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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)**

### **2024 FIRST QUARTERLY REPORT**

This announcement is published simultaneously in Shanghai and Hong Kong. This announcement is published pursuant to the Rules Governing Listing of Stocks on Shanghai Stock Exchange in the People's Republic of China. This announcement is published pursuant to the disclosure obligations under Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

#### **I. IMPORTANT MESSAGE**

- 1.1 The Board of Directors (the “Board”) and the Supervisory Committee of Sinopec Shanghai Petrochemical Company Limited (the “Company”) as well as its directors, supervisors and senior management warrant the truthfulness, accuracy and completeness of the information contained in the 2024 first quarterly report, and warrant that there are no false representations or misleading statements contained in or material omissions from this report and severally and jointly accept responsibility pursuant to such information.
- 1.2 Mr. Guan Zemin, Vice Chairman and President of the Company, Mr. Du Jun, executive director, deputy president and CFO, overseeing the accounting operations, and Ms. Fu Hejuan, person in charge of Accounting Department (Accounting Chief) and Director of Finance Department warrant the truthfulness, accuracy and completeness of the financial information contained in this first quarterly report.
- 1.3 The financial report of the Company’s 2024 first quarterly report was prepared under the China Accounting Standards for Business Enterprises and was unaudited.

## II. MAJOR ACCOUNTING DATA

### 2.1 Major Financial Report Items and Financial Indicators

Unit: RMB'000

<b>Item</b>	<b>The reporting period</b>	<b>Increase/decrease during the reporting period as compared to the corresponding period of the previous year (%)</b>
Revenue	21,282,263	-3.17%
Net profit attributable to equity shareholders of the Company	84,061	Not Applicable
Net profit attributable to equity shareholders of the Company excluding non-recurring items	98,108	Not Applicable
Net cash flows generated from operating activities	-718,251	Not Applicable
Basic earnings per share (RMB/share)	0.008	Not Applicable
Diluted earnings per share (RMB/share)	0.008	Not Applicable
Return on net assets (weighted average) (%)	0.338	Increased by 0.96 percentage point

	<b>As at the end of the reporting period</b>	<b>As at the end of the previous year</b>	<b>Increase/decrease at the end of the reporting period as compared to the end of the previous year (%)</b>
Total assets	39,544,994	39,658,244	-0.29%
Total equity attributable to equity shareholders of the Company	24,877,304	24,824,929	0.21%

## 2.2 Non-recurring items and amount

Applicable    Not applicable

Unit: RMB'000

Non-recurring items	Amount for the reporting period	Note
Earnings or losses on disposal of non-current assets, including written-off of provisions for assets impairment	-330	–
Government grants recognized in current profits and losses, except for those closely related to the regular operating of the Company in compliance with national policies and regulations, and those are based on certain standards and have a continuing effect on the Company's profit or loss	3,340	–
Earnings or losses from changes in fair value arising from financial assets and financial liabilities held by non-financial enterprises and earnings or losses from the disposal of financial assets and financial liabilities, excluding effective hedging business relating to the ordinary operation business of the Company	-1	–
Other non-operating income and expenses other than those mentioned above	-4,739	–
Other earnings or losses meeting the definition of non-recurring earnings or losses	-15,391	Mainly for dismissal benefits during the reporting period.
Less: Tax effect for the items above	3,092	–
Effect on non-controlling interests (after tax)	-18	–
Total	-14,047	–

The reasons shall be explained for items not listed in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public – Non-Recurring Earnings or Losses that recognized by the Company as non-recurring earnings or losses items with material amounts, and the non-recurring earnings or losses items set out in the Explanatory Announcement No. 1 on Information Disclosure by Companies Offering Securities to the Public – Non-Recurring Earnings or Losses as recurring earnings or losses items.

Applicable    Not applicable

## 2.3 Description and Reasons of Changes in Major Financial Report Items and Financial Indicators

✓ Applicable     Not applicable

Item	Change (%)	Major reason
Cash at bank and on hand	54.29%	Mainly due to the increase in time deposits due within one year.
Receivables under financing	73.81%	The significant increase in third-party receivables in the trading segment at the end of the reporting period.
Other receivables	43.51%	Mainly due to the increase in consumption tax refund for naphtha.
Other non-current assets	-100.00%	Mainly due to the transfer of time deposits due within one year to cash at bank and on hand.
Short-term borrowings	50.00%	New short-term borrowings were increased during the reporting period to supplement funding needs.
Employee benefits payable	60.02%	Mainly due to the effect of unpaid performance salary for the year provided during the reporting period.
Other income	74.01%	Mainly due to the year-on-year increase in government grants received during the reporting period.
Investment income	Not Applicable	The investment loss in the corresponding period of 2023 and investment gain in the reporting period were mainly due to the increase in operating results of associates and joint ventures for using the equity method.
Income tax expenses	Not Applicable	The income tax gain in the corresponding period of 2023 and income tax expenses in the reporting period were mainly due to the increase in income tax expenses caused by the profit of the reporting period.
Net profit attributable to equity shareholders of the Company	Not Applicable	The operating loss for the corresponding period in 2023 and the profit for the reporting period were mainly due to the year-on-year increase in operating results caused by improvement in gross profit of petrochemical products during the reporting period.
Net profit attributable to equity shareholders of the Company excluding non-recurring items	Not Applicable	
Basic earnings per share (RMB/share)	Not Applicable	
Diluted earnings per share (RMB/share)	Not Applicable	
Net cash flows generated from operating activities	Not Applicable	During the reporting period, cash received from sale of goods and rendering of services decreased compared with the corresponding period in 2023, resulting in net cash outflows from operating activities increased compared with the corresponding period in 2023.

### III. SHAREHOLDERS' INFORMATION

Total Number of Shareholders and the Number of Preferred Shareholders with Voting Rights Restored and Shareholdings of the Top Ten Shareholders

*Unit: Share*

Number of shareholders as at the end of the reporting period	93,561	Total number of preferred shareholders with voting rights restored as at the end of the reporting period (if any)	0			
<b>Shareholdings of the top ten shareholders (excluding shares lent through refinancing)</b>						
Name of shareholder	Type of shareholder	Number of shares held	Percentage of total shareholding (%)	Number of shares with selling restrictions	Number of shares pledged, marked or frozen	
					Situation of the shares	Number
China Petroleum & Chemical Corporation	State-owned legal person	5,459,455,000	50.55%	0	None	0
HKSCC Nominees Limited	Overseas legal person	3,427,154,780	31.74%	0	Unknown	-
HKSCC Limited	Overseas legal person	95,910,561	0.89%	0	None	0
Southern Fund- Agricultural Bank of China - Southern CSI Financial Asset Management Plan	Others	39,031,700	0.36%	0	None	0
GF Fund - Agricultural Bank of China - GF CSI Financial Asset Management Plan	Others	38,039,800	0.35%	0	None	0
Yinhua Fund- Agricultural Bank of China - Yinhua CSI Financial Asset Management Plan	Others	37,251,516	0.34%	0	None	0
Dacheng Fund - Agricultural Bank of China - Dacheng CSI Financial Asset Management Plan	Others	37,028,669	0.34%	0	None	0
Bosera Fund - Agricultural Bank of China - Bosera CSI Financial Asset Management Plan	Others	28,377,600	0.26%	0	None	0
Wang Lei	Domestic natural person	28,035,200	0.26%	0	None	0
Harvest Fund - Agricultural Bank of China - Harvest CSI Financial Asset Management Plan	Others	25,583,100	0.24%	0	None	0

<b>Shareholdings of the top ten shareholders with unrestricted share</b>			
<b>Name of shareholder</b>	<b>Number of unrestricted tradable shares</b>	<b>Type and quantity of shares</b>	
		<b>Type of shares</b>	<b>Quantity</b>
China Petroleum & Chemical Corporation	5,459,455,000	RMB common stocks	5,459,455,000
HKSCC Nominees Limited	3,427,154,780	Overseas listed foreign share	3,427,154,780
HKSCC Limited	95,910,561	RMB common stocks	95,910,561
Southern Fund – Agricultural Bank of China – Southern CSI Financial Asset Management Plan	39,031,700	RMB common stocks	39,031,700
GF Fund – Agricultural Bank of China – GF CSI Financial Asset Management Plan	38,039,800	RMB common stocks	38,039,800
Yinhua Fund – Agricultural Bank of China – Yinhua CSI Financial Asset Management Plan	37,251,516	RMB common stocks	37,251,516
Dacheng Fund – Agricultural Bank of China – Dacheng CSI Financial Asset Management Plan	37,028,669	RMB common stocks	37,028,669
Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Asset Management Plan	28,377,600	RMB common stocks	28,377,600
Wang Lei	28,035,200	RMB common stocks	28,035,200
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Asset Management Plan	25,583,100	RMB common stocks	25,583,100
Explanation of the connected relationship or acting in concert relationship of the above shareholders	Among the above-mentioned shareholders, China Petroleum & Chemical Corporation, a state-owned legal person, does not have any connected relationship with the other shareholders, and does not constitute an act-in-concert party under the Administration Measures on Acquisition of Listed Companies. Among the above-mentioned shareholders, HKSCC Nominees Limited is a nominee and HKSCC Limited is the nominal holder of the Company's Shanghai-Hong Kong Stock Connect. Apart from the above, the Company is not aware of any other connected relationships among the other shareholders, or whether any other shareholder constitutes an act-in-concert party under the Administrative Measures on Acquisition of Listed Companies.		
Explanation of the top ten shareholders and the top ten shareholders of unrestricted shares engaging in margin financing and securities lending as well as refinancing business (if any)	None		

Shareholders holding more than 5% of the shares, the top 10 shareholders and the top ten shareholders of unrestricted shares engaging in lending shares through refinancing business

Applicable  Not applicable

Top 10 shareholders and the top ten shareholders of unrestricted shares changed from the previous period due to lending/returning shares through refinancing business

Applicable  Not applicable

#### **IV. OTHER REMINDERS**

Other important information about the operation of the Company during the reporting period that investors should be reminded of

Applicable  Not applicable

#### **V. QUARTERLY FINANCIAL REPORT**

##### **5.1 Type of audit opinions**

Applicable  Not applicable

## 5.2 The financial report

### CONSOLIDATED BALANCE SHEETS

31 March 2024

Prepared by: Sinopec Shanghai Petrochemical Company Limited

*Unit: RMB'000 Audit type: unaudited*

<b>Items</b>	<b>As at 31 March 2024</b>	<b>As at 31 December 2023</b>
<b>Current assets:</b>		
Cash at bank and on hand	8,651,248	5,607,013
Account receivable	1,739,901	1,448,947
Receivables under financing	411,039	236,487
Prepayments	104,982	32,536
Other receivables	505,236	352,064
Inventories	7,099,189	7,751,687
Other current assets	23,673	26,098
Total current assets	18,535,268	15,454,832
<b>Non-current assets:</b>		
Long-term equity investments	3,358,109	3,351,941
Other equity instrument investment	3,869	3,869
Other non-current financial assets	36,500	36,500
Investment properties	316,432	321,037
Fixed assets	13,876,503	14,190,827
Construction in progress	1,212,075	1,200,602
Right-of-use assets	8,825	8,295
Intangible assets	347,680	352,672
Long-term prepaid expenses	577,245	641,328
Deferred tax assets	1,272,488	1,313,841
Other non-current assets	–	2,782,500
Total non-current assets	21,009,726	24,203,412
Total assets	39,544,994	39,658,244



Items	As at 31 March 2024	As at 31 December 2023
<b>Current liabilities:</b>		
Short-term borrowings	4,500,000	3,000,000
Derivative financial liabilities	1	–
Notes payable	1,398,842	1,535,334
Accounts payable	5,246,965	6,296,912
Contract liabilities	183,363	335,006
Employee benefits payable	515,694	322,265
Taxes payable	1,051,218	1,187,075
Other payables	787,229	1,144,683
Non-current liabilities due within one year	709,977	707,515
Other current liabilities	26,204	43,819
Total current liabilities	14,419,493	14,572,609
<b>Non-current liabilities:</b>		
Lease liabilities	1,140	942
Deferred revenue	109,871	110,222
Deferred tax liabilities	30,314	31,564
Total non-current liabilities	141,325	142,728
Total liabilities	14,560,818	14,715,337
<b>Owners' equity (or shareholders' equity):</b>		
Paid-in capital (or share capital)	10,799,286	10,799,286
Capital surplus	621,406	609,166
Less: Treasury stock	111,073	70,579
Other comprehensive income	-887	-887
Specific reserve	294,705	298,137
Surplus reserve	6,672,634	6,672,634
Undistributed profits	6,601,233	6,517,172
Total equity attributable to owners (or shareholders) of the Company	24,877,304	24,824,929
Non-controlling interests	106,872	117,978
Total owners' equity (or shareholders' equity)	24,984,176	24,942,907
Total liabilities and owners' equity (or shareholders' equity)	39,544,994	39,658,244
Person in charge of the Company: Guan Zemin	Person in charge of accounting: Du Jun	Person in charge of accounting department: Fu Hejuan

## CONSOLIDATED INCOME STATEMENTS

January to March 2024

Prepared by: Sinopec Shanghai Petrochemical Company Limited

Unit: RMB'000 Audit type: unaudited

Items	First Quarter of 2024	First Quarter of 2023
1. Total revenue	21,282,263	21,978,009
Including: Revenue	21,282,263	21,978,009
2. Total operating cost	21,153,044	22,139,134
Including: Cost of sales	17,739,472	18,612,145
Taxes and surcharges	2,877,516	2,855,798
Selling and distribution expenses	59,950	71,089
General and administrative expenses	453,546	521,335
R&D expenses	35,083	30,776
Financial expenses	-43,198	-61,304
Add: Other income	-9,012	-5,179
Investment income (“-” to indicate loss)	-7,649	66,362
Profit arising from changes in fair value (“-” to indicate loss)	1	-
Credit impairment losses (“-” to indicate loss)	45	311
Asset impairment losses (“-” to indicate loss)	47,290	47,801
3. Operating profit (“-” to indicate loss)	129,219	-161,125
Add: Non-operating income	3,212	2,926
Less: Non-operating expenses	5,781	6,083
4. Total profit (“-” to indicate loss)	126,650	-164,282
Less: Income tax expenses	41,455	-1,936
5. Net Profit (“-” to indicate loss)	85,195	-162,346
(1) Classification by business continuity		
1. Net profit from continuing operations (“-” to indicate loss)	85,195	-162,346
2. Net profit from discontinued operation (“-” to indicate loss)		
(2) Classification by ownership		
1. Attributable to equity shareholders of the Company (“-” to indicate loss)	84,061	-163,142
2. Non-controlling interests (“-” to indicate loss)	1,134	796

Items	First Quarter of 2024	First Quarter of 2023
6. Other comprehensive income, net of tax	-	-
(1) Other comprehensive income, net of tax attributable to owners of the Company	-	-
1. Items that may not be reclassified to profit or loss	-	-
(1) Changes arising from remeasurement of defined benefit plan	-	-
(2) Items that may not be reclassified to profit or loss using the equity method	-	-
(3) Changes in fair value of other equity instrument investments	-	-
(4) Changes in fair value of the company's own credit risk	-	-
2. Items that may be reclassified to profit or loss	-	-
(1) Items that may be reclassified to profit or loss using the equity method	-	-
(2) Changes in fair value of other debt investment	-	-
(3) Amount of financial assets reclassified to other comprehensive income	-	-
(4) Credit impairment provisions for other debt investment	-	-
(5) Cash flow hedging reserves	-	-
(6) Exchange difference on translation of financial statement in foreign currency	-	-
(7) Others	-	-
(2) Other comprehensive income, net of tax attributable to non-controlling interests	-	-
7. Total comprehensive income	<b>85,195</b>	-162,346
(1) Attributable to owners of the Company	<b>84,061</b>	-163,142
(2) Attributable to non-controlling interests	<b>1,134</b>	796
8. Earnings per share:		
(1) Basic earnings per share (RMB/share)	<b>0.008</b>	-0.015
(2) Diluted earnings per share (RMB/share)	<b>0.008</b>	-0.015

Person in charge of  
the Company:  
Guan Zemin

Person in charge of  
accounting:  
Du Jun

Person in charge of  
accounting department:  
Fu Hejuan

## CONSOLIDATED CASH FLOW STATEMENTS

January to March 2024

Prepared by: Sinopec Shanghai Petrochemical Company Limited

Unit: RMB'000 Audit type: unaudited

Items	First Quarter of 2024	First Quarter of 2023
<b>1. Cash flows from operating activities:</b>		
Cash received from sales of goods or rendering of services	22,426,062	24,882,513
Tax refund received	26,004	46,508
Cash received relating to other operating activities	85,781	45,587
Sub-total of cash inflows	22,537,847	24,974,608
Cash paid for purchasing goods and receiving services	19,434,864	21,569,485
Cash paid to and on behalf of employees	699,758	709,331
Payments of taxes and surcharges	3,039,476	2,570,157
Cash paid relating to other operating activities	82,000	155,114
Sub-total of cash outflows	23,256,098	25,004,087
Net cash flows generated from operating activities	-718,251	-29,479
<b>2. Cash flows from investing activities:</b>		
Cash received from investment recovery	-	-
Cash received from returns on investments	2,000	-
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	8,390	4,020
Cash received relating to other investing activities	207,885	17,531
Sub-total of cash inflows	218,275	21,551
Cash paid to acquire fixed assets, intangible assets and other long- term assets	477,827	408,058
Sub-total of cash outflows	477,827	408,058
Net cash flows generated from investment activities	-259,552	-386,507

Items	First Quarter of 2024	First Quarter of 2023
<b>3. Cash flows from financing activities:</b>		
Cash received from borrowings	<b>12,500,000</b>	10,518,000
Sub-total of cash inflows	<b>12,500,000</b>	10,518,000
Cash repayments of borrowings	<b>11,000,000</b>	7,020,000
Cash paid for distribution of dividends or profits and interest expenses	<b>42,386</b>	29,235
Cash paid for other financing activities	<b>41,423</b>	4,107
Sub-total of cash outflows	<b>11,083,809</b>	7,053,342
Net cash flows generated from financing activities	<b>1,416,191</b>	3,464,658
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	<b>17</b>	15,320
<b>5. Net increase in cash and cash equivalents</b>	<b>438,405</b>	3,063,992
Add: Balance of cash and cash equivalents at beginning of the reporting period	<b>4,906,368</b>	889,413
<b>6. Balance of cash and cash equivalents at end of the reporting period</b>	<b>5,344,773</b>	3,953,405

By Order of the Board  
**Sinopec Shanghai Petrochemical Company Limited**  
**Liu Gang**  
*Joint Company Secretary*

Shanghai, the PRC, 24 April 2024

*As at the date of this announcement, the executive directors of the Company are Guan Zemin, Du Jun and Huang Xiangyu; the non-executive directors of the Company are Xie Zhenglin and Qin Zhaohui; and the independent non-executive directors of the Company are Tang Song, Chen Haifeng, Yang Jun, Zhou Ying and Huang Jiangdong.*