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中国石油化工股份有限公司

**CHINA PETROLEUM & CHEMICAL CORPORATION**

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

**(Stock Code: 00386)**

### **ESTIMATED INCREASE IN PROFIT FOR THE FIRST HALF OF 2021**

This announcement is made pursuant to the Inside Information Provision under Part XIVA of the Securities and Futures Ordinance and Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board and all directors of Sinopec Corp. warrant that there are no false representations, misleading statements or material omissions contained in this announcement and severally and jointly accept full responsibility for the authenticity, accuracy and completeness of the information contained herein.

#### **Important Notice:**

- Under the PRC Accounting Standards for Business Enterprises, the net profit attributable to equity shareholders of the Company for the first half of 2021 is estimated to be between RMB36.5 billion and RMB38.5 billion.
- Under the PRC Accounting Standards for Business Enterprises, the net profit attributable to equity shareholders of the Company excluding extraordinary gains and losses for the first half of 2021 is estimated to be between RMB35.7 billion and RMB37.7 billion.

#### **1. The estimated results for the period**

(1) The period of estimated results

From 1 January 2021 to 30 June 2021

(2) The estimated results

According to the preliminary calculation, under the PRC Accounting Standards for Business Enterprises, the net profit attributable to equity shareholders of China Petroleum & Chemical Corporation (“**Sinopec Corp.**” or the “**Company**”) for the first half of 2021 is estimated to be between RMB36.5 billion and RMB38.5 billion,

representing a turnaround from loss to profit and an increase between RMB59.4 billion and RMB61.4 billion as compared with the corresponding period in 2020, and representing an estimated increase between 16.6% and 23.0% as compared with the corresponding period of 2019. The net profit attributable to equity shareholders of the Company excluding extraordinary gains and losses for the first half of 2021 is estimated to be between RMB35.7 billion and RMB37.7 billion, representing a turnaround from loss to profit and an increase between RMB60.1 billion and RMB62.1 billion as compared with the corresponding period in 2020, and representing an estimated increase between 17.0% and 23.6% as compared with the corresponding period of 2019.

(3) The above estimated results are not audited by the auditors.

## 2. Disclosed results for the corresponding periods

Items	First Half of 2020	First Half of 2019
Net profit attributable to equity shareholders of the Company (RMB billion)	-22.9	31.3
Net profit attributable to equity shareholders of the Company excluding extraordinary gains and losses (RMB billion)	-24.4	30.5
Basic earnings per share (RMB)	-0.189	0.259

Note: The above data have not been adjusted retrospectively.

## 3. Major reasons for the estimated increase in profit for the period

At the beginning of 2020, due to the dual impact of the COVID-19 epidemic and the plunge in oil prices, the global consumption of petroleum and petrochemical products shrunk sharply, greatly impacting the Company's production and operation and resulting in operating loss in the first half of 2020. In the first half of 2021, the Company's operating performance improved significantly on year-on-year basis, achieving better growth as compared with the corresponding period in 2019. The major reasons are as follows: Since the beginning of the current year, with the global epidemic situation improving in general, the international crude oil prices have appeared upwards trend. The achievements arising from coordination of domestic epidemic prevention and control and economic and social development have continued to be consolidated, and the market demand for petroleum and petrochemical products recovered rapidly. The Company seized the favourable opportunity to reduce procurement costs, optimise production and operation, vigorously expand the market and sales volume, and promote the overall efficiency of the industrial chain. The operation of all our business segments have been greatly improved, thereby achieving good performance.

## 4. Risk alert

There are no major uncertainties which will affect the accuracy of this estimated result of the Company.

## 5. Other information

The above estimated data are only based on preliminary calculation. Final financial information in the interim report for the first half of 2021 to be formally published by the Company shall prevail. Investors of the Company are advised to exercise caution when dealing in securities of the Company.

By Order of the Board  
**China Petroleum & Chemical Corporation**  
**Huang Wensheng**  
*Vice President and Secretary to the Board of Directors*

Beijing, PRC  
1 July 2021

*As of the date of this announcement, directors of the Company are: Zhang Yuzhuo\*, Ma Yongsheng#, Zhao Dong\*, Yu Baocai#, Liu Hongbin#, Ling Yiqun#, Li Yonglin#, Cai Hongbin+, Ng, Kar Ling Johnny+, Shi Dan+ and Bi Mingjian+.*

*# Executive Director*

*\* Non-executive Director*

*+ Independent Non-executive Director*