



# **2021 Interim Results Briefing**

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# Financial Highlights



RMB Million

	1H 2021	1H 2020	Change
Revenue	37,089	35,628	4.10%
Gross Profit	804	-2,624	NA
Profit Before Taxation	1,543	-2,309	NA
Net Profit Attributable to Owners of the Company	1,276	-1,671	NA
EPS (RMB)	0.118	-0.154	NA



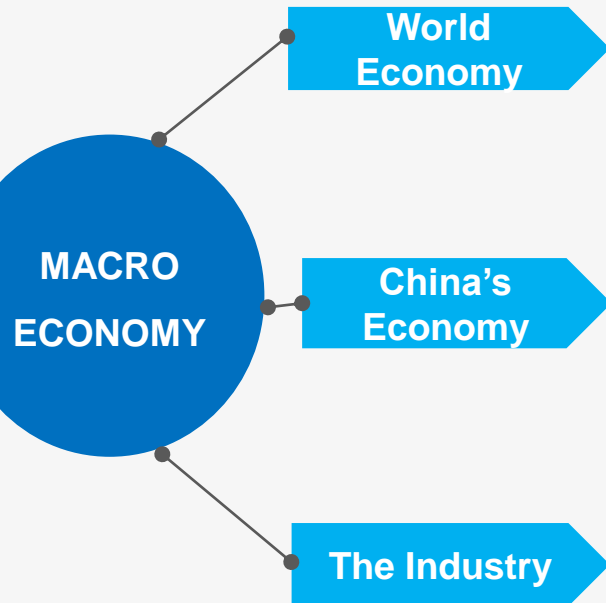
RMB Million

	June 30, 2021	Dec 31, 2020	Change
<b>Total Assets</b>	<b>46,705.75</b>	<b>44,619.13</b>	<b>4.68%</b>
<b>Total Liabilities</b>	<b>17,119.09</b>	<b>15,284.16</b>	<b>12.01%</b>
<b>Equity Attributable to Owners of the Company</b>	<b>29,444.50</b>	<b>29,197.99</b>	<b>0.84%</b>
<b>Net Asset Value Per Share (RMB) Attributable to Owners of the Company</b>	<b>2.720</b>	<b>2.698</b>	<b>0.82%</b>
<b>Liabilities/Total Assets</b>	<b>36.65%</b>	<b>34.25%</b>	<b>2.4 pt.</b>



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## Business Review



## World Economy

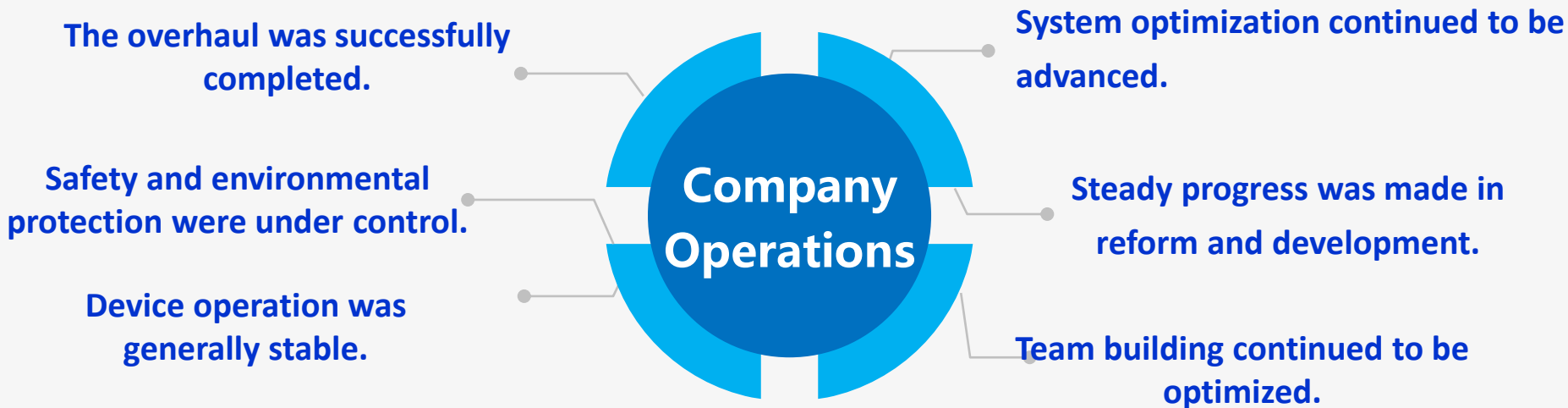
In the first half of 2021, the global economy gradually recovered from the recession caused by COVID-19, but the pace of recovery varied across countries.

## China's Economy

China's achievements in coordinating epidemic prevention and control as well as economic and social development have been continuously expanded and consolidated, and the economy has continued to recover steadily. In the first half of the year, China's GDP increased by 12.7% year-on-year.

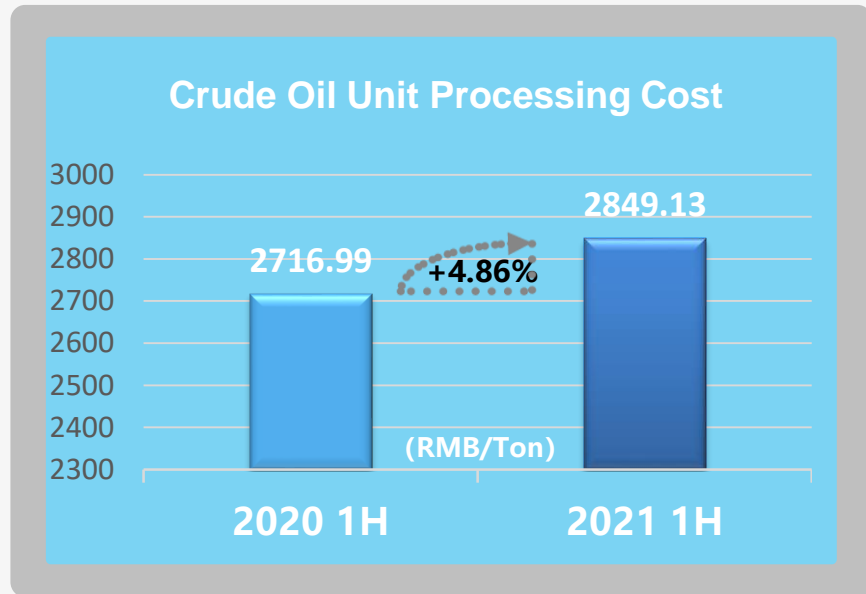
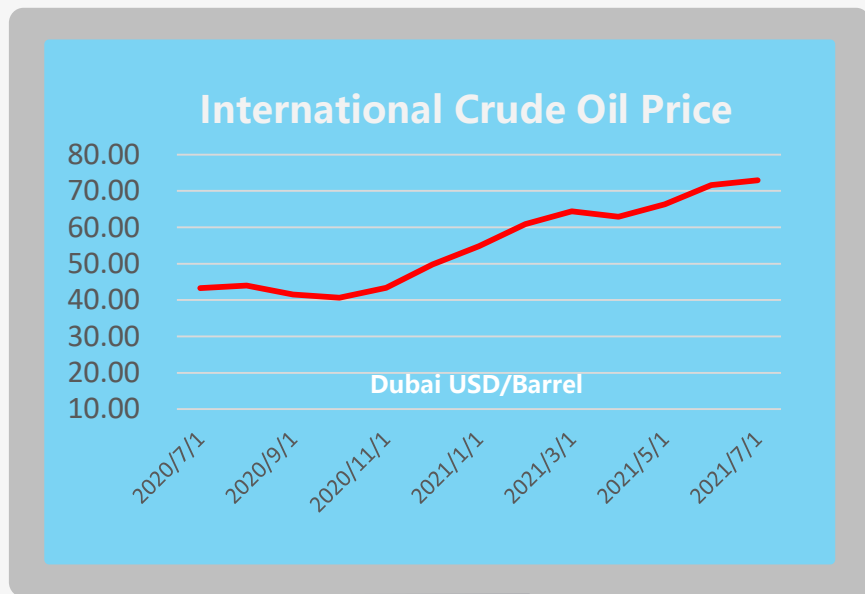
## The Industry

Petrochemical industry got off to a good start with substantial growth in revenue and profits. There was an increase in the production quantity and consumption

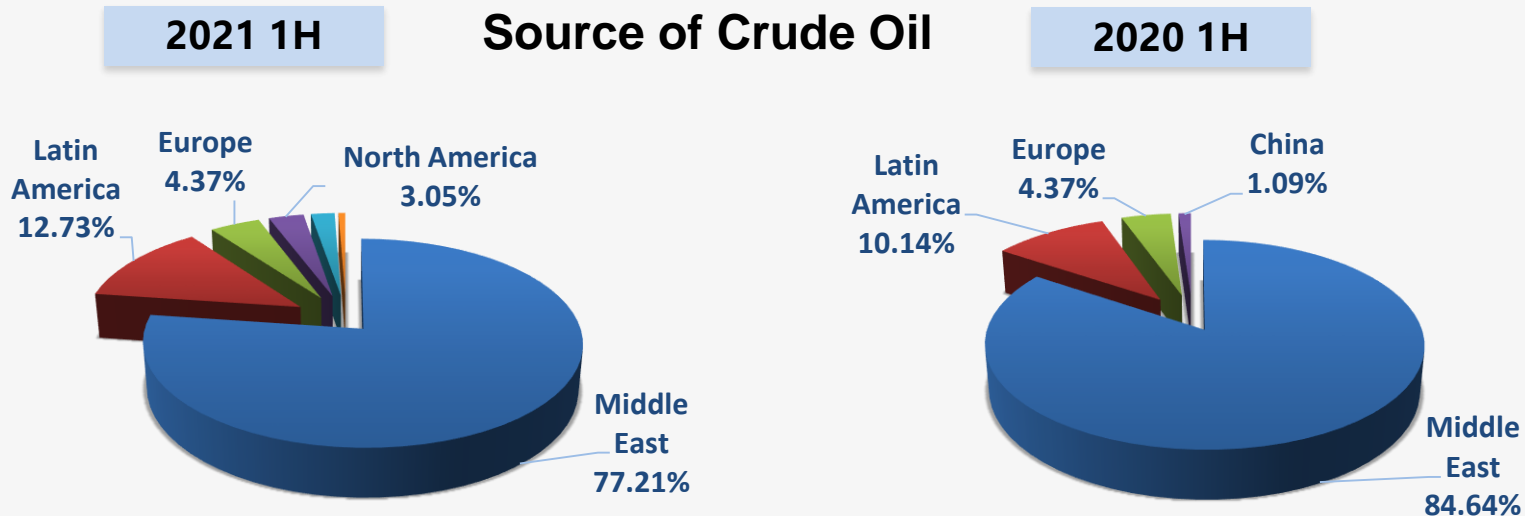




## Crude Oil Processing Cost



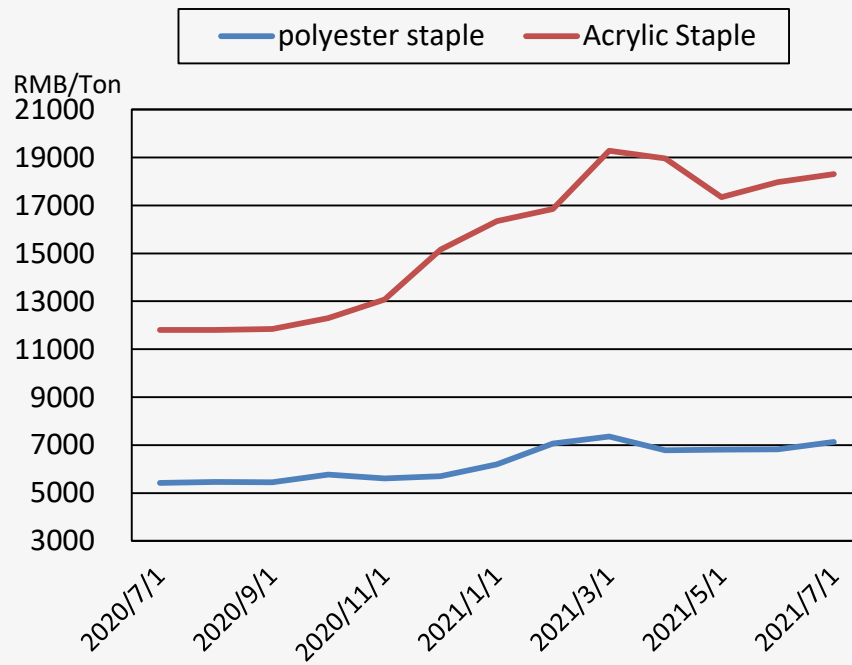
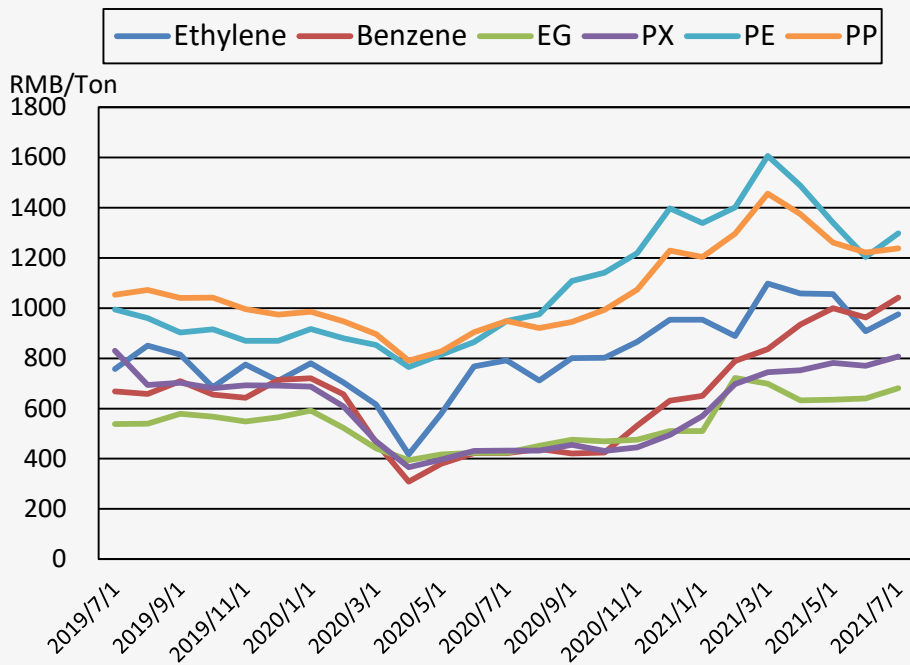
\*Source: Jcache



	Middle East	Latin America	Europe	North America	Africa	China
2021 1H	77.21%	12.73%	4.37%	3.05%	2.06%	0.59%
2020 1H	84.64%	10.14%	4.13%	-	-	1.09%



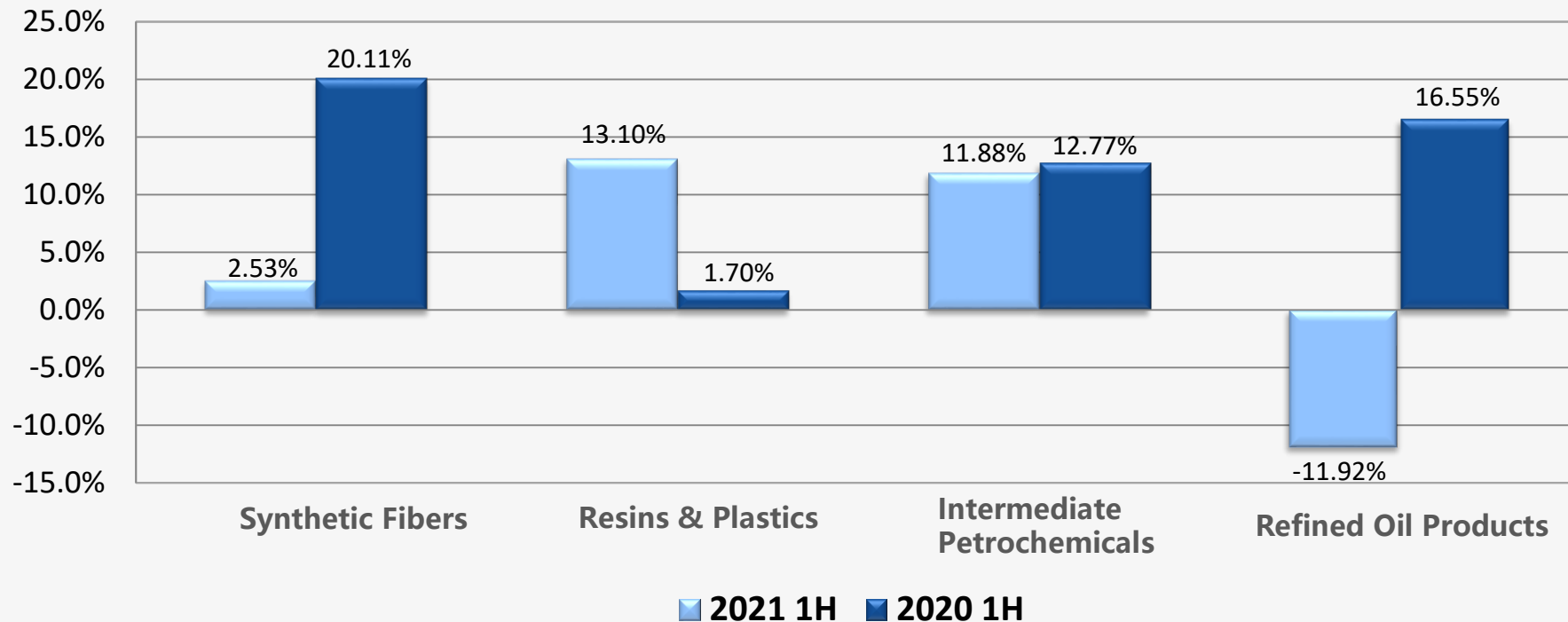
## Chemical Price Tendency in Asia Market



\*Source: Jcache



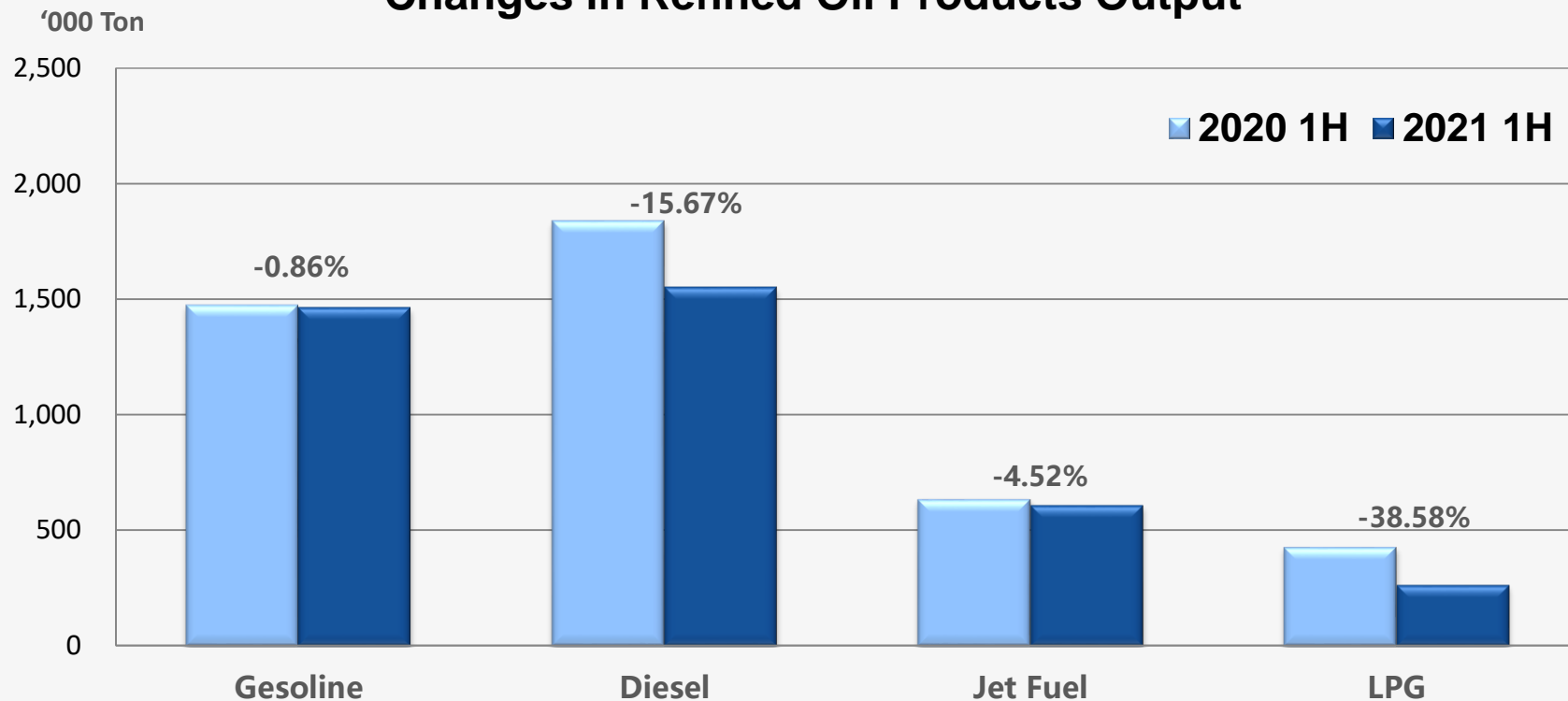
## Domestic Demand Growth



\*Source: SCI99

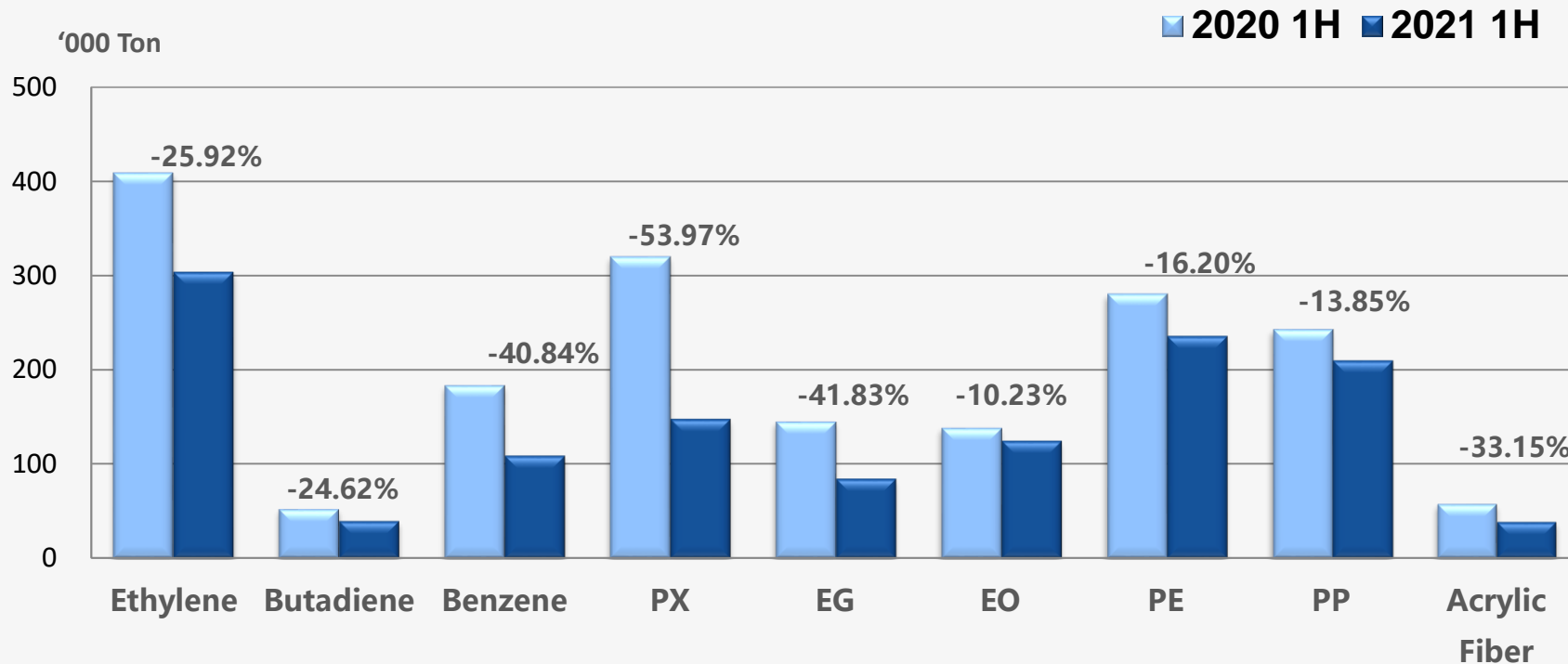


## Changes in Refined Oil Products Output



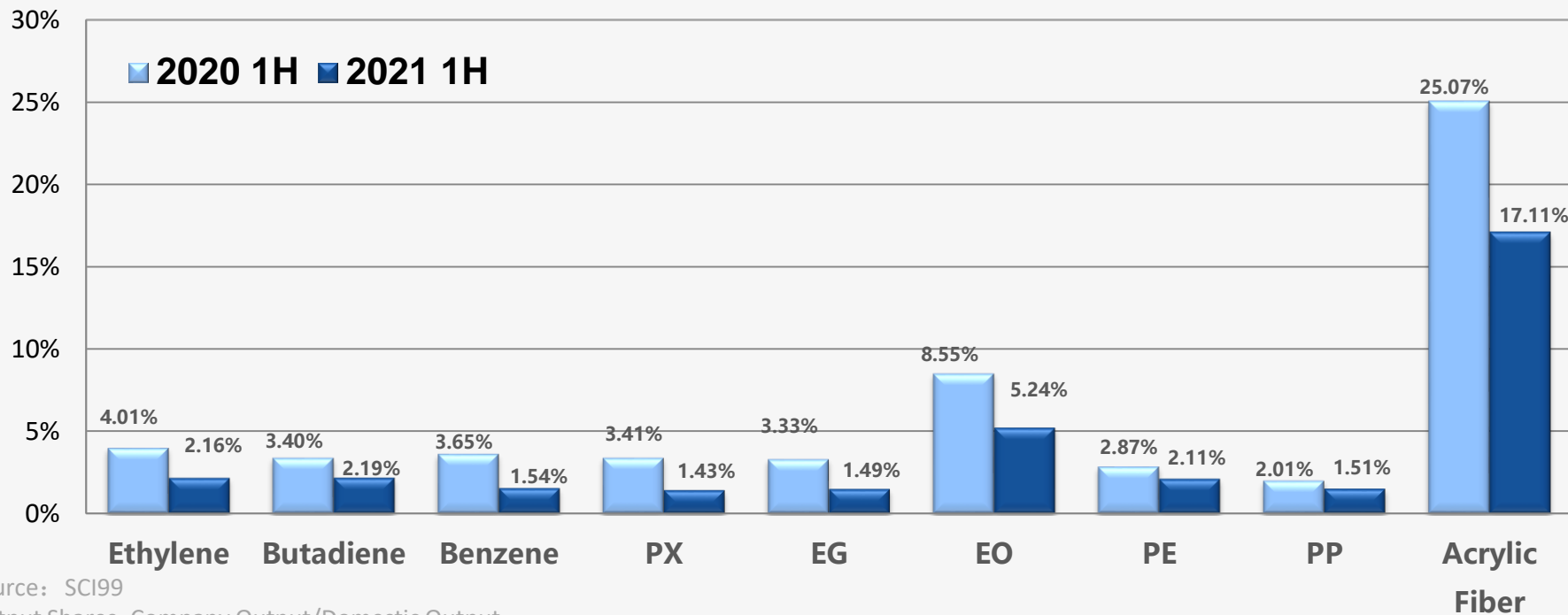


## Changes in Major Petrochemicals Output





## Domestic Output Shares of the Petrochemicals



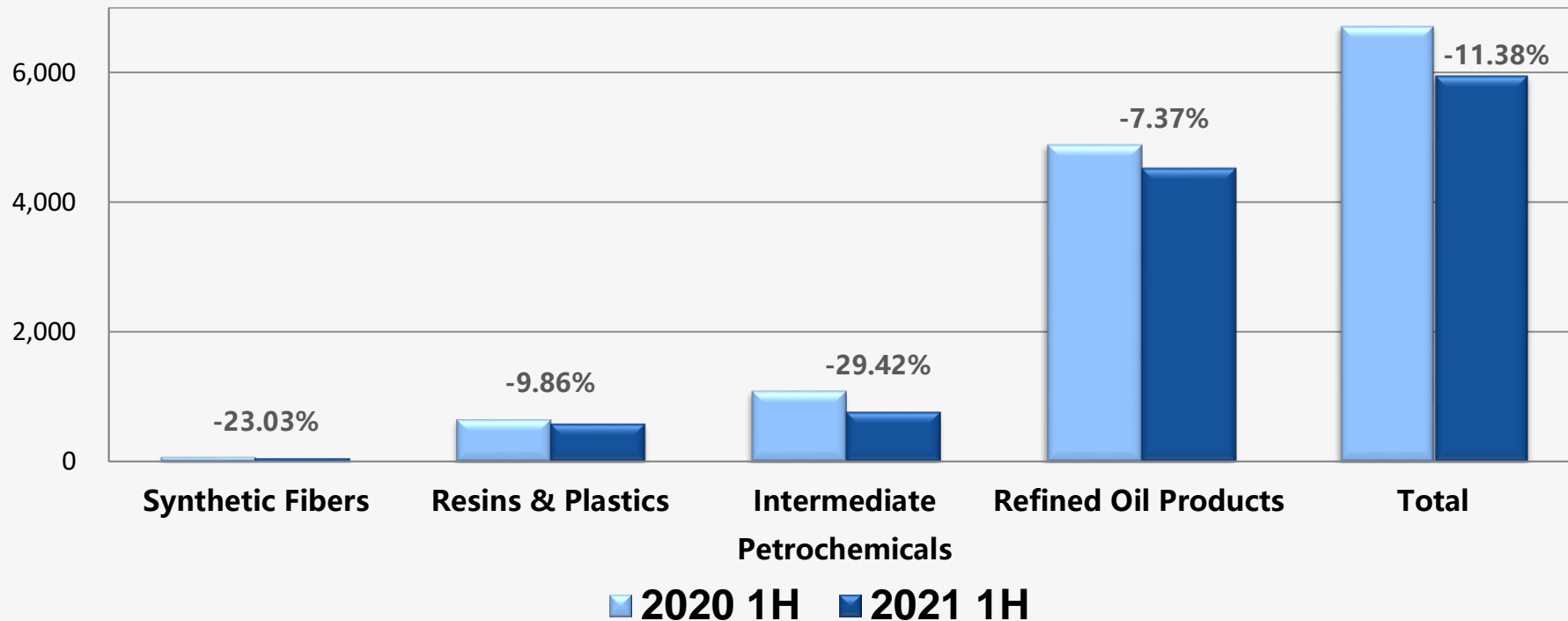
\*Source: SCI99

\*Output Shares=Company Output/Domestic Output



'000 Ton

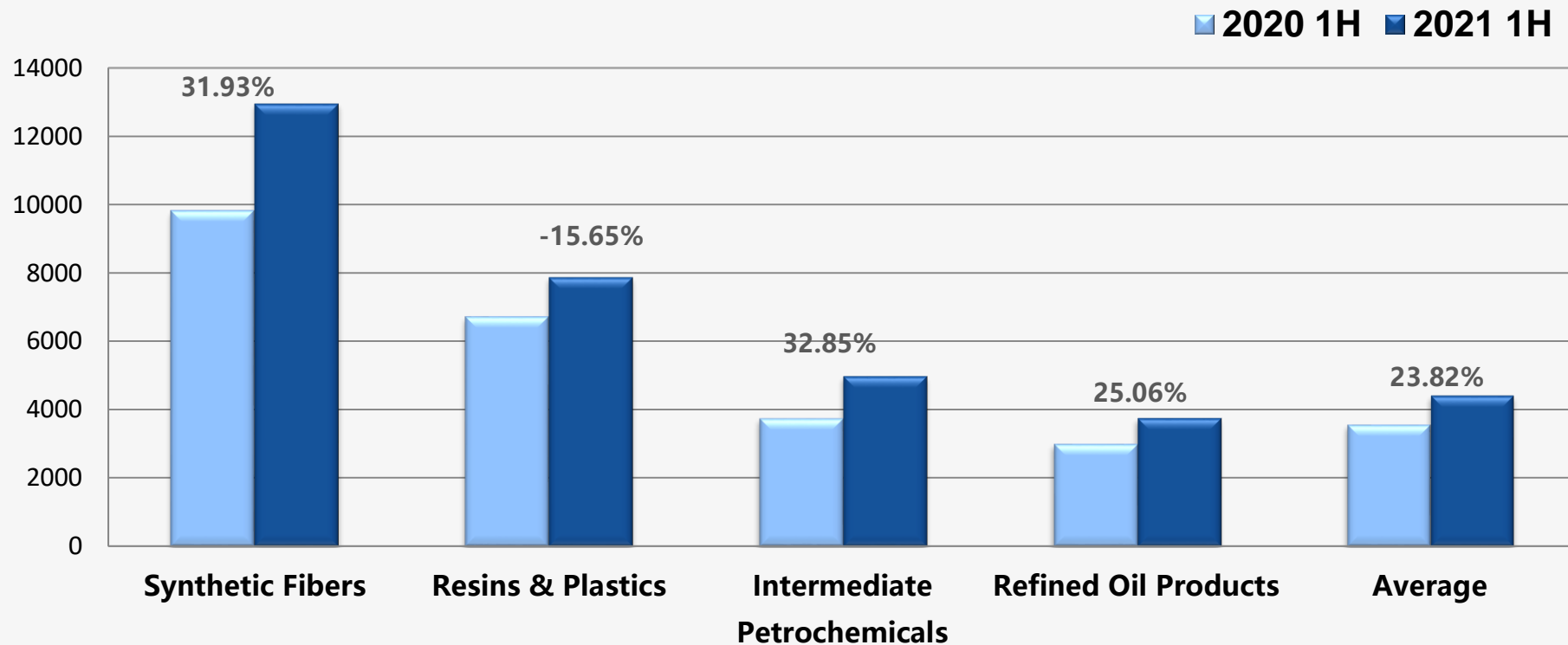
## Changes in Sales Volumes







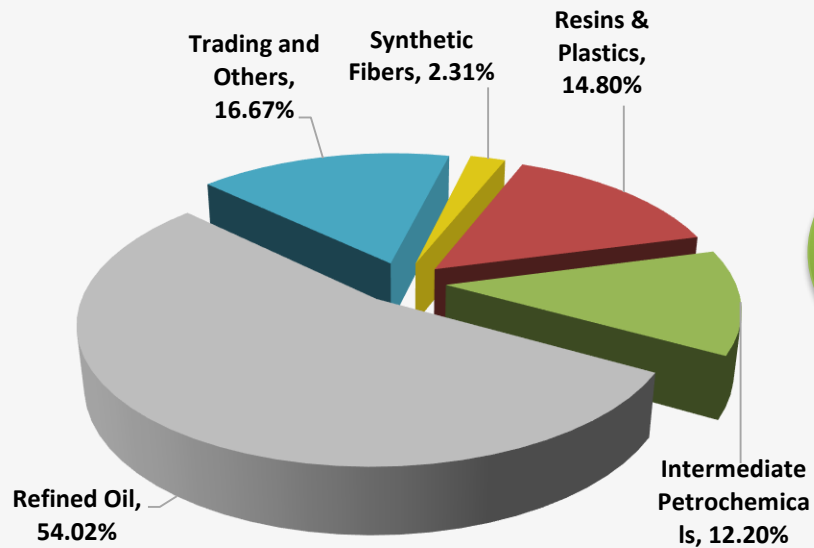
## Average Prices





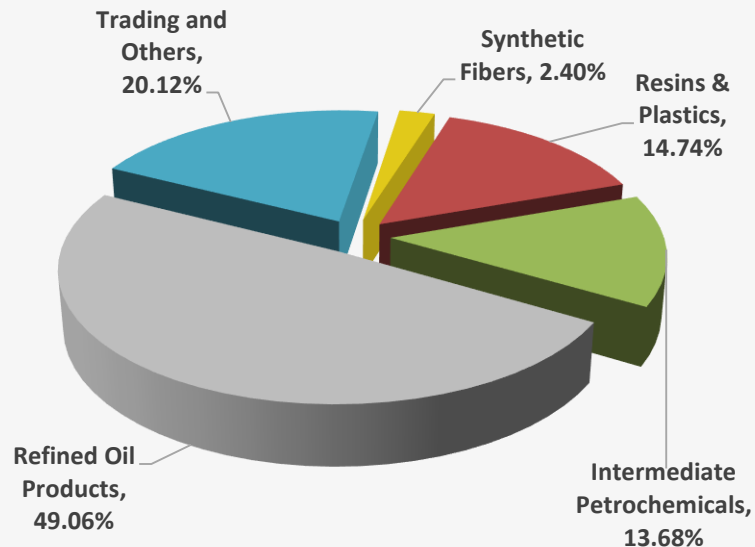
## Net Sales Structure

2021 1H



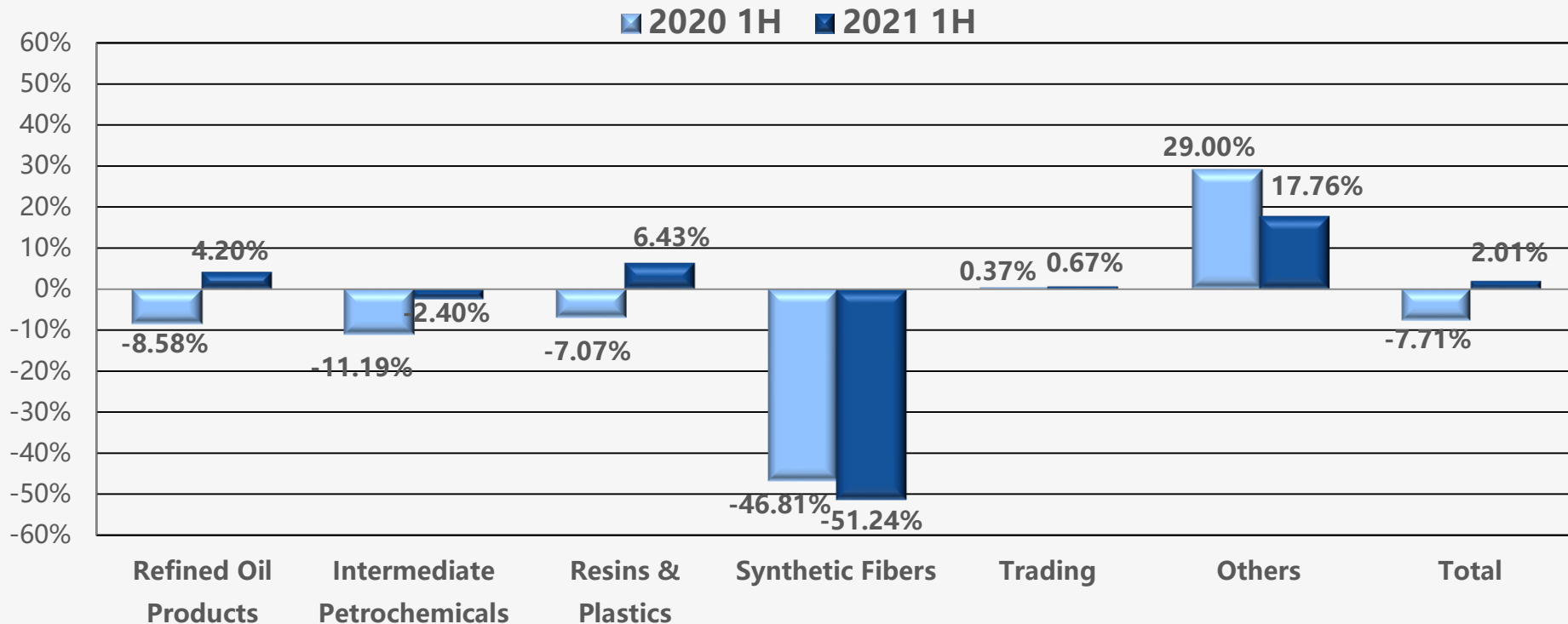
VS

2020 1H





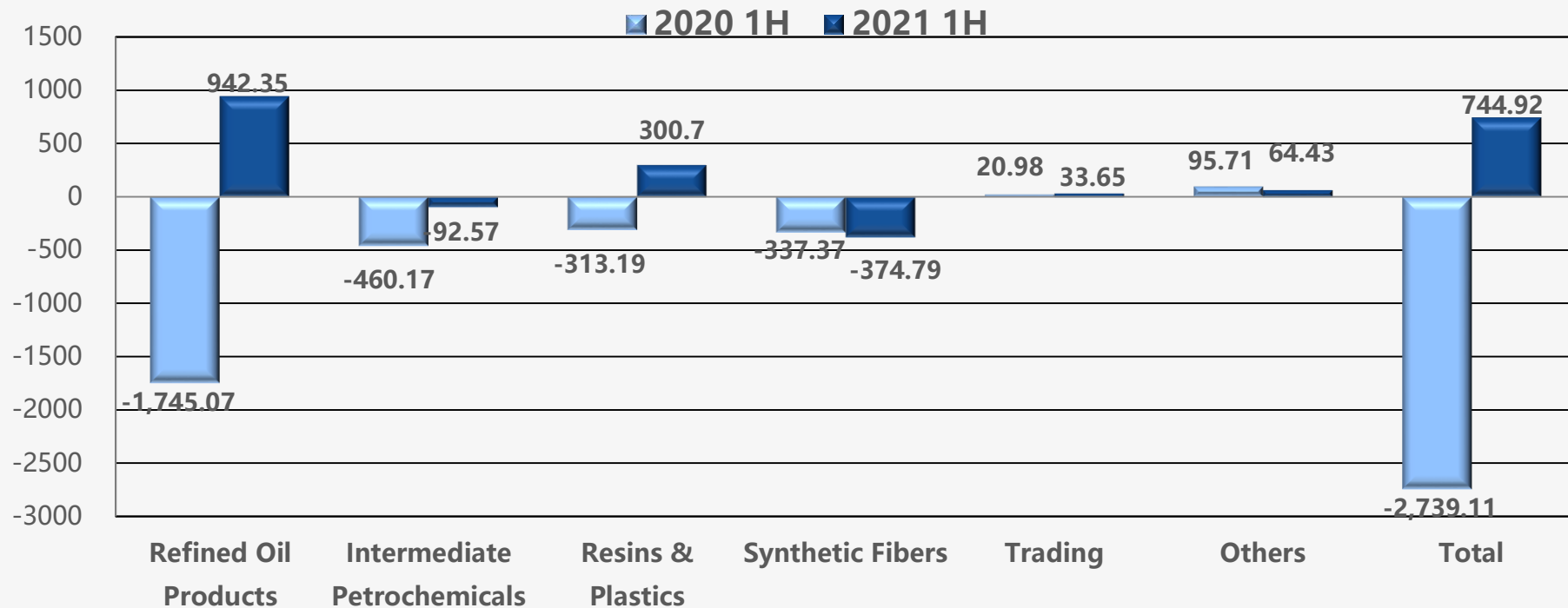
## Profit Margin by Product





## Profit by Product

Million RMB





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## Capital Expenditure



**In 2021 1H, the Group's capital expenditure is RMB 1.193 billion.**

- 48K large-tow carbon fiber (12,000 ton/year) project
- security risk rectification project of the central control room of the olefin division
- adaptability revamping project of adsorption tower internals and control system of parax unit 2# of aromatic division

## Major Projects in 2021 2H

- 48K large-tow carbon fiber (12,000 ton/year) project
- adaptability revamping project of adsorption tower internals and control system of parax unit 2# of aromatic division
- hydrogen demonstration project
- high-pressure air-cooling material upgrading project for medium pressure hydrocracking unit of the oil refining department





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## Future Outlook



## Macro-environment Outlook for 2021 2H

Industry

The structural contradictions in the chemical industry are still prominent, and the pressure on the upgrading and transformation of the industry is increasing. In the second half of the year, new domestic production capacity will be released intensively, and the market competition will be more intense. However, China's economy is expected to achieve better growth. On the whole, it is estimated that the production capacity increment will be slightly higher than the demand increment, and the gross profit of chemical products will be narrowed.

China

China's economy will still maintain a stable recovery trend, and the main macro indicators will remain within a reasonable range. With the continuous promotion of the construction of a new domestic development pattern, the supply side structural reform continues to deepen, the reform and innovation efforts are strengthened, and the quality of development is expected to continue to improve.

World

Although the world economic recovery is relatively strong, the uncertainty of COVID-19 remains, the game between major powers continues to intensify, and the industrial chain and supply chain still need to recover. OPEC+ reached a new production increase agreement combined with the overall high inventory pressure, and the international oil prices are expected to fluctuate widely.





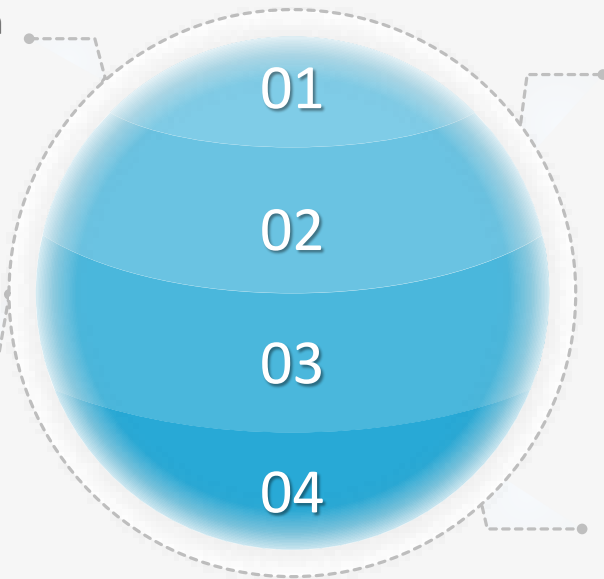
## Business Plans for 2021 2H



Strictly ensure system implementation and continue to consolidate the foundation for stable operation.



Continue to improve the quality and efficiency of enterprise development through reform and innovation.



Focus on the optimization of the system and continue to tap the potential of efficiency.



Empower management and continue to play a supporting role.



# Thank You!



SINOPEC SHANGHAI PETROCHEMICAL COMPANY LIMITED