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COSCO SHIPPING ENERGY TRANSPORTATION CO., LTD.*
中遠海運能源運輸股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1138)

**EXTENSION OF VALIDITY PERIOD OF SHAREHOLDERS'
RESOLUTIONS AND AUTHORISATION GRANTED TO
THE BOARD TO HANDLE ALL MATTERS RELATING TO
THE PROPOSED NON-PUBLIC ISSUANCE OF A SHARES**

EXTENSION RESOLUTIONS

Considering that (i) the validity period of the Shareholders' resolutions relating to the Proposed Non-public Issuance of A Shares which was approved by the then Independent Shareholders at the 2017 EGM, 2017 Class Meetings, 2018 EGM, and 2018 Class Meetings; and (ii) the validity period of the authorisation granted to the Board and any person authorised by the Board to handle all matters relating to the Proposed Non-public Issuance of A Shares, which was approved by the then Shareholders at the 2017 EGM, 2017 Class Meetings, 2018 EGM, and 2018 Class Meetings, will expire on 17 December 2019, the Board proposed to convene the New EGM and the Class Meetings for the Independent Shareholders to consider (i) the Share Issuance Extension Resolution and (ii) the Board Authorisation Extension Resolution, in order to extend the validity period of the Shareholders' resolutions relating to the Proposed Non-public Issuance of A Shares and the authorisation granted to the Board and any person authorised by the Board to handle all matters relating to the Proposed Non-public Issuance of A Shares for a further period of 12 months, i.e. commencing from 18 December 2019 to 17 December 2020 by way of special resolutions.

* for identification purposes only

NEW EGM AND CLASS MEETINGS

The New EGM and Class Meetings will be convened for the Independent Shareholders to consider and, if thought fit, approve, among other things, (i) the Share Issuance Extension Resolution and (ii) the Board Authorisation Extension Resolution. COSCO Shipping and parties acting in concert with it and those Shareholders who are involved in or interested in the Proposed Non-public Issuance of A Shares will abstain from voting on the Extension Resolutions to be proposed at the New EGM and the Class Meetings.

GENERAL

A circular containing, among others, details of the Extension Resolutions is expected to be despatched to the Shareholders as soon as possible. The notices of the New EGM and the H Shares Class Meeting are expected to be despatched to the Shareholders on or before 1 November 2019.

The completion of the Proposed Non-public Issuance of A Shares and the Subscription are subject to the satisfaction of certain conditions. Accordingly, the Proposed Non-public Issuance of A Shares and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and are recommended to consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position and as to actions they should take.

BACKGROUND

Reference is made to the announcements of the Company dated 31 October 2017, 15 December 2017, 18 December 2017, 27 December 2017, 6 February 2018, 5 March 2018, 9 May 2018, 30 October 2018, 17 December 2018, 29 May 2019, 4 June 2019, 19 June 2019, 5 July 2019 and 26 July 2019, and the 2017 EGM Circular, 2018 EGM Circular and 2019 EGM Circular in respect of, inter alia, the Proposed Non-public Issuance of A Shares.

At the 2017 EGM and the 2017 Class Meetings held on 18 December 2017, the then Independent Shareholders approved, among others, the proposed non-public issuance of not more than 806,406,572 A Shares by the Company to not more than 10 specific target subscribers, including COSCO Shipping, under the Proposed Non-public Issuance of A Shares.

At the 2018 EGM and the 2018 Class Meetings held on 17 December 2018, the then Independent Shareholders approved the extension of the validity period of the Shareholders' resolutions relating to the Proposed Non-public Issuance of A Shares and the authorisation granted to the Board and any person authorised by the Board to handle all matters relating to the Proposed Non-public Issuance of A Shares for a further period of 12 months, i.e. commencing from 18 December 2018 to 17 December 2019.

At the 2019 EGM and the 2019 Class Meetings held on 26 July 2019, the then Independent Shareholders approved, among others, the Amendment Resolution.

EXTENSION RESOLUTIONS

Considering that (i) the validity period of the Shareholders' resolutions relating to the Proposed Non-public Issuance of A Shares which was approved by the then Independent Shareholders at the 2017 EGM, 2017 Class Meetings, 2018 EGM, and 2018 Class Meetings; and (ii) the validity period of the authorisation granted to the Board and any person authorised by the Board to handle all matters relating to the Proposed Non-public Issuance of A Shares, which was approved by the then Shareholders at the 2017 EGM, 2017 Class Meetings, 2018 EGM, and 2018 Class Meetings, will expire on 17 December 2019, the Board proposed to convene the New EGM and the Class Meetings for the Independent Shareholders to consider (i) the Share Issuance Extension Resolution and (ii) the Board Authorisation Extension Resolution, in order to extend the validity period of the Shareholders' resolutions relating to the Proposed Non-public Issuance of A Shares and the authorisation granted to the Board and any person authorised by the Board to handle all matters relating to the Proposed Non-public Issuance of A Shares for a further period of 12 months, i.e. commencing from 18 December 2019 to 17 December 2020 by way of special resolutions.

COSCO Shipping and parties acting in concert with it and those Shareholders who are involved in or interested in the Proposed Non-public Issuance of A Shares will abstain from voting on the Extension Resolutions to be proposed at the New EGM and the Class Meetings.

REASONS FOR AND BENEFITS OF THE EXTENSION RESOLUTIONS

On 25 October 2019, the Issuance Examination Committee of the CSRC (中國證監會發行審核委員會) has reviewed and approved the Company's application for the Proposed Non-public Issuance of A Shares. However, since it takes time for the CSRC to issue the written approval documents to the Company and for the Company to prepare and arrange for the Proposed Non-public Issuance of A Shares, it is uncertain whether the Company would be able to complete the Proposed Non-public Issuance of A Shares before the expiry of the validity period of the Shareholders' resolutions relating to the Proposed Non-public Issuance of A Shares. As such, the Board is of the view that it is necessary and in the interests of the Company and its Shareholders as a whole to propose the Extension Resolutions.

IMPLICATIONS UNDER THE TAKEOVERS CODE

As at the date of this announcement, COSCO Shipping and its associates hold the voting rights in respect of 1,554,631,593 A Shares and no H Shares, representing approximately 38.56% of the total issued share capital of the Company.

Upon completion of the Proposed Non-public Issuance of A Shares and assuming the Subscription is undertaken at the Benchmark Price, it is expected that the COSCO Shipping Concert Group's holding of voting rights in respect of all the Shares will increase to a maximum of 46.71% on a fully diluted

basis from its current aggregate holding of approximately 38.56% of all the Shares (and the actual level of shareholding interests in the Company held by the COSCO Shipping Concert Group will depend on the final Issue Price and the level of participation by the other target subscriber(s)). As a result of such acquisition of voting rights in the Company, without the New Whitewash Waiver granted pursuant to the Takeovers Code, COSCO Shipping will incur an obligation to make a mandatory offer under Rule 26 of the Takeovers Code for all the Shares other than those already held or agreed to be acquired by the COSCO Shipping Concert Group.

The Executive granted the New Whitewash Waiver on 24 July 2019, subject to (i) the issue of the new securities and the Amendment Resolution on the Proposed Non-public Issuance of A Shares being approved by a vote of the Independent Shareholders at a general meeting of the Company, to be taken on a poll; and (ii) unless the Executive gives prior consent, no acquisition or disposal of voting rights of the Company being made by COSCO Shipping and parties acting in concert with it between the date of the announcement of the Company on 31 October 2017 and the completion of the Subscription. The aforementioned condition (i) imposed by the Executive has been duly fulfilled as at the date of this announcement.

It is also set out in the New Whitewash Waiver granted by the Executive that COSCO Shipping and parties acting in concert with it should continue to comply fully with Schedule VI to the Takeovers Code. If there is any non-compliance with the Takeovers Code or any material change to the information provided, the Executive should be advised immediately so that the Executive can determine whether the New Whitewash Waiver remains valid.

COSCO Shipping has confirmed that it and parties acting in concert with it have fully complied with and will continue to comply with Schedule VI to the Takeovers Code, in particular, unless the Executive gives prior consent, no acquisition or disposal of voting rights of the Company was and will be made by COSCO Shipping and parties acting in concert with it between the date of the announcement of the Company on 31 October 2017 and the completion of the Subscription.

Save for the extensions of the validity period of the Shareholders' resolutions relating to the Proposed Non-public Issuance of A Shares, and the authorisation granted to the Board and any person authorised by the Board to handle all matters relating to the Proposed Non-public Issuance of A Shares for a further period of 12 months, i.e. commencing from 18 December 2019 to 17 December 2020, there is no other change to the terms of the Proposed Non-public Issuance of A Shares previously disclosed by the Company. Therefore, the passing of the Extension Resolutions will not affect the validity of the New Whitewash Waiver.

NEW EGM AND CLASS MEETINGS

COSCO Shipping, being a subscriber under the Proposed Non-public Issuance of A Shares, has a material interest in the Proposed Non-public Issuance of A Shares. Therefore, COSCO Shipping and parties acting in concert with it and those Shareholders who are involved in or interested in the Proposed Non-public Issuance of A Shares will abstain from voting on the Extension Resolutions to be proposed at the New EGM and the Class Meetings.

A circular containing, among others, details of the Extension Resolutions is expected to be despatched to the Shareholders as soon as possible. The notices of the New EGM and the H Shares Class Meeting are expected to be despatched to the Shareholders on or before 1 November 2019.

CLOSURE OF REGISTER OF MEMBERS

The H Share register of the Company will be closed from Saturday, 16 November 2019 to Tuesday, 17 December 2019 (both days inclusive), during which no transfer of H Shares will be effected. Any holders of H Shares whose names appear on the Company's register of members on Tuesday, 17 December 2019 are entitled to attend and vote at the New EGM and the H Shares Class Meeting after completing the registration procedures for attending the meeting. In order to be entitled to attend and vote at the New EGM and the H Shares Class Meeting, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H share registrar not later than 4:30 p. m. on Friday, 15 November 2019.

The completion of the Proposed Non-public Issuance of A Shares and the Subscription are subject to the satisfaction of certain conditions. Accordingly, the Proposed Non-public Issuance of A Shares and the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and are recommended to consult their stockbroker, bank manager, solicitor or other professional adviser if they are in any doubt about their position and as to actions they should take.

DEFINITIONS

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| “2017 Class Meetings” | the class meeting of A Shareholders and the class meeting of H Shareholders held on 18 December 2017 |
| “2017 EGM” | the extraordinary general meeting of the Company held on 18 December 2017 |
| “2017 EGM Circular” | the circular of the Company dated 4 December 2017 |
| “2018 Class Meetings” | the class meeting of A Shareholders and the class meeting of H Shareholders held on 17 December 2018 |
| “2018 EGM” | the extraordinary general meeting of the Company held on 17 December 2018 |
| “2018 EGM Circular” | the circular of the Company dated 30 November 2018 |
| “2019 Class Meetings” | the class meeting of A Shareholders and the class meeting of H Shareholders held on 26 July 2019 |

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| “2019 EGM” | the extraordinary general meeting of the Company held on 26 July 2019 |
| “2019 EGM Circular” | the circular of the Company dated 5 July 2019 |
| “A Shareholders” | holders of A Shares |
| “A Shares” | Renminbi-denominated domestic shares in the ordinary share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Shanghai Stock Exchange |
| “A Shares Class Meeting” | the class meeting of A Shareholders |
| “Amendment Resolution” | the resolution proposed at the 2019 EGM and the 2019 Class Meetings in relation to, amongst other things, the supplement to the mechanism by which the price floor in respect of the Issue Price is determined |
| “Benchmark Price” | for illustration purpose only, RMB6.81 being the net asset value per Share set out in the most recent audited consolidated financial statements of the Company as at the latest practicable date of the 2017 EGM Circular (i.e. 1 December 2017) |
| “Board” | the board of Directors |
| “Board Authorisation Extension Resolution” | the proposed resolutions to extend the validity period of the authorisation granted to the Board and any person authorised by the Board to handle all matters relating to the Proposed Non-public Issuance of A Shares, for a further period of 12 months, commencing from 18 December 2019, being the date after the expiry date of the existing validity period, to 17 December 2020 |
| “Class Meetings” | A Shares Class Meeting and H Shares Class Meeting |
| “Company” | COSCO SHIPPING Energy Transportation Co., Ltd* (中遠海運能源運輸股份有限公司), a joint stock limited company established in the PRC, whose H shares and A shares are listed on Main Board of the Hong Kong Stock Exchange (Stock Code: 1138) and the Shanghai Stock Exchange (Stock Code: 600026), respectively |
| “COSCO Shipping” | China COSCO Shipping Corporation Limited* (中國遠洋海運集團有限公司), a PRC state-owned enterprise and the indirect controlling shareholder of the Company |

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| “COSCO Shipping Concert Group” | COSCO Shipping and parties acting in concert with it for the purpose of the Takeovers Code, including CSG and its subsidiaries |
| “CSG” | China Shipping Group Company Limited* (中國海運集團有限公司) (original name: China Shipping (Group) Company* (中國海運(集團)總公司)), a PRC state-owned enterprise wholly-owned by COSCO Shipping and the direct controlling shareholder of the Company |
| “CSRC” | China Securities Regulatory Commission |
| “Director(s)” | director(s) of the Company |
| “Executive” | the Executive Director of the Corporate Finance Division of the SFC or any of its delegate(s) |
| “Extension Resolutions” | Share Issuance Extension Resolution and/or Board Authorisation Extension Resolution (as the case may be) |
| “H Shareholders” | holders of H Shares |
| “H Shares” | the overseas listed foreign shares in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on Main Board of the Hong Kong Stock Exchange |
| “H Shares Class Meeting” | the class meeting of H Shareholders |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Hong Kong Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Independent Shareholders” | Shareholders other than (i) COSCO Shipping and parties acting in concert with it and (ii) all other parties (if any) who are interested or involved in the Proposed Non-public Issuance of A Shares and the Extension Resolutions |
| “Issue Price” | the issue price of the A Shares underlying the Proposed Non-public Issuance of A Shares is determined |
| “New EGM” | an extraordinary general meeting of the Company to be convened to consider and, if thought fit, to approve, the Extension Resolutions |

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| “New Whitewash Waiver” | a waiver granted by the Executive on 24 July 2019 pursuant to Note 1 on dispensation from Rule 26 of the Takeovers Code in respect of the obligation of COSCO Shipping to make a general offer for all the issued A Shares (and a comparable offer to acquire all issued H Shares) not already owned by or agreed to be acquired by the COSCO Shipping Concert Group which may otherwise arise as a result of the Subscription |
| “PRC” | the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and the region of Taiwan |
| “Proposed Non-public Issuance of A Shares” | the proposed non-public issuance of not more than 806,406,572 A Shares by the Company to not more than 10 specific target subscribers, including COSCO Shipping which proposes to participate via the Subscription |
| “SFC” | the Securities and Futures Commission of Hong Kong |
| “Share Issuance Extension Resolution” | the proposed resolution to extend the validity period of the then Independent Shareholders’ resolutions relating to the Proposed Non-public Issuance of A Shares, for a further period of 12 months, commencing from 18 December 2019, being the date after the expiry date of the existing validity period, to 17 December 2020 |
| “Share(s)” | A Share(s) and H Share(s) |
| “Shareholder(s)” | holder(s) of Share(s) |
| “Subscription” | the proposed subscription of A Shares by COSCO Shipping pursuant to the Subscription Agreement (as supplemented by the Supplemental Agreement) |
| “Subscription Agreement” | the subscription agreement dated 30 October 2017 entered into between the Company and COSCO Shipping, pursuant to which COSCO Shipping has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue, such number of A Shares for an amount of not more than RMB4.2 billion under the Proposed Non-public Issuance of A Shares |

“Supplemental Agreement” the supplemental agreement dated 29 May 2019 entered into between the Company and COSCO Shipping to incorporate the changes to the Proposed Non-public Issuance of A Shares in connection with the Amendment Resolution

“Takeovers Code” the Hong Kong Code on Takeovers and Mergers

By Order of the Board
COSCO SHIPPING Energy Transportation Co., Ltd.
Yao Qiaohong
Company Secretary

Shanghai, the PRC
30 October 2019

As at the date of this announcement, the Board of Directors comprises Mr. Liu Hanbo and Mr. Zhu Maijin as executive Directors, Mr. Feng Boming, Mr. Zhang Wei and Ms. Lin Honghua as non-executive Directors, Mr. Ruan Yongping, Mr. Ip Sing Chi, Mr. Rui Meng and Mr. Teo Siong Seng as independent non-executive Directors.

All the Directors jointly and severally accept full responsibility for the accuracy of the information in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any of the statements in this announcement misleading.