

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 year ended 31 December 2020, the Group expects to record a net profit attributable to the equity holders of the Company for the year ended 31 December 2020 in the range of RMB2.25 billion to RMB2.45 billion (equivalent to approximately HK\$2.70 billion to HK\$2.94 billion), as compared to a net profit attributable to the equity holders of the Company of approximately RMB414 million (equivalent to approximately HK\$497 million) for the same period of 2019, representing a year-on-year increase in the range of approximately 443.48% to 491.79%.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company and read carefully the announcement of the annual results of the Group for the year ended 31 December 2020, which is expected to be published in March 2021.

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 year ended 31 December 2020 and having taken into account the provision for asset

impairment as further detailed in the relevant announcement of the Company dated 25 January 2021, the Group expects to record a net profit attributable to the equity holders of the Company for the year ended 31 December 2020 in the range of RMB2.25 billion to RMB2.45 billion (equivalent to approximately HK\$2.70 billion to HK\$2.94 billion), as compared to a net profit attributable to the equity holders of the Company of approximately RMB414 million (equivalent to approximately HK\$497 million) for the same period of 2019, representing a year-on-year increase in the range of approximately 443.48% to 491.79%.

Based on the information currently available, the expected substantial growth of profit for the year ended 31 December 2020 was mainly attributable to:

During the first half of 2020, the suppressed oil prices led to increasing global oil trade volumes and hence soaring tanker demand, substantially driving up international tanker rates. In the second half of the year, impact of COVID-19 continued to weaken economic activity and keep oil inventories sitting at historic highs, so that oil transportation demand softened and the charter rates declined and fluctuated around depressed levels. Nonetheless, time charter equivalent (TCE) on the TD3C (Middle East – China) route of Very Large Crude Carriers (VLCC) averaged about USD48,179 per day for the year, representing an improvement of approximately 21.78% year-on-year. The Group adopted prudent management philosophy and sound planning of fleet arrangements, effectively responding to the market volatility.

In terms of the LNG transportation business, 3 additional LNG carriers joined the Group's operating fleet in the year, so that the Group had a total of 38 jointly invested LNG vessels in operation as at the end of 2020, contributing a stable revenue.

The Company is still in the process of finalizing the consolidated results of the Group for the year ended 31 December 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 year ended 31 December 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 year ended 31 December 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 annual results of the Group for the year ended 31 December 2020.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company and read carefully the announcement of the annual results of the Group for the year ended 31 December 2020, which is expected to be published in March 2021.

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

Shanghai, People's Republic of China
25 January 2021

For the purpose of this announcement, translations of RMB to HK\$ or vice versa have been calculated by using an exchange rate of RMB1.00 equal to HK\$1.20. 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*