

SINOPEC SHANGHAI PETROCHEMICAL CO LTD

Form 6-K

April 29, 2010

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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 2010

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)

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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: 29 April, 2010

By: /s/ RONG GUANGDAO
Name: **Rong Guangdao**
Title: **Chairman**

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To: Business Editor

[For Immediate Release]

Shanghai Petrochemical Announces Results for the First Quarter of 2010

Net Profit Rises 445.51% to RMB895 Million

Hong Kong, April 28, 2010 Sinopec Shanghai Petrochemical Company Limited (Shanghai Petrochemical or the Company) (HKEx: 00338; SSE: 600688; NYSE: SHI) announced today the unaudited operating results of the Company and its subsidiaries (the Group) for the three-month period ended March 31, 2010 (the Period).

Under the China Accounting Standards for Business Enterprises, the Group s operating income for the Period amounted to RMB18.739 billion, representing an increase of 106.54% over the corresponding period of the previous year. Operating profit for the Period was RMB1.145 billion, up 683.44% year-on-year. Net profit attributable to equity shareholders of the Company for the Period amounted to RMB895 million, an increase of 445.51% year-on-year. Basic earnings per share was RMB0.124 (1Q 2009: RMB0.023).

Mr. Rong Guangdao, Chairman of Shanghai Petrochemical, said, In the first quarter of 2010, China s macroeconomic situation remained positive, leading to a continued growth in market demand for domestic petroleum and petrochemical products. The Group actively capitalized on market opportunities and maintained the operation of production plants for a long cycle and at full capacity. As such, sales volumes and sales prices increased significantly as compared to the corresponding period of the previous year which in turn led to a strong performance in operating results.

Shanghai Petrochemical is one of the largest petrochemical companies in the PRC and was one of the first Chinese companies to effect a global securities offering. Located at Jinshanwei in the southwest of Shanghai, it is a highly integrated petrochemical complex which processes crude oil into a broad range of products in synthetic fibres, plastics and resins, intermediate petrochemicals and refined oil products.

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This press release contains statements of a forward-looking nature. These statements are made under the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. You can identify these forward-looking statements by terminology such as will, expects, anticipates, future, intends, plans, believes, estimates and similar statements. The accuracy of these statements may be impacted by a number of business risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including risks such as: the risk that the PRC economy may not grow at the same rate in future periods as it has in the last several years, or at all, the risk that the PRC government's implementation of macro-economic control measures to curb over-heating of the PRC economy may adversely affect the company; uncertainty as to global economic growth in future periods; the risk that prices of the Company's raw materials, particularly crude oil, will continue to increase; the risk of not being able to raise the prices of the Company's products as is appropriate thus adversely affecting the Company's profitability; the risk that new marketing and sales strategies may not be effective; the risk that fluctuations in demand for the Company's products may cause the Company to either over-invest or under-invest in production capacity in one or more of its four major product categories; the risk that investments in new technologies and development cycles may not produce the benefits anticipated by management; the risk that the trading price of the Company's shares may decrease for a variety of reasons, some of which may be beyond the control of management; competition in the Company's existing and potential markets; and other risks outlined in the Company's filings with the U.S. Securities and Exchange Commission. The Company does not undertake any obligation to update this forward-looking information, except as required under applicable law.

End

Encl: Consolidated Income Statement (Unaudited)

For further information, please contact:

Ms. Leona Zeng / Ms. Christy Lai

Rikes Hill & Knowlton Limited

Tel: (852) 2520 2201 Fax: (852) 2520 2241

Table of Contents**Sinopec Shanghai Petrochemical Company Limited****Consolidated Income Statement (Unaudited)**

| | For the three-month period ended 31 March | |
|---|--|-------------------------|
| | 2010 RMB 000 | 2009 RMB 000 |
| Operating Income | 18,739,405 | 9,072,948 |
| Less: | | |
| Operating costs | 15,860,056 | 7,469,981 |
| Business taxes and surcharges | 1,268,101 | 892,265 |
| Selling and distribution expenses | 125,493 | 87,642 |
| General and administrative expenses | 469,293 | 466,906 |
| Financial expenses | 64,298 | 111,022 |
| Impairment loss/(reversal) | 839 | (16,767) |
| Add: | | |
| Loss from changes in fair value | | (10,311) |
| Investment income | 194,011 | 94,605 |
| (Including: income from investment in associates and jointly controlled entities) | 194,025 | 39,250 |
| Operating profit | 1,145,336 | 146,193 |
| Add: | | |
| Non-operating income | 6,814 | 96,194 |
| Less: | | |
| Non-operating expenses | 9,887 | 7,803 |
| (Including: Loss from disposal of non-current assets) | 2,772 | 887 |
| Profit before income tax | 1,142,263 | 234,584 |
| Less: | | |
| Income tax | 247,746 | 57,087 |
| Net profit for the period | 894,517 | 177,497 |
| Attributable to: | | |
| Equity shareholders of the Company | 895,015 | 164,071 |
| Minority shareholders | (498) | 13,426 |
| Earnings per share | | |
| Basic and diluted earnings per share | 0.124 | 0.023 |
| Other total comprehensive income | | 13,386 |
| Total comprehensive income | 894,517 | 190,883 |
| Attributable to equity shareholders of the Company | 895,015 | 177,457 |
| Attributable to minority shareholders | (498) | 13,426 |

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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 12th Meeting of the Sixth 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 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The notice for convening the 12th meeting of the sixth session of the board of directors (the Board) (the Meeting) of Sinopec Shanghai Petrochemical Company Limited (the Company) was sent to all directors of the Company (the Directors) on 14 April 2010 by facsimile transmission and mail. The Meeting was held by way of correspondence on 28 April 2010. Of the 12 directors entitled to attend the Meeting, all were in attendance. Members of the supervisory committee and the 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 the Company (Articles of Association). Mr. Rong Guangdao, Chairman, presided over the Meeting. The Board considered and approved the following resolutions:

Resolution 1 The Form 20-F 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 and that the relevant information on the Meeting will also be submitted to the New York Stock Exchange.

Resolution 2 The 2010 first quarterly report was approved with 12 votes in favor, 0 vote against and 0 abstention.

Resolution 3 The resolution on the appointment of Mr. Wu Haijun as Director to fill up the vacancy in the sixth session of the Board was approved with 12 votes in favor, 0 vote against and 0 abstention.

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Mr. Han Zhihao, Director of the sixth session of the Board, submitted on April 28 2010 his request to resign his directorship by reason of his age. In accordance with the Articles of Association, Mr. Han Zhihao's resignation has become effective on April 28 2010 when his resignation was delivered. The Board of the Company is grateful to Mr. Han for the diligence in his work and his contribution to the Company's development while working as director.

The Board of the Company nominated Mr. Wu Haijun as a candidate for Director of the sixth session of the Board and submitted the nomination to the annual general meeting for consideration.

The biography of Mr. Wu Haijun is set out below.

Resolution 4 The appointment of Mr. Zhang Zhiliang as Vice President of the Company was considered and approved with 12 votes in favor, 0 vote against and 0 abstention. Mr. Zhang's appointment will have immediate effect and carries the same term of service as that of President and Vice Presidents of the current session of the Board.

The biography of Mr. Zhang Zhiliang is set out below.

Resolution 5 The proposed amendment to the Articles of Association and its appendices was approved with 12 votes in favor, 0 vote against and 0 abstention. The proposed amendment was agreed to be submitted to the annual general meeting for consideration and a mandate will be granted to the Board of the Company to transact all relevant matters regarding any application, reporting and approval, registration and filing requirements in relation to such amendment to the Articles of Association and its appendices, including making appropriate text revisions in accordance with any revision requests of any relevant PRC approval authorities and the listing rules of any stock exchanges on which the Company's securities are listed.

The proposed amendment to the Articles of Association and its appendices is contained in the shareholder circular of the Company that will be dispatched to holders of H shares, and will be released on the website of the Shanghai Stock Exchange (www.sse.com.cn) together with the Notice of 2009 Annual General Meeting on the same day.

Independent directors Mr. Chen Xinyuan, Mr. Sun Chiping, Mr. Jiang Zhiquan and Mr. Zhou Yunnong expressed no disagreement to Mr. Han Zhihao's departure from directorship, the appointment of Mr. Wu Haijun as Director to fill up the vacancy in the sixth session of the Board or the appointment of Mr. Zhang Zhiliang as Vice President of the Company.

Sinopec Shanghai Petrochemical Company Limited

Shanghai, the PRC, 28 April 2010

As at the date of this announcement, the executive directors of the Company are Rong Guangdao, Du Chongjun, Han Zhihao, Li Honggen, Shi Wei and Dai Jinbao; the non-executive directors of the Company are Lei Dianwu and Xiang Hanyin, and the independent non-executive directors of the Company are Chen Xinyuan, Sun Chiping, Jiang Zhiquan and Zhou Yunnong.

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Biographies of Mr. Wu Haijun and Mr. Zhang Zhiliang

Wu Haijun, aged 47, is Director and President of Shanghai Secco Petrochemical Company Limited. Mr. Wu joined Shanghai Petrochemical Complex (the Complex) in 1984 and held various positions including Deputy Director and Director of the Company's No.2 Chemical Plant as well as manager of the Chemical Division. He was Vice President of the Company from May 1999 to March 2006 and Director of the Company from June 2004 to June 2006. He was manager and Secretary of the Communist Party Committee of the Chemical Sales Branch Office of China Petroleum & Chemical Corporation from December 2005 to March 2008. From December 2005 to April 2010, he was Director of the Chemical Business Department of China Petroleum & Chemical Corporation. In April 2010, he was appointed as Director and President of Shanghai Secco Petrochemical Company Limited (Shanghai Secco). Mr. Wu graduated from the East China Institute of Chemical Technology in 1984, majoring in chemical engineering, and obtained a Bachelor of Engineering degree. In 1997, he obtained an MBA from the China Europe International Business School. He is a senior engineer by professional title. Save as disclosed above, Mr. Wu has no other connected relationships with the Company, the Company's controlling shareholder or de facto controller, and does not hold any of the Company's shares.

Zhang Zhiliang, aged 56, is committee member of the Communist Party Committee of the Company. Mr Zhang joined the Complex in 1977 and held various positions including Deputy Director and Director of the No.1 Chemical Plant of the Complex, as well as assistant manager and manager of the Company's Refining and Chemical Division. He was Vice President of the Company from April 1997 to March 2006. He was Director of the Company from June 1997 to June 2003. He was Director of Shanghai Secco from November 2002 to April 2010, and Vice President of Shanghai Secco from January 2006 to November 2006. He was President of Shanghai Secco from November 2006 to April 2010. In April 2010, he was appointed as committee member of the Communist Party Committee of the Company. Mr. Zhang graduated from Fudan University in 1977, majoring in high molecular chemistry. He graduated from Shanghai No.2 Industrial University in 1999, majoring in Applied Computer Management. He is a senior cadre of professorate rank. Save as disclosed above, Mr. Zhang has no other connected relationships with the Company, the Company's controlling shareholder or de facto controller, and does not hold any of the Company's shares.

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

(Stock Code: 00338)

2010 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 Rule 13.09(1) 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) as well as its directors, supervisors and senior management warrant that there are no false representations or misleading statements contained in, or material omissions from, the 2010 first quarterly report, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the information contained in the 2010 first quarterly report.
- 1.2 All of the Company's directors attended the Board meeting convened on 28 April 2010 to approve the 2010 first quarterly report.
- 1.3 The financial statements of the Company's 2010 first quarterly report were unaudited.
- 1.4 Mr. Rong Guangdao, Chairman and President of the Company, Mr. Ye Guohua, Chief Financial Officer overseeing the accounting operations and Mr. Zhou Meiyun, Finance Manager and person-in-charge (Accounting Chief) hereby warrant the truthfulness and completeness of the financial report contained in the 2010 first quarterly report.

§2 BASIC INFORMATION OF THE COMPANY

2.1 Major Accounting Data and Financial Indicators

Currency: RMB

| | As at the end of the reporting period (31 March 2010) | As at the end of the previous year (31 December 2009) | Increase/(decrease) as compared to the end of the previous year (%) |
|------------------------|--|--|--|
| Total assets (RMB 000) | 31,008,215 | 30,458,322 | 1.805 |

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| | | | |
|--|------------|------------|-------|
| Equity attributable to equity shareholders of the Company (RMB 000) | 16,242,068 | 15,346,073 | 5.839 |
| Net asset value per share attributable to equity shareholders of the Company (RMB) | 2.256 | 2.131 | 5.839 |

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| | From the beginning of the year to the end of the reporting period (January 2010 to March 2010) | Increase/(decrease) as compared to the corresponding period of the previous year (%) |
|--|--|--|
| Net cash flow from operating activities (RMB 000) | (335,612) | (118.679) |
| Net cash flow per share from operating activities (RMB) | (0.047) | (118.679) |

| | The reporting period (January 2010 to March 2010) | From the beginning of the year to the end of the reporting period (January 2010 to March 2010) | Increase/(decrease) as compared to the corresponding period of the previous year (%) |
|--|---|--|--|
| Net profit attributable to equity shareholders of the Company (RMB 000) | 895,015 | 895,015 | 445.505 |
| Basic earnings per share (RMB) | 0.124 | 0.124 | 445.505 |
| Basic earnings per share excluding non-recurring items (RMB) | 0.125 | 0.125 | 1,150.000 |
| Diluted earnings per share (RMB) | 0.124 | 0.124 | 445.505 |
| Fully diluted return on net assets (%) | 5.510 | 5.510 | Increased by 4.340 percentage points |
| Fully diluted return on net assets excluding non-recurring items (%) | 5.524 | 5.524 | Increased by 5.016 percentage points |

Excluding non-recurring items and amount:

| | From the beginning of the year to the end of the reporting period (January 2010 to March 2010) (RMB 000) |
|---|--|
| Non-recurring items | |
| Net loss from disposal of non-current assets | (2,509) |
| Employee reduction expenses | (699) |
| Government grants accounted for 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 |
| Interest income from entrusted loan | 563 |
| Other non-operating income and expenses other than those mentioned above | (3,064) |
| Income tax effect | 802 |
| Effect due to minority shareholders equity (after tax) | 186 |
| Total | (2,221) |

Table of Contents**2.2 Number of shareholders as at 31 March 2010 and shareholding of the top ten shareholders of shares in circulation**

Total number of shareholders as at 31 March 2010 114,814

Shareholding of the top ten shareholders of shares in circulation

| Name of shareholder | Number of shares in circulation | | Type of shares |
|---|------------------------------------|--|---------------------------------|
| | held as at 31 March 2010 | | |
| HKSCC (Nominees) Ltd. | 2,300,402,101 | | Overseas listed foreign shares |
| China Minsheng Banking Corp., Ltd. Orient Selected Mixed Open-end Securities Investment Fund | 54,800,000 | | RMB-denominated ordinary shares |
| China Construction Bank CIFM China Advantage Fund | 37,679,485 | | RMB-denominated ordinary shares |
| Bank of China-Harvest Steady and Open Securities Investment Fund | 27,863,884 | | RMB-denominated ordinary shares |
| Bank of China-Harvest Income Growth Securities Investment Fund] | 17,994,280 | | RMB-denominated ordinary shares |
| China Life Insurance Company Limited Dividend Individual Dividend 005L FH002 Shanghai | 13,844,819 | | RMB-denominated ordinary shares |
| China Life Insurance Company Limited Traditional Ordinary Insurance Product 005L CT001 Shanghai | 13,678,194 | | RMB-denominated ordinary shares |
| China Life Insurance (Group) Company Limited Traditional General Insurance Products | 9,406,740 | | RMB-denominated ordinary shares |
| Bank Of China Limited Harvest Research Selective Equity Securities Investment Fund | 7,791,741 | | RMB-denominated ordinary shares |
| Bank of China Harvest Shanghai and Shenzhen 300 Index Securities Investment Fund | 6,244,342 | | RMB-denominated ordinary shares |

Table of Contents**§3 IMPORTANT ITEMS****3.1 Situation and reasons for the significant changes in the items of accounting statements and financial indicators of the Company***Unit: RMB 000*

| Item | For the three months | | Increase/ (decrease) amount | Change (%) | Reason for change |
|---|---------------------------|-----------|-----------------------------------|---------------|---|
| | ended 31 March 2010 | 2009 | | | |
| Operating income | 18,739,405 | 9,072,948 | 9,666,457 | 106.54 | Sales volumes and sales prices for the three months ended 31 March 2010 increased significantly as compared to the corresponding period of the previous year. |
| Operating profit | 1,145,336 | 146,193 | 999,143 | 683.44 | Sales volumes for the three months ended 31 |
| Profit before income tax | 1,142,263 | 234,584 | 907,679 | 386.93 | March 2010 increased significantly as |
| Net profit for the period | 894,517 | 177,497 | 717,020 | 403.96 | compared to the corresponding period of the |
| Net profit attributable to equity shareholders of the Company | 895,015 | 164,071 | 730,944 | 445.51 | previous year, which led to a strong performance in operating results. |
| Total comprehensive income | 894,517 | 190,883 | 703,634 | 368.62 | |
| Total comprehensive income attributable to equity shareholders of the Company | 895,015 | 177,457 | 717,558 | 404.36 | |
| Operating costs | 15,860,056 | 7,469,981 | 8,390,075 | 112.32 | For the three months ended 31 March 2010, cost of crude oil and products sales volume increased significantly as compared to the corresponding period of the previous year. |
| Business taxes and surcharges | 1,268,101 | 892,265 | 375,836 | 42.12 | Sales volume of petroleum products increased. |
| Selling and distribution expenses | 125,493 | 87,642 | 37,851 | 43.19 | With increased sales, selling and distribution expense increased correspondingly. |
| Investment income | 194,011 | 94,605 | 99,406 | 105.07 | Under equity accounting method, investment income from share of the profits of associates increased. |
| Income tax | 247,746 | 57,087 | 190,659 | 333.98 | With strong performance in operating results, income tax increased correspondingly. |

3.2 Implementation of dividend policy during the reporting period

The 2009 profit distribution plan was passed at the 11th meeting of the sixth session of the Board meeting held on 26 March 2010. Based on the total share capital of 7.2 billion shares as at 31 December 2009, a dividend of RMB0.30 (tax inclusive) per 10 shares is distributed. The distribution plan is subject to the approval by the Company's 2009 annual general meeting.

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As at 31 March 2010

| | 31 March 2010 RMB 000 (unaudited) | 31 December 2009 RMB 000 (audited) |
|---|---|--|
| Assets | | |
| Current assets | | |
| Cash at bank and on hand | 212,815 | 125,917 |
| Bills receivable | 1,266,261 | 603,701 |
| Accounts receivable | 878,498 | 534,948 |
| Prepayments | 448,330 | 127,568 |
| Dividends receivable | 1,225 | |
| Other receivables | 68,924 | 85,457 |
| Inventories | 7,169,680 | 6,883,834 |
| Other current assets | 4,606 | 700,000 |
| Total current assets | 10,050,339 | 9,061,425 |
| Non-current assets | | |
| Long-term receivables | 100,000 | 100,000 |
| Long-term equity investments | 3,157,445 | 2,969,646 |
| Investment property | 475,933 | 479,247 |
| Fixed assets | 14,817,909 | 15,205,731 |
| Construction in progress | 407,635 | 363,646 |
| Intangible assets | 552,279 | 557,172 |
| Long-term deferred expenses | 182,560 | 212,325 |
| Deferred tax assets | 1,264,115 | 1,509,130 |
| Total non-current assets | 20,957,876 | 21,396,897 |
| Total assets | 31,008,215 | 30,458,322 |
| Liabilities and Shareholders equity | | |
| Current liabilities | | |
| Short-term loans | 7,714,596 | 6,700,398 |
| Bills payable | 976,634 | 722,271 |
| Accounts payable | 3,522,030 | 3,664,996 |
| Advances from customers | 437,091 | 529,282 |
| Employee benefits payable | 26,043 | 27,674 |
| Taxes payable | 498,823 | 635,930 |
| Interest payable | 7,790 | 20,155 |
| Other payables | 676,202 | 903,944 |
| Short-term debentures payable | | 1,000,000 |
| Non-current liabilities due within one year | 74,275 | 74,275 |
| Total current liabilities | 13,933,484 | 14,278,925 |
| Non-current liabilities | | |
| Long-term loans | 304,258 | 304,258 |

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| | | |
|--|-------------------|-------------------|
| Other non-current liabilities | 238,211 | 234,781 |
| Total non-current liabilities | 542,469 | 539,039 |
| Total liabilities | 14,475,953 | 14,817,964 |
| Shareholders' equity | | |
| Share capital | 7,200,000 | 7,200,000 |
| Specific reserve* | 980 | |
| Capital reserve | 2,882,278 | 2,882,278 |
| Surplus reserve | 4,801,766 | 4,801,766 |
| Retained earnings | 1,357,044 | 462,029 |
| Total equity attributable to equity shareholders of the Company | 16,242,068 | 15,346,073 |
| Minority interests | 290,194 | 294,285 |
| Total equity | 16,532,262 | 15,640,358 |
| Total liabilities and shareholders' equity | 31,008,215 | 30,458,322 |

* Specific reserve represents safety fees accrued in accordance to national regulations.

Table of Contents**Balance Sheet (unaudited)**

As at 31 March 2010

| | 31 March 2010 RMB 000 (unaudited) | 31 December 2009 RMB 000 (audited) |
|--|---|--|
| Assets | | |
| Current assets | | |
| Cash at bank and on hand | 129,492 | 101,076 |
| Bills receivable | 1,086,044 | 542,739 |
| Accounts receivable | 772,998 | 432,686 |
| Prepayments | 446,330 | 125,419 |
| Other receivables | 30,007 | 49,270 |
| Inventories | 6,912,204 | 6,658,450 |
| Other current assets | 4,606 | 700,000 |
| Total current assets | 9,381,681 | 8,609,640 |
| Non-current assets | | |
| Long-term equity investments | 4,225,084 | 4,035,372 |
| Investment property | 535,752 | 539,482 |
| Fixed assets | 14,157,475 | 14,541,119 |
| Construction in progress | 407,367 | 353,637 |
| Intangible assets | 442,191 | 445,450 |
| Long-term deferred expenses | 181,060 | 210,575 |
| Deferred tax assets | 1,263,754 | 1,508,769 |
| Total non-current assets | 21,212,683 | 21,634,404 |
| Total assets | 30,594,364 | 30,244,044 |
| Liabilities and Shareholders equity | | |
| Current liabilities | | |
| Short-term loans | 7,416,196 | 6,424,998 |
| Bills payable | 1,000,821 | 878,105 |
| Accounts payables | 3,144,887 | 3,350,364 |
| Advances from customers | 398,236 | 513,071 |
| Employee benefits payable | 22,845 | 24,118 |
| Taxes payable | 497,491 | 627,964 |
| Interest payable | 7,790 | 20,155 |
| Other payables | 1,302,319 | 1,518,220 |
| Short-term debentures payable | | 1,000,000 |
| Total current liabilities | 13,790,585 | 14,356,995 |
| Non-current liabilities | | |
| Long-term loans | 450,000 | 450,000 |
| Other non-current liabilities | 238,211 | 234,781 |
| Total non-current liabilities | 688,211 | 684,781 |
| Total liabilities | 14,478,796 | 15,041,776 |

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| | | |
|--|------------|------------|
| Shareholders' equity | | |
| Share capital | 7,200,000 | 7,200,000 |
| Specific reserve* | 980 | |
| Capital reserve | 2,882,278 | 2,882,278 |
| Surplus reserve | 4,801,766 | 4,801,766 |
| Retained earnings | 1,230,544 | 318,224 |
| Total equity | 16,115,568 | 15,202,268 |
| Total liabilities and shareholders' equity | 30,594,364 | 30,244,044 |

* Specific reserve represents safety fees accrued in accordance to national regulations.

Table of Contents**Consolidated Income Statements (unaudited)**

For the three months ended 31 March 2010

| | 2010 RMB 000 (unaudited) | 2009 RMB 000 (unaudited) |
|---|--------------------------------|--------------------------------|
| Operating income | 18,739,405 | 9,072,948 |
| Less: Operating costs | 15,860,056 | 7,469,981 |
| Business taxes and surcharges | 1,268,101 | 892,265 |
| Selling and distribution expenses | 125,493 | 87,642 |
| General and administrative expenses | 469,293 | 466,906 |
| Financial expenses | 64,298 | 111,022 |
| Impairment loss/(reversal) | 839 | (16,767) |
| Add: Loss from changes in fair value | | (10,311) |
| Investment income | 194,011 | 94,605 |
| (Including: income from investment in associates and jointly controlled entities) | 194,025 | 39,250 |
| Operating profit | 1,145,336 | 146,193 |
| Add: Non-operating income | 6,814 | 96,194 |
| Less: Non-operating expenses | 9,887 | 7,803 |
| (Including: losses from disposal of non-current assets) | 2,772 | 887 |
| Profit before income tax | 1,142,263 | 234,584 |
| Less: Income tax | 247,746 | 57,087 |
| Net profit for the period | 894,517 | 177,497 |
| Attributable to: | | |
| Equity shareholders of the Company | 895,015 | 164,071 |
| Minority shareholders | (498) | 13,426 |
| Earnings per share: | | |
| Basic and diluted earnings per share | 0.124 | 0.023 |
| Other total comprehensive income | | 13,386 |
| Total comprehensive income | 894,517 | 190,883 |
| Attributable to equity shareholders of the Company | 895,015 | 177,457 |
| Attributable to minority shareholders | (498) | 13,426 |

Table of Contents**Income Statements (unaudited)**

For the three months ended 31 March 2010

| | 2010 | 2009 |
|---|-------------|-------------|
| | RMB 000 | RMB 000 |
| | (unaudited) | (unaudited) |
| Operating income | 16,448,477 | 7,913,698 |
| Less: Operating costs | 13,616,456 | 6,385,891 |
| Business taxes and surcharges | 1,267,471 | 891,656 |
| Selling and distribution expenses | 104,320 | 68,861 |
| General and administrative expenses | 436,992 | 412,719 |
| Financial expenses | 60,785 | 105,444 |
| Impairment loss/(reversal) | | (11,609) |
| Add: Loss from changes in fair value | | (10,311) |
| Investment income | 197,118 | 75,405 |
| (Including: income from investment in associates and jointly controlled entities) | 189,712 | 35,682 |
| Operating profit | 1,159,571 | 125,830 |
| Add: Non-operating income | 6,691 | 95,813 |
| Less: Non-operating expenses | 8,927 | 7,668 |
| (Including: losses from disposal of non-current assets) | 1,872 | 816 |
| Profit before income tax | 1,157,335 | 213,975 |
| Less: Income tax | 245,015 | 44,573 |
| Net profit for the period | 912,320 | 169,402 |
| Other total comprehensive income for the period | | 22,155 |
| Total comprehensive income | 912,320 | 191,557 |

Table of Contents**Consolidated Cash Flow Statement (unaudited)****For the three months ended 31 March 2010**

| | 2010 RMB 000 (Unaudited) | 2009 RMB 000 (Unaudited) |
|---|--------------------------------|--------------------------------|
| Cash flows from operating activities: | | |
| Cash received from sale of goods and rendering of services | 20,944,180 | 10,211,546 |
| Other cash received relating to operating activities | 4,051 | 1,144 |
| Sub-total of cash inflows from operating activities | 20,948,231 | 10,212,690 |
| Cash paid for goods and services | (18,607,269) | (7,372,278) |
| Cash paid to and for employees | (397,974) | (393,897) |
| Cash paid for all types of taxes | (2,203,484) | (583,443) |
| Other cash paid relating to operating activities | (75,116) | (66,313) |
| Sub-total of cash outflows from operating activities | (21,283,843) | (8,415,931) |
| Net cash (outflow)/inflow from operating activities | (335,612) | 1,796,759 |
| Cash flows from investing activities: | | |
| Cash received from disposal of investments | 700,000 | 57,572 |
| Cash received from investment income | 4,987 | |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 1,047 | 95,555 |
| Other cash received relating to investing activities | 6,979 | 4,487 |
| Sub-total of cash inflows from investing activities | 713,013 | 157,614 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | (221,636) | (557,854) |
| Sub-total of cash outflows from investing activities | (221,636) | (557,854) |
| Net cash inflow/(outflow) from investing activities | 491,377 | (400,240) |
| Cash flows from financing activities: | | |
| Cash received from borrowings | 11,823,830 | 4,664,330 |
| Sub-total of cash inflows from financing activities | 11,823,830 | 4,664,330 |
| Cash repayments of borrowings | (11,810,620) | (5,909,830) |
| Cash paid for dividends, profits distribution and interest | (82,032) | (126,489) |
| Sub-total of cash outflows from financing activities | (11,892,652) | (6,036,319) |
| Net cash outflow from financing activities | (68,822) | (1,371,989) |
| Effect of foreign exchange rate changes on cash and cash equivalents | (45) | (65) |
| Net increase in cash and cash equivalents | 86,898 | 24,465 |
| Add: Cash and cash equivalents at the beginning of the period | 125,917 | 627,685 |
| Cash and cash equivalents at the end of the period | 212,815 | 652,150 |

Table of Contents**Cash Flow Statement (unaudited)****For the three months ended 31 March 2010**

| | 2010 RMB 000 (Unaudited) | 2009 RMB 000 (Unaudited) |
|---|--------------------------------|--------------------------------|
| Cash flows from operating activities: | | |
| Cash received from sale of goods and rendering of services | 18,238,605 | 8,890,076 |
| Other cash received relating to operating activities | 3,928 | 775 |
| Sub-total of cash inflows from operating activities | 18,242,533 | 8,890,851 |
| Cash paid for goods and services | (16,034,085) | (6,231,075) |
| Cash paid to and for employees | (368,189) | (342,206) |
| Cash paid for all types of taxes | (2,164,587) | (577,564) |
| Other cash paid relating to operating activities | (52,586) | (46,164) |
| Sub-total of cash outflows from operating activities | (18,619,447) | (7,197,009) |
| Net cash (outflow)/inflow from operating activities | (376,914) | 1,693,842 |
| Cash flows from investing activities: | | |
| Cash received from disposal of investments | 700,000 | 41,041 |
| Cash received from investment income | 7,406 | |
| Net cash received from disposal of fixed assets, intangible assets and other long-term assets | 971 | 95,613 |
| Other cash received relating to investing activities | 4,956 | 2,935 |
| Sub-total of cash inflows from investing activities | 713,333 | 139,589 |
| Cash paid for acquisition of fixed assets, intangible assets and other long-term assets | (221,554) | (557,341) |
| Sub-total of cash outflows from investing activities | (221,554) | (557,341) |
| Net cash inflow/(outflow) from investing activities | 491,779 | (417,752) |
| Cash flows from financing activities: | | |
| Cash received from borrowings | 11,790,830 | 4,623,821 |
| Sub-total of cash inflows from financing activities | 11,790,830 | 4,623,821 |
| Cash repayments of borrowings | (11,800,409) | (5,829,186) |
| Cash paid for dividends, profits distribution and interest | (76,826) | (121,168) |
| Sub-total of cash outflows from financing activities | (11,877,235) | (5,950,354) |
| Net cashflow from financing activities | (86,405) | (1,326,533) |
| Effect of foreign exchange rate changes on cash and cash equivalents | (44) | (65) |
| Net increase/(decrease) in cash and cash equivalents | 28,416 | (50,508) |
| Add: Cash and cash equivalents at the beginning of the period | 101,076 | 294,786 |
| Cash and cash equivalents at the end of the period | 129,492 | 244,278 |

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By order of the Board

Rong Guangdao

Chairman

Shanghai, the PRC, 28 April 2010

As at the date of this announcement, the executive directors of the Company are Rong Guangdao, Du Chongjun, Han Zhihao, Li Honggen, Shi Wei and Dai Jinbao; the non-executive directors of the Company are Lei Dianwu and Xiang Hanyin, and the independent non-executive directors of the Company are Chen Xinyuan, Sun Chiping, Jiang Zhiquan and Zhou Yunnong.