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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 year ended 31 December 2023, the Group expects to record a net profit attributable to the equity holders of the Company for the year ended 31 December 2023 of approximately RMB3.10 billion to RMB3.90 billion (equivalent to approximately HK\$3.407 billion to HK\$4.286 billion), representing a period-on-period increase of approximately RMB1.639 billion to RMB2.439 billion or approximately 112.18% to 166.94% as compared to a net profit attributable to the equity holders of the Company of approximately RMB1.461 billion (restated) (equivalent to approximately HK\$1.605 billion) for the year ended 31 December 2022.

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 2023, which is expected to be published in March 2024.

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 2023, the Group expects to record a net profit attributable to

the equity holders of the Company for the year ended 31 December 2023 of approximately RMB3.10 billion to RMB3.90 billion (equivalent to approximately HK\$3.407 billion to HK\$4.286 billion), representing a period-on-period increase of approximately RMB1.639 billion to RMB2.439 billion or approximately 112.18% to 166.94% as compared to a net profit attributable to the equity holders of the Company of approximately RMB1.461 billion (restated) (equivalent to approximately HK\$1.605 billion) for the year ended 31 December 2022.

Before the restatement, the Group achieved a net profit attributable to the equity holders of the Company of approximately RMB1.461 billion (equivalent to approximately HK\$1.605 billion) for the year ended 31 December 2022. The Group implemented the *Accounting Standard for Enterprises Interpretation No. 16* issued by the Ministry of Finance of the PRC with effect from 1 January 2023 and restated the figures for the year ended 31 December 2022 with a relatively small amount of restatement adjustment. After the restatement, for the year ended 31 December 2022, the Group achieved a net profit attributable to the equity holders of the Company of approximately RMB1.461 billion (equivalent to approximately HK\$1.605 billion).

The expected increase in the net profit attributable to the equity holders of the Company for the year ended 31 December 2023 as compared to the corresponding period of 2022 was mainly attributable to the following factors:

- 1) In 2023, the freight rates of the international oil tanker held up relatively firm amidst volatile market environment. According to Baltic Exchange, in 2023, the average time-charter equivalent (“TCE”) of very large crude carriers (“VLCCs”) globally on the Middle East-China route (TD3C) was USD36,035 per day, representing an increase of approximately 113% compared to the same period of 2022. The freight rates of medium and small tankers had overall strong performance, benefiting from the structural changes in the international oil trade. In 2023, the international oil shipping segment of the Group has realized a gross profit of approximately RMB4.2 billion, representing a year-on-year increase of approximately 188%;
- 2) In 2023, the domestic oil shipping business of the Group remained stable and is expected to realize a gross profit of approximately RMB1.5 billion, representing a year-on-year increase of approximately 17.9%; the LNG transportation business increased to stabilize, contributing approximately RMB790 million to the net profit attributable to shareholders of parent company of the Company, representing a year-on-year increase of approximately 18.4%;
- 3) In 2023, the gain on disposal of aged vessels, etc., deducting the loss on charter suspension due to non-routine repairs of vessels, potential investment loss due to changes in the operating environment of the overseas associates and operating restrictions, and estimated loss on third-party claims, etc., is expected to bring a net non-operating loss of approximately RMB750 million to the Company; and
- 4) Benefiting from the stable growth of the domestic oil shipping business and LNG transportation business, as well as the solid performance of the international oil shipping business, it is expected that the net cash inflow from operations of the Company for the year of 2023 will

increase significantly as compared to the corresponding period of 2022; the asset and liability structure of the Company has been further optimized; and the basis for returning to shareholders of the Company has been strengthened, which enhanced the ability to return to shareholders.

The Company is still in the process of finalizing the consolidated results of the Group for the year ended 31 December 2023. 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 2023 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 2023 may differ from those 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 2023.

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 2023, which is expected to be published in March 2024.

By order of the Board
COSCO SHIPPING Energy Transportation Co., Ltd.
Ren Yongqiang
Chairman

Shanghai, People's Republic of China
23 January 2024

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 RMB0.91. 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. 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.

* *For identification purposes only*