



北京2022年冬奥会官方合作伙伴  
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# China Petroleum & Chemical Corporation 1Q 2022 Results Announcement

April 28 2022



中国石油化工股份有限公司  
SINOPEC CORP.

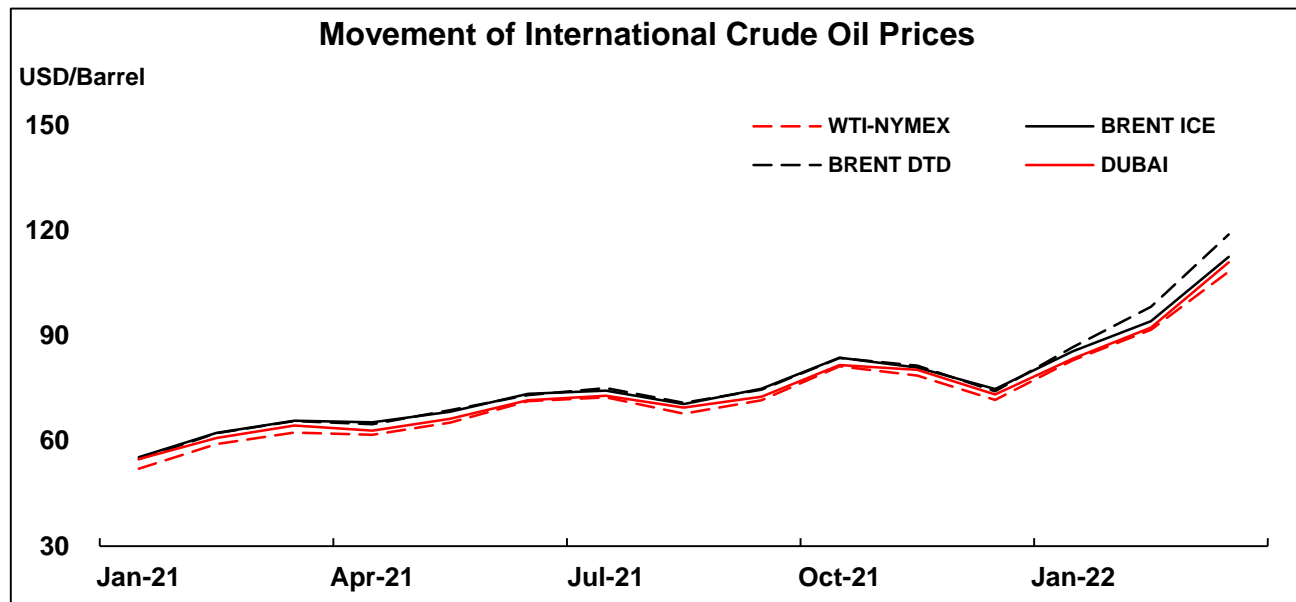
# Cautionary Statement

Financial data of the first quarter contained in the presentation and presentation materials are unaudited.

This presentation and the presentation materials distributed herein include forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments that Sinopec Corp. expects or anticipates will or may occur in the future (including but not limited to projections, targets, estimates and business plans) are forward-looking statements. Sinopec Corp.'s actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to price fluctuations, actual demand, exchange rate fluctuations, exploration and development outcomes, estimates of proved reserves, competition, environmental risks, changes in legal, financial and regulatory frameworks, international economic and financial market conditions, political risks, project delay, project approval, cost estimates and other risks and factors beyond our control. In addition, Sinopec Corp. makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements.

# Market Environment in 1Q 2022

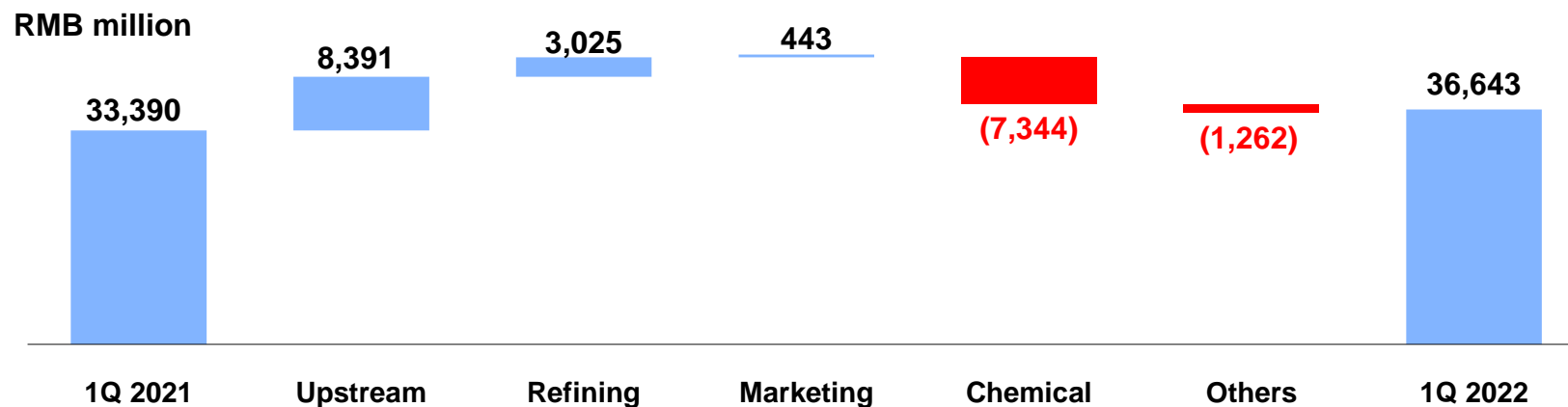
- China's major economic indicators kept within the appropriate range
  - ◆ GDP grew by 4.8% YoY
- International oil prices increased sharply
- Domestic demand for natural gas, refined oil products and chemical products maintained growth



# Strong Profitability

| RMB million  | 1Q 2020  | 1Q 2021 | 1Q 2022 | YoY Change % |
|--|----------|---------|---------|--------------|
| Turnover and Other Revenues                        | 554,482  | 576,559 | 771,386 | 33.8         |
| EBIT   | (25,932) | 33,390  | 36,643  | 9.7          |
| Profit Attributable to Shareholders of the Company | (19,229) | 18,774  | 23,338  | 24.3         |
| EPS(RMB)   | (0.159)  | 0.155   | 0.193   | 24.5         |

## Y o Y Change in EBIT



Note: changes in others includes the decrease of RMB 2,070 million in elimination of inter-segment

# Stable Financial Position

| RMB million   | As of Dec. 31, 2021 | As of Mar. 31, 2022 |
|---|---------------------|---------------------|
| <b>Total Assets</b>                                       | <b>1,889,255</b>    | <b>2,014,107</b>    |
| <b>Short-term Interest-bearing Debt</b>                   | <b>38,125</b>       | <b>87,544</b>       |
| <b>Long-term Interest-bearing Debt</b>                    | <b>91,990</b>       | <b>106,802</b>      |
| <b>Total Equity Attributable to owners of the Company</b> | <b>774,182</b>      | <b>793,396</b>      |
| <b>Liability to Asset Ratio (%)</b>                       | <b>51.56</b>        | <b>53.59</b>        |

# Cash Flow

| RMB million   | 1Q 2020  | 1Q 2021  | 1Q 2022  | YoY Change % |
|---|----------|----------|----------|--------------|
| Net Cash Generated from/ (Used in) Operating Activities | (67,970) | (15,188) | (46,781) | -            |
| Net Cash Generated from/ (Used in) Investing Activities | (14,548) | (24,214) | (38,080) | -            |
| Net Cash Generated from/ (Used in) Financing Activities | 97,658   | 50,886   | 58,780   | 15.5         |

| RMB million  | As of Dec. 31, 2021 | As of Mar. 31, 2022 | Change % |
|--|---------------------|---------------------|----------|
| Cash and Cash Equivalents<br>(Incl. Time Deposits) | 221,989             | 187,320             | (15.6)   |

# Upstream – Positive Progress in Maintaining Oil Production, Increasing Gas Output and Improving Profitability

- Promoted high-quality exploration
- Enhanced profit-oriented development , and accelerated capacity building of key oil & gas projects
- Reinforced optimization of natural gas value chain, and improved performance

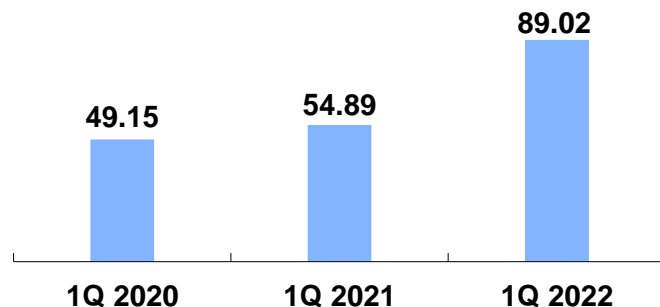
|                                      | 1Q 2020       | 1Q 2021       | 1Q 2022       | YoY Change % |
|--------------------------------------|---------------|---------------|---------------|--------------|
| <b>Oil and Gas Production(mmboe)</b> | <b>112.28</b> | <b>117.03</b> | <b>121.41</b> | <b>3.7</b>   |
| <b>Crude Oil Production(mmbbl)</b>   | <b>70.65</b>  | <b>68.41</b>  | <b>69.07</b>  | <b>1.0</b>   |
| <b>China</b>                         | <b>62.11</b>  | <b>61.23</b>  | <b>61.60</b>  | <b>0.6</b>   |
| <b>Overseas</b>                      | <b>8.54</b>   | <b>7.18</b>   | <b>7.47</b>   | <b>4.0</b>   |
| <b>Natural Gas Production(bcf)</b>   | <b>249.68</b> | <b>291.60</b> | <b>313.94</b> | <b>7.7</b>   |

\* 1 tonne=7.1 bbls for domestic crude oil production; 1 tonne=7.26 bbls for overseas crude oil production; 1 cubic meter=35.31 cubic feet for natural gas production.

# Upstream – Significant Improvement in Profitability

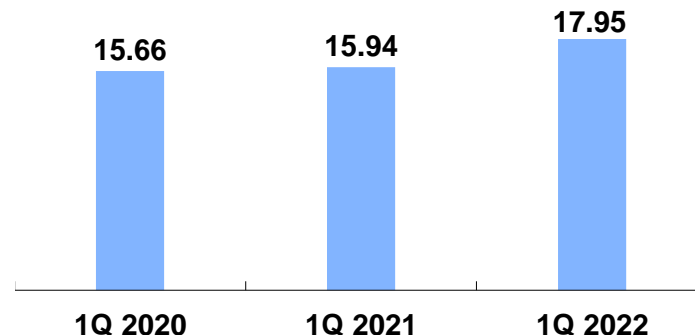
## Realised Price of Crude Oil

USD/bbl



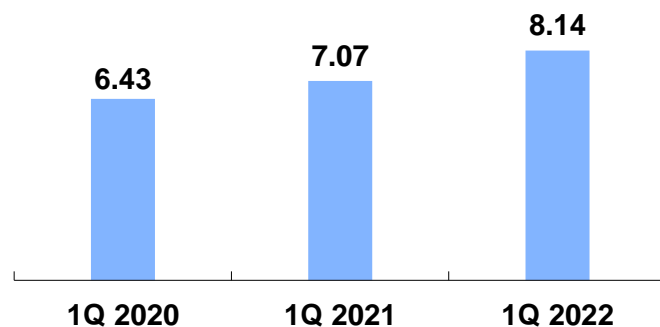
## Lifting cost

USD/bbl



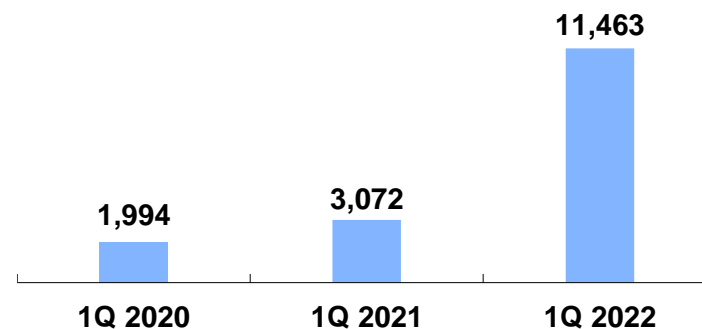
## Realised Price of Natural Gas

USD/thousand cubic feet



## Upstream EBIT

RMB Million



\* 1Q2022 USD 1=RMB 6.3504; 1Q2021 USD 1=RMB 6.4844



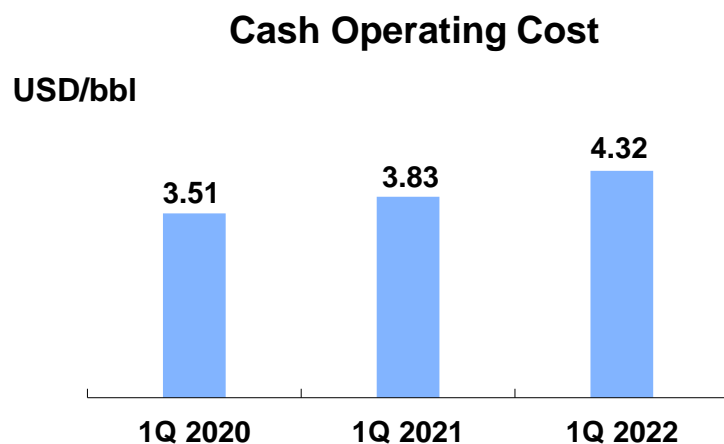
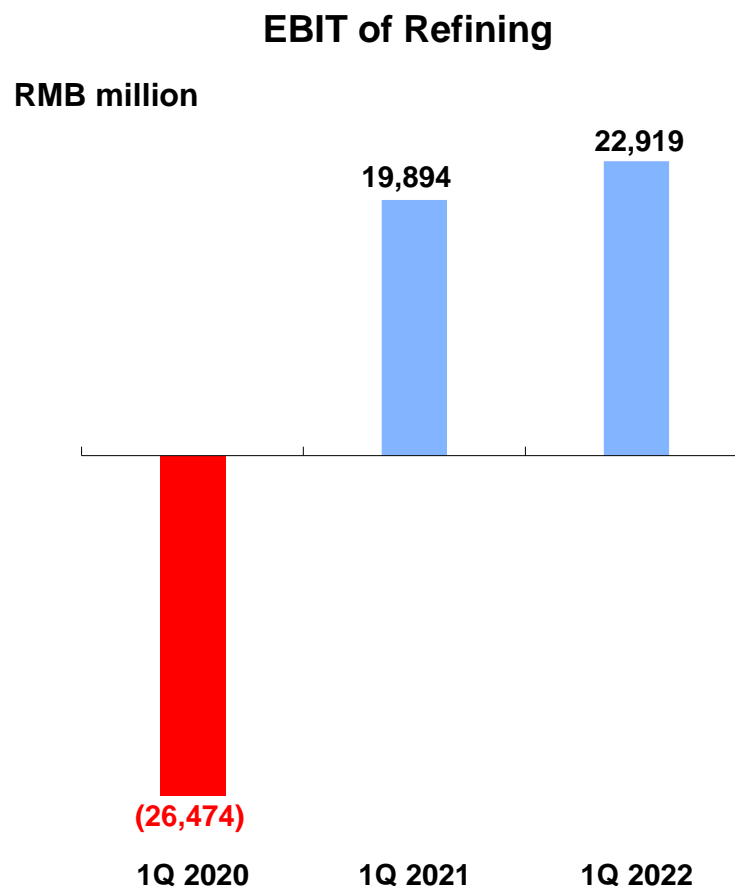
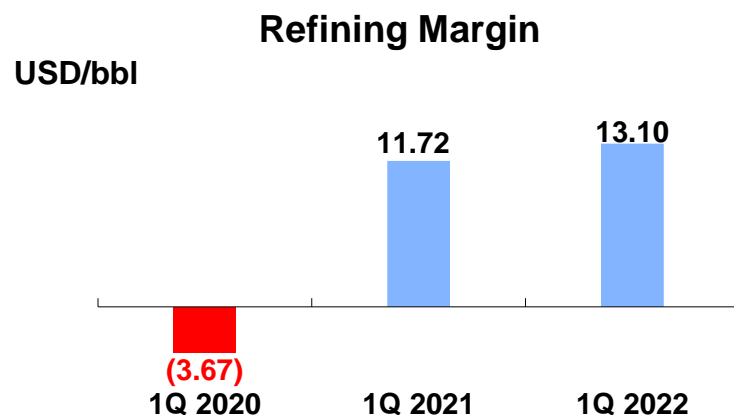
# Refining – Operating Close to the Market

- Optimized allocation of crude oil resources and enhanced inventory management to reduce cost
- Steadily shifted from refined oil products to chemical feedstock and refining specialties, and kept a high utilization rate
- Sped up the construction of advanced production capacity and promoted structural adjustment in an orderly manner

| mm tonnes                                | 1Q 2020 | 1Q 2021 | 1Q 2022 | YoY(%) |
|--|---------|---------|---------|--------|
| Refinery Throughput                      | 53.74   | 62.52   | 64.19   | 2.7    |
| Gasoline, Diesel and Kerosene Production | 33.00   | 35.70   | 37.36   | 4.7    |
| Gasoline Production                      | 13.02   | 16.37   | 16.48   | 0.7    |
| Diesel Production                        | 14.19   | 14.34   | 15.72   | 9.6    |
| Kerosene Production                      | 5.79    | 4.99    | 5.16    | 3.4    |
| Light Chemical Feedstock Production      | 9.84    | 11.60   | 11.79   | 1.6    |

\* Refinery throughput is calculated based on 1 tonne= 7.35 bbls; 100% production of domestic joint ventures included

# Refining – Earnings Achieved Record High in the Same Period



# Marketing – Leveraged Integration and Network Advantage

- Enhanced synergy of production & marketing, and made efforts to expand market and sales and improve profitability
- Promoted the construction of comprehensive service station, integrated with refined oil products, natural gas, hydrogen, EV charging & battery swapping, and non-fuel businesses
- Constantly promoted the integration of online and offline, and accelerated the development of new business model

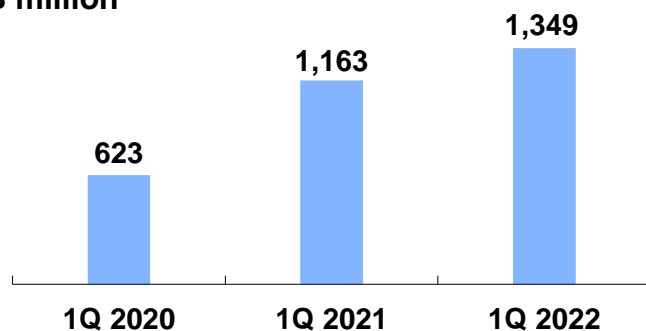
| mm tonnes  | 1Q 2020      | 1Q 2021      | 1Q 2022      | YoY(%)       |
|--|--------------|--------------|--------------|--------------|
| <b>Total Sales Volume of Refined Oil Products*</b>               | <b>48.61</b> | <b>51.93</b> | <b>51.02</b> | <b>(1.8)</b> |
| <b>Domestic Sales of Refined Oil Products</b>                    | <b>32.48</b> | <b>40.03</b> | <b>41.06</b> | <b>2.6</b>   |
| <b>Retail</b>  | <b>21.83</b> | <b>27.15</b> | <b>27.34</b> | <b>0.7</b>   |
| <b>Wholesale and Distribution</b>                                | <b>10.65</b> | <b>12.88</b> | <b>13.72</b> | <b>6.5</b>   |
| <b>Annual Average Throughput per Station<br/>(tonne/station)</b> | <b>2,844</b> | <b>3,536</b> | <b>3,559</b> | <b>0.7</b>   |

\* The total sales volume of refined oil products includes the amount of refined oil marketing and trading sales volume.

# Marketing – Sustained Increase in Profitability

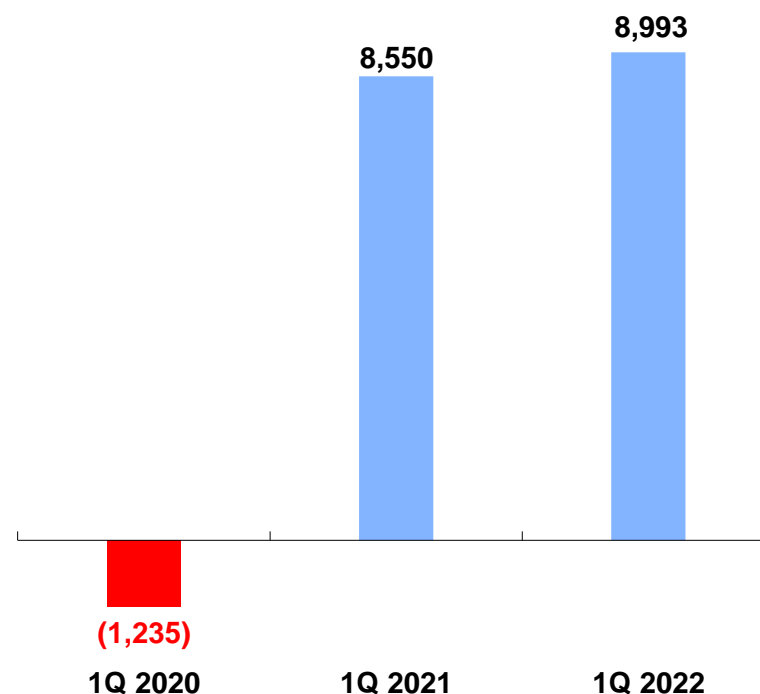
## Profit of Non-fuel Business

RMB million



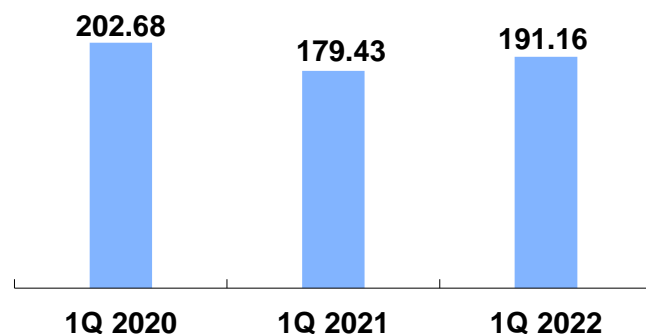
## EBIT of Marketing

RMB million



## Marketing Cash Operating Cost

RMB/tonne



# Chemicals – Strengthened Structural Optimisation

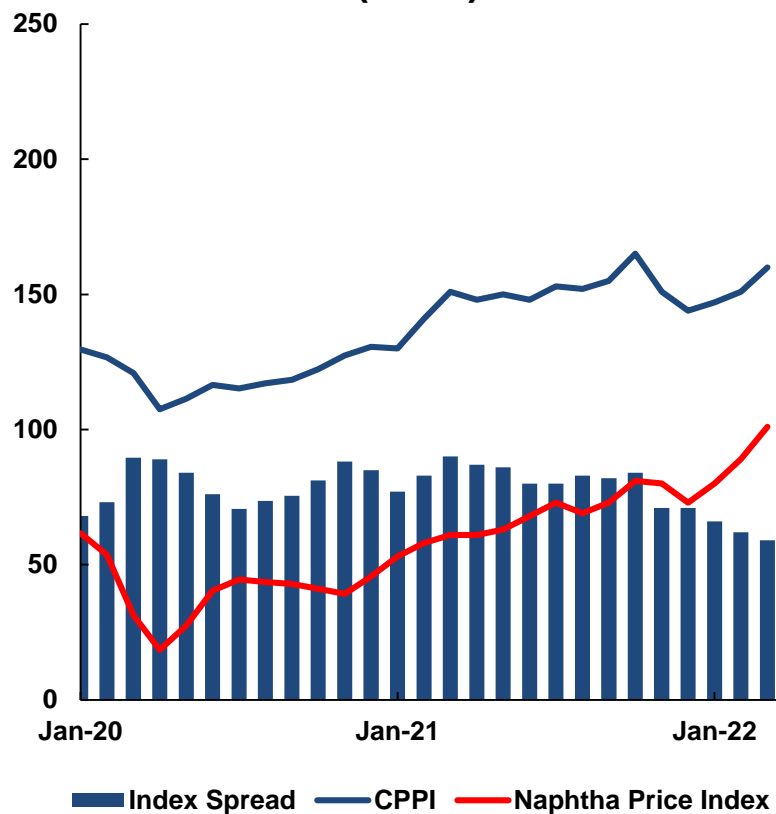
- Fine-tuned chemical feedstock mix and reduced feedstock cost
- Optimised utilisation rate and product structure, and increased the portion of high value-added products
- Accelerated construction of advanced production capacity

| '000 tonnes                                    | 1Q 2020 | 1Q 2021 | 1Q 2022 | YoY(%) |
|--|---------|---------|---------|--------|
| Ethylene Production                            | 3,026   | 3,380   | 3,606   | 6.7    |
| Synthetic Resin Production                     | 4,293   | 4,787   | 4,867   | 1.7    |
| Synthetic Rubber Production                    | 256     | 322     | 353     | 9.6    |
| Synthetic Fiber Monomers & Polymers Production | 2,333   | 2,343   | 2,491   | 6.3    |
| Synthetic Fiber Production                     | 266     | 351     | 286     | (18.5) |
| Total Sales Volume (million tonnes)            | 1,795   | 1,984   | 2,064   | 4.0    |

\* 100% production of domestic joint ventures included

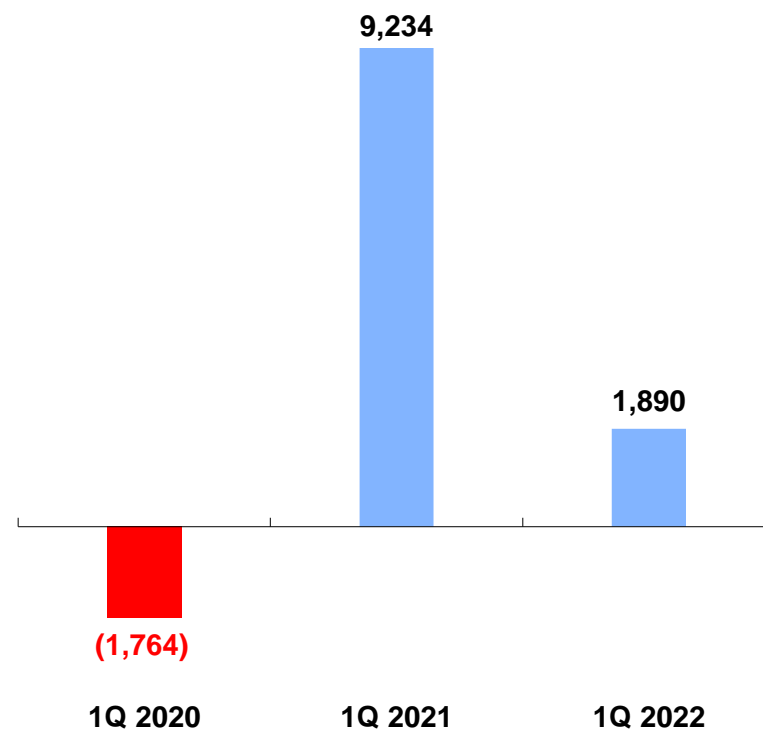
# Chemicals – Profitability Remains Resilient

## Chemical Products Price Index (CPPI)



## EBIT of Chemicals

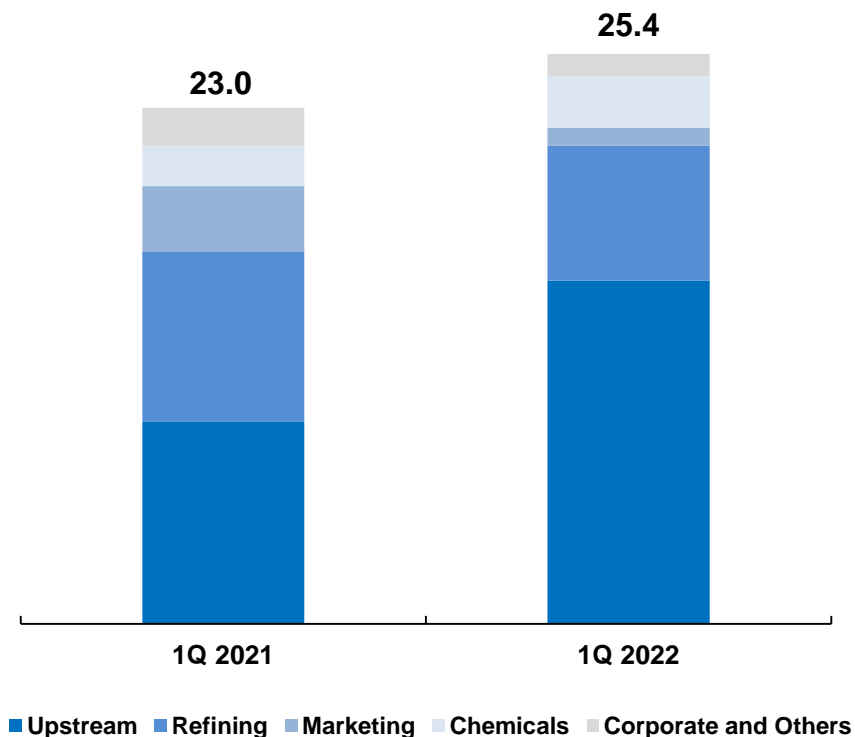
RMB million



# Capital Expenditure

- Capital expenditure in the first quarter was RMB 25.4 billion

RMB Billion



- **Upstream: RMB 15.3 Bn**

- ◆ Mainly for capacity building of oil and gas, and LNG projects

- **Refining: RMB 6.0 Bn**

- ◆ Mainly for construction of Anqing and Yangzi refinery structural adjustment projects and Zhenhai expansion project

- **Marketing: RMB 0.8 Bn**

- ◆ Mainly for construction of service stations, integrated energy stations and logistics facilities

- **Chemicals: RMB 2.3 Bn**

- ◆ Mainly for Hainan and Tianjin Nangang ethylene projects, Jiujiang Aromatics project, Shanghai large-tow carbon fiber project, Yizheng PTA project, and Guizhou PGA project

- **Corporate and Others: RMB 1.0 Bn**

- ◆ Mainly for R&D and information technology projects

# Contact Information

## Investor relations

**Beijing:** Tel: (8610) 59960028 Fax: (8610) 59960386  
Email: [ir@sinopec.com](mailto:ir@sinopec.com)

**Houston:** Tel: (832) 834 2431 Fax: (713) 544 8878  
Email: [alpinewu@sinopec.com](mailto:alpinewu@sinopec.com)

[www.sinopec.com](http://www.sinopec.com)



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