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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)

Third Quarterly Report of 2021

SUMMARY

This Report for the three months ended 30 September 2021 of the Group has been prepared in accordance with the regulations on Formatting Guide in Quarterly Reports for Listed Companies issued by the Shanghai Stock Exchange. This Report is published simultaneously in Shanghai and Hong Kong. All financial information set out in this Report is unaudited and prepared in accordance with the CAS.

This announcement is made pursuant to Rule 13.09(2)(a) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

§1 IMPORTANT

- 1.1 This third quarterly report (the “**Report**”) for the three months ended 30 September 2021 (the “**Reporting Period**”) of COSCO SHIPPING Energy Transportation Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) has been prepared in accordance with the regulations on Formatting Guide in Quarterly Reports for Listed Companies issued by the Shanghai Stock Exchange. The Report is published simultaneously in Shanghai of the People's Republic of China (the “**PRC**”) and the Hong Kong Special Administrative Region (“**Hong Kong**”). All financial information set out in the Report is unaudited and prepared in accordance with the Accounting Standards for Business Enterprises in the PRC (the “**CAS**”).

- 1.2 The board of directors, the supervisory committee, the directors, supervisors and senior management of the Company hereby warrant that the contents contained in this quarterly report are true, accurate and complete, and there are no false representations or misleading statements contained in, or material omissions from this quarterly report, and individually and jointly accept legal responsibility.
- 1.3 The Chairman, Chief Financial Officer and the head of the accounting department (the person in charge of accounting) of the Company guarantee the truthfulness, accuracy and completeness of the financial statement information in the quarterly report.

§2 PARTICULARS OF THE GROUP

2.1 Principal financial data and financial indicators

Item	For the three	Compared	For the nine	Compared to
	months ended	to the three	months ended	the nine months
	30 September	months ended 30	30 September	ended
	2021	September 2020	2021	30 September
		(%)		2020 (%)
Operating revenue (RMB)	3,173,057,831.83	-9.97	9,288,439,428.30	-30.09
Net profit attributable to shareholders of the Company (RMB)	-99,844,463.79	-123.95	443,781,530.05	-86.65
Net profit attributable to shareholders of the Company excluding non-recurring profit and loss (RMB)	-101,520,908.02	-124.86	455,216,958.38	-86.43
Net cash flow from operating activities (RMB)	Not Applicable	Not Applicable	2,262,658,503.58	-57.72
Basic earnings per share (RMB)	-0.0209	-128.12	0.0932	-87.33
Diluted earnings per share (RMB)	-0.0209	-128.12	0.0932	-87.33
Rate of returns on net assets (%)(weighted average)	-0.29	Decrease by 1.31 percentage points	1.27	Decrease by 8.82 percentage points
	As at	As at		Change (%)
	30 September 2021	31 December 2020		
Total assets(RMB)	64,930,082,998.32	65,959,856,524.45		-1.56
Net assets attributable to shareholders of the Company (RMB)	34,185,689,501.21	34,621,827,528.15		-1.26

2.2 *Non-recurring profit and loss*

Items	For the three	For the nine
	months ended	months ended
	30 September	30 September
	2021	2021
	<i>Amount (RMB)</i>	<i>Amount (RMB)</i>
Profit or loss on disposal of non-current assets	42,315.08	636,816.19
Government subsidies that are included in the current profit and loss, but are closely related to the Company's normal business operations, except for government subsidies that meet national policy requirements and are continuously enjoyed by a fixed amount or amount according to a certain standard		1,426,453.74
Other non-operating revenue and expenses	1,942,578.13	-16,842,312.58
Minority interests effect (after tax)	8,423.02	609,789.56
Income tax effect	300,025.96	-3,953,403.88
Total	1,676,444.23	-11,435,428.33

2.3 The figure and reasons for major changes in the Group's main accounting statement items and financial indicators

Items	Change (%)	Key reason
Cash and cash equivalents – as at the end of the Reporting Period	-32.63	Mainly due to the combined effect of net cash inflow from operating activities of RMB2.262 billion, net cash outflow from investment activities of RMB1.799 billion, net outflow from financing activities of RMB2.085 billion and exchange rate fluctuations from the beginning of the year to the end of the Reporting Period
Accounts receivable – as at the end of the Reporting Period	47.66	Mainly due to the periodic increase of the balance of accounts receivable as at the end of the Reporting Period
Other receivables – as at the end of the Reporting Period	140.88	Mainly due to an increase of the dividends receivable from joint ventures as at the end of the Reporting Period
Taxes payable – as at the end of the Reporting Period	209.24	Mainly due to a decrease of input VAT not being deducted as at the end of the Reporting Period
Non-current liabilities maturing within one year – as at the end of the Reporting Period	-45.05	Mainly due to the reclassification of the long-term interest-bearing liabilities as at the end of the Reporting Period
Other non-current liabilities – as at the end of the Reporting Period	-30.41	Mainly due to a decrease in floating losses in respect of interest rate swap agreements at the end of the Reporting Period as compared with the beginning of the period
Minority interests – as at the end of the Reporting Period	38.38	Mainly due to a decrease in floating losses in respect of interest rate swap agreements attributable to minority shareholders at the end of the Reporting Period as compared with the beginning of the period
Operating revenue – from the beginning of the year to the end of the Reporting Period	-30.09	Mainly due to a plunge in the freight rates in the international tanker shipping market from the beginning of the year to the end of the Reporting Period

Items	Change (%)	Key reason
Operating expense – from the beginning of the year to the end of the Reporting Period	-7.66	Mainly due to certain measures taken by the Company to reduce fuel costs, such as slow steaming and fuel price lock-in, along with the further decline in costs as a result of decreased vessels under repair from the beginning of the year to the end of the Reporting Period
Other gains – from the beginning of the year to the end of the Reporting Period	830.31	Mainly due to the receipt of government grants in relation to revenues from the beginning of the year to the end of the Reporting Period
Net profit attributable to equity holders of the company – from the beginning of the year to the end of the Reporting Period	-86.65	Mainly due to a dive in freight rates derived from excessive tanker utilization in the international market from the beginning of the year to the end of the Reporting Period
Net cash generated from operating activities – from the beginning of the year to the end of the Reporting Period	-57.72	Mainly due to the decline in revenue from tanker freight rates as a result of drop of freight rates in the international tanker market from the beginning of the year to the end of the Reporting Period
Net cash generated from investing activities – from the beginning of the year to the end of the Reporting Period	42.56	Mainly due to a decrease of the installments paid for vessels under construction as compared with last period
Net cash generated from financing activities – from the beginning of the year to the end of the Reporting Period	-855.80	Mainly due to the lack of non-public from the beginning of the year to the end of the Reporting Period, which was carried out in the same period of last year for raising funds

§3 SHAREHOLDERS' INFORMATION

Total number of shareholders, the shareholding of the top 10 shareholders and the shareholding of the top 10 shareholders of shares without any selling restrictions as at the end of the Reporting Period

Total number of shareholders 87,262

Name of shareholders (Full Name)	Top 10 shareholders		Number of shares with selling restrictions	Number of shares subject to pledge or lock up	Type of shareholders
	Number of shares	Shareholding (%)			
China Shipping Group Company Limited ⁽¹⁾ (中國海運集團有限公司)	1,536,924,595	32.27		Nil	State-owned entity
HKSCC NOMINEES LIMITED ⁽²⁾ (香港中央結算(代理人)有限公司)	1,285,466,828	26.99		Unknown	Offshore entity
China COSCO SHIPPING Corporation Limited ⁽¹⁾ (中國遠洋海運集團有限公司)	619,426,195	13.01	601,719,197	Nil	State-owned entity
Central Huijin Assets Management Company Ltd.*(中央匯金資產管理有限責任公司)	92,709,700	1.95		Nil	State-owned entity
Dalian Shipbuilding Industry Group Co., Ltd.* ⁽³⁾ (大連船舶重工集團有限公司)	85,959,885	1.80		Nil	State-owned entity
Hong Kong Securities Clearing Company Ltd. (香港中央結算有限公司)	55,838,126	1.17		Nil	Offshore entity
China Construction Bank Co., Ltd. – Zhongou New Blue Chip Flexible Allocation of Hybrid Securities Investment Fund* (中國建設銀行股份有限公司—中歐新藍籌靈活配置混合型證券投資基金)	52,856,272	1.11		Nil	Other
Hudong Zhonghua Shipbuilding (Group) Co., Ltd.* ⁽³⁾ (滬東中華造船(集團)有限公司)	42,979,942	0.90		Nil	State-owned entity
Industrial Bank Co., Ltd. – Zhongou New Trend Equity Securities Investment Fund* (興業銀行股份有限公司—中歐新趨勢股票型證券投資基金(LOF))	35,841,681	0.75		Nil	Other
Industrial Commercial Bank of China Ltd. – Zhongou Selected Flexible Allocation and Regular Open Hybrid Sponsored Securities Investment Fund* (中國工商銀行股份有限公司—中歐精選靈活配置定期開放混合型發起式證券投資基金)	25,821,364	0.54		Nil	Other

Top ten holders of shares in circulation without any selling restrictions

Name of shareholders (Full Name)	Number of shares in circulation without any selling restrictions as at the end of the Reporting Period	Type of shares
China Shipping Group Company Limited ^{* (1)} (中國海運集團有限公司)	1,536,924,595	RMB ordinary shares
HKSCC NOMINEES LIMITED ⁽²⁾ (香港中央結算(代理人)有限公司)	1,285,466,828	Overseas listed foreign shares
Central Huijin Assets Management Company Ltd.* (中央匯金資產管理有限責任公司)	92,709,700	RMB ordinary shares
Dalian Shipbuilding Industry Group Co., Ltd. ^{* (3)} (大連船舶重工集團有限公司)	85,959,885	RMB ordinary shares
Hong Kong Securities Clearing Company Ltd. (香港中央結算有限公司)	55,838,126	RMB ordinary shares
China Construction Bank Co., Ltd. – Zhongou New Blue Chip Flexible Allocation of Hybrid Securities Investment Fund* (中國建設銀行股份有限公司 – 中歐新藍籌靈活配置混合型證券投資基金)	52,856,272	RMB ordinary shares
Hudong Zhonghua Shipbuilding (Group) Co., Ltd. ^{* (3)} (滬東中華造船(集團)有限公司)	42,979,942	RMB ordinary shares
Industrial Bank Co., Ltd. – Zhongou New Trend Equity Securities Investment Fund* (興業銀行股份有限公司 – 中歐新趨勢股票型證券投資基金(LOF))	35,841,681	RMB ordinary shares
Industrial Commercial Bank of China Ltd. – Zhongou Selected Flexible Allocation and Regular Open Hybrid Sponsored Securities Investment Fund* (中國工商銀行股份有限公司 – 中歐精選靈活配置定期開放混合型發起式證券投資基金)	25,821,364	RMB ordinary shares
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Asset Management Plan* (嘉實基金 – 農業銀行 – 嘉實中證金融資產管理計劃)	24,879,500	RMB ordinary shares
GF Fund – Agricultural Bank of China – GF CSI Financial Asset Management Plan* (廣發基金 – 農業銀行 – 廣發中證金融資產管理計劃)	24,879,500	RMB ordinary shares
Zhongou Fund – Agricultural Bank of China – Zhongou CSI Financial Asset Management Plan* (中歐基金 – 農業銀行 – 中歐中證金融資產管理計劃)	24,879,500	RMB ordinary shares

Note:

- (1) As at 30 September 2021, China COSCO SHIPPING Corporation Limited* (“COSCO SHIPPING”) directly holds 619,426,195 A Shares of the Company. COSCO SHIPPING is the sole shareholder of China Shipping Group Company Limited and therefore, COSCO SHIPPING, by itself and through its subsidiaries, is interested in 2,156,350,790 A shares of the Company in aggregate, representing approximately 45.28% of the total issued share capital of the Company as at 30 September 2021.
- (2) HKSCC NOMINEES LIMITED (香港中央結算(代理人)有限公司) holds H Shares of the Company on behalf of customers of various securities firms in Hong Kong and other CCASS participants.
- (3) Dalian Shipbuilding Industry Group Co., Ltd.* (大連船舶重工集團有限公司) and Hudong Zhonghua Shipbuilding (Group) Co., Ltd.* (滬東中華造船(集團)有限公司) are parties acting in concert.
- (4) Except for the above, it is unknown whether concerted action relationships exist among the other shareholders.

§4 SIGNIFICANT EVENTS

Summary of analysis of the Group’s operating activities in the first three quarters of 2021

In the first three quarters of 2021, global economic activities gradually recovered, resulting in the raising demand for oil. In particular, the Organization of Petroleum Exporting Countries and its allies (OPEC+) made a decision to gradually increase market supply from August, which sent a positive signal from the oil supply side. However, impacted by the uncertain regional economic and political situations and the continuing and recurring COVID-19 outbreak, the overall recovery progress of global oil demand was still depressed to a certain extent. In the third quarter of 2021, global oil demand was approximately 98.33 million barrels per day, representing an increase of 3.11% as compared to the second quarter, and an increase of 8.07% as compared to the third quarter of 2020 but a decrease of 2.35% as compared to the same period of 2019.

For the nine months ended 30 September 2021, the fundamentals of oversupply of shipping capacity and the rapidly increasing fuel price both imposed great pressure on the oil tanker shipping market. The daily average revenue of Very Large Crude Carrier (VLCC) TD3C (Middle East Gulf – China) for the first three quarters was USD-1,250 per day, representing a year-on-year decrease of approximately 102% year-on-year. In the third quarter of 2021, as the overhaul of refineries was close to an end, the freight rate gradually rebounded after touching the bottom line.

From the shipping demand side, the Organization for Economic Cooperation and Development (OECD) is accelerating its commercial oil destocking, which slowed down the recovery progress of oil tanker shipping demand. Furthermore, the tightening environmental protection policy and the promulgation of consumption taxation policy on product oil also suppressed, to a certain degree, the domestic oil import and export. The monthly increase of production volume of OPEC+ had limited effect on the substantial improvement of the shipping demand in the third quarter. In terms of tanker supply, 199 oil tankers, representing 20.67 million DWT were delivered and 133 oil tankers, representing 10.32 million DWT were demolished in the first three quarters of 2021. As at the end of the third quarter of 2021, tankers over 15 years accounted for approximately 30% of the fleet. Catalyzed by the environmental protection policy, the disposal of old capacity will be accelerated and thereby the optimization potential from the tanker supply side is expected to improve the fundamentals of the oil shipping market.

In order to actively respond to the market downturn, the Group adopted a series of measures such as extreme speed down navigation, centralized procurement at selected opportunities, optimizing the layout of berths, and strengthening safety marketing for major customers to reduce costs, increase efficiency, and recover capital. In the first three quarters, the Group realized operating income from international oil shipping business of RMB4.17 billion, representing a year-on-year decrease of 48.6%.

During the Reporting Period, the Group's domestic trade oil shipping business and LNG shipping business generated stable and considerable income, which played a supporting role in the overall performance of the Group. In the first three quarters of 2021, the Group realized operating income from domestic oil shipping business of RMB4.17 billion, representing a year-on-year increase of 2.8%; LNG shipping business contributed net profit attributable to the parent of RMB510 million, representing a year-on-year increase of 1.7%.

For the nine months ended 30 September 2021, the Group realized tanker utilization of 5,754.84 million tonne-days (representing a year-on-year increase of 20.1%), transportation volume (excluding time charters) of 122.80 million tons (representing a year-on-year increase of 1.7%) and turnover (excluding time charters) of 375.4 billion tonne-miles (representing a year-on-year decrease of 3.9%). The Group achieved operating revenue of RMB9.29 billion (representing a year-on-year decrease of 30.1%), operating expense of RMB8.23 billion (representing a year-on-year decrease of 7.7%) and net profit attributable to shareholders of the Company of RMB444 million (representing a year-on-year decrease of 86.7%).

§5 APPENDIX

Consolidated Balance Sheet

Items	30 September 2021 <i>RMB</i>	31 December 2020 <i>RMB</i>
Current assets		
Cash and cash equivalents	3,281,325,153.48	4,870,726,936.42
Notes receivable	1,200,000.00	12,660,000.00
Accounts receivable	968,394,280.62	655,848,759.78
Prepayments	254,109,586.06	320,255,103.65
Other receivables	376,471,337.96	156,293,181.35
Including: Interests receivable	5,689,562.31	6,111,293.14
Dividends receivable	120,000,000.00	
Inventory	939,582,055.58	859,472,043.87
Contract assets	588,108,594.52	632,042,903.68
Non-current assets maturing within one year		38,560,800.72
Other current assets	288,182,108.66	333,613,767.26
Total current assets	6,697,373,116.88	7,879,473,496.73
Non-current assets		
Long-term receivables	1,227,855,152.89	1,245,027,131.90
Long-term equity investment	6,273,311,329.02	6,058,683,769.05
Other equity investments	524,352,884.43	462,316,968.81
Investment properties	10,386,872.00	10,386,872.00
Fixed assets	47,376,267,595.92	47,242,523,785.51
Construction in progress	1,320,503,187.09	1,240,463,836.03
Right-of-use assets	1,331,361,337.78	1,647,628,385.90
Intangible assets	45,429,674.62	47,674,696.92
Goodwill	73,324,705.01	73,324,705.01
Long-term deferred expenses	7,115,597.16	9,577,045.68
Deferred income tax assets	42,801,545.52	42,775,830.91
Total non-current assets	58,232,709,881.44	58,080,383,027.72
Total assets	64,930,082,998.32	65,959,856,524.45

Items	30 September 2021 <i>RMB</i>	31 December 2020 <i>RMB</i>
Current liabilities		
Short-term borrowings	4,971,327,476.21	4,269,809,704.96
Bills payable		33,000,000.00
Accounts payable	1,200,162,358.62	1,577,104,082.53
Receipts in advance		
Contract liabilities	12,869,747.97	18,823,664.12
Staff remuneration payable	417,692,095.37	448,524,619.39
Taxes payable	182,678,202.04	59,073,718.98
Other payables	936,651,696.48	704,207,501.73
Including: Interests payable	75,911,609.47	114,989,529.87
Dividends payable		
Non-current liabilities maturing within one year	1,528,741,823.36	2,782,298,881.16
Total current liabilities	9,250,123,400.05	9,892,842,172.87
Non-current liabilities		
Long-term borrowings	13,587,747,356.30	13,809,152,132.15
Bonds payable	2,497,640,031.44	2,495,823,858.94
Leasing obligation	1,760,934,536.01	1,699,996,007.57
Long-term payables	982,866,940.91	977,192,999.08
Long-term staff remuneration payable	184,310,838.60	179,503,752.48
Estimated liabilities		
Deferred income tax liabilities	533,793,585.71	455,016,824.72
Other non-current liabilities	590,113,471.76	847,983,407.02
Total non-current liabilities	20,137,406,760.73	20,464,668,981.96
Total liabilities	29,387,530,160.78	30,357,511,154.83
Owners' equity (or shareholders' equity)		
Paid in capital (or share capital)	4,762,691,885.00	4,762,691,885.00
Capital reserves	11,932,365,028.60	11,926,660,401.10
Other comprehensive income	-488,371,770.27	-512,922,310.53
Special reserves	55,352,625.74	12,988,973.49
Surplus reserves	2,877,436,346.44	2,877,436,346.44
Undistributed profit	15,046,215,385.70	15,554,972,232.65
Total equity attributable to owners of the parent company (or shareholders' equity)	34,185,689,501.21	34,621,827,528.15
Minority interests	1,356,863,336.33	980,517,841.47
Total owners' equity (or shareholders' equity)	35,542,552,837.54	35,602,345,369.62
Total liabilities and owners' equity (or shareholders' equity)	64,930,082,998.32	65,959,856,524.45

Consolidated Income Statement

Items	January – September 2021 RMB	January – September 2020 RMB
1. Total operating revenue	9,288,439,428.30	13,286,083,158.08
Including: Operating revenue	9,288,439,428.30	13,286,083,158.08
2. Total operating expense	9,507,455,016.56	10,233,637,240.42
Including: Operating expenses	8,228,958,287.36	8,911,846,810.84
Business taxes and other surcharges	43,054,198.93	43,869,167.19
Sales expenses	21,730,010.16	25,376,221.26
Administrative expenses	581,073,931.13	432,400,755.65
R & D expenses	10,666,041.34	7,027,964.82
Financial expenses	621,972,547.64	813,116,320.66
Including: Interest expenses	622,703,212.66	863,732,865.39
Interest income	45,828,230.59	81,831,571.11
Add: Other gains	323,527,368.64	34,776,233.32
Add: Investment income (“-” for investment loss)	746,247,076.29	678,629,169.87
Including: Investment income from associates and joint ventures	746,247,076.29	702,847,406.86
Gain or loss from fair value changes (“-” for loss)		-3,414,395.00
Credit impairment losses (“-” for credit impairment loss)	-104,255.61	-9,617,818.04
Capital impairment losses (“-” for loss)	71,690.67	
Gain from asset disposal (“-” for loss)	-3,422,829.79	-736,076.39
3. Operating profit (“-” for operating loss)	847,303,461.94	3,752,083,031.42
Add: Non-operating revenue	3,444,309.27	11,782,740.51
Less: Non-operating expense	20,065,651.16	8,995,164.86
4. Gross profit (“-” for gross loss)	830,682,120.05	3,754,870,607.07
Less: Income tax	154,514,420.44	227,480,206.12
5. Net profit (“-” for net loss)	676,167,699.61	3,527,390,400.95
(1) Classified by sustainability		
a. Net profit from continuing operations (“-” for net loss)	676,167,699.61	3,527,390,400.95
b. Net profit from discontinued operations (“-” for net loss)		
(2) Classified by ownership		
a. Net profit attributable to owners of parent company	443,781,530.05	3,324,223,270.73
b. Net profit attributable to minority shareholders	232,386,169.56	203,167,130.22

Items	January – September 2021 RMB	January – September 2020 RMB
6. Other comprehensive net income after tax	191,836,334.20	-600,799,767.86
Other comprehensive net income after tax attributable to owners of parent company	24,550,540.26	-371,540,399.40
(1) Other comprehensive income not to be reclassified subsequently to profit or loss	23,728,737.72	-4,451,752.44
a. Gain or loss from changes in the fair value of other equity investments	23,728,737.72	-4,451,752.44
(2) Other comprehensive income to be reclassified to profit or loss	821,802.54	-367,088,646.96
a. Portion of other comprehensive income to be re-classified to profit or loss under equity method	-5,710,388.04	-20,625,198.47
b. Effective portion of profit or loss on cash flow hedges	103,577,326.84	-158,423,366.03
c. Foreign currency translation gains or losses	-97,045,136.26	-183,481,727.86
d. Others		-4,558,354.60
Other comprehensive net income after tax attributable to minority shareholders	167,285,793.94	-229,259,368.46
7. Total comprehensive income	868,004,033.81	2,926,590,633.09
Total comprehensive income attributable to owners of parent company	468,332,070.31	2,952,682,871.33
Total comprehensive income attributable to minority shareholders	399,671,963.50	-26,092,238.24
8. Earnings per share		
(1) Basic earnings per share (RMB per share)	0.0932	0.7356
(2) Diluted earnings per share (RMB per share)	0.0932	0.7353

Consolidated Statement of Cash Flows

Item	Nine months ended 30 September 2021 (RMB)	Nine months ended 30 September 2020 (RMB)
1. Cash flows from operating activities		
Cash received from sales of goods and services	9,451,970,004.43	13,751,341,522.33
Cash received from tax rebates	332,321,830.83	140,684,765.80
Cash received relating to other operating activities	731,482,255.45	380,238,248.67
Subtotal of cash inflow from operating activities	10,515,774,090.71	14,272,264,536.80
Cash paid for goods and services	5,773,234,023.92	6,732,303,815.18
Cash paid to and on behalf of employees	1,590,573,932.72	1,328,830,025.80
Taxes paid	324,629,819.49	424,406,395.00
Cash paid relating to other operating activities	564,677,811.00	435,478,656.22
Subtotal of cash outflow from operating activities	8,253,115,587.13	8,921,018,892.20
Net cash flows from operating activities	2,262,658,503.58	5,351,245,644.60
2. Cash flows from investing activities		
Cash received from disposal of investments	40,760,787.84	22,569,483.09
Cash received from gains in investments	296,223,466.59	485,096,746.22
Net cash inflow from disposal of fixed, intangible and other long-term assets investment		314,657,760.32
Net cash received on disposal of subsidiaries and other operating units		12,435,578.27
Subtotal of cash inflow from investing activities	336,984,254.43	834,759,567.90
Cash paid for purchase of fixed, intangible and other long-term assets	2,136,652,137.42	3,618,653,254.18
Cash paid for investment		349,264,000.00
Cash paid relating to other investment activities		
Subtotal of cash outflow from investing activities	2,136,652,137.42	3,967,917,254.18
Net cash flows from investing activities	-1,799,667,882.99	-3,133,157,686.28

Item	Nine months ended 30 September 2021 (RMB)	Nine months ended 30 September 2020 (RMB)
3. Cash flows from financing activities	75,512,280.00	5,175,987,149.57
Cash received from raising capital		
Including: Cash received by subsidiary from raising capital from minority shareholders	75,512,280.00	86,787,162.00
Cash received from borrowings	5,327,185,385.79	4,139,284,056.71
Cash received in connection with other financing activities	4,295,711.69	12,471,048.54
Subtotal of cash inflow from financing activities	5,406,993,377.48	9,327,742,254.82
Cash paid for payment of debts	5,672,110,967.70	7,957,482,772.84
Cash paid for distribution of dividends or profits and for interest expenses	1,539,304,684.66	1,070,263,785.00
Including: Dividend and earnings distributed by subsidiary to minority shareholders		122,656,600.02
Cash paid relating to other financing activities	280,443,969.05	518,124,379.50
Subtotal of cash outflow from financing activities	7,491,859,621.41	9,545,870,937.34
Net cash flows from financing activities	-2,084,866,243.93	-218,128,682.52
4. Effect on cash and cash equivalents from changes of foreign exchange rates	32,473,840.40	-88,599,181.52
5. Net increase in cash and cash equivalents	-1,589,401,782.94	1,911,360,094.28
Add: Balance of cash and cash equivalents at the beginning of the year	4,869,962,525.66	3,919,499,740.67
6. Balance of cash and cash equivalents at the end of the Reporting Period	3,280,560,742.72	5,830,859,834.95

This announcement is made pursuant to Rule 13.09(2)(a) and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The A shares of the Company are listed on the Shanghai Stock Exchange, and the Shanghai Stock Exchange has required the Company to make an announcement similar to this announcement in Shanghai.

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

Shanghai, the PRC
29 October 2021

As at the date of this announcement, the Board comprises Mr. Ren Yongqiang 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*