CNOOC LTD
Form 6-K
March 24, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of March 2016

Commission File Number 1-14966

CNOOC Limited
(Translation of registrant's name into English)

65th Floor
Bank of China Tower
One Garden Road
Central, Hong Kong
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No x

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): Not applicable

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CNOOC Limited

By: /s/ Jiewen Li
Name: Jiewen Li

Title:

Joint Company Secretary

Dated: March 24, 2016

EXHIBIT INDEX

Exhibit No. Description99.1 Announcement entitled “2015 Annual Results Announcement”99.2 Press Release entitled “Steady Progress in All Businesses Production Target Fully Met”

Exhibit 99.1

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(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 00883)

2015 Annual Results Announcement

CHAIRMAN'S STATEMENT

Dear Shareholders,

In 2015, the steep downward adjustment of the global economy has continued unabated with little signs of recovery. International oil prices have continued to hover at low levels due to concerns over the prospects of global economic growth and oversupply of crude oil. With oil prices once again plummeting towards the end of the year, worldwide oil and gas industry is experiencing a "cold winter".

We have proactively adjusted our approach and strategy for our future development, continued to focus on quality and efficiency, so as not only strive for survival, but also seek for future development. In 2015, the Company significantly reduced capital expenditures by 38% compared to 2014 and achieved favorable results in different areas of business.

First, we successfully achieved oil and gas production target for the year. Net oil and gas production reached 495.7 million BOE, representing a 14.6% growth over the prior year. The seven new projects planned for 2015 also commenced production smoothly, many of which were ahead of schedule, demonstrating once again our strong capability in project management.

Second, we maintained an intensive exploration program while lowering our exploration capital expenditures. With remarkable achievements in our oil and gas exploration, we have built a solid foundation for the Company's sustainable development. We once again achieved excellent results from our independent exploration offshore China, with new discoveries including mid-to-large discoveries such as Liuhua 20-2 and the successful appraisal of a number of mid-to-large size oil and gas structures such as Caofeidian 6-4. We also continued to maintain a relatively high exploration success rate and opened up new frontier areas for future exploration. Breakthroughs were also made in overseas exploration. We obtained new discoveries in Algeria and Nigeria, and successfully appraised three oil and gas structures including Libra in Brazil.

The Company continued to benchmark against first-class international peers in terms of business performance and management criteria to improve the profitability of international business and continuously enhance its ability in operating overseas assets. Under the low oil price environment, we closely monitored and strictly controlled the decision-making and execution process of major overseas investment projects. We also conducted comprehensive analysis on costs and returns of these projects. At the same time, we adopted measures to further strengthen risk management of our overseas operations.

In 2015, the Company continued to carry out the "Year of Quality and Efficiency" program. Ensuring stable and safe operations of oil and gas fields and increasing the production efficiency have been the paramount mission for the Company. We have stimulated the momentum of our operations through innovation in management and effectively reduced operating costs through market mechanism. Through innovation in technology, we have embarked on the path for future growth, and we have established a system to streamline our cost structure in the long-term, laying a solid foundation to deal with the risk of continuing low oil prices. During the year, the Company's all-in cost decreased to US$39.82 per BOE, representing a decline for the second consecutive year. The importance of quality and efficiency has been deeply embedded in the heart of every employee of the Company.

Benefitting from the excellent corporate governance and healthy operations, the Company has been selected as one of the forerunners in the Platts 2015 "Top 250 Global Energy Company Ranking", ranking the fourth in the overall ranking chart and named the first place in the "oil and gas exploration and production" sector as well as in the "Asia/Pacific Rim" sector.

In view of the solid financial condition of the Company, the Board has recommended a final dividend of HK$0.25 per share (tax inclusive) for the year of 2015.

The downward cycle of oil prices has been deeper and longer than the industry's expectation. The supply and demand pattern of international oil and gas is undergoing profound transformation. Going forward, oil prices may continue to be at low levels. Accordingly, the Company may face an even more complicated and difficult operating environment.

With the challenging external environment, both the management and staff are well prepared for the long-term confrontation with the "cold winter" and will pull our strengths together to manage through this difficult period. We will continue to adjust our operating strategies, intensify the activities for the "Year of Quality and Efficiency", make further room for growth through reform and innovation, and consolidate our results through improved systems and policies.

We will maintain our prudent financial policies, be more stringent on investment decisions and strengthen cost control. We will also closely monitor our cash-flow management so as to maintain a more competitive financial condition.

We will ensure a balance between short-term benefits and long-term development. In the area of exploration, we will prioritize exploration work offshore China, striking a balance between mature areas, rolling areas and frontier areas.

Overseas, we will focus on high-quality blocks and conventional oil and gas exploration. At the same time, we will strengthen our value-driven exploration philosophy to accumulate a strong resource base for future development. In the area of development and production, we will proceed cautiously with our investment decisions and place emphasis on returns. We will continue the development of our nearly 20 existing projects at a steady pace, ensuring the sustainable growth of the company.

We will persist with green and sustainable development. We will continue to maintain the standards for safety

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and environmental protection, enhance our capability of risk management and emergency response, to ensure safe and reliable production operations. Meanwhile, we will actively develop clean energy and increase the supply of natural gas and its competitiveness in the market.

In 2015, Mr. Wang Yilin resigned as Chairman of the Company, and Mr. Wang Jiaxiang retired as Non-executive Director. On behalf of the Board of Directors, I wish to extend my appreciation to Mr. Wang Yilin and Mr. Wang Jiaxiang for their contributions to the Company.

Despite the changing industry environment and the challenges resulting from low oil prices, I remain confident in the future of the Company. After steady growth in the past decades, CNOOC Limited is already equipped with a solid foundation to deal with external risks. The Company has a forward-looking vision and extensive experience to face periodic industry cycles. The enormous potential in the Chinese energy industry and market has brought ample opportunities for future development of the Company. CNOOC Limited is committed to working hand in hand with all shareholders and welcome the arrival of spring.

YANG Hua

Chairman

Hong Kong, 24 March 2016

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 31 DECEMBER 2015

(All amounts expressed in millions of Renminbi, except per share data)

	Notes	2015	2014
REVENUE			
Oil and gas sales	4	146,597	218,210
Marketing revenues		21,422	50,263
Other income		3,418	6,161
		171,437	274,634
EXPENSES			
Operating expenses		(28,372)	(31,180)
Taxes other than income tax		(10,770)	(11,842)
Exploration expenses		(9,900)	(11,525)
Depreciation, depletion and amortisation	5	(73,439)	(58,286)
Special oil gain levy		(59)	(19,072)
Impairment and provision		(2,746)	(4,120)
Crude oil and product purchases		(19,840)	(47,912)
Selling and administrative expenses		(5,705)	(6,613)
Others		(3,150)	(3,169)
		(153,981)	(193,719)
PROFIT FROM OPERATING ACTIVITIES		17,456	80,915
Interest income	5	873	1,073
Finance costs	6	(6,118)	(4,774)
Exchange (losses)/gains, net		(143)	1,049
Investment income	5	2,398	2,684
Share of profits of associates		256	232
Share of profit of a joint venture		1,647	774
Non-operating income, net		761	560
PROFIT BEFORE TAX	5	17,130	82,513
Income tax credit/(expense)	7	3,116	(22,314)
PROFIT FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT		20,246	60,199
OTHER COMPREHENSIVE INCOME/(EXPENSE)			
Items that may be subsequently reclassified to profit or loss:			
Net loss on available-for-sale financial assets, net of tax		—	(2,301)
Exchange differences on translation of foreign operations		7,979	454
Share of other comprehensive income of associates		74	92

Other items that will not be reclassified to profit or loss			
Fair value change on equity investments designated as at fair value through other comprehensive income		(1,573)	—
Others		134	(268)
OTHER COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR, NET OF TAX		6,614	(2,023)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT		26,860	58,176
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT			
Basic (RMB Yuan)	9	0.45	1.35
Diluted (RMB Yuan)	9	0.45	1.35

Details of the dividends proposed and paid for the year are disclosed in note 8.

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Consolidated Statement of Financial Position

31 DECEMBER 2015

(All amounts expressed in millions of Renminbi)

	Notes	**2015**	2014
NON-CURRENT ASSETS			
Property, plant and equipment		**454,141**	463,222
Intangible assets		**16,423**	16,491
Investments in associates		**4,324**	4,100
Investment in a joint venture		**24,089**	21,150
Available-for-sale financial assets		**—**	5,337
Equity investments		**3,771**	—
Deferred tax assets	*7*	**13,575**	5,877
Other non-current assets		**7,828**	5,974
Total non-current assets		**524,151**	522,151
CURRENT ASSETS			
Inventories and supplies		**9,263**	10,608
Trade receivables	*10*	**21,829**	29,441
Derivative financial assets		**7**	303
Available-for-sale financial assets		**—**	54,030
Equity investments		**14**	—
Other financial assets		**71,806**	—
Other current assets		**7,415**	8,573
Time deposits with maturity over three months		**18,010**	22,835
Cash and cash equivalents		**11,867**	14,918
Total current assets		**140,211**	140,708
CURRENT LIABILITIES			
Loans and borrowings	*12*	**33,585**	31,180
Trade and accrued payables	*11*	**32,614**	52,192
Derivative financial liabilities		**—**	316
Other payables and accrued liabilities		**13,534**	11,499
Taxes payable		**4,647**	8,311
Total current liabilities		**84,380**	103,498
NET CURRENT ASSETS		**55,831**	37,210
TOTAL ASSETS LESS CURRENT LIABILITIES		**579,982**	559,361
NON-CURRENT LIABILITIES			
Loans and borrowings	*12*	**131,060**	105,383

Provision for dismantlement		**49,503**	52,433
Deferred tax liabilities	*7*	**11,627**	20,189
Other non-current liabilities		**1,751**	1,746
Total non-current liabilities		**193,941**	179,751
NET ASSETS		**386,041**	379,610
EQUITY			
Equity attributable to owners of the parent			
Issued capital	*13*	**43,081**	43,081
Reserves		**342,960**	336,529
TOTAL EQUITY		**386,041**	379,610

LI Fanrong	**WU Guangqi**
Director	*Director*

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NOTES

31 December 2015

(All amounts expressed in millions of Renminbi unless otherwise stated)

1. CORPORATE INFORMATION

CNOOC Limited (the "Company") was incorporated in the Hong Kong Special Administrative Region ("Hong Kong") of the People's Republic of China (the "PRC") on 20 August 1999 to hold the interests in certain entities thereby creating a group comprising the Company and its subsidiaries (hereinafter collectively referred to as the "Group"). During the year, the Group was principally engaged in the exploration, development, production and sale of crude oil, natural gas and other petroleum products.

The registered office address of the Company is 65/F, Bank of China Tower, 1 Garden Road, Hong Kong.

In the opinion of the directors of the Company (the "Directors"), the parent and the ultimate holding company of the Company is China National Offshore Oil Corporation ("CNOOC"), a company established in the PRC.

2.1 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board (the "IASB"), Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the Hong Kong Companies Ordinance (Cap. 622) which came into effect on 3 March 2014.

The financial information relating to the years ended 31 December 2015 and 2014 included in this announcement does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap.622) is as follows:

The Company has delivered the financial statements for the year ended 31 December 2014 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap.622) and will deliver the financial statements for the year ended 31 December 2015 in due course.

The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap.622).

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The IASB has issued a number of new and revised IFRSs that are first effective for the current accounting year commencing 1 January 2015 or later but available for early adoption. The equivalent new and revised HKFRSs consequently issued by the HKICPA have the same effective dates as those issued by the IASB and are in all material aspects identical to the pronouncements issued by the IASB.

The accounting policies adopted are consistent with those of the year ended 31 December 2014, except for the first time adoption of the amendments to IFRSs/HKFRSs effective for the Group’s financial year beginning on 1 January 2015 (the “Amendments”) and early adoption of IFRS/HKFRS 9 (2009) Financial Instruments. The adoption of the Amendments had no material impact on the accounting policies, the disclosures or the amounts recognised in the consolidated financial statements of the Group. Impact of early adoption of IFRS/HKFRS 9 (2009) Financial Instruments is described as below.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

Early adopted before mandatory effective dates

IFRS/HKFRS 9 (2009) - Financial Instruments

In the current year, the Group has applied IFRS/HKFRS 9 (2009). The Group has chosen 1 January 2015 as its date of initial application (i.e. the date on which the Group has reassessed the classification of its financial assets in accordance with requirements of IFRS/HKFRS 9 (2009)). The classification is based on the facts and circumstances as at 1 January 2015. In accordance with transition provisions set out in IFRS/HKFRS 9 (2009), the Group has chosen not to restate comparative information and has provided additional disclosures in accordance with IFRS/HKFRS 7 Financial Instruments – Disclosures in these consolidated financial statements for the year ended 31 December 2015, and any difference between the measurement under IAS/HKAS 39 Financial Instruments: Recognition and Measurement and IFRS/HKFRS 9 (2009) as at 1 January 2015 is recognised in the opening retained earnings and other reserves at the date of initial application, if any. IFRS/HKFRS 9 (2009) does not apply to financial assets that have already been derecognised at date of initial application. Other than the changes in classification of certain financial assets, the changes in accounting policies had no material financial impact on the amounts recognised on the consolidated statement of financial position of the Group as at 1 January 2015.

IFRS/HKFRS 9 (2009) introduces new classification and measurement requirements for financial assets that are within the scope of IAS/HKAS 39. Specifically, IFRS/HKFRS 9 (2009) requires all financial assets to be classified and subsequently measured at either amortised cost or fair value on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

As required by IFRS/HKFRS 9 (2009), debt instruments and hybrid contracts are subsequently measured at amortised cost only if (i) the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (collectively referred to as the "amortised cost criteria"). If either of the two criteria is not met, the debt instruments are classified as at fair value through profit or loss ("FVTPL").

However, the Group may choose at initial recognition to designate a debt instrument that meets the amortised cost criteria as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch. Debt instruments that are subsequently measured at amortised cost are subject to impairment.

Investments in equity instruments are classified and measured as at FVTPL except when the equity investment is not held for trading and is designated by the Group as at fair value through other comprehensive income ("FVTOCI"). If the equity investment is designated as at FVTOCI, all gains and losses are recognised in other comprehensive income and are not subsequently reclassified to profit or loss, except for dividend income that is generally recognised in profit or loss in accordance with IAS/HKAS 18 Revenue.

The directors have reviewed and reassessed the Group's existing financial assets at 1 January 2015 based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets and concluded that the Group's financial assets, previously classified as "loans and receivables" under IAS/HKAS 39 are held within a business model whose objective is to hold these financial assets in order to collect contractual cash flows that are solely payments of principal and interest. In addition, the directors concluded that the Group's investments in certain equity securities that previously classified as available-for-sale investments under IAS/HKAS 39 are not held for trading, but held for medium or long-term strategic purpose. Therefore, those investments in equity securities are designated as at FVTOCI under IFRS/HKFRS 9 (2009) as the directors believe that this provides a more meaningful presentation than reflecting changes in fair value in profit or loss. Other equity investments are classified as FVTPL.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

<u>Early adopted before mandatory effective dates (continued)</u>

IFRS/HKFRS 9 (2009) - Financial Instruments (continued)

The initial application of IFRS/HKFRS 9 (2009) has affected the classification of financial assets of the Group, its joint venture/associates and the Group’s other reserves and retained earnings as at 1 January 2015 as follows:

(i) the Group's publicly traded equity investments (not held for trading) of RMB 2,958 million that were previously classified as available-for-sale investments and measured at fair value at each reporting date under IAS/HKAS 39 have been designated as at FVTOCI;

(ii) the Group’s non-publicly traded equity investments (not held for trading) of RMB 2,258 million previously classified as available-for-sale investments and measured at fair value at each reporting date or at cost less impairment under IAS/HKAS 39 have been designated as at FVTOCI. The carrying amounts of the investments previously measured at cost less impairment represent an appropriate estimate of their fair values as at 1 January 2015, as insufficient more recent information is available to measure their fair values;

(iii) the Group's equity investments of RMB 134 million previously classified as available-for-sale investments and measured at fair value at each reporting date under IAS/HKAS 39 have been classified as at FVTPL;

(iv) the Group's investment in liquidity funds of RMB5,453 million and corporate wealth management products of RMB48,564 million that were previously classified as available-for-sale investments and measured at fair value at each reporting date under IAS/HKAS 39 have been classified as FVTPL;

(v) The investment in publicly traded investments (not held for trading) of the Group’s joint venture/associates that were previously classified as available-for-sale investments and measured at fair value at each reporting date under IAS/ HKAS 39 have been designated as at FVTOCI; and

(vi) The investment in non-publicly traded investments (not held for trading) of the Group’s joint venture/associates previously classified as available-for-sale investments and measured at fair value at each reporting date or at cost less impairment under IAS/ HKAS 39 have been designated as at FVTOCI.

2.2 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (continued)

Early adopted before mandatory effective dates (continued)

IFRS/HKFRS 9 (2009) - Financial Instruments (continued)

The list below illustrates the classification and measurement of the financial assets under IAS/HKAS 39 and IFRS/HKFRS 9 (2009) at 1 January 2015, the date of initial application.

	Original measurement category under IAS/HKAS 39	**New measurement category under IFRS/HKFRS 9 (2009)**	**Original carrying amount under IAS/HKAS 39**	**New carrying amount under IFRS/HKFRS 9 (2009)**
Publicly traded equity investments - MEG Energy Corporation	Available-for-sale investments			