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

**( H Shares Stock Code: 00317 )**

## **ANNOUNCEMENT ON THE ESTIMATED POSITIVE PROFIT ALERT FOR THE ANNUAL RESULT OF 2020**

This announcement is made by CSSC Offshore & Marine Engineering (Group) Company Limited (the “Company”) pursuant to the requirement of Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) for the purpose of providing shareholders of the Company and the public with the financial information of the Company. This announcement is also published in accordance with Rule 13.10B of the Listing Rules as it is also published on the Shanghai Stock Exchange.

The estimated data stated in this announcement is only the preliminary accounting data of the financial department of the Company. Please refer to the audited 2020 annual report to be officially disclosed by the Company for specific and accurate financial information. Investors are reminded to exercise caution when making investment decisions.

The board of directors and all directors of the Company hereby warrant that the contents of this announcement do not contain any false representation, misleading statement or material omission, and accept full responsibility, individually and jointly, for the truthfulness, accuracy and completeness of the information contained in this announcement.

### **I. ESTIMATED RESULTS FOR THE CURRENT PERIOD**

(I) Period covered by the estimated results

From 1 January 2020 to 31 December 2020.

(II) Estimated results

1. Based on the preliminary estimation by the financial department of the Company, it is estimated that the Company will record net profit attributable to shareholders of the

Company between RMB3,400 million and RMB3,900 million, an increase by between RMB2,850 million to RMB3,350 million compared with the corresponding period of the previous year, with a year-to-year increase between 520.08% and 611.26%.

2. The Company's net profit attributable to shareholders of the Company, net of non-recurring gains and losses, is between RMB-340 million and RMB-170 million in 2020, it is estimated to reduce losses from RMB680 million to RMB850 million compared with the corresponding period of the previous year.

## **II. RESULTS OF THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR**

(I) The net profit attributable to shareholders of the Company: RMB548 million. The net profit attributable to shareholders of the Company, net of non-recurring gains and losses: RMB-1,017 million.

(II) The earnings per share: RMB0.3879.

## **III. MAIN REASONS FOR THE ESTIMATED POSITIVE PROFIT FOR THE CURRENT PERIOD**

(I) Non-operating profit or loss. Gains on re-measurement of remaining equity interest upon the income from the disposal of part of the equity of Guangzhou Shipyard International Company Limited and loss of control at fair value amounted to RMB3,390 million, and investment income from disposal of the equity of CSSC Chengxi Yangzhou Shipbuilding Company Limited amounted to RMB323 million.

(II) Impact of accounting treatment. After disposing part of the equity of Guangzhou Shipyard International Company Limited and loss of control during the current period, Guangzhou Shipyard International Company Limited is no longer included in the scope of consolidated financial statement of CSSC since 1 March 2020.

## **IV. RISK WARNING**

The estimated positive profit of the Company has not been audited by a certified accountant, and the certified accountant has not issued a special statement on whether the increase on the Company's current performance is appropriate and prudent. The Company has no material uncertain factor that may affect the accuracy of the contents of these estimated results.

## **V. OTHER MATTERS**

The estimated data above is only the preliminary accounting data. Please refer to the audited 2020 annual report to be officially disclosed by the Company for specific and

accurate financial information. Investors are reminded to exercise caution when making investment decisions.

By order of the Board  
**CSSC Offshore & Marine Engineering (Group) Company Limited**  
Li Zhidong  
Company Secretary

Guangzhou, 26 January 2021

*As at the date of this announcement, the Board comprises ten Directors, namely executive Directors Mr. Han Guangde, Mr. Chen Liping and Mr. Xiang Huiming, non-executive Directors Mr. Chen Zhongqian, Mr. Chen Ji and Mr. Gu Yuan and independent non-executive Directors Mr. Yu Shiyong, Mr. Lin Bin, Mr. Nie Wei and Mr. Li Zhijian.*