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**Sinopec Shanghai Petrochemical Company Limited**

**中國石化上海石油化工股份有限公司**

*(A joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 00338)**

## **Announcement Regarding Estimated Positive Profit in the First Quarter of 2021**

This announcement is issued pursuant to Part XIVA of the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### **Important Notice:**

- Net profit attributable to shareholders of the Company for the first quarter of 2021 is estimated to be between RMB1.06 billion and RMB1.29 billion.
- Net profit attributable to shareholders of the Company excluding extraordinary gains and losses for the first quarter of 2021 is estimated to be between RMB1.04 billion and RMB1.27 billion.

### **1. Estimated results during the period**

- (1) Period of estimated results: 1 January 2021 to 31 March 2021
- (2) Estimated results: based on preliminary estimates by the finance department of Sinopec Shanghai Petrochemical Company Limited (the “**Company**”), according to the calculation under the China Accounting Standards for Business Enterprises, the net profit attributable to equity shareholders of the Company for the first quarter of 2021 is estimated to be between RMB1.06 billion to RMB1.29 billion, expected to achieve a turnaround from loss to profit as compared with the corresponding period in 2020 and representing an estimated increase between 74% and 111% as compared with the corresponding period of 2019. The net profit attributable to equity shareholders of the Company excluding extraordinary gains and losses is estimated to be between RMB1.04 billion and RMB1.27 billion, expected to achieve a turnaround from loss to profit as compared with the corresponding period in 2020 and representing an estimated increase between 66% and 103% as compared with the corresponding period of 2019.
- (3) The estimated results have not been reviewed or audited by certified public accountants.

## 2. Results for the corresponding period of the previous year

	Under the China Accounting Standards for Business Enterprises
Net profit attributable to equity shareholders of the Company (RMB'000)	-1,202,367
Net profit attributable to equity shareholders of the Company excluding extraordinary gains and losses (RMB'000)	-1,218,292
Basic earnings per share (RMB)	-0.111

## 3. Major reasons for a turnaround from loss to profit in the results for the period

In the first quarter of 2020, due to the dual impact of the COVID-19 pandemic and the plunge in oil prices, the gross profit of the Company's products suffered significant shrinks and resulting in losses in the first quarter of 2020. In the first quarter of 2021, the demand for petroleum and petrochemical products significantly improved, which resulted in a rise in the prices of major products. The Company seized the opportunity to optimize its operation, took effective measures to improve performance, and persisted in lowering cost and reducing fees. As a result, the operating performance has been improved significantly.

## 4. Other Information

The forecasts above represent preliminary estimates. Specific and accurate financial figures will be disclosed in the 2021 first quarterly report to be officially published by the Company. Investors are advised to pay attention to investment risks.

By Order of the Board  
**Sinopec Shanghai Petrochemical Company Limited**  
**Huang Fei**  
*Joint Company Secretary*

Shanghai, the PRC, 9 April 2021

*As at the date of this announcement, the executive directors of the Company are Wu Haijun, Guan Zemin, Jin Qiang, Jin Wenmin, Huang Xiangyu and Huang Fei; the non-executive directors of the Company are Xie Zhenglin and Peng Kun; and the independent non-executive directors of the Company are Li Yuanqin, Tang Song, Chen Haifeng, Yang Jun and Gao Song.*