

SINOPEC SHANGHAI PETROCHEMICAL CO LTD

Form 6-K

April 24, 2015

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**SECURITIES AND EXCHANGE COMMISSION**

**Washington D.C. 20549**

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**

**PURSUANT TO RULE 13a-16 OR 15d-16**

**UNDER THE SECURITIES EXCHANGE ACT OF 1934**

**For the month of April 2015**

**Commission File Number: 1-12158**

**Sinopec Shanghai Petrochemical Company Limited**

**(Translation of registrant's name into English)**

**Jinshanwei, Shanghai**

**The People's Republic of China**

**(Address of principal executive offices)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐ No ☒

If ☐ Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- Not Applicable

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SINOPEC SHANGHAI PETROCHEMICAL COMPANY LIMITED

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SINOPEC SHANGHAI PETROCHEMICAL COMPANY LIMITED

Date: April 24, 2015

By: /s/ Wang Zhiqing  
Name: Wang Zhiqing  
Title: President

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

**(Stock Code: 00338)**

**Change in Chairman of the Supervisory Committee**

Mr. Zhang Jianbo, former Staff Supervisor and Chairman of the Supervisory Committee of Sinopec Shanghai Petrochemical Company Limited (the Company), tendered his resignation as Supervisor and Chairman of the Supervisory Committee due to other work arrangements on 31 March 2015. According to the Articles of Association of the Company (the Articles of Association), Mr. Zhang's resignation took effect from 31 March 2015. Mr. Zhang has confirmed that he has no disagreement with the Supervisory Committee of the Company and there are no matters relating to his resignation that needs to be brought to the attention of the shareholders of the Company.

In accordance with the Company Law of the People's Republic of China and the Articles of Association, on 1 April 2015, the staff association of democratic management of the Company elected Mr. Kuang Yuxiang as Staff Supervisor of the Company, for a period which is the same as the current Supervisory Committee. On 22 April 2015, the eighth meeting of the eighth session of the Supervisory Committee reviewed and passed the Resolution on Appointment of Mr. Kuang Yuxiang as the Chairman of the Supervisory Committee, for a period which is the same as the current Supervisory Committee. The remuneration of the new supervisor will be determined pursuant to the measures for the payment of remuneration for Directors, Supervisors and Senior Management of the Company. The Company will disclose in its annual report the specific amount of the remuneration to be received for the year. The remuneration of the new supervisor is not included in his service contract.

The biography of Mr. Kuang Yuxiang is attached at the end of this announcement.

The Supervisory Committee would like to take this opportunity to express its sincere gratitude to Mr. Zhang Jianbo for his valuable contribution in carrying out his supervisory duties, establishing and improving the supervisory system, as well as enhancing the corporate governance of the Company during his tenure as the Chairman of the Supervisory Committee.

**Sinopec Shanghai Petrochemical Company Limited**

Shanghai, PRC, 23 April 2015

*As at the date of this announcement, the Executive Directors of the Company are Wang Zhiqing, Wu Haijun, Gao Jinping, Ye Guohua, Jin Qiang and Guo Xiaojun; the Non-executive Directors of the Company are Lei Dianwu and Mo Zhenglin; and the Independent Non-executive Directors of the Company are Shen Liqiang, Jin Mingda, Cai Tingji and Zhang Yimin.*



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Appendix:

**Kuang Yuxiang**, 54, is the Secretary of the Communist Party Discipline Supervisory Committee of the Company. Mr. Kuang started his career in 1982. He has served as the Deputy Director of personnel section of the Human Resources and Education Department of Nanjing Chemical Industrial (Group) Corporation, the Deputy Director of the Labor Section of Human Resources and Education Department of China Donglian Petrochemical Group Company, the Deputy Director of the Personnel and Organization Department of Nanjing Chemical Industrial Co., Ltd, the Director of the Personnel and Organization Department and Vice President of the Communist Party School and the Secretary of the Communist Party Committee of Nanjing Chemical Industrial Co., Ltd. From April 2005 to March 2015, Mr. Kuang served as the Vice Secretary of the Communist Party Committee and the Secretary of the Communist Party Discipline Supervisory Committee of Nanjing Chemical Industrial Co., Ltd. From April 2005 to June 2007, he served as the Chairman of the Supervisory Committee of Nanjing Chemical Industrial Co., Ltd. From June 2008 to March 2015, Mr. Kuang served as the Chairman of the Labor Union of Nanjing Chemical Industrial Co., Ltd. He was appointed the Secretary of the Communist Party Discipline Supervisory Committee of the Company in March 2015. Mr. Kuang graduated from the East China Technical Institute of Water Resources and obtained a bachelor's degree of engineering in hydrogeology and engineering geology in 1982, and obtained a master's degree in business administration from the University of Houston. He obtained senior engineer qualifications.

Save as disclosed above, Mr. Kuang does not and did not hold any directorships at other public companies in the three years immediately preceding the date of this announcement. Mr. Kuang has no other connected relationships with the Company, Directors, Supervisors, senior management, controlling shareholder, substantial shareholder or de facto controller of the Company, and does not hold any interests in shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Kuang has never been punished by the China Securities Regulatory Commission and other related departments, and has never been sanctioned by any stock exchanges.

Save as disclosed above, the Company is not aware of any other matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited nor any information that needs to be brought to the attention of the shareholders of the Company.

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

**(Stock Code: 00338) Overseas**

**Regulatory Announcement**

**Resolutions of the 8th Meeting of the**

**Eighth Session of the Supervisory**

**Committee**

The Company and all members of the Supervisory Committee warrant that the information contained in this announcement is truthful, accurate and complete, and jointly accept full responsibility for any false representations or misleading statements contained in, or material omissions from, this announcement.

This announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The 8th meeting of the eighth session (the Meeting) of the supervisory committee (the Supervisory Committee) of Sinopec Shanghai Petrochemical Company Limited (the Company) was held on 22 April 2015 by way of correspondence. Of the six supervisors entitled to attend the Meeting, six supervisors attended the Meeting. Mr. Zuo Qiang, presided over the Meeting. The convening of the Meeting complied with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and the Articles of Association Sinopec Shanghai Petrochemical Company Limited and was lawful and valid.

The resolutions were considered by the supervisors conscientiously and were approved as follows:

**Resolution 1** The 2015 first quarterly report was approved with 6 votes in favor, 0 vote against and 0 abstention.

**Resolution 2** Comments on the Company's 2015 first quarterly report by the Supervisory Committee were approved with 6 votes in favor, 0 vote against and 0 abstention.

**Resolution 3** The nominations of Mr. Pan Fei as candidate for independent supervisor of the eighth session of the supervisory committee were approved with 6 votes in favor, 0 vote against and 0 abstention. The nomination will be proposed to the Company's 2014 annual general meeting for election.





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Biography of Mr. Pan Fei, candidate for independent supervisor is attached at the end of this announcement.

**Sinopec Shanghai Petrochemical Company Limited  
Supervisory Committee**

Shanghai, PRC, 23 April 2015

*As at the date of this announcement, the executive directors of the Company are Wang Zhiqing, Wu Haijun, Gao Jinping, Ye Guohua, Jin Qiang and Zhao Xiaojun; the non-executive directors of the Company are Lei Dianwu and Mo Zhenglin, and the independent non-executive directors of the Company are Shen Liqiang, Jin Mingda, Cai Tingji and Zhang Yimin.*

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**Appendix: Biography of Mr. Pan Fei, candidate of independent supervisor**

**Pan Fei**, male, 59, accounting Ph.D., professor to PhD students. Currently Mr. Pan is professor of accounting and deputy principal of School of Accountancy of Shanghai University of Finance and Economics. During his services at Shanghai University of Finance and Economics, Mr. Pan was accounting lecturer from 1983 to 1995 and associate professor of accounting from 1995 to 2000, and he has been professor of accounting and deputy principal of School of Accountancy since 2000. Mr. Pan is also independent director of Bright Dairy & Food Co., Ltd. ( ), Universal Scientific Industrial Shanghai Co., Ltd. ( ), Shanghai M&G Stationery Inc. ( ) and Shanghai Wanye Enterprises Co. Ltd. ( ).

Mr. Pan graduated from the accounting department of Shanghai University of Finance and Economics in January 1983, and in January 1991 he graduated from the major of cost management accounting of Shanghai University of Finance and Economics with master degree in accounting. In June 1998, Mr. Pan graduated from the major of accounting theory with Ph.D degree in accounting.

Apart from what has been disclosed above, Mr. Pan is not serving and has not served as a director with any other publicly listed company now or over the past three years. There is no association relationship between Mr. Pan and the Company or its directors, supervisors, senior managers, controlling shareholders, substantial shareholders or actual controlling persons, nor does Mr. Pan hold any equity interest in the Company that falls within Part XV of the Securities and Futures Ordinance. Mr. Pan has never been given any penalty by China Securities Regulatory Commission or other related regulatory authority, or any sanctions by any stock exchange.

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

**(Stock Code: 00338) Overseas**

**Regulatory Announcement**

**Resolutions of the 7th Meeting of the**

**Eighth Session of the Board of Directors**

The Company and all members of the board of directors warrant that the information contained in this announcement is truthful, accurate and complete, and jointly accept full responsibility for any false representations or misleading statements contained in, or material omissions from, this announcement.

This announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The notice to convene the 20th meeting (the Meeting) of the seventh session of the board of directors (the Board) of Sinopec Shanghai Petrochemical Company Limited (the Company) was sent to all directors of the Company (the Directors) on 9 April 2015 by facsimile transmission and mail. The Meeting was held on 23 April 2015 by way of correspondence. Of the 12 Directors entitled to attend the Meeting, 12 Directors attended the Meeting. Members of the supervisory committee and senior management of the Company attended the Meeting. The convening of the Meeting complied with the Company Law of the People's Republic of China and the Articles of Association of Sinopec Shanghai Petrochemical Company Limited. Mr. Wang Zhiqing, Chairman of the Company, presided over the Meeting. The Board considered and approved the following resolutions:

**Resolution 1** Form 20F, to be filed with the Securities and Exchange Commission of the United States of America, was approved with 12 votes in favor, 0 vote against and 0 abstention. The relevant information on the Meeting will also be submitted to the New York Stock Exchange.

**Resolution 2** The 2015 first quarterly report was approved with 12 votes in favor, 0 vote against and 0 abstention. The Secretary to the Board was authorized to submit the 2015 first quarterly report to The Stock Exchange of Hong Kong Limited, the Shanghai Stock Exchange and the New York Stock Exchange in accordance with the relevant requirements.

**Resolution 3** The nominations of Mr. Liu Yunhong and Mr. Du Weifeng as candidates for independent non-executive directors of the eight of the board of directors of the Company was approved with 12 votes in favor, 0 vote against and 0 abstention. The resolution will be submitted to the Company's 2014 annual general meeting for consideration.



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Independent Directors of the Company, Mr. Shen Liqiang, Mr. Jin Mingda, Mr. Cai Tingji and Mr. Zhang Yimin, expressed no objection of the nominations of independent directors.

For the biographies of the relevant candidates, please refer to the Appendix.

**Resolution 4** The proposal of holding 2014 Annual General Meeting at Jinshan Roller-skating Stadium, No. 5, Xincheng Road, Jinshan District, Shanghai, the PRC at 2:00pm on 18 June 2015, was approved with 12 votes in favor, 0 vote against and 0 abstention.

The notice of 2014 Annual General Meeting will be released separately.

**Sinopec Shanghai Petrochemical Company Limited**

Shanghai, PRC, 23 April 2015

*As at the date of this announcement, the executive directors of the Company are Wang Zhiqing, Wu Haijun, Gao Jinping, Ye Guohua, Jin Qiang and Zhao Xiaojun; the non-executive directors of the Company are Lei Dianwu and Mo Zhenglin, and the independent non-executive directors of the Company are Shen Liqiang, Jin Mingda, Cai Tingji and Zhang Yimin.*

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**Appendix: biographies of candidates for independent directors**

**Liu Yunhong**, 38, a Ph.D, Post Doctorate of Economics and Post Doctorate of law, is currently the General Manager of the Investment Bank Department in HwaBao Securities Co., Ltd and concurrently holds an office of the Deputy Director of Renmin University of China International Merger & Investment Research Institution, and an office of a Master Instructor of East China University of Political Science and Law. From June, 2008 to August, 2010, he worked as a director of the Law Compliance Affairs of Guotai Asset Management Co., Ltd. From September, 2010 to August, 2012, he was engaged in the postdoctoral research at Shanghai Stock Exchange. From September 2012 to October 2013, he served as the General Manager of the General Office of Investment Banking of Aerospace Securities Co., Ltd. From October 2013 to now, he has been serving as the General Manager of the Institutional Business Department (now Investment Banking Department) of Huabao Securities Co., Ltd. Mr. Liu also serves as an independent director of both Shanghai Aerospace Automobile Electromechanical Co., Ltd. and Guangdong HEC Technology Holding Co., Ltd.

In July 2008, Mr. Liu graduated from the Law School of Renmin University with PhD degree, his major is civil and commercial law. From October 2008 to August 2010, Mr. Liu engaged in postdoctoral studies in economics in Guanghua School of Management of Peking University. Mr. Liu holds the title of researcher which is equivalent to professor.

Apart from what has been disclosed above, Mr. Liu is not serving and has not served as a director with any other publicly listed company now or over the past three years. There is no association relationship between Mr. Liu and the Company or its directors, supervisors, senior managers, controlling shareholders, substantial shareholders or actual controlling persons, nor does Mr. Liu hold any equity interest in the Company that falls within Part XV of the Securities and Futures Ordinance. Mr. Liu has never been given any penalty by China Securities Regulatory Commission or other related regulatory authority, or any sanctions by any stock exchange.

**Du Weifeng**, 38, a LL.M, MBA and lawyer, is currently a partner of JunzeJun Law offices Shanghai Office. He was a lawyer of Shanghai Huacheng Law Firm from June, 2004 to December, 2006, and a lawyer of Wintell&Co from January, 2007 to February, 2009, and a partner of JunzeJun Law offices Shanghai Office from February, 2009 to now. Du Weifeng has engaged in the disposal of the financial non-performing assets and has deep knowledge of the procedures and methods concerning the disposal of the financial non-performing assets.

Mr. Du graduated from Shanghai University with a commercial law major and obtained a bachelor degree in July, 1998 and obtained a LL.M from University of Bristol with a commercial law major in September, 2005 and obtained a MBA from the China Europe International Business School in October, 2005.

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Apart from what has been disclosed above, Mr. Du is not serving and has not served as a director with any other publicly listed company now or over the past three years. There is no association relationship between Mr. Du and the Company or its directors, supervisors, senior managers, controlling shareholders, substantial shareholders or actual controlling persons, nor does Mr. Du hold any equity interest in the Company that falls within Part XV of the Securities and Futures Ordinance. Mr. Du has never been given any penalty by China Securities Regulatory Commission or other related regulatory authority, or any sanctions by any stock exchange.



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**Declarations Made by the Nominator for Independent Directors**

The board of directors (the Board) of Sinopec Shanghai Petrochemical Company Limited (the Company), the nominator, hereby nominates Liu Yunhong and Du Weifeng as candidates for independent directors of the eighth session of the board of directors of the Company, and has a thorough understanding of the professional expertise, educational background, work experience, part-time positions and other details of the nominees. The nominees have given their consent in writing that they will be nominated as candidates for independent directors of the eighth session of the board of directors of the Company (refer to the statements made by the four candidates for independent directors). The nominator considers that the nominees possess the qualifications to hold office as independent directors, and that they do not have any relationship with the Company that will influence their independence. The nominator has made the following statement:

1. The nominee Liu Yunhong possesses basic knowledge on the operation of a listed company; is familiar with the relevant laws, administrative regulations, rules and other regulatory documents; and has more than five years of work experience in the legal, economic, financial or management field or other work experience necessary for the execution of the duties of an independent director. The nominee has obtained certificates of qualifications for independent directors pursuant to the Guidelines on the Training of Senior Management of Listed Companies and the relevant rules.

The nominee Du Weifeng possesses basic knowledge on the operation of a listed company; is familiar with the relevant laws, administrative regulations, rules and other regulatory documents; and has more than five years of work experience in the legal, economic, financial or management field or other work experience necessary for the execution of the duties of an independent director. The nominee has not obtained the qualification certificate of independent directors in accordance with the Guidelines on the Training of the Senior Management Personnel of Listed Companies and the relevant requirements. The nominee Du Weifeng has promised that after the nomination he will attend the latest qualification training of independent directors held by Shanghai Stock Exchange and obtain the qualification certificate of independent directors.

2. The qualifications of the nominees to hold office meet the requirements of the following laws, administrative regulations and rules of relevant authorities:

- (1) the provisions under the Company Law regarding the qualifications to hold office as a director;
- (2) the provisions under the Civil Servant Law regarding the taking up of part-time jobs by civil servants;
- (3) the provisions under the Notice of the Central Commission for Discipline Inspection and the Organization Department of the Central Commission for Governing Middle Management Serving as Independent Directors or Independent Supervisors of Listed Companies or Fund Management Companies after They Resign or Retire (Depart) from Office ;

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- (4) the provisions under the Opinions on Strengthening Combating Corruption and Upholding Integrity in Institutions of Higher Education issued by the Central Commission for Discipline Inspection, the Ministry of Education and the Ministry of Supervision regarding the taking up of part-time jobs by members of the leadership teams in institutions of higher education;
  - (5) the provisions under the Provisional Measures Governing Independent Directors of Insurance Companies of the China Insurance Regulatory Commission (the CIRC); and
  - (6) the requirements of other laws, administrative regulations and rules of relevant authorities.
3. The nominees must have independence and:
- (1) must not be the employees working in the Company or its subsidiaries, or the immediate relatives of or main social connections with such employees (immediate relatives refer to spouses, parents, children, etc.; main social connections refer to brothers, sisters, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, spouses of brothers and sisters, , brothers and sisters of spouses, etc.);
  - (2) must not directly or indirectly hold more than 1% of the issued shares of the Company or must not be natural person shareholders among the top ten shareholders of the Company or the immediate relatives of such natural person shareholders;
  - (3) must not be the corporate shareholders that directly or indirectly hold more than 5% of the issued shares of the Company or must not be the employees working at the top five corporate shareholders of the Company or the immediate relatives of such employees;
  - (4) must not be the employees working at the de facto controllers of the Company or the subsidiaries of such *de facto* controllers;
  - (5) must not be the employees who provide financial, legal, consulting and other services for the Company and its controlling shareholders or their respective subsidiaries, including all staff of a special task force, review staff at all levels, signatories of reports, partners and principal persons of intermediaries that provide such services;
  - (6) must not be serving as directors, supervisors or senior management of work units that have substantial business dealings with the Company and its controlling shareholders or their respective subsidiaries, or must not be serving as directors, supervisors or senior management officers of the controlling corporate shareholders of such work units;



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- (7) must not be involved in any of the six scenarios set out above within the most recent one year; or
  - (8) other scenarios where the nominees do not have independence as identified by the Shanghai Stock Exchange.
4. The candidates for independent directors must not have the following bad records:
- (1) Been subject to administrative punishment by the China Securities Regulatory Commission (the CSRC ) in the recent three years;
  - (2) Been openly identified by a stock exchange as not suitable for serving as directors of a listed company;
  - (3) Been openly reprimanded or criticized more than twice by means of circular by a stock exchange in the recent three years;
  - (4) Did not attend board meetings for two consecutive sessions during the term of office of independent directors, or the number of their non-attendance at board meetings in person accounted for more than one-third of the number of board meetings during the said year;
  - (5) Have expressed independent opinions that are obviously incompatible with the facts during their terms of office as independent directors.
5. The nominees Liu Yunhong and Du Weifeng shall not have served as independent directors for more than five domestic listed companies including the Company, and shall not have served the Company for more than six consecutive years.

We, the nominator, have verified the qualifications of the candidates to hold office as independent directors pursuant to the Guidelines on the Filing and Training of Independent Directors of Listed Companies on the Shanghai Stock Exchange of the Shanghai Stock Exchange, and confirm that they meet the requirements.

We, the nominator, warrant that the above statement is truthful, complete and accurate, and contains no false representations or misleading content. We, the nominator, are fully aware of the possible consequences as a result of making a false statement.

**Nominator: The Board of Sinopec Shanghai Petrochemical Company Limited**

23 April 2015

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**Declarations Made by Candidates for Independent Directors**

The declarant Liu Hongyun and Du Weifeng have a thorough understanding and accept the nomination by the Board of Sinopec Shanghai Petrochemical Company Limited (the Company) as candidates for independent directors of the eighth session of the board of directors of the Company. The declarants possess the qualifications to hold office as independent director, and do not have any relationship that will influence their independence as independent director of the Company. The declarants have made a statement as follows (the statement below is made by four candidates for independent directors except for special statements):

1. The declarant Liu Hongyun possesses the basic knowledge of the operation of a listed company; is familiar with the relevant laws, administrative regulations, rules and other regulatory documents; has more than five years of work experience in the legal, economic, financial or management field or other work experience necessary for the execution of the duties of an independent director; and has obtained a certificate of qualifications for independent directors pursuant to the Guidelines on the Training of Senior Management of Listed Companies and the relevant rules.

The declarant Du Weifeng possesses basic knowledge on the operation of a listed company; is familiar with the relevant laws, administrative regulations, rules and other regulatory documents; and has more than five years of work experience in the legal, economic, financial or management field or other work experience necessary for the execution of the duties of an independent director; the nominee has not obtained the qualification certificate of independent directors in accordance with the Guidelines on the Training of the Senior Management Personnel of Listed Companies and the relevant requirements. The nominee Du Weifeng has promised that after the nomination he will attend the latest qualification training of independent directors held by Shanghai Stock Exchange and obtain the qualification certificate of independent directors.

2. The qualifications of the declarants to hold office meet the requirements of the following laws, administrative regulations and rules of relevant authorities:

- (1) the provisions under the Company Law regarding the qualifications to hold office as a director;
- (2) the provisions under the Civil Servant Law regarding the taking up of part-time jobs by civil servants;
- (3) the provisions under the Notice of the Central Commission for Discipline Inspection and the Organization Department of the Central Commission for Governing Middle Management Serving as Independent Directors or Independent Supervisors of Listed Companies or Fund Management Companies after They Resign or Retire (Depart) from Office ;

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- (4) the provisions under the Opinions on Strengthening Combating Corruption and Upholding Integrity in Institutions of Higher Education issued by the Central Commission for Discipline Inspection, the Ministry of Education and the Ministry of Supervision regarding the taking up of part-time jobs by members of the leadership teams in institutions of higher education;
  - (5) the provisions under the Provisional Measures Governing Independent Directors of Insurance Companies of the CIRC; and
  - (6) the requirements of other laws, administrative regulations and rules of relevant authorities.
3. The declarants have independence and:
- (1) have not been the employees working in the Company or its subsidiaries, or the immediate relatives or main social connections of such employees (immediate relatives refer to spouses, parents, children, etc.; main social connections refer to brothers, sisters, fathers-in-law, mothers-in-law, daughters-in-law, sons-in-law, spouses of brothers and sisters, , brothers and sisters of spouses, etc.);
  - (2) have not directly or indirectly held more than 1% of the issued shares of the Company or must not be natural person shareholders among the top ten shareholders of the Company, or the immediate relatives of such natural person shareholders;
  - (3) have not been the corporate shareholders that directly or indirectly hold more than 5% of the issued shares of the Company or have not been the employees working at the top five corporate shareholders of the Company or the immediate relatives of such employees;
  - (4) have not been the employees working at the de facto controllers of the Company or the subsidiaries of such de facto controllers;
  - (5) have not been the employees who provide financial, legal, consulting and other services for the Company and its controlling shareholders or their respective subsidiaries, including all the staff of a special task force, review staff at all levels, signatories of reports, partners and principal persons of intermediaries that provides such services;
  - (6) have not been serving as directors, supervisors or senior management of work units that have substantial business dealings with the Company and its controlling shareholders or their respective subsidiaries, or must not be serving as directors, supervisors or senior management officers of the controlling corporate shareholders of such work units;

(7) have not been involved in any of the six scenarios set out above within the most recent one year; or

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- (8) other scenarios where the declarants do not have independence as identified by the Shanghai Stock Exchange.

4. The declarants do not have the following bad records:

- (1) They have been subject to administrative punishment by the CSRC in the recent three years;
- (2) They are being openly identified by a stock exchange as not suitable for serving as directors of a listed company;
- (3) They have been openly reprimanded or criticized more than twice by means of circular by a stock exchange in recent three years;
- (4) They did not attend board meetings for two consecutive times during the term of office of independent directors, or the number of their non-attendance at board meetings in person accounted for more than one-third of the number of board meetings during the said year;
- (5) They have expressed independent opinions that are obviously incompatible with the facts during the term of office of independent directors.

5. The declarants have not served as independent directors on a part-time basis for more than five domestic listed companies including the Company, or have not consecutively served in the Company for more than six years. The declarants have verified the qualifications to hold office as independent directors pursuant to the Guidelines on the Filing and Training of Independent Directors of Listed Companies on the Shanghai Stock Exchange of the Shanghai Stock Exchange, and confirm that we meet the requirements.

The declarants warrant that the above statement is truthful, complete and accurate, and contains no false representations or misleading content. We, the declarants, are fully aware of the possible consequences as a result of making a false statement. The Shanghai Stock Exchange may consider their qualifications to hold office and independence in accordance with this declaration.

The declarants undertake that during the term of office of independent directors of the Company, they shall comply with the laws and regulations as well as the rules, regulations and notices published by the CSRC, and the requirements of the business rules of the Shanghai Stock Exchange, and shall be subject to the supervision by the Shanghai Stock Exchange. The declarants shall make sure that they have sufficient time and energy to execute their duties and make independent judgments, free from any interference by the major shareholders of the Company, de facto controllers or any other work units or individuals having interests in the Company.



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The declarants undertake that in the event that they are not qualified to hold office as independent directors after having taken office, they shall resign from their positions as independent directors within 30 days from the date of being aware of such disqualification.

Declarants: Liu Yunhong and Du Weifeng

23 April 2015

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

**(Stock Code: 00338)**

**2015 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 and pursuant to the disclosure obligations under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

**1. Important Message**

1.1 The Board of Directors (the Board) and the Supervisory Committee of Sinopec Shanghai Petrochemical Company Limited (the Company or SPC) as well as its Directors, Supervisors and Senior Management warrant the truthfulness, accuracy and completeness of the information contained in the 2015 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 All directors attended the seventh meeting of the eighth session of the Board, and have adopted the 2015 first quarterly report at this meeting.

1.3 Mr. Wang Zhiqing, Chairman and President of the Company, Mr. Ye Guohua, Director and Chief Financial Officer, and Mr. Hua Xin, Deputy Chief Financial Officer, cum Director of the Finance Department, warrant the truthfulness, accuracy and completeness of the financial report contained in the 2015 first quarterly report.

1.4 The 2015 first quarterly report was prepared under the China Accounting Standards for Business Enterprises and was unaudited.

**Table of Contents****2. Key Financial Data & Changes in Shareholdings****2.1 Major Accounting Data**

|   | As at the end of<br>the<br>Reporting<br>Period  | As at the end<br>of the previous<br>year  | Increase/decrease<br>at the end of the<br>Reporting Period<br>as compared to<br>the end of the<br>previous year (%) |
|---|---|---|---|
| Total assets (RMB 000)  | 28,844,776  | 31,145,983  | -7.39   |
| Total equity attributable to equity shareholders of the<br>Company (RMB 000)  | 16,638,920  | 16,570,623  | 0.41  |
|   | From the<br>beginning of the<br>year to the end of the<br>Reporting<br>Period<br>(January to<br>March 2015) | From the beginning of<br>the year to the end of the<br>Reporting Period<br>last<br>year (January to<br>March<br>2014) | Increase/decrease<br>as compared to the<br>corresponding<br>period of the<br>previous year (%)                      |
| Net cash flows generated from operating activities ( - for<br>net outflow ) (RMB 000)   | -1,045,568  | 353,348   | -395.90   |
|   | From the<br>beginning of the<br>year to the end of the<br>Reporting<br>Period<br>(January to<br>March 2015) | From the beginning of<br>the year to the end of the<br>Reporting Period<br>last<br>year (January to<br>March<br>2014) | Increase/decrease<br>as compared to the<br>corresponding<br>period of the<br>previous year (%)                      |
| Revenue (RMB 000)   | 19,630,320  | 24,113,501  | -18.59  |
| Net profit attributable to equity shareholders of the<br>Company ( - to indicate net loss) (RMB 000)                                  | 52,176  | -72,970   | Not Applicable  |
| Net profit attributable to equity shareholders of the<br>Company excluding non-recurring items ( - to indicate<br>net loss) (RMB 000) | 56,323  | -66,157   | Not Applicable  |
| Return on net assets (weighted average) (%)   | 0.314   | -0.410  | Increased by 0.724<br>percentage points   |
| Basic earnings per share ( - to indicate loss)<br>(RMB/share)   | 0.005   | -0.007  | Not Applicable  |
| Diluted earnings per share ( - to indicate loss)<br>(RMB/share)   | 0.005   | -0.007  | Not Applicable  |



**Table of Contents****Excluded non-recurring items and amount:**

Unit: RMB 000

| <b>Item</b>   | <b>Amount</b> |
|---|---------------|
| Net loss from disposal of non-current assets  | -3,881        |
| Employee reduction expenses   | -2,879        |
| Government grants recorded in profit and loss (except for government grants under the State's unified standards on quota and amount entitlements and closely related to corporate business) | 2,500         |
| Income from external entrusted loans  | 721           |
| Other non-operating income and expenses other than those mentioned above  | 31            |
| Income tax effect   | -878          |
| Effect attributable to minority interests (after tax)   | 239           |
| Total   | -4,147        |

**2.2 Total Number of Shareholders as at the End of the Reporting Period, Top Ten Shareholders and Shareholdings, and Top Ten Shareholders of Unrestricted Shares in Trading**

Unit: Share

**Total number of shareholders** 112,195

**Shareholdings of the top ten shareholders**

| Name of shareholder  | Number of shares held | Percentage of total shareholding (%) | Number of trading restricted shares held | Status of pledged/frozen shares | Status of shares | Number of shares | Type of shareholder     |
|--|-----------------------|--------------------------------------|--|---------------------------------|------------------|------------------|-------------------------|
| China Petroleum & Chemical Corporation   | 5,460,000,000         | 50.56                                | 4,920,000,000                            | Nil                             | 0                |                  | State-owned Shareholder |
| HKSCC (Nominees) Ltd.  | 3,446,575,320         | 31.91                                | 0  | Unknown                         |                  |                  | Foreign Shareholder     |
| China Construction Bank - Bosera Thematic Sectors Equity Securities Investment Fund                    | 75,716,612            | 0.70                                 | 0  | Unknown                         |                  |                  | Others                  |
| NSSF Four Hundred Thirteen Combination   | 44,000,000            | 0.41                                 | 0  | Unknown                         |                  |                  | Others                  |
| NSSF One Hundred and Three Combination   | 22,001,952            | 0.20                                 | 0  | Unknown                         |                  |                  | Others                  |
| Agricultural Bank of China Limited - Fullgoal CSI State-Owned Enterprises Reform Index Classified Fund | 20,603,535            | 0.19                                 | 0  | Unknown                         |                  |                  | Others                  |
| Shanghai Kangli Gong Mao Company   | 19,165,250            | 0.18                                 | 0  | Unknown                         |                  |                  | Others                  |

|   |            |      |   |         |        |
|---|------------|------|---|---------|--------|
| Zhejiang Province Economic<br>Construction and Investment<br>Company              | 18,000,000 | 0.17 | 0 | Unknown | Others |
| China Industrial and Commercial<br>Bank Co., Ltd. - Shanghai A shares             |            |      |   |         |        |
| Penghua Zhongzheng Industry<br>Classification Index Securities<br>Investment Fund | 15,065,778 | 0.14 | 0 | Unknown | Others |
| China Construction Bank- China<br>AMC Dividend Fund                               | 12,849,942 | 0.12 | 0 | Unknown | Others |

**Table of Contents****Shareholdings of the top ten shareholders of unrestricted shares in trading**

| Name of shareholder (in full)  | Number of circulating<br>shares without trading<br>restrict held   | Type and Number of shares          |                     |
|--|--|------------------------------------|---------------------|
|  |  | Type of shares                     | Number of<br>shares |
| HKSCC (Nominees) Limited   | 3,446,575,320  | Overseas listed<br>foreign shares  | 3,446,575,320       |
| China Petroleum & Chemical Corporation   | 540,000,000  | RMB-denominated<br>ordinary shares | 540,000,000         |
| China Construction Bank - Bosera Thematic Sectors<br>Equity Securities Investment Fund   | 75,716,612   | RMB-denominated<br>ordinary shares | 75,716,612          |
| NSSF Four Hundred Thirteen Combination   | 44,000,000   | RMB-denominated<br>ordinary shares | 44,000,000          |
| NSSF One Hundred and Three Combination   | 22,001,952   | RMB-denominated<br>ordinary shares | 22,001,952          |
| Agricultural Bank of China Limited - Fullgoal CSI<br>State-Owned Enterprises Reform Index Classified<br>Fund   | 20,603,535   | RMB-denominated<br>ordinary shares | 20,603,535          |
| Shanghai Kangli Gong Mao Company   | 19,165,250   | RMB-denominated<br>ordinary shares | 19,165,250          |
| Zhejiang Province Economic Construction and<br>Investment Company  | 18,000,000   | RMB-denominated<br>ordinary shares | 18,000,000          |
| China Industrial and Commercial Bank Co., Ltd. -<br>Shanghai A shares Penghua Zhongzheng Industry<br>Classification Index Securities Investment Fund | 15,065,778   | RMB-denominated<br>ordinary shares | 15,065,778          |
| China Construction Bank - China AMC Dividend<br>Fund   | 12,849,942   | RMB-denominated<br>ordinary shares | 12,849,942          |
| Description of any connected relationships or<br>act-in-concert parties relationships among the above<br>shareholders                                | Among the above-mentioned shareholders, China<br>Petroleum & Chemical Corporation, a state-owned<br>enterprise legal person, does not have any connected<br>relationships with the other shareholders and is not an<br>act-in-concert party of the other shareholders under the<br>Administration Measures on Acquisition of Listed<br>Companies . Among the above-mentioned<br>shareholders, HKSCC (Nominees) Limited is a<br>nominee shareholder. Apart from the above, the<br>Company is not aware of any other connected<br>relationships among the other shareholders or any act-<br>in-concert parties under the Administration Measures<br>on the Acquisition of Listed Companies . |                                    |                     |





**Table of Contents****3. Major Events****3.1 Description of Substantial Changes in Major Financial Report Items and Financial Indicators of the Company**

Unit: RMB 000

| <b>Item</b>                                | <b>As at<br/>31 March<br/>2015</b> | <b>As at<br/>31 December<br/>2014</b> | <b>Increase/<br/>decrease<br/>amount</b> | <b>Change<br/>(%)</b> | <b>Major Reason for change</b>  |
|--|------------------------------------|---------------------------------------|--|-----------------------|---|
| Dividends receivable                       | 6,872                              | 19,372                                | -12,500                                  | -64.53                | Received dividends from joint ventures  |
| Inventories                                | 4,175,300                          | 5,930,703                             | -1,755,403                               | -29.60                | Inventories in transit decreased  |
| Accounts payable                           | 1,926,597                          | 5,924,035                             | -3,997,438                               | -67.48                | Prices of raw materials decreased   |
| Taxes payable                              | 1,672,145                          | 1,276,874                             | 395,271                                  | 30.96                 | VAT and Consumption tax payable increased   |
| Short-term borrowings                      | 5,652,831                          | 4,078,195                             | 1,574,636                                | 38.61                 | The Company increased its Euro borrowings as the Euro depreciated against the RMB |
| Current portion of non-current liabilities | 307,110                            |                                       | 307,110                                  | Not Applicable        | Long-term borrowings transferred to Current portion of non-current liabilities    |
| Long-term borrowings                       | 1,017,270                          | 1,632,680                             | -615,410                                 | -37.69                | Paid partial borrowings in advance  |
| Specific reserve                           | 11,686                             | 1,265                                 | 10,421                                   | 823.79                | Increase in accrued safety production cost which was unused                       |

Unit: RMB 000

| <b>Item</b>          | <b>For the three-month<br/>period ended 31 March<br/>2015</b> | <b>For the three-month<br/>period ended 31 March<br/>2014</b> | <b>Increase/<br/>decrease<br/>amount</b> | <b>Change<br/>(%)</b> | <b>Major Reason for change</b>  |
|----------------------|---|---|--|-----------------------|---|
| Taxes and surcharges | 3,520,244   | 2,130,254   | 1,389,990                                | 65.25                 | Consumption tax rates increased, leading to increase in consumption taxes |
| Financial expenses   | 59,682  | 128,294   | -68,612                                  | -53.48                | Foreign exchange gains increased due to depreciation of the Euro          |

|   |        |         |         |                |   |
|---|--------|---------|---------|----------------|---|
|   |        |         |         |                | against RMB and increase<br>in Euro borrowings  |
| Investment income ( - for<br>Investment loss)   | 81,653 | -30,839 | 112,492 | Not Applicable | Increase in investment<br>income as associates<br>recorded income   |
| Operating profit ( - for<br>Operating loss)   | 63,162 | -60,304 | 123,466 | Not Applicable | International crude oil<br>prices fluctuated at low   |
| Net profit ( - for net loss)  | 63,302 | -72,539 | 135,841 | Not Applicable | levels, and costs of crude  |
| Net profit attributable to<br>equity shareholders of the<br>Company ( - for net loss) | 52,176 | -72,970 | 125,146 | Not Applicable | oil processing decreased,<br>gross profits for<br>petrochemical products and<br>petroleum products<br>increased |

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### **3.2 Significant events and their impacts and solutions**

On 6 January 2015, the *Proposal regarding the Adjustment of the List of Participants and the Number of Share Options under the Initial Grant of the Share Option Incentive Scheme* and the *Proposal regarding the Initial Grant under the Share Option Incentive Scheme* were reviewed and adopted at the fifth meeting of the eighth session of the Board of Directors of the Company, which confirmed the granting of an aggregate of 38,760,000 share options to 214 participants. Details of the relevant matters were published in the China Securities Journal, the Shanghai Securities News and the Securities Times on 7 January 2015 and uploaded on the website of the Shanghai Stock Exchange and the website of The Stock Exchange of Hong Kong Limited.

### **3.3 Fulfillment of commitments by the Company and shareholders holding more than 5% of shares**

The Company disclosed *The Explanatory Memorandum for the Share Reform Proposal of the Company (the Revised Draft)* on 20 June 2013, in which the Company's controlling shareholder China Petroleum & Chemical Corporation ( Sinopec Corp. ) has made the following undertakings which is effective until the end of the reporting period:

1. Sinopec Corp. shall not, within 12 months from the date on which its non-circulating shares of Company acquire the right to circulate in the market (meaning the first trading day after the implementation of the A-share reform proposal), deal in or transfer such shares through the relevant stock exchanges. Also, after the expiration of the aforesaid undertaking, the amount of existing non-circulating shares to be disposed by Sinopec Corp through trading on the stock exchanges shall not represent more than 5% of the total amount of shares held by Sinopec Corp. within the next 12 months, and not more than 10% within the next 24 months.

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2. Sinopec Corp. shall continue to support the subsequent development of the Company upon the completion of the A-share reform proposal and shall use this as a platform for the development of related businesses in future.

For more details, please refer to *The Explanatory Memorandum for the Share Reform Proposal of the Company (the Revised Draft)(Full Version)* uploaded to the websites of the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Company, and published in Shanghai Securities News and China Securities Journal on 20 June 2013.

The A-share reform proposal was approved at the relevant A-share shareholder meeting held on 8 July 2013. After the implementation of the proposal on 20 August 2013, the Company's A shares resumed trading, and non-circulating shares held by non-circulating shares shareholders obtained the right to circulate those shares in the market. For more details on the implementation of A-share reform proposal, please refer to *The Implementation Report on Sinopec Shanghai Petrochemical Company Limited A-share Reform Proposal* published in the issues of Shanghai Securities News and China Securities Journal dated 14 August 2013 and uploaded on the websites of the Shanghai Stock Exchange and the Hong Kong Stock Exchange. During the reporting period, with regard to the above mentioned undertakings, the Company did not notice any violations or any unfulfilled matters by Sinopec Corp.

**3.4 Warning and reasons for estimated loss or significant change in net profit year-on-year between the start of 2015 and the end of next reporting period**

Not applicable.

**Table of Contents****4 APPENDIX****4.1 CONSOLIDATED BALANCE SHEETS****AS AT 31 MARCH 2015**

Unit: RMB 000

| Items                           | 31 MARCH 2015<br>(unaudited) | 31 DECEMBER 2014<br>(audited) |
|---------------------------------|------------------------------|-------------------------------|
| <b>Current assets</b>           |                              |                               |
| Cash at bank and on hand        | 321,657                      | 279,198                       |
| Notes receivable                | 1,399,172                    | 1,372,277                     |
| Accounts receivable             | 1,447,560                    | 1,628,121                     |
| Advances to suppliers           | 50,169                       | 31,098                        |
| Interest receivable             | 91                           | 76                            |
| Dividends receivable            | 6,872                        | 19,372                        |
| Other receivables               | 37,472                       | 51,771                        |
| Inventories                     | 4,175,300                    | 5,930,703                     |
| Other current assets            | 192,871                      | 197,799                       |
| <b>Total current assets</b>     | <b>7,631,164</b>             | <b>9,510,415</b>              |
| <b>Non-current assets</b>       |                              |                               |
| Long-term equity investments    | 3,184,777                    | 3,106,262                     |
| Investment properties           | 415,739                      | 415,842                       |
| Fixed assets                    | 15,162,978                   | 15,611,926                    |
| Construction in progress        | 544,235                      | 542,878                       |
| Intangible assets               | 436,738                      | 441,140                       |
| Long-term prepaid expenses      | 542,536                      | 602,451                       |
| Deferred tax assets             | 926,609                      | 915,069                       |
| <b>Total non-current assets</b> | <b>21,213,612</b>            | <b>21,635,568</b>             |
| <b>Total assets</b>             | <b>28,844,776</b>            | <b>31,145,983</b>             |

**Table of Contents****CONSOLIDATED BALANCE SHEETS (CONTINUED)****AS AT 31 MARCH 2015**

Unit: RMB 000

| Items  | 31 MARCH 2015<br>(unaudited) | 31 DECEMBER 2014<br>(audited) |
|--|------------------------------|-------------------------------|
| <b>Current liabilities</b>   |                              |                               |
| Short-term borrowings  | 5,652,831                    | 4,078,195                     |
| Notes payable  | 38,756                       | 11,714                        |
| Accounts payable   | 1,926,597                    | 5,924,035                     |
| Advances from customers  | 385,699                      | 612,573                       |
| Employee benefits payable  | 81,828                       | 44,464                        |
| Taxes payable  | 1,672,145                    | 1,276,874                     |
| Interest payable   | 10,066                       | 9,037                         |
| Dividends payable  | 19,406                       | 19,406                        |
| Other payables   | 627,401                      | 508,551                       |
| Current portion of non-current liabilities                             | 307,110                      |                               |
| <b>Total current liabilities</b>                                       | <b>10,721,839</b>            | <b>12,484,849</b>             |
| <b>Non-current liabilities</b>   |                              |                               |
| Long-term borrowings   | 1,017,270                    | 1,632,680                     |
| Deferred income  | 184,226                      | 186,436                       |
| <b>Total non-current liabilities</b>                                   | <b>1,201,496</b>             | <b>1,819,116</b>              |
| <b>Total liabilities</b>   | <b>11,923,335</b>            | <b>14,303,965</b>             |
| <b>Shareholders' equity</b>  |                              |                               |
| Share capital  | 10,800,000                   | 10,800,000                    |
| Capital surplus  | 499,622                      | 493,922                       |
| Specific reserve   | 11,686                       | 1,265                         |
| Surplus reserve  | 4,173,831                    | 4,173,831                     |
| Undistributed profits  | 1,153,781                    | 1,101,605                     |
| <b>Total equity attributable to equity shareholders of the Company</b> | <b>16,638,920</b>            | <b>16,570,623</b>             |
| <b>Minority interests</b>  | <b>282,521</b>               | <b>271,395</b>                |
| <b>Total shareholders' equity</b>                                      | <b>16,921,441</b>            | <b>16,842,018</b>             |
| <b>Total liabilities and shareholders' equity</b>                      | <b>28,844,776</b>            | <b>31,145,983</b>             |

**Table of Contents****COMPANY BALANCE SHEETS****AS AT 31 MARCH 2015**

Unit: RMB 000

| Items                           | <b>31 MARCH 2015</b><br>(unaudited) | <b>DECEMBER 2014</b><br>(audited) |
|---------------------------------|-------------------------------------|-----------------------------------|
| <b>Current assets</b>           |                                     |                                   |
| Cash at bank and on hand        | 265,012                             | 186,348                           |
| Notes receivable                | 1,159,465                           | 991,722                           |
| Accounts receivable             | 911,406                             | 856,198                           |
| Advances to suppliers           | 44,777                              | 12,546                            |
| Dividends receivable            | 6,872                               | 19,372                            |
| Other receivables               | 20,752                              | 16,468                            |
| Inventories                     | 3,654,979                           | 5,465,293                         |
| Other current assets            | 56,212                              | 85,458                            |
| <b>Total current assets</b>     | <b>6,119,475</b>                    | <b>7,633,405</b>                  |
| <b>Non-current assets</b>       |                                     |                                   |
| Long-term equity investments    | 4,277,963                           | 4,201,476                         |
| Investment properties           | 412,594                             | 412,647                           |
| Fixed assets                    | 14,785,042                          | 15,221,418                        |
| Construction in progress        | 544,235                             | 542,878                           |
| Intangible assets               | 357,431                             | 360,510                           |
| Long-term prepaid expenses      | 527,832                             | 587,349                           |
| Deferred tax assets             | 915,408                             | 905,186                           |
| <b>Total non-current assets</b> | <b>21,820,505</b>                   | <b>22,231,464</b>                 |
| <b>Total assets</b>             | <b>27,939,980</b>                   | <b>29,864,869</b>                 |

**Table of Contents****COMPANY BALANCE SHEETS (CONTINUED)****AS AT 31 MARCH 2015**

Unit: RMB 000

| Items   | 31 MARCH 2015<br>(unaudited) | 31 DECEMBER 2014<br>(audited) |
|---|------------------------------|-------------------------------|
| <b>Current liabilities</b>                        |                              |                               |
| Short-term borrowings                             | 6,059,861                    | 4,507,195                     |
| Notes payable                                     | 29,000                       |                               |
| Accounts payable                                  | 1,017,079                    | 4,736,516                     |
| Advance from customers                            | 338,336                      | 503,124                       |
| Employee benefits payable                         | 76,325                       | 38,849                        |
| Taxes payable                                     | 1,644,546                    | 1,239,268                     |
| Interest payable                                  | 10,468                       | 9,486                         |
| Dividends payable                                 | 19,406                       | 19,406                        |
| Other payables                                    | 795,623                      | 606,113                       |
| Current portion of non-current liabilities        | 307,110                      |                               |
| <b>Total current liabilities</b>                  | <b>10,297,754</b>            | <b>11,659,957</b>             |
| <b>Non-current liabilities</b>                    |                              |                               |
| Long-term borrowings                              | 1,000,000                    | 1,611,900                     |
| Deferred income                                   | 184,226                      | 186,436                       |
| <b>Total non-current liabilities</b>              | <b>1,184,226</b>             | <b>1,798,336</b>              |
| <b>Total liabilities</b>                          | <b>11,481,980</b>            | <b>13,458,293</b>             |
| <b>Shareholders' equity</b>                       |                              |                               |
| Share capital                                     | 10,800,000                   | 10,800,000                    |
| Capital surplus                                   | 499,622                      | 493,922                       |
| Specific reserve                                  | 8,098                        |                               |
| Surplus reserve                                   | 4,173,831                    | 4,173,831                     |
| Undistributed profits                             | 976,449                      | 938,823                       |
| <b>Total shareholders' equity</b>                 | <b>16,458,000</b>            | <b>16,406,576</b>             |
| <b>Total liabilities and shareholders' equity</b> | <b>27,939,980</b>            | <b>29,864,869</b>             |



**Table of Contents****4.2 CONSOLIDATED INCOME STATEMENTS****FOR THE THREE MONTHS ENDED 31 MARCH 2015**

Unit: RMB 000

| Items   | Three months ended 31 March |                     |
|---|-----------------------------|---------------------|
|   | 2015<br>(unaudited)         | 2014<br>(unaudited) |
| <b>Revenue</b>  | 19,630,320                  | 24,113,501          |
| Less: Cost of sales   | 15,209,321                  | 21,215,178          |
| Taxes and surcharges  | 3,520,244                   | 2,130,254           |
| Selling and distribution expenses   | 123,031                     | 142,020             |
| General and administrative expenses   | 730,807                     | 527,032             |
| Financial expenses  | 59,682                      | 128,294             |
| Asset impairment losses   | 5,726                       | 188                 |
| Add: Investment income ( - to indicate loss)                                      | 81,653                      | -30,839             |
| Including: Share of income of associates and joint ventures ( - to indicate loss) | 81,653                      | -30,839             |
| <b>Operating profit</b> ( - to indicate loss)                                     | 63,162                      | -60,304             |
| Add: Non-operating income   | 10,009                      | 8,507               |
| Including: gains on disposal of non-current assets                                | 660                         | 212                 |
| Less: Non-operating expenses  | 11,359                      | 15,973              |
| Including: losses on disposal of non-current assets                               | 4,541                       | 5,603               |
| <b>Total profit</b> ( - to indicate loss)   | 61,812                      | -67,770             |
| Less: Income tax expenses   | -1,490                      | 4,769               |
| <b>Net profit</b> ( - to indicate net loss)                                       | 63,302                      | -72,539             |
| Attributable to equity shareholders of the Company                                | 52,176                      | -72,970             |
| Minority interests  | 11,126                      | 431                 |
| <b>Earnings per share</b>   |                             |                     |
| Basic and diluted earnings per share (RMB) ( - to indicate loss)                  | RMB 0.005                   | RMB -0.007          |
| <b>Total comprehensive income</b> ( - to indicate loss)                           | 63,302                      | -72,539             |
| Attributable to equity shareholders of the Company                                | 52,176                      | -72,970             |
| Minority interests  | 11,126                      | 431                 |

**Table of Contents****COMPANY INCOME STATEMENTS****FOR THE THREE MONTHS ENDED 31 MARCH 2015**

Unit: RMB 000

| Items   | Three months ended 31 March |                     |
|---|-----------------------------|---------------------|
|   | 2015<br>(unaudited)         | 2014<br>(unaudited) |
| <b>Revenue</b>  | 16,448,222                  | 21,148,203          |
| Less: Cost of sales   | 12,129,811                  | 18,326,128          |
| Taxes and surcharges  | 3,518,209                   | 2,129,187           |
| Selling and distribution expenses   | 93,116                      | 105,047             |
| General and administrative expenses   | 691,746                     | 493,078             |
| Financial expenses  | 62,937                      | 114,423             |
| Asset impairment losses ( - to indicate reversal)                                 | 26                          | -10                 |
| Add: Investment income ( - to indicate loss)                                      | 76,487                      | -34,953             |
| Including: Share of losses of associates and joint ventures ( - to indicate loss) | 76,487                      | -34,953             |
| <b>Operating profit ( - to indicate loss)</b>                                     | 28,864                      | -54,603             |
| Add: Non-operating income   | 9,891                       | 8,487               |
| Including: gains on disposal of non-current assets                                | 660                         | 212                 |
| Less: Non-operating expenses  | 11,352                      | 15,967              |
| Including: losses on disposal of non-current assets                               | 4,536                       | 5,603               |
| <b>Total profit ( - to indicate loss)</b>   | 27,403                      | -62,083             |
| Less: Income tax expenses   | -10,222                     | 731                 |
| <b>Net profit ( - to indicate net loss)</b>                                       | 37,625                      | -62,814             |
| <b>Total comprehensive income ( - to indicate loss)</b>                           | 37,625                      | -62,814             |

**Table of Contents****4.3 CONSOLIDATED CASH FLOW STATEMENTS****FOR THE THREE MONTHS ENDED 31 MARCH 2015**

Unit: RMB 000

| Items  | Three months ended 31 March |                     |
|--|-----------------------------|---------------------|
|  | 2015<br>(unaudited)         | 2014<br>(unaudited) |
| <b>Cash flows from operating activities</b>  |                             |                     |
| Cash received from sales of goods or rendering of services   | 22,124,649                  | 29,165,862          |
| Refund of taxes and surcharges   | 18,338                      | 6,790               |
| Cash received relating to other operating activities   | 7,139                       | 5,934               |
| <b>Sub-total of cash inflows</b>   | <b>22,150,126</b>           | <b>29,178,586</b>   |
| Cash paid for goods and services   | -18,561,621                 | -25,549,737         |
| Cash paid to and on behalf of employees  | -624,954                    | -605,234            |
| Payments of taxes and surcharges   | -3,881,220                  | -2,539,368          |
| Cash paid relating to other operating activities   | -127,899                    | -130,899            |
| <b>Sub-total of cash outflows</b>  | <b>-23,195,694</b>          | <b>-28,825,238</b>  |
| <b>Net cash flows generated from operating activities ( - to indicate net cash flows used in operating activities)</b> | <b>-1,045,568</b>           | <b>353,348</b>      |
| <b>Cash flows from investing activities</b>  |                             |                     |
| Cash received from returns on investments  | 15,638                      | 2,500               |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets                          | 948                         | -1,496              |
| Cash received relating to other investing activities   | 11,761                      | 24,122              |
| <b>Sub-total of cash inflows</b>   | <b>28,347</b>               | <b>25,126</b>       |
| Cash paid to acquire fixed assets and other long-term assets   | -125,367                    | -220,627            |
| Cash paid to acquire investments   | -12,000                     | -11,541             |
| <b>Sub-total of cash outflows</b>  | <b>-137,367</b>             | <b>-232,168</b>     |
| <b>Net cash flows used in investing activities</b>   | <b>-109,020</b>             | <b>-207,042</b>     |

Table of Contents**CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)****FOR THE THREE MONTHS ENDED 31 MARCH 2015**

Unit: RMB 000

| Items  | Three months ended 31 March |                     |
|--|-----------------------------|---------------------|
|  | 2015<br>(unaudited)         | 2014<br>(unaudited) |
| <b>Cash flows from financing activities</b>  |                             |                     |
| Cash received from borrowings  | 12,222,829                  | 14,105,902          |
| <b>Sub-total of cash inflows</b>   | 12,222,829                  | 14,105,902          |
| Cash repayments of borrowings  | -10,941,138                 | -14,144,782         |
| Cash paid for distribution of dividends or profits and interest expenses   | -84,664                     | -76,468             |
| <b>Sub-total of cash outflows</b>  | -11,025,802                 | -14,221,250         |
| <b>Net cash flows used in financing activities ( - to indicate net cash flows generated from financing activities)</b> | 1,197,027                   | -115,348            |
| <b>Effect of foreign exchange rate changes on cash and cash equivalents</b>  | 20                          | 869                 |
| <b>Net increase in cash and cash equivalents</b>   | 42,459                      | 31,827              |
| Add: Cash and cash equivalents at beginning of the period  | 279,198                     | 133,256             |
| <b>Cash and cash equivalents at end of the period</b>  | 321,657                     | 165,083             |

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## COMPANY CASH FLOW STATEMENTS (CONTINUED)

## FOR THE THREE MONTHS ENDED 31 MARCH 2015

Unit: RMB 000

| Items   | Three months ended 31 March |                     |
|---|-----------------------------|---------------------|
|   | 2015<br>(unaudited)         | 2014<br>(unaudited) |
| <b>Cash flows from operating activities</b>   |                             |                     |
| Cash received from sales of goods or rendering of services                                    | 18,412,050                  | 25,697,091          |
| Cash received relating to other operating activities  | 7,021                       | 5,915               |
| <b>Sub-total of cash inflows</b>  | 18,419,071                  | 25,703,006          |
| Cash paid for goods and services  | -14,933,784                 | -22,229,105         |
| Cash paid to and on behalf of employees   | -587,074                    | -566,473            |
| Payments of taxes and surcharges  | -3,845,940                  | -2,523,249          |
| <b>Sub-total of cash outflows</b>   | -19,414,219                 | -25,713,054         |
| <b>Net cash flows (used in)/ generated from operating activities</b>                          | -995,148                    | -10,048             |
| <b>Cash flows from investing activities</b>   |                             |                     |
| Cash received from returns on investments   | 12,500                      |                     |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 558                         | -1,496              |
| Cash received relating to other investing activities  | 7,687                       | 20,851              |
| <b>Sub-total of cash inflows</b>  | 20,745                      | 19,355              |
| Cash paid to acquire fixed assets and other long-term assets                                  | -125,052                    | -220,627            |
| Cash paid to acquire investments  |                             | -11,541             |
| <b>Sub-total of cash outflows</b>   | -125,052                    | -232,168            |
| <b>Net cash flows used in investing activities</b>  | -104,307                    | -212,813            |

**Table of Contents****COMPANY CASH FLOW STATEMENTS (CONTINUED)****FOR THE THREE MONTHS ENDED 31 MARCH 2015**

Unit: RMB 000

| Items   | Three months ended 31 March |                     |
|---|-----------------------------|---------------------|
|   | 2015<br>(unaudited)         | 2014<br>(unaudited) |
| <b>Cash flows from financing activities</b>                                 |                             |                     |
| Cash received from borrowings   | 12,537,858                  | 14,440,902          |
| <b>Sub-total of cash inflows</b>  | 12,537,858                  | 14,440,902          |
| Cash repayments of borrowings   | -11,274,628                 | -14,112,272         |
| Cash paid for distribution of dividends or profits and interest expenses    | -85,116                     | -73,975             |
| <b>Sub-total of cash outflows</b>   | -11,359,744                 | -14,186,247         |
| <b>Net cash flows generated from financing activities</b>                   | 1,178,114                   | 254,655             |
| <b>Effect of foreign exchange rate changes on cash and cash equivalents</b> | 5                           | 2                   |
| <b>Net increase in cash and cash equivalents</b>                            | 78,664                      | 31,796              |
| Add: Cash and cash equivalents at beginning of the period                   | 186,348                     | 78,448              |
| <b>Cash and cash equivalents at end of the period</b>                       | 265,012                     | 110,244             |

By Order of the Board  
**Wang Zhiqing**  
 Chairman

Shanghai, the PRC, 23 April 2015

*As at the date of this announcement, the Executive Directors of the Company are Wang Zhiqing, Wu Haijun, Gao Jinping, Ye Guohua, Jin Qiang and Guo Xiaojun; the Non-executive Directors of the Company are Lei Dianwu and Mo Zhenglin; and the Independent Non-executive Directors of the Company are Shen Liqiang, Jin Mingda, Cai Tingji and Zhang Yimin.*