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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)

POSITIVE PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Part XIVA of the SFO.

The Board wishes to inform the Shareholders and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020, the Group expects to record a net profit attributable to the equity holders of the Company for the six months ended 30 June 2020 in the range of RMB2.81 billion to RMB3.01 billion (equivalent to approximately HK\$3.12 billion to HK\$3.34 billion), as compared to a net profit attributable to the equity holders of the Company of approximately RMB470 million (equivalent to approximately HK\$522 million) for the same period of 2019.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company and read carefully the announcement of the interim results of the Group for the six months ended 30 June 2020, which is expected to be published in August 2020.

This announcement is made by COSCO SHIPPING Energy Transportation Co., Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020, the Group expects to record a net profit attributable to the equity holders of the Company for the six months ended 30 June 2020 in the range of RMB2.81

billion to RMB3.01 billion (equivalent to approximately HK\$3.12 billion to HK\$3.34 billion), as compared to a net profit attributable to the equity holders of the Company of approximately RMB470 million (equivalent to approximately HK\$522 million) for the same period of 2019.

Based on the information currently available, the expected substantial growth of profit for the six months ended 30 June 2020 was mainly attributable to the following factors:

During the first half of 2020, global oil supply was significantly higher than customer demand, the demand for oil transportation and storage was high, and there has been heightened volatility in the international tanker freight rates, with an average rate higher than the same period last year. The time charter equivalent (TCE) for freight route TD3C (Middle East-China) for very large crude carriers (VLCC) averaged USD82,200 per day, representing a year-on-year increase of approximately 303.74%. Recognizing the market fluctuations, the Group has strengthened its research and judgment on the market, fully leveraged on its advantage of fleet size and optimized vessel arrangements so as to actively load cargoes at high charter rates to secure better earnings. With respect to domestic petroleum shipping, the COVID-19 epidemic had limited impact on the market, and business activities returned to normal in the second quarter of 2020. For LNG shipping, as at the end of June 2020, the Group had 36 jointly invested LNG carriers in operation, representing a year-on-year increase of six carriers, and the revenue from the LNG shipping business continued to grow.

The Company is still in the process of finalizing the consolidated results of the Group for the six months ended 30 June 2020. The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 currently available to the Company, and is not based on any figures or information which have been reviewed or confirmed by the audit committee of the Board, or reviewed or audited by the auditors of the Company. The actual results of the Group for the six months ended 30 June 2020 may differ from that disclosed in this announcement. Further details of the performance of the Group will be disclosed in the announcement of the interim results of the Group for the six months ended 30 June 2020.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company and read carefully the announcement of the interim results of the Group for the six months ended 30 June 2020, which is expected to be published in August 2020.

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

Shanghai, the PRC
16 July 2020

For the purposes of this announcement, translations of RMB to HK\$ or vice versa have been calculated by using an exchange rate of HK\$1.00 equal to RMB0.90. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rates or any other rates or at all.

As at the date of this announcement, the Board comprises Mr. Liu Hanbo and Mr. Zhu Maijin as executive Directors, Mr. Zhang Qinghai and Mr. Liu Zhusheng as non-executive Directors, Mr. Rui Meng, Mr. Teo Siong Seng, Mr. Victor Huang, Mr. Li Runsheng and Mr. Zhao Jinsong as independent non-executive Directors.

** For identification purposes only*