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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)

PROPOSED PROVISION OF THE GUARANTEES

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The Board resolved to propose the Guarantees to be provided by the Company in favour of the Guaranteed Wholly-owned Subsidiaries.

Pursuant to the relevant requirements under relevant PRC laws and regulations and the Articles of Association, the provision of the Guarantees and the Relevant Authorisation shall be subject to the approval of the Shareholders at a general meeting of the Company. It is proposed that the provision of the Guarantees and the Relevant Authorisation will be submitted, by way of ordinary resolution, for the consideration and approval of the Shareholders at the AGM.

Subject to the provision of the Guarantees and the Relevant Authorisation being approved by the Shareholders, the Company and the Guaranteed Wholly-owned Subsidiaries shall enter into the Guarantees during the period from 1 July 2023 to 30 June 2024.

PROPOSED PROVISION OF THE GUARANTEES

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1. Information on the Guaranteed Wholly-owned Subsidiaries

CSDHK is a direct wholly-owned subsidiary of the Company. It is principally engaged in international shipping business and is responsible for the asset management business of the Company in Hong Kong.

* *For identification purposes only*

CSET SG is a direct wholly-owned subsidiary of the Company. It is principally engaged in shipping business.

Pan Cosmos is an indirectly wholly-owned subsidiary of the Company. It is principally engaged in the operation and management of ships.

CSET HN is a direct wholly-owned subsidiary of the Company. It is principally engaged in the operation and management of ships.

2. Reasons for and benefits of the provision of the Guarantees

The Directors are of the view that the provision of the Guarantees will lower the financing costs and enhance the speed and efficiency of obtaining financing of the Group, and as such, is in the interests of the Company and the Shareholders as a whole.

3. Approval of the Shareholders

Pursuant to the relevant requirements under relevant PRC laws and regulations and the Articles of Association, the provision of the Guarantees and the Relevant Authorisation shall be subject to the approval of the Shareholders at a general meeting of the Company. It is proposed that the provision of the Guarantees and the Relevant Authorisation will be submitted, by way of ordinary resolution, for the consideration and approval of the Shareholders at the AGM.

Subject to the provision of the Guarantees and the Relevant Authorisation being approved by the Shareholders, the Company and the Guaranteed Wholly-owned Subsidiaries will enter into the Guarantees during the period from 1 July 2023 to 30 June 2024.

4. The accumulated amount of guarantees and the amount of overdue guarantees of the Company

As at the date of this announcement, the accumulated amount of external guarantees outstanding and provided by the Company and its majority owned subsidiaries (excluding the Guarantees) was approximately USD317 million (equivalent to approximately RMB2.248 billion) and EUR4.50 million (equivalent to approximately RMB34.13 million), representing approximately 7.23% of the net assets of the Group as at 31 December 2022 as disclosed in the Annual Results Announcement; and the accumulated amount of guarantees outstanding and provided by the Company for its majority owned subsidiaries was approximately USD943 million (equivalent to approximately RMB6.684 billion), representing approximately 21.17% of the net assets of the Group as at 31 December 2022 as disclosed in the Annual Results Announcement. There are no overdue guarantees as at the date of this announcement.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the meanings as follows:

“AGM”	the annual general meeting of the Company to be held (such date to be confirmed)
“Annual Results Announcement”	the announcement of the Company dated 30 March 2023 in relation to the annual results of the Group for the year ended 31 December 2022
“Articles of Association”	the articles of association of the Company
“Board”	the board of Directors
“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 incorporated in the PRC with limited liability, the H shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited
“CSDHK”	China Shipping Development (Hong Kong) Marine Co., Limited (中海發展(香港)航運有限公司), a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company
“CSET HN”	COSCO SHIPPING Energy Transportation (Hainan) Co., Ltd.* (海南中遠海運能源運輸有限公司), a company incorporated in the PRC with limited liability and a direct wholly-owned subsidiary of the Company
“CSET SG”	COSCO SHIPPING Tanker (Singapore) Pte. Ltd. (中遠海運油品運輸(新加坡)有限公司), a company incorporated in Singapore with limited liability and a direct wholly-owned subsidiary of the Company
“Director(s)”	director(s) of the Company
“EUR”	the Euro, the lawful currency of the member states of the European Union
“Group”	the Company and its subsidiaries
“Guaranteed Wholly-owned Subsidiaries”	collectively, CSDHK, CSET SG, Pan Cosmos and CSET HN

“Guarantees”	the proposed guarantees for the Guaranteed Wholly-owned Subsidiaries to be provided by the Company in a total amount not exceeding US\$1.4 billion (or its equivalent in other currencies) to guarantee the possible financing obligations of the Guaranteed Wholly-owned Subsidiaries
“Pan Cosmos”	Pan Cosmos Shipping & Enterprises Co., Ltd. (寰宇船務企業有限公司), a company incorporated in Hong Kong with limited liability and an indirectly wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“Relevant Authorisation”	the proposed authorisation to the chairman of the Board or the general manager of the Company to execute the Guarantees
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company
“USD”	United States dollar, the lawful currency of the United States of America

By order of the Board
COSCO SHIPPING Energy Transportation Co., Ltd.
Ni Yidan
Company Secretary

Shanghai, the PRC
5 June 2023

For the purpose of this announcement, translations of USD into RMB or vice versa have been calculated by using an exchange rate of USD1.00 equal to RMB7.0904; and translations of EUR into RMB or vice versa have been calculated by using an exchange rate of EUR1.00 equal to RMB7.5854. Such exchange rates have been used, where applicable, for the purpose of illustration only and do 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. Ren Yongqiang and Mr. Zhu Maijin as executive Directors, Mr. Wang Wei and Ms. Wang Songwen as non-executive Directors, Mr. Victor Huang, Mr. Li Runsheng, Mr. Zhao Jinsong and Mr. Wang Zuwen as independent non-executive Directors.

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