

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)

PROFIT WARNING

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 2021, the Group expects to record a net profit attributable to the equity holders of the Company for the six months ended 30 June 2021 in the range of RMB503 million to RMB 603 million (equivalent to approximately HK\$606 million to HK\$727 million), as compared to a net profit attributable to the equity holders of the Company of approximately RMB 2.955 billion (equivalent to approximately HK\$3.560 billion) for the same period of 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 2021, which is expected to be published in August 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 six months ended 30 June 2021, the Group expects to record a net profit attributable to the equity holders of the Company for the six months ended 30 June 2021 in the range of RMB503

million to RMB603 million (equivalent to approximately HK\$606 million to HK\$727 million), as compared to a net profit attributable to the equity holders of the Company of approximately RMB2.955 billion (equivalent to approximately HK\$3.560 billion) for the same period of 2020.

Based on the information currently available, the expected decrease in net profit for the six months ended 30 June 2021 was mainly attributable to the following factors:

During the first half of 2021, against the backdrop of slow recovery of global oil demand, the ongoing implementation of the OPEC+ production cut agreement that accelerated destocking, and the oversupply that led to the continued sluggish international oil shipping market, coupled with the year-on-year increase in international fuel prices, revenue from the international oil shipping market continued to hover at a historically low level. From January to June 2021, the daily Time Charter Equivalent (TCE) of the TD3C (Middle East - China) route for very large crude carriers (VLCC) plunged to the negative territory several times with the average daily TCE of -USD311/day, representing a decrease of approximately 100.38% as compared with that in the same period last year. The Group adopted measures such as extreme speed down navigation to reduce costs. However, the poor market sentiment still led to a year-on-year decline in the revenue of the Group's international oil shipping segment.

The Company is still in the process of finalizing the consolidated results of the Group for the six months ended 30 June 2021. 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 2021 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 2021 may differ from those 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 2021.

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 2021, which is expected to be published in August 2021.

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

Shanghai, the PRC
20 July 2021

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 RMB0.83. 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. Teo Siong Seng, Mr. Victor Huang, Mr. Li Runsheng, Mr. Zhao Jinsong and Mr. Wang Zuwen as independent non-executive Directors.

** For identification purposes only*