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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)

PROFIT WARNING

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) and Rule 13.10B of the Listing Rules.

The Board wishes to inform the shareholders of the Company 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 2018, the Group expects its net profit attributable to the equity holders of the Company for the year ended 31 December 2018 to be in the range of approximately RMB50 million (equivalent to approximately HK\$58 million) to approximately RMB150 million (equivalent to approximately HK\$174 million), representing a decrease of approximately 92% to 97% as compared to the net profit attributable to the equity holders of the Company for the year ended 31 December 2017 of approximately RMB1.775 billion (equivalent to approximately HK\$2.064 billion).

The information contained in this announcement is only a preliminary assessment based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2018 currently available to the Company, which have not been reviewed or confirmed by the Company's audit committee, and have not been reviewed or audited by the Company's auditors.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and read carefully the annual results announcement of the Company for the year ended 31 December 2018 which is expected to be announced in March 2019.

* for identification purposes only

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”) and 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 (the “Listing Rules”).

The board (the “Board”) of directors (the “Directors”) of COSCO SHIPPING Energy Transportation Co., Ltd. (the “Company” and together with its subsidiaries, the “Group”) wishes to inform the shareholders of the Company 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 2018, the Group expects its net profit attributable to the equity holders of the Company for the year ended 31 December 2018 to be in the range of approximately RMB50 million (equivalent to approximately HK\$58 million) to approximately RMB150 million (equivalent to approximately HK\$174 million), representing a decrease of approximately 92% to 97% as compared to the net profit attributable to the equity holders of the Company for the year ended 31 December 2017 of approximately RMB1.775 billion (equivalent to approximately HK\$2.064 billion). The earnings per share of the Group for the year ended 31 December 2017 was RMB0.4401 (equivalent to approximately HK\$0.5117).

The decrease in net profit of the Group was mainly attributable to the following factors:

In the first three quarters of 2018, affected by the reduction of output by major oil producing countries such as the Organization of Petroleum Exporting Countries, the US sanctions on Iran, the decrease in Venezuelan crude oil exports and other geopolitical events, international crude oil prices stayed high; crude oil trade and transportation demands were periodically inhibited. Under the combined effect of the year-on-year decline in freight rates and the year-on-year increment in fuel prices, the income level of the international crude oil shipping market fell to a historical low. From January to September in 2018, the average daily Time Charter Equivalent (“TCE”) of very large crude carrier (“VLCC”) on the Middle East-China (TD3C) shipping route was only US\$10,413 per day, representing a decrease of 42.8% over the last corresponding period on the same basis. In the fourth quarter of 2018, as the suppressed crude oil trade and transportation demands in the first three quarters were released due to the seasonal market stimulus, coupled with the massive dismantling of aged oil tankers around the world, the supply and demand condition in the international crude oil transportation market was improved, and the market freight rates and income level rebounded sharply. The average daily TCE of the VLCC Middle East-China (TD3C) shipping route in the fourth quarter reached US\$44,794 per day.

The information 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 2018 currently available to the Company, which have not been reviewed or confirmed by the Company’s audit committee, and have not been reviewed or audited by the Company’s auditors. Further details of the Group’s performance will be disclosed in the Group’s annual results for the year ended 31 December 2018 to be published by the Company.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and read carefully the annual results announcement of the Company for the year ended 31 December 2018 which is expected to be announced in March 2019.

This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the SFO and Rule 13.09(2)(a) and Rule 13.10B of the Listing Rules. The Company's A Shares are listed on the Shanghai Stock Exchange, and it has been requested by the Shanghai Stock Exchange to make an announcement similar to this announcement.

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

Shanghai, the People's Republic of China
29 January 2019

The exchange rate adopted in this announcement for illustration purpose only is HK\$1.00=RMB0.86. Such conversion should not be construed as a presentation that the currency could actually be converted into HK\$ at that rate or at all.

As at the date of this announcement, the Board comprises Mr. Huang Xiaowen, Mr. Liu Hanbo and Mr. Lu Junshan as executive Directors, Mr. Feng Boming, Mr. Zhang Wei and Ms. Lin Honghua as non-executive Directors, Mr. Ruan Yongping, Mr. Ip Sing Chi, Mr. Rui Meng and Mr. Teo Siong Seng as independent non-executive Directors.

* *for identification purpose only*