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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)

DISCLOSEABLE AND CONNECTED TRANSACTIONS
CONSTRUCTION OF SIX VERY LARGE CRUDE CARRIERS

THE SHIPBUILDING CONTRACTS

The Board is pleased to announce that on 9 November 2026, Hainan COSCO Energy entered into the Shipbuilding Contracts with COSCO SHIPPING Heavy Industry (Yangzhou) for the construction of six very large crude carriers at an aggregate consideration of approximately RMB5,689 million.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, COSCO SHIPPING and its associates control or are entitled to control the voting rights in respect of 2,563,294,576 A Shares, representing approximately 46.85% of the total issued share capital of the Company. Accordingly, COSCO SHIPPING is an indirect controlling shareholder of the Company and therefore a connected person of the Company.

To the best of the Directors' knowledge, information and belief, COSCO SHIPPING Heavy Industry (Yangzhou) is an indirect wholly-owned subsidiary of COSCO SHIPPING and therefore is a connected person of the Company. Accordingly, the Shipbuilding Contracts and the transactions contemplated thereunder constitute connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

* *For identification purposes only*

As one or more applicable percentage ratios calculated in accordance with the Hong Kong Listing Rules in respect of the Shipbuilding Contracts and the transactions contemplated thereunder, exceed 5% but are all less than 25%, the entering into of the Shipbuilding Contracts and the transactions contemplated thereunder constitute discloseable and connected transactions of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, and the announcement, Independent Shareholders' approval, circular and annual reporting requirements under Chapter 14A of the Hong Kong Listing Rules.

An EGM will be convened for the purpose of considering, and if thought fit, approving the Shipbuilding Contracts and the transactions contemplated thereunder. COSCO SHIPPING and its associates are required to abstain from voting on the resolution(s) approving the Shipbuilding Contracts and the transactions contemplated thereunder at the EGM.

A circular containing, among other things, details of the transactions under the Shipbuilding Contracts, a letter from the Independent Board Committee with its recommendation to the Independent Shareholders, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, as well as a notice convening the EGM will be dispatched to the Shareholders on or before 4 December 2026 in accordance with the Hong Kong Listing Rules, as additional time is required to prepare certain information in the circular.

INTRODUCTION

The Board is pleased to announce that on 9 November 2026, Hainan COSCO Energy entered into the Shipbuilding Contracts with COSCO SHIPPING Heavy Industry (Yangzhou) for the construction of six very large crude carriers at an aggregate consideration of approximately RMB5,689 million.

THE SHIPBUILDING CONTRACTS

The principal terms of the Shipbuilding Contracts are set out below:

Date

9 November 2026

Parties

(1) Hainan COSCO Energy (as the buyer); and

(2) COSCO SHIPPING Heavy Industry (Yangzhou) (as the builder and seller).

Subject matter

Pursuant to the Shipbuilding Contracts, COSCO SHIPPING Heavy Industry (Yangzhou) has agreed to design, build, equip, launch and complete the Tankers at the shipyard, and sell and deliver to Hainan COSCO Energy, and Hainan COSCO Energy has agreed to purchase and take delivery of the Tankers.

The Tankers

The Tankers are six LNG dual fuel (ready) very large crude carriers with a maximum deadweight of 309,000 DWT at structural draught each.

Consideration and payment terms

The consideration for each of the Tankers is approximately RMB948 million, and the aggregate consideration for the six Tankers is approximately RMB5,689 million. The consideration for each of the Tankers is payable by Hainan COSCO Energy to COSCO SHIPPING Heavy Industry (Yangzhou) in five instalments of 20%, 10%, 10%, 10% and 50%, respectively based on the shipbuilding progress.

The fifth instalment, being 50% of the consideration, shall be adjusted under the following circumstances: (i) if the delivery date of any of the Tankers is delayed or the condition of any of the Tankers (including speed, fuel consumption, and deadweight tonnage) fails to meet the standards as stipulated in the relevant contract, the contract price shall be reduced accordingly; or (ii) should the performance deviation exceed (for fuel consumption) or fall below (for speed and deadweight tonnage) the limits allowed by the contract, the buyer shall have the right to refuse to accept any of the Tankers.

Each of the Shipbuilding Contracts provides that there will be no adjustment in the price of the relevant tankers if the delivery is delayed for a period not exceeding 30 days ("**Grace Period**"). Under the Shipbuilding Contracts, delay will be permitted on account of force majeure events.

If the delay exceeds the Grace Period but does not exceed 210 days (being the number of days including the Grace Period but excluding the days allowed for delay under force majeure events therein prescribed under the Shipbuilding Contracts) ("**210 Prescribed Days**") or 270 days (being the number of days including the Grace Period and the days allowed for delay under force majeure events together with any other days which are not allowed for delay therein prescribed under the Shipbuilding Contracts) ("**270 Prescribed Days**") respectively, there will be a reduction in the price of the relevant tankers determined on the basis of the extent of the delay. For the avoidance of doubt, the said reduction in the price as a result of the delay will be calculated based on a daily reduction rate of RMB97,900 per day, subject to a maximum aggregate amount of reduction of RMB17,622,000 in respect of each tanker pursuant to each of the Shipbuilding Contracts.

If the delay exceeds 210 Prescribed Days or 270 Prescribed Days respectively, unless the parties agree otherwise, Hainan COSCO Energy has the right to refuse to accept delivery of the relevant tankers in which case all payments paid under the relevant Shipbuilding Contracts together with interests will be refunded to Hainan COSCO Energy.

There will be other downward adjustments in price of the relevant tankers if their performance (such as speed, deadweight tonnage, fuel consumption rate) does not satisfy certain agreed benchmarks (as the case may be). However, should the relevant performance exceed or fall below certain agreed benchmark, Hainan COSCO Energy has the right to refuse delivery of the relevant tankers or accept the relevant tankers with a reduced contract price. The maximum aggregate amount of reduction in the price in relation to speed, deadweight tonnage and fuel consumption rate is approximately RMB3,594,000, RMB20,400,000 and RMB2,865,000, respectively for each tanker.

Delivery

The delivery of the six Tankers is expected to take place from August 2029 to November 2030, respectively.

BASIS FOR DETERMINING THE CONSIDERATION UNDER THE SHIPBUILDING CONTRACTS

The consideration for the six newbuild Tankers was determined by the Group in accordance with the principle of openness, fairness and impartiality, and based on the Group's requirements on price, technical capability and delivery schedule. Through conducting enquiries to major shipyards (including independent third-party shipyards) capable of constructing and delivering comparable vessels and upon comprehensive evaluation by the Group, COSCO SHIPPING Heavy Industry (Yangzhou) demonstrated strong competitiveness and comprehensive advantages over other shipyards (including independent third-party shipyards) in terms of shipbuilding capacity, vessel prices, delivery date, payment ratio, construction experience and other factors. After the counter-offer and upon the confirmation from COSCO SHIPPING Heavy Industry (Yangzhou), the Group ultimately selected COSCO SHIPPING Heavy Industry (Yangzhou) as the builder for the construction of the six Tankers. In addition, COSCO SHIPPING Heavy Industry (Yangzhou) is the builder of the Group's vessels which have been constructed/currently under construction, and therefore is more familiar with the various requirements of the Group for construction of newbuild vessels.

The consideration for the six Tankers will be funded by Hainan COSCO Energy as to approximately 70% by external financing and approximately 30% by internal financial resources.

REASONS FOR AND BENEFITS OF ENTERING INTO THE SHIPBUILDING CONTRACTS

With a view to further enhancing the resilience and security capabilities of the energy supply chain, as well as optimizing the Company's fleet structure and market competitiveness, the Group intends to invest in and construct clean-fuel vessels. The Shipbuilding Contracts are based on the following comprehensive considerations:

1. Seizing market opportunities and serving energy transportation needs

Aligned with the growing global demand for crude oil transportation, the Group seeks to seize market opportunities by supplementing the scarce transportation capacity of very large crude carriers and expanding its fleet size, thereby enhancing its service capabilities and market share in the international crude oil transportation market, as well as strengthening the Company's profitability and core competitiveness.

2. Optimizing fleet structure and strengthening operational competitiveness

By adding new vessel capacity, the Group will optimize the age profile of its international-trade tanker fleet, enhance the intelligence and environmental performance of the fleet, improve the Group's shipping operational efficiency, consolidate its market share and solidify its sustainable profitability, thereby laying a solid foundation for enhancing the Company's overall competitiveness and economic benefits.

3. Practicing green shipping and promoting low-carbon transition

The newbuild Tankers will adopt clean-power systems such as LNG dual fuel READY, and will be equipped with energy-saving and intelligent devices. These initiatives actively respond to the global trend of shipping decarbonization, align with the Company's sustainable development strategy, and enhance the Tankers' lifecycle competitiveness.

The construction of these newbuild Tankers represents a significant step of the Group in implementing its fleet development plan, seizing market opportunities, and practicing green and low-carbon development. Following the delivery of the new vessels, the Group will effectively supplement its capacity for very large crude carriers, thereby enhancing its service capabilities and competitiveness in the oil transportation markets. This move aligns with the Company's long-term development strategy and serves the interests of all Shareholders. According to the internal estimation of the Group, the construction of six very large crude carriers offers a favorable investment return rate, which will help enhance the Company's risk resistance capability.

The Directors (other than the independent non-executive Directors who will give their views after taking into account the advice of the Independent Financial Adviser) are of the view that the Shipbuilding Contracts are entered into in the ordinary and usual course of business of the Group, and the terms of the Shipbuilding Contracts and the transactions contemplated thereunder are on normal commercial terms which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

RELEVANT INFORMATION ON THE PARTIES TO THE SHIPBUILDING CONTRACTS

Information on the Group

The Company is 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 Hong Kong Stock Exchange (Stock Code: 1138) and the A Shares of which are listed on the Shanghai Stock Exchange (Stock Code: 600026). The Group is principally engaged in investment holding, oil shipment along the coast of the PRC and internationally, international liquefied natural gas shipment, liquefied petroleum gas shipment, chemicals shipment and vessel chartering.

Information on Hainan COSCO Energy

Hainan COSCO Energy is a company incorporated under the laws of the PRC with limited liability and is a wholly-owned subsidiary of the Company. It is principally engaged in international energy transportation business.

Information on COSCO SHIPPING Heavy Industry (Yangzhou)

COSCO SHIPPING Heavy Industry (Yangzhou) is a company incorporated under the laws of the PRC with limited liability. It is a direct wholly-owned subsidiary of COSCO SHIPPING Heavy Industry and is principally engaged in the construction, repair and conversion of vessels.

COSCO SHIPPING Heavy Industry is a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of COSCO SHIPPING. It is principally engaged in the construction, repair and conversion of vessels and marine equipment and supporting services.

IMPLICATIONS UNDER THE HONG KONG LISTING RULES

As at the date of this announcement, COSCO SHIPPING and its associates control or are entitled to control the voting rights in respect of 2,563,294,576 A Shares, representing approximately 46.85% of the total issued share capital of the Company. Accordingly, COSCO SHIPPING is an indirect controlling shareholder of the Company and therefore a connected person of the Company.

To the best of the Directors' knowledge, information and belief, COSCO SHIPPING Heavy Industry (Yangzhou) is an indirect wholly-owned subsidiary of COSCO SHIPPING and therefore is a connected person of the Company. Accordingly, the Shipbuilding Contracts and the transactions contemplated thereunder constitute connected transactions of the Company under Chapter 14A of the Hong Kong Listing Rules.

As one or more applicable percentage ratios calculated in accordance with the Hong Kong Listing Rules in respect of the Shipbuilding Contracts and the transactions contemplated thereunder, exceed 5% but are all less than 25%, the entering into of the Shipbuilding Contracts and the transactions contemplated thereunder constitute discloseable and connected transactions of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Hong Kong Listing Rules, and the announcement, Independent Shareholders' approval, circular and annual reporting requirements under Chapter 14A of the Hong Kong Listing Rules.

Mr. REN Yongqiang, being an executive Director, and Mr. WANG Shuqing, Ms. ZHOU Chongyi and Mr. HE Bin, being non-executive Directors, hold positions in COSCO SHIPPING and/or its subsidiaries other than the Group. Accordingly, Mr. REN Yongqiang, Mr. WANG Shuqing, Ms. ZHOU Chongyi and Mr. HE Bin have abstained from voting on the relevant Board resolution(s) approving the Shipbuilding Contracts and the transactions contemplated thereunder. Save as aforementioned, none of the other Directors has a material interest in the Shipbuilding Contracts and the transactions contemplated thereunder and therefore no other Director has abstained from voting on such Board resolution(s).

An EGM will be convened for the purpose of considering, and if thought fit, approving the Shipbuilding Contracts and the transactions contemplated thereunder. COSCO SHIPPING and its associates are required to abstain from voting on the resolution(s) approving the Shipbuilding Contracts and the transactions contemplated thereunder at the EGM.

An Independent Board Committee has been established to advise the Independent Shareholders as to whether the terms of the transactions contemplated under the Shipbuilding Contracts are fair and reasonable, on normal commercial terms, in the ordinary and usual course of business, and whether they are in the interests of the Company and its Shareholders as a whole. The Company has appointed an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Shipbuilding Contracts are fair and reasonable so far as the Independent Shareholders are concerned, on normal commercial terms, in the ordinary and usual course of business and are in the interests of the Company and the Shareholders as a whole.

A circular containing, among other things, details of the transactions under the Shipbuilding Contracts, a letter from the Independent Board Committee with its recommendation to the Independent Shareholders, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, as well as a notice convening the EGM will be dispatched to the Shareholders on or before 4 December 2026 in accordance with the Hong Kong Listing Rules, as additional time is required to prepare certain information in the circular.

DEFINITIONS

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

"A Share(s)"	the domestic share(s) in the ordinary share capital of the Company with a par value of RMB1.00 each, which is (are) listed on the Shanghai Stock Exchange
"associate(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"Board"	the board of Directors of the Company
"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 and A Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 1138) and the Shanghai Stock Exchange (Stock Code: 600026), respectively
"connected person"	has the meaning ascribed to it under the Hong Kong Listing Rules
"consideration"	the vessel price of each vessel, and for the purpose of this announcement only, includes tax
"controlling shareholder(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules

"COSCO SHIPPING"	CHINA COSCO SHIPPING Corporation Limited* (中國遠洋海運集團有限公司), a PRC state-owned enterprise and an indirect controlling shareholder of the Company
"COSCO SHIPPING Heavy Industry"	COSCO SHIPPING Heavy Industry Co., Ltd.* (中遠海運重工有限公司), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of COSCO SHIPPING
"COSCO SHIPPING Heavy Industry (Yangzhou)"	COSCO SHIPPING Heavy Industry (Yangzhou) Co., Ltd.* (揚州中遠海運重工有限公司), a company incorporated under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of COSCO SHIPPING
"Director(s)"	director(s) of the Company
"EGM"	the extraordinary general meeting to be convened by the Company to consider and, if thought fit, to approve (amongst others) the Shipbuilding Contracts and the transactions contemplated thereunder
"Group"	the Company and its subsidiaries
"Hainan COSCO Energy"	COSCO SHIPPING Energy Transportation (Hainan) Co., Ltd.* (海南中遠海運能源運輸股份有限公司), a company incorporated under the laws of the PRC with limited liability and a wholly-owned subsidiary of the Company
"H Share(s)"	overseas listed foreign share(s) of par value of RMB1.00 each in the ordinary share capital of the Company, which are listed on the Main Board of the Hong Kong Stock Exchange
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Independent Board Committee"	the independent board committee of the Company comprising Mr. LI Kin Fai, Mr. CHEN Gang and Ms. CHENG Yan, being all the independent non-executive Directors, which is established to advise the Independent Shareholders in respect of the Shipbuilding Contracts and the transactions contemplated thereunder

"Independent Financial Adviser"	TC Capital International Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), being the independent financial adviser appointed by the Company
"Independent Shareholder(s)"	Shareholder(s) other than COSCO SHIPPING and its associates
"percentage ratio(s)"	has the meaning ascribed to it under the Hong Kong Listing Rules
"PRC" or "China"	the People's Republic of China, and for the purpose of this announcement only, means the PRC (Mainland)
"RMB"	Renminbi, the lawful currency of the PRC
"Shareholder(s)"	holder(s) of the share(s) of the Company
"Shipbuilding Contract(s)"	shipbuilding contracts dated 9 November 2026 entered into between Hainan COSCO Energy and COSCO SHIPPING Heavy Industry (Yangzhou) for the construction of six LNG dual fuel (ready) very large crude carriers, each with a deadweight of 309,000 DWT
"Tankers"	six LNG dual fuel (ready) very large crude carriers with a maximum deadweight of 309,000 DWT at structural draught each
"%"	per cent

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

Shanghai, the PRC
9 November 2026

As at the date of this announcement, the Board comprises Mr. REN Yongqiang and Mr. WANG Mingfeng as executive Directors, Mr. WANG Shuqing, Ms. ZHOU Chongyi, Mr. HE Bin and Ms. MA Yuanru as non-executive Directors, Mr. LI Kin Fai, Mr. CHEN Gang and Ms. CHENG Yan as independent non-executive Directors.

* *For identification purposes only*