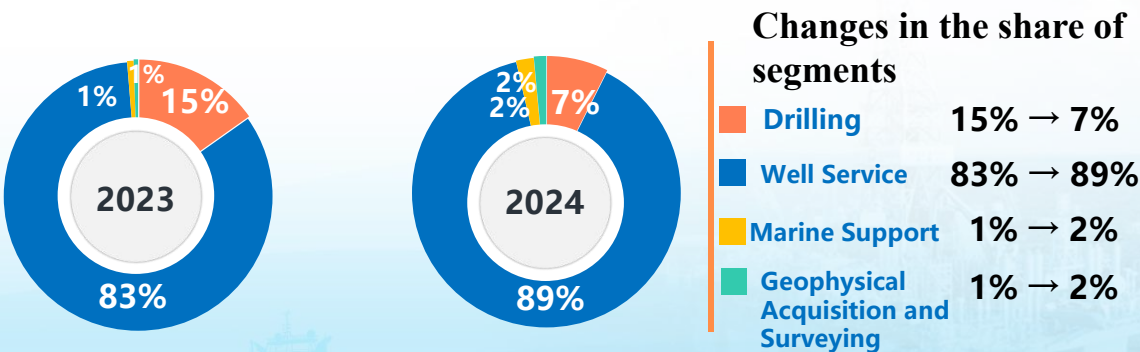
Operating profit by segment



Overall revenue by segments



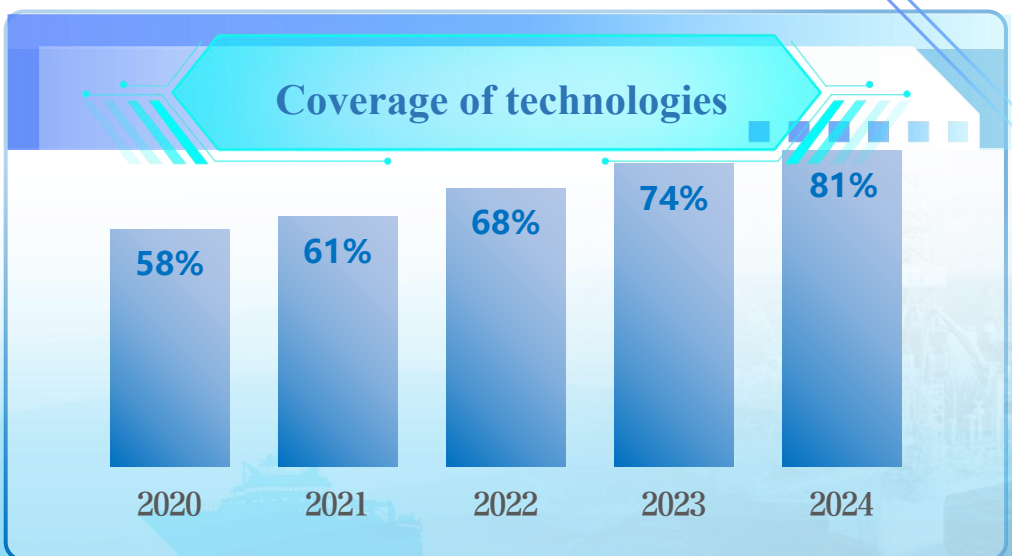
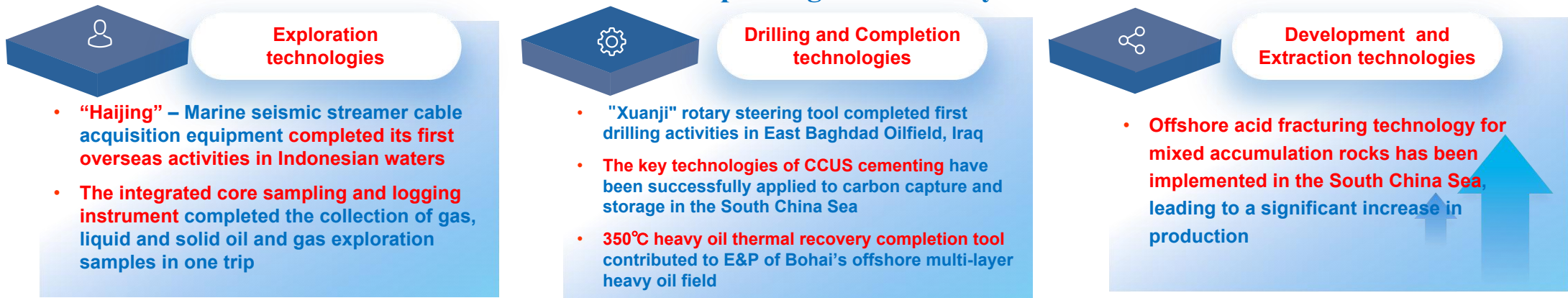
Operating profit by segments



Technological innovation gradually forms systems

- The core systems of industrialization and genealogy are rapidly emerging, and the technical service capabilities are constantly improving

Overall technological coverage expanded to **80%+**, and the quality and efficiency of core technology research and transformation of achievements have been improving continuously



■ Breaking through the original High-Tech and moving towards leading the industry in High-end Technological innovation

COSL's first overseas press conference was held in Thailand, OTC won two awards, and two new brands, with the addition of Xuanyue and Haihong



COSL TODAY conference



OTC Asia Awards

Three integrated solutions for high-end oil and gas technologies

- Deepwater/high-temperature and high-pressure drilling
- Infill adjustment well
- CO2 reinjection well



Xuanyue



Haihong

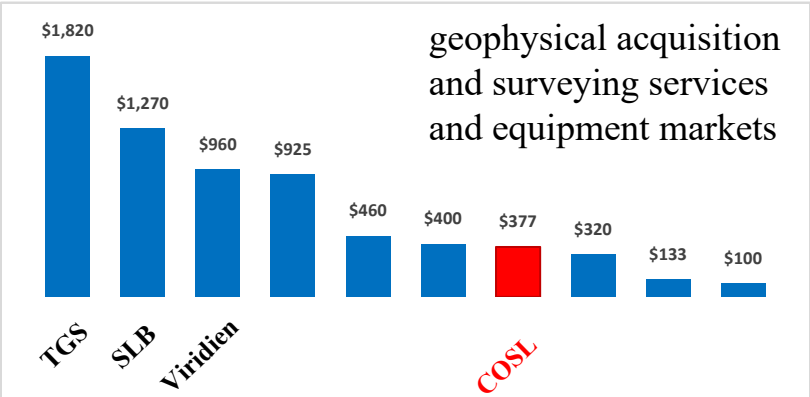
Launch of three international pioneering technologies

- High-temperature and high-pressure rotary sidewall coring
- Integration of coring and sampling
- Density logging after casing

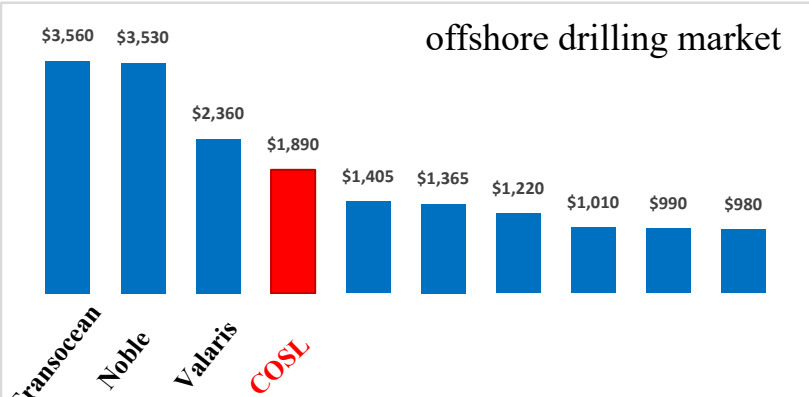
Share of Main Business Segments



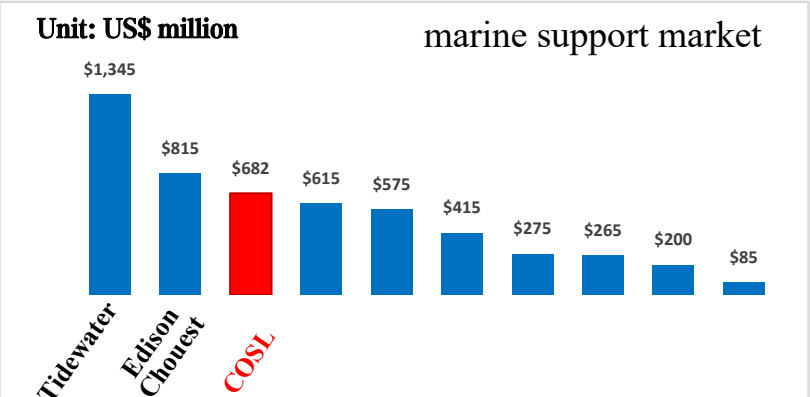
■ The main business segments ranked high in the industry, while the market size and market share still have growth space compared with the international oil service giants



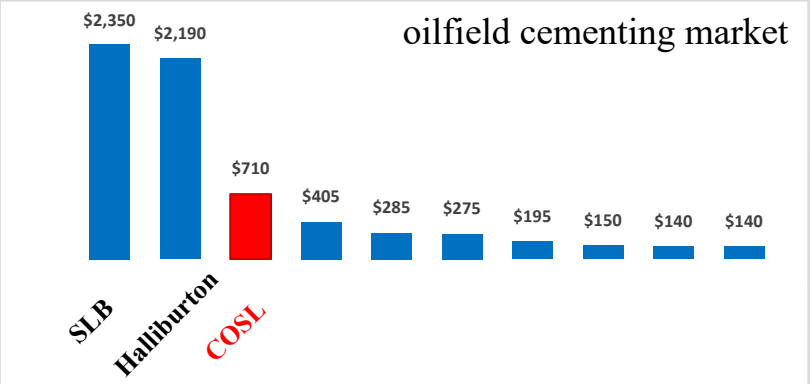
- The global geophysical acquisition and surveying services and equipment markets was worth US\$7.585 billion in 2024
- COSL geophysical acquisition and surveying segment ranked 7th in the world in 2024



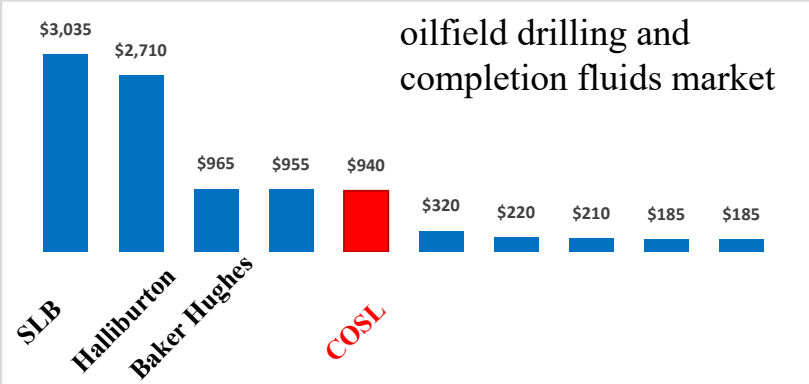
- The global offshore drilling market was valued at US\$31.413 billion in 2024
- COSL's revenue from the drilling segment ranked 4th in the world in 2024



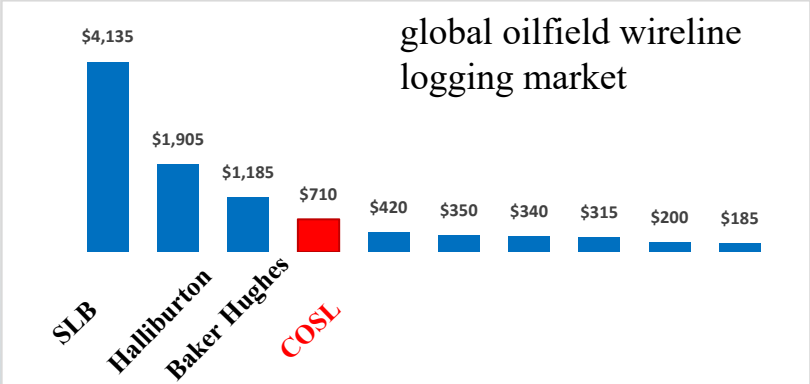
- The global marine support market was worth US\$6.795 billion in 2024
- COSL's revenue from marine support segment ranked 3rd in the world in 2024



- The global oilfield cementing market was worth US\$8.76 billion in 2024
- COSL's revenue from the cementing segment ranked 3rd in the world in 2024



- The global oilfield drilling and completion fluids market was worth US\$11.489 billion in 2024
- COSL's revenue from drilling and completion fluids ranked 5th in the world in 2024



- Scale of global oilfield wireline logging was at US\$13.836 billion in 2024
- COSL's revenue from wireline logging ranked 4th in the world in 2024

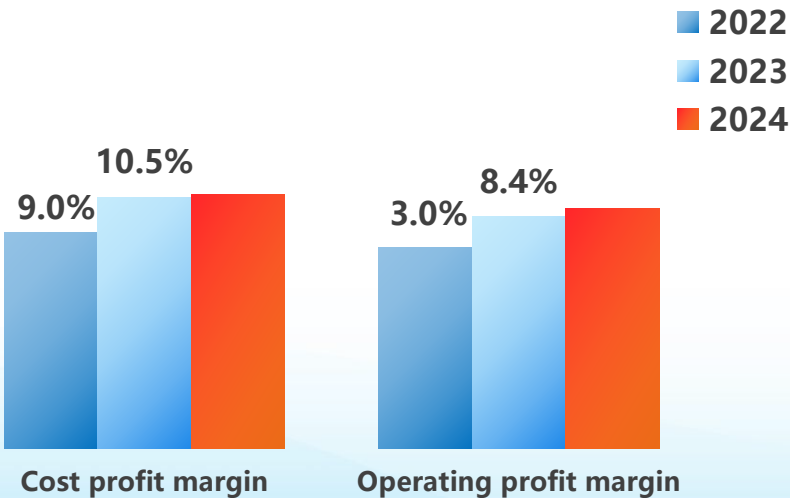
■ Fostered efforts to continuously reduce costs and promoted “structural, systematic and long-term” cost reduction strategies



Operating cost management



The cost profit margin and operating profit margin continued to optimize, achieving the highest level in the past three years

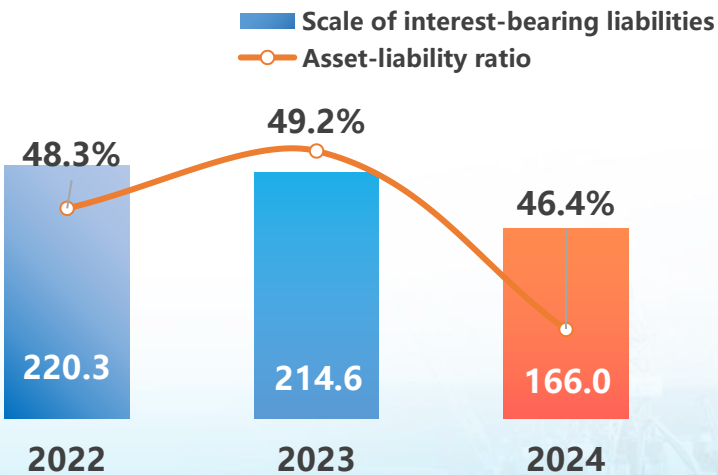


Working capital structure management



Lowered the scale of interest-bearing liabilities, continued to optimize asset-liability ratio

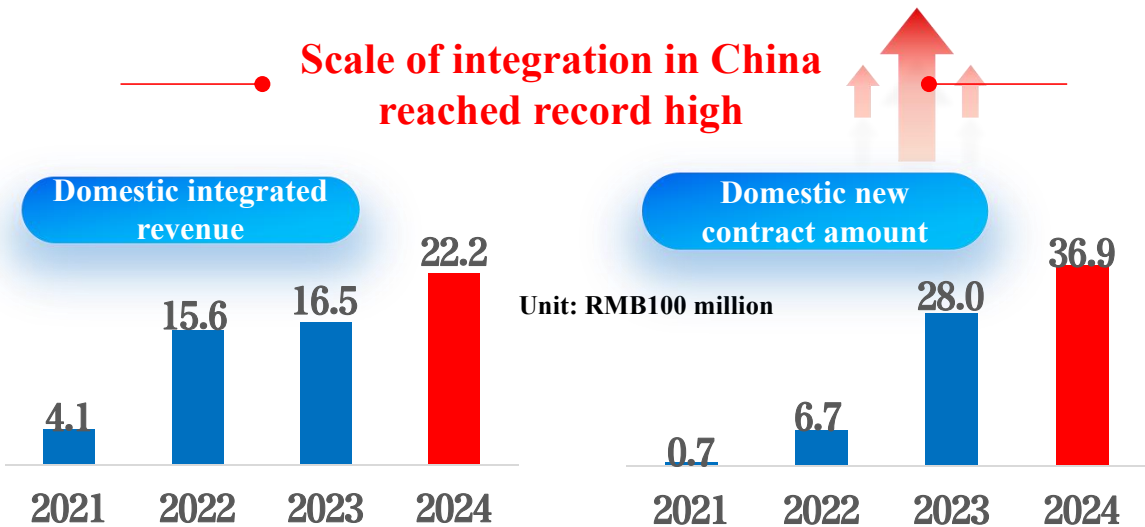
Unit: RMB100 million



Achievements Brought by Integration

Demonstrated the professional value of "integrated" services based on customer needs

Scale of integration in China reached record high

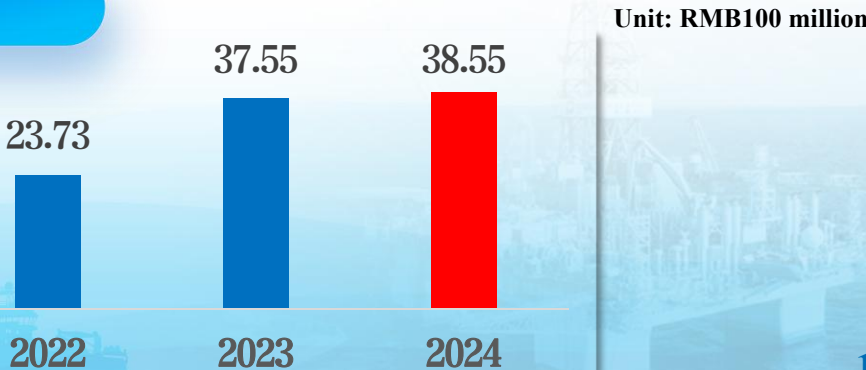


- Revenue from China's integration projects and value of new contract signings continued to hit record highs
- The first disposal integration service project of a condensate gas field in a particular region of Bohai Bay, with the efficiency of three wells improving by 18.2%
- Efficiency of an integrated development project in the South China Sea increased by 13.7%, achieving a higher-than-expected production capacity of 30,000 barrels per day, and earning high recognition from customers
- Comprehensive management and integrated services for 12 wells in a particular region in the eastern part of the South China Sea, driving output value of [RMB]102 million.
- An integrated drilling and completion project on an artificial island achieved customer value enhancement and contributed 45% of the oilfield's production

Steady increase in overseas integrated revenue

- Iraq: Broke the historical record for [the longest horizontal section well operation], set up the first overseas skills training station for integrated projects
- Indonesia: Overall efficiency of the integrated drilling project increased by 115.5% and won the "[Best Contractor]" title
- Malaysia: Completed the HESS offshore disposal integration project, with a 20% increase in project [development] speed
- Uganda: Achieved "customer upgrade" and won Total "[Local Outstanding Contribution Award]"
- Canada: Integration services supported Changhu Oilfield in producing over 58,000 barrels of oil per day

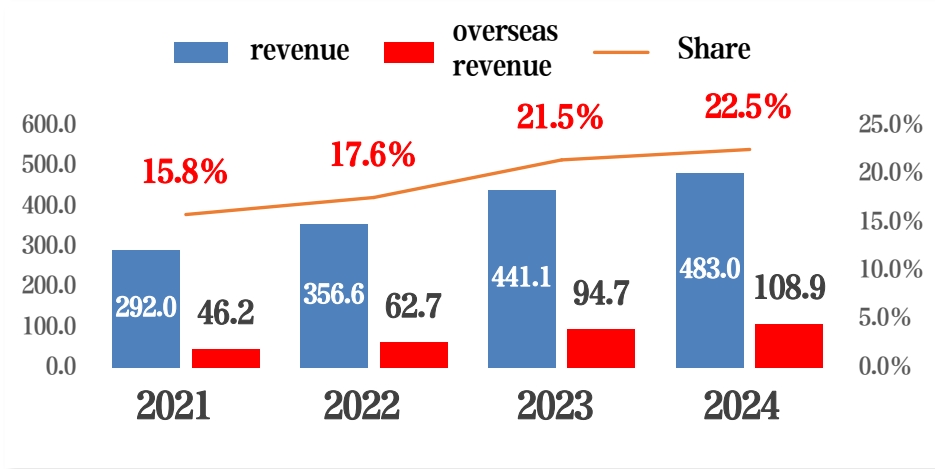
Overseas integrated revenue



Breakthroughs in Internationalization Strategy

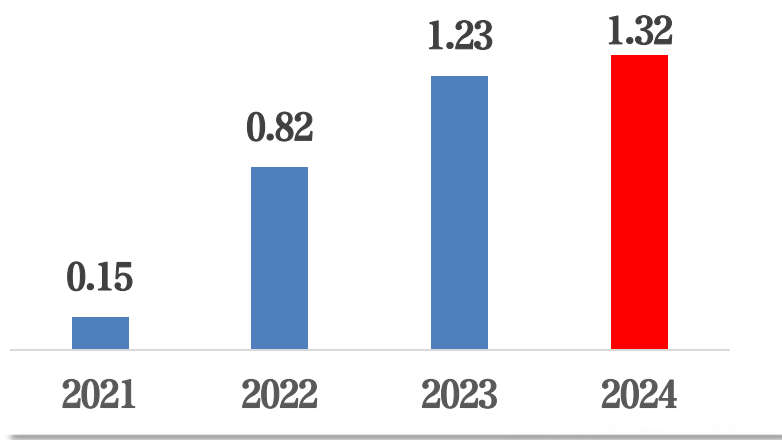
Overseas revenue exceeded [RMB]10 billion, with an expanding business footprint and customer market

Overseas revenue and share continued to increase



Product sales continued to grow

Unit: RMB100 million



Adding new landmarks to the business landscape

- Drilling business entered **Brazil**
- Surveying business entered **Mexico**
- 3D acquisition business entered **Argentina and Peru**
- Data interpretation business entered **Uganda**
- Offshore cementing business entered **Thailand**
- Solid Acid was sold to **South Sudan**
- "Xuan Yue" logging equipment was sold to **Nigeria**
- EOR business entered **the UK**



Customer market has achieved breakthroughs

- KOC** mud/cementing/regular directional well/medium to shallow layer land drilling rig service
- PTTEP** marine support services/seismic acquisition business
- Saudi Aramco** drilling and completion fluids /land drilling rig service
- Petrobras** jack-up drilling platform service
- ENI** seismic acquisition, surveying, seismic data processing businesses

Implemented Regional Development Strategy

COSL

■ Took advantage of the entire business chain to promote large-scale development of the “1+2+N” market

- Enhanced the operational capabilities and profitability of large equipment, and accelerated breakthroughs in well service in Middle East region; Continued to cultivate the Missan market, and tap the new southern oilfield of Iraq market
- Asia Pacific continued to advance the development of the entire business chain, and the drilling business has again entered the Thai market

- Semi-sub rigs have entered the high-value contract execution stage in the European
- The Americas achieved breakthroughs in Brazilian drilling projects and increased investment in self-developed equipment for the Americas market
- The KF and TL projects in Uganda, Africa, are in full swing, forming a foundation for expanding into neighboring markets



Fulfilled Social Responsibilities

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Employee development plan nurtures professional strength, while the joint construction project between enterprises and local government conveys warmth and care



Spreading love through philanthropy

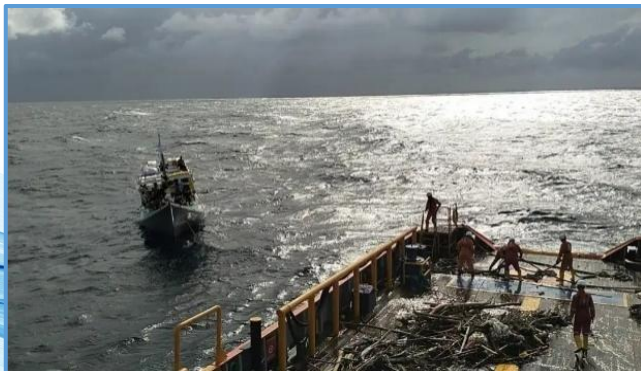


Environmental protection exhibition



Collaborating in charitable works to spread love

Overcoming challenges and finding hope in the face of uncertainty



24 maritime rescues and salvage operations

38 marine salvage operations

Rescued **27** individuals

Capital Market Honors

COSL

- The Company won the **“Tianma Award for Investor Relations of Chinese Listed Companies”** at the 15th Tianma Award for Investor Relations of Chinese Listed Companies
- The Company was shortlisted for **“Top 100 ESG Listed Companies in China”** at the “China ESG (Corporate Social Responsibility) Launch” and Ceremony
- The Company was included in the **Central Enterprise ESG• Vanguard 100 Index**, and included as an **“Excellent Social Case”** in the Central Enterprise ESG Blue Book
- The Company won the **“2024 Responsibility Benniu Award-Award for Pioneering ESG Governance”** at the Seventh ESG China·Beijing Responsibility Exhibition
- The Company won the **“2024 ESG Special Driving Force Award”** at the Third International Green Zero Carbon Festival and 2024 ESG Summit

2024



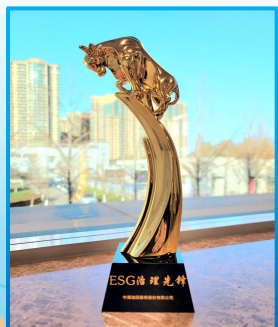
The Company’s Chairman honored with **“the Most Insightful Chairman”** at the 19th “Gold Round Table Award” for Boards of Chinese Listed Companies

The Company’s Chairman received the **“2024 Outstanding Influence Entrepreneur Award”** at the 2024 13th CFS China Finance Summit

The Company’s Chairman was awarded **“Best Corporate Leader”** at the 2024 China Financing Awards

The Company’s “[annual results presentation]” received the **“Excellent Practice”** Award from the China Association for Public Companies

The Company received the **“Best ESG Practice Award”** at the 2024 Hong Kong International ESG Annual Awards



The background of the slide is a large image of an offshore oil rig in the middle of the ocean. The rig is yellow and red, with a tall derrick. A large black pipe extends from the rig towards the bottom right of the frame. The ocean is blue with whitecaps, and the sky is blue with some clouds. In the bottom right corner, there is a circular inset showing a close-up of a mechanical component, possibly a valve or a part of the rig's machinery, with a yellow and silver color scheme.

1. Annual Results Review

3. Company Outlook

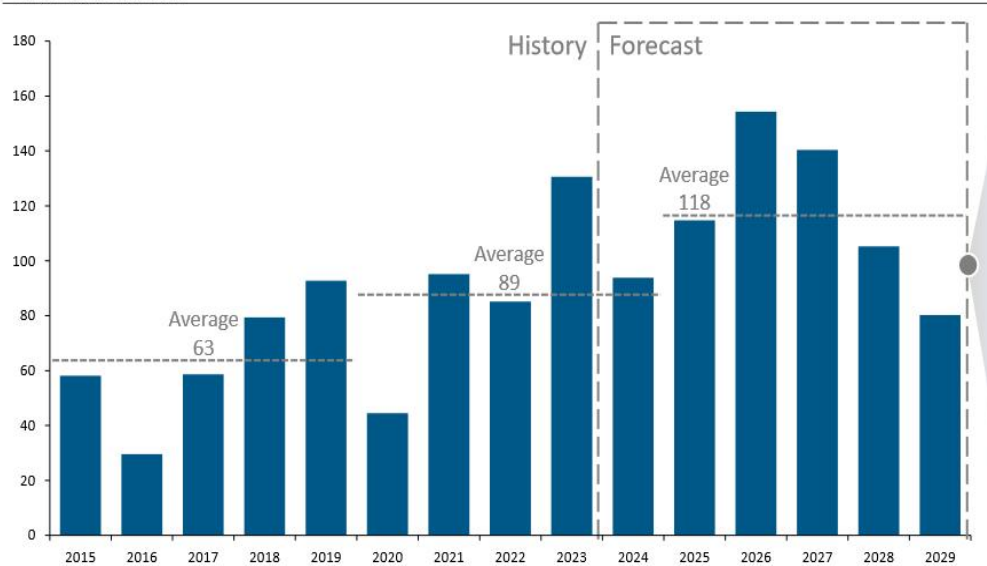
Favorable Industry Environment

COSL

- ➔ In the next five years, the average annual investment in exploration and development of new offshore oilfields worldwide will rise, with hot spots mainly concentrated in regions such as South America, the Middle East, and Africa
- ➔ CNOOC's CAPEX in 2025 is estimated to be between [RMB]125 billion and [RMB]135 billion, and the Company's domestic workload is expected to remain high in 2025

Investment in new offshore oilfield development worldwide

Global offshore greenfield E&P investment by sanctioning year
Billion USD nominal



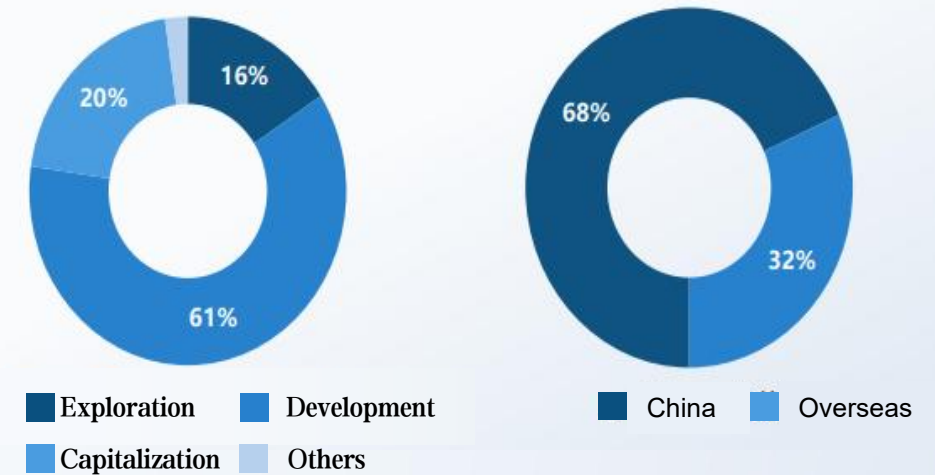
Top 10 regions 2024-2029
Billion USD nominal



Source: Rystad, data as at December 2024

COSL's capital expenditure structure in 2025

Capital expenditure structure in 2025



Source: CNOOC Limited's 2025 Strategic Guidance Conference

Focus on global energy service demand and build a world-class energy service company



Technology driven

Strengthen technological originality, drive close connection between technological innovation and product supply, and create unique digital scenarios



Cost leadership

Promote the transformation of traditional cost reduction to process cost reduction, institutional cost reduction, industrial chain cost reduction, technological cost reduction, and digital intelligence cost reduction



Integration

Refine customer management, promote new low-cost and efficient development models, and realize vertical diversification and horizontal integrated coordinated business development



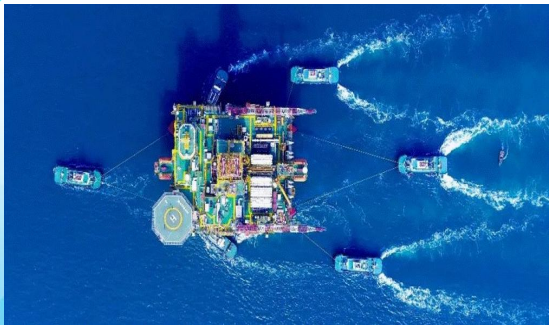
Internationalization

Enhance international operation capabilities and awareness of overseas independent management, continue to enhance resource integration capabilities and create an international cooperation ecosystem

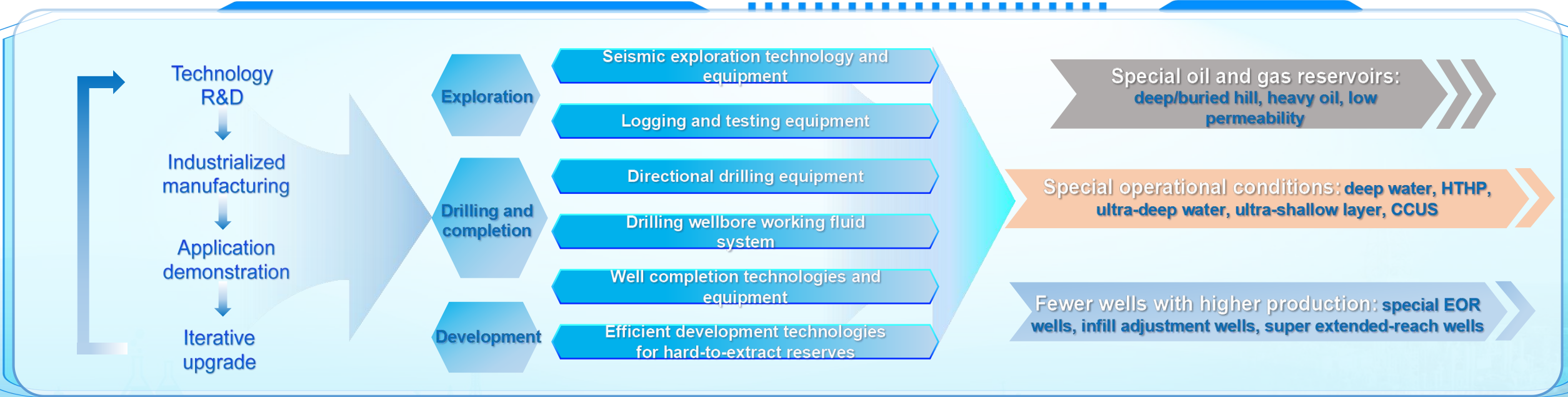
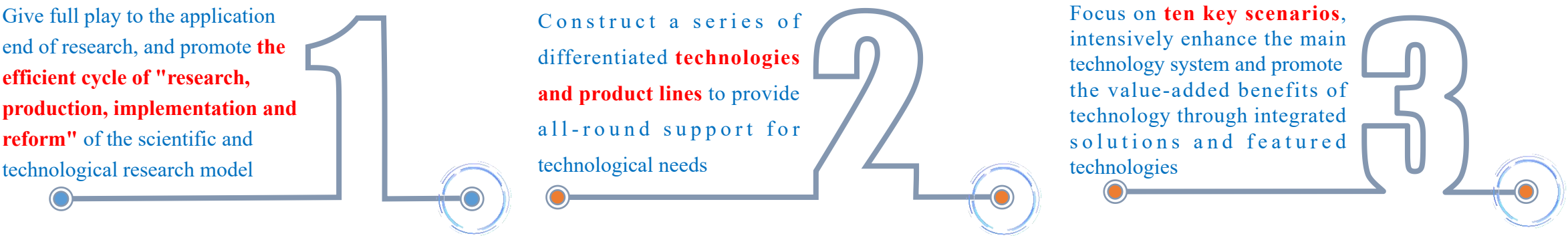


Regional development

Cultivate core country-specific markets and formulate differentiated strategies to expand business based on regional market demand, competitive landscape and growth potential




Systematic development of core technologies, transform and add value to technological achievements



Consolidate Cost Leadership Advantage

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Improve both lean management level and resource allocation efficiency

 **Enhance staff utilization efficiency**

Digital intelligence: Through systematic process optimization, reduce workforce size and optimize labor structure

 **Optimize equipment utilization efficiency**

Technological innovation and efficiency: Promote development in strategic emerging industries, accelerate the process of independent R&D, and improve the utilization efficiency of self-owned equipment

Improve working capital turnover efficiency 

Industrial chain and supply chain construction: Through industrial synergy, further improve the turnover efficiency of “accounts receivable and inventory”

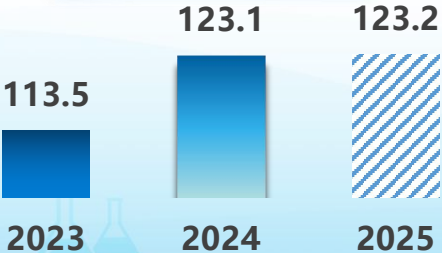
Increase resource utilization efficiency

Staff/asset utilization efficiency

Operating cost turnover efficiency

Unit: RMB10,000 /person

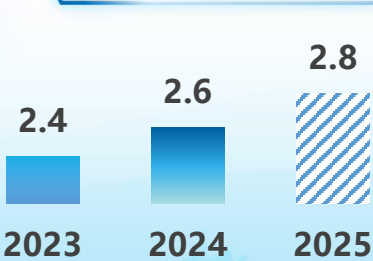
Overall labor productivity



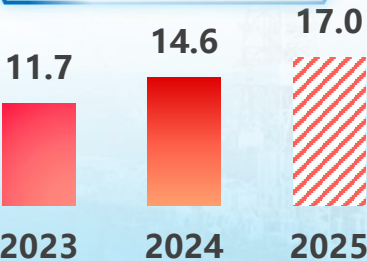
Total asset turnover ratio



Accounts receivable turnover ratio



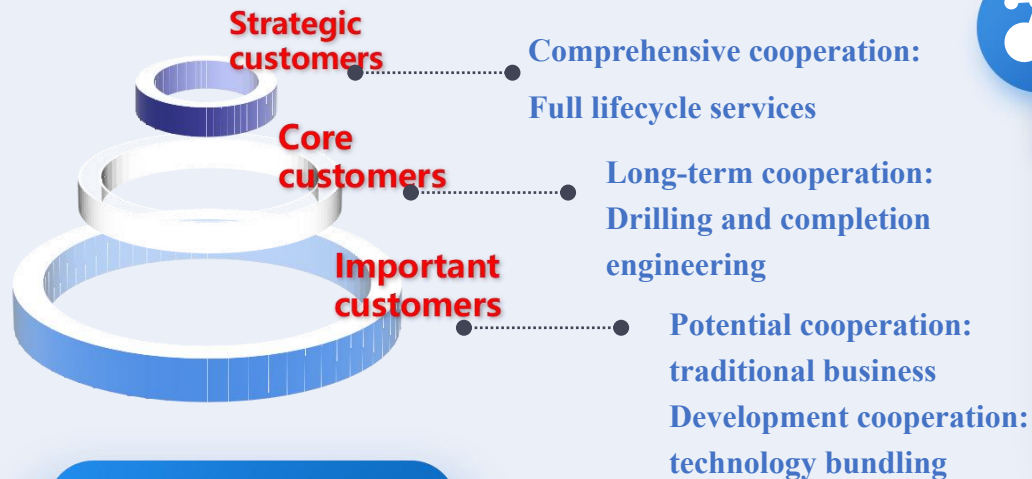
Inventory turnover ratio



Effectively utilize resources of the entire industrial chain and expand strategic customers



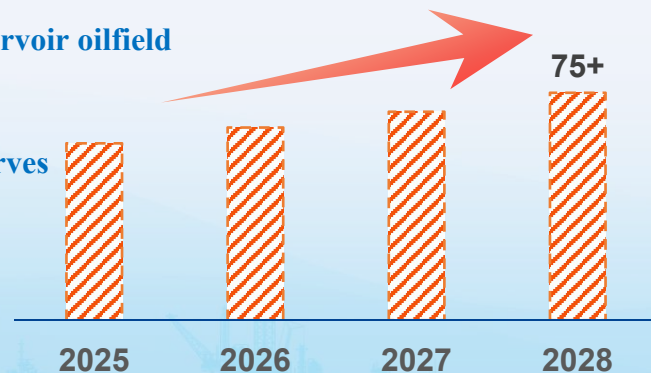
Switch from
"Important"
to "Strategic"



Business Outlook

Explore new paths for business development
and continue to increase business scale

- + Deepwater and Deep reservoir oilfield
- + Unconventional reservoir
- + Offshore difficult-to-reserves
- + Oilfield development and management



Domestic Integration

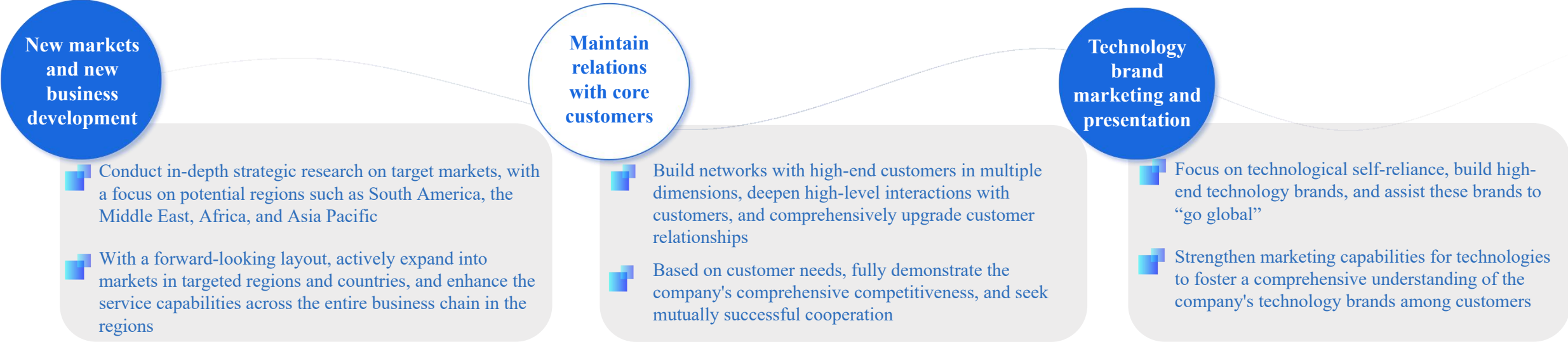
- Upgrade and transform the core equipment of the domestic platforms to promote the digital and intelligent transformation of the traditional drilling and workover businesses
- Focus on the need for developing deepwater deep-layer, high-temperature high-pressure, and hard-to-extract reserves, driving technological efficiency improvement
- Explore the synergistic efficiency among different business lines from multiple dimensions to promote platform+business chain expansion



Overseas Integration

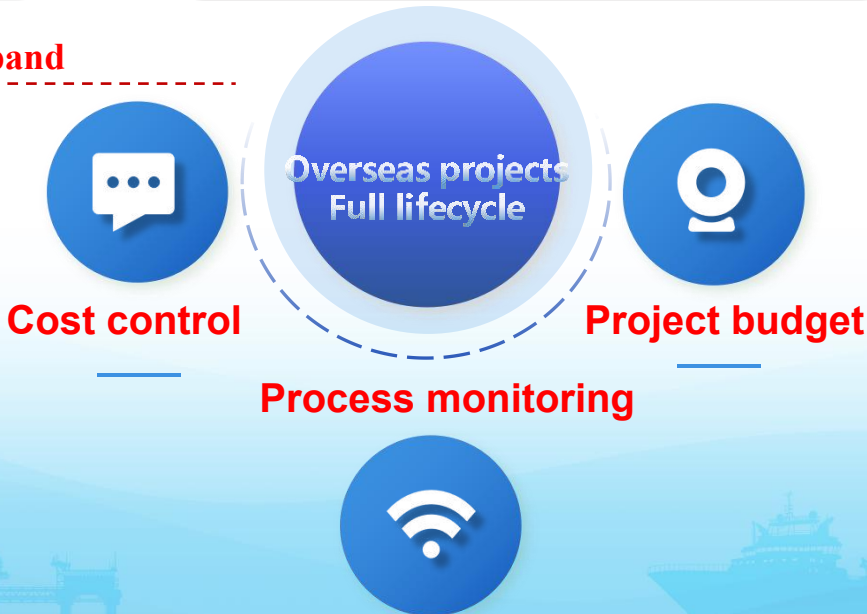
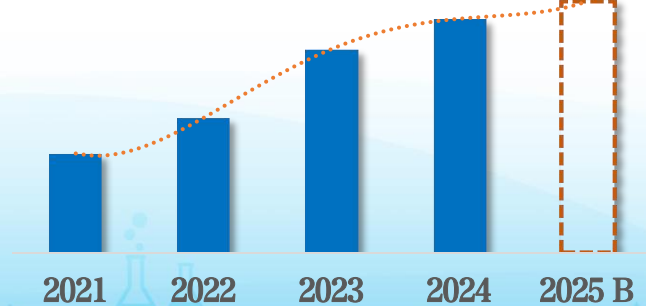
- **Asia Pacific:** Focus on "Indonesia+Malaysia" and radiate the surrounding areas, continuously increasing business growth and added-value technologies
- **Middle East:** Secure equipment resources and restructure overseas integrated operations support centers
- **Africa:** Focus on integration and expansion of high-tech value-added services, and promote building local capacity
- **Americas:** Promote the layout of the salvage and disposal business, build a market system driven by both services and product sales, and strive to promote breakthroughs in key areas

Focus on international operational capabilities and the ability to efficiently utilize overseas resources to create value



The scale of overseas income continues to expand

Unit: RMB100 million



Operating profit in key markets continue growth

Indonesia	Operating profits increased by 54% above budget
Iraq	About 70% of projects exceeded profit expectations
Uganda	All four businesses were profitable
Canada	All five projects were profitable

Contracts Held in Overseas Markets

Diversity of overseas customers and international markets

The company **currently holds** overseas contracts worth approximately **US\$3.606 billion**, with ten major customers contributing approximately **US\$3.183 billion**, which accounts for **88.3%** of the total

Ten Major Overseas Customers



Breakthroughs in Quality Enhancement of Regional Markets

COSL

New advancements in the operational quality of regional markets and breakthroughs in key regions

Middle East

- Increase the layout of the technology sector to achieve entry into the full industry chain
- Continue to optimize the quality of offshore drilling services and project execution capabilities
- Achieve breakthroughs in the high-end customer market for onshore integrated projects

Americas

- Core business of drilling and completion of integrated services for oil sands
- Expand regional sales business and create new growth poles in business operations
- Expand potential markets such as disposal integration in South America, deepwater oilfield services, onshore and unconventional equipment services

Resources

Orders

Delivery

Customers

Africa

- Expand the sales of products such as "Xuanyue" and "Xuanji", and promote the "service+sales" model
- Leverage CNOOC projects in the region to expand seismic acquisition, deep-sea exploration and deepwater drilling services

Asia Pacific

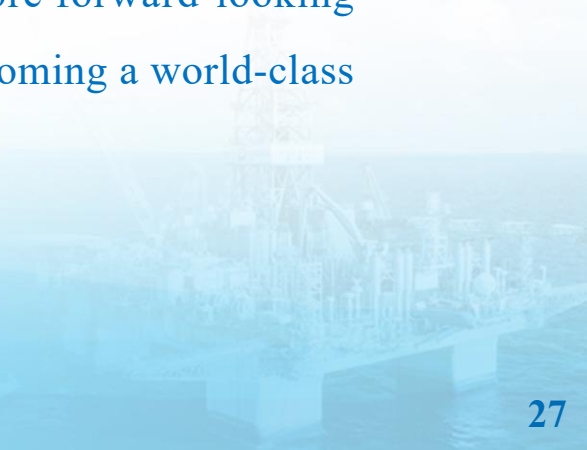
- Make breakthroughs in the comprehensive treatment and disposal of ageing oilfields
- Increase market share of oilfield technical services
- Strive for long-term projects with complete service chains and high technical complexity, and accelerate the realization of economies of scale

Europe

- Continue to consolidate and expand the existing high-end drilling market
- Accelerate the development of "platform+disposal integration" market capabilities in the North Sea
- Expand the high-end ship service market in the North Sea

Under the guidance of the five development strategies of “technology-driven, cost leadership, integration, internationalization, and regional development”, COSL will take technological breakthroughs as its engine and customer needs as its guide, as it further intensifies efforts in the global energy service sector. Confronted by the surging waves of the energy revolution, the Company will unwaveringly promote the implementation of its strategies. Supported by its domestic market base, the Company will continue to strengthen its international localization operational capabilities and establish a full lifecycle energy service system.

At this time, I would like to sincerely thank all the shareholders and investors for their long-standing trust and support, which has enabled the Company to maintain the courage to forge ahead in the deep waters of energy transformation. Looking ahead, the Company will deliver higher quality performance and more forward-looking technological layouts, and together with everyone, witness the grand vision of the Company becoming a world-class energy service provider.



COSL



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