



SINOPEC

China Petroleum & Chemical Corporation 3Q 2021 Results Announcement

Oct 29 2021



SINOPEC CORP.

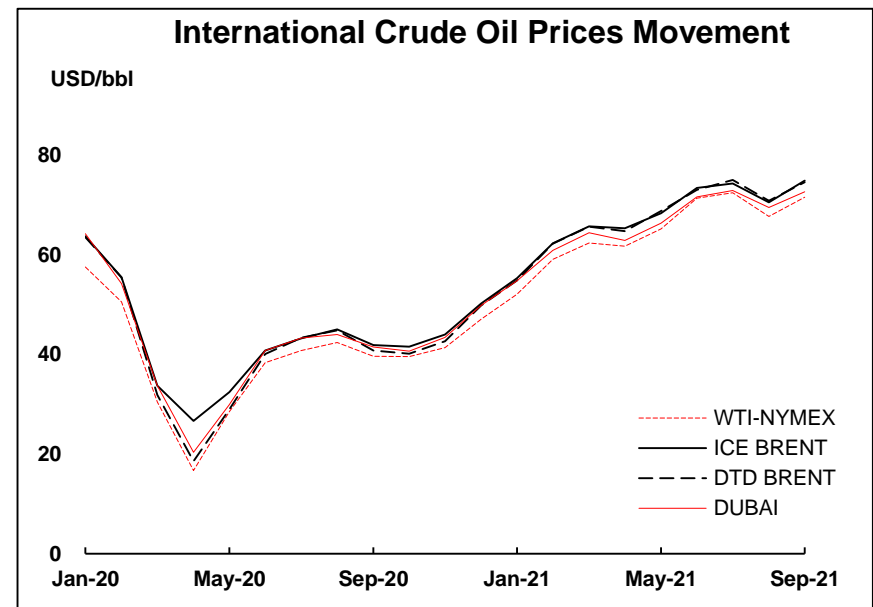
Cautionary Statement

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 3Q 2021

- Global economy recovered gradually
- China's economy kept a sustainable and steady recovery
 - ◆ GDP up by 9.8% YoY
- International oil prices fluctuated with an upward trend
- Domestic Demand for petroleum and petrochemicals kept growing
 - ◆ Demand for Natural gas kept growing rapidly
 - ◆ Demand for refined oil products recovered
 - ◆ Demand for chemicals kept stable

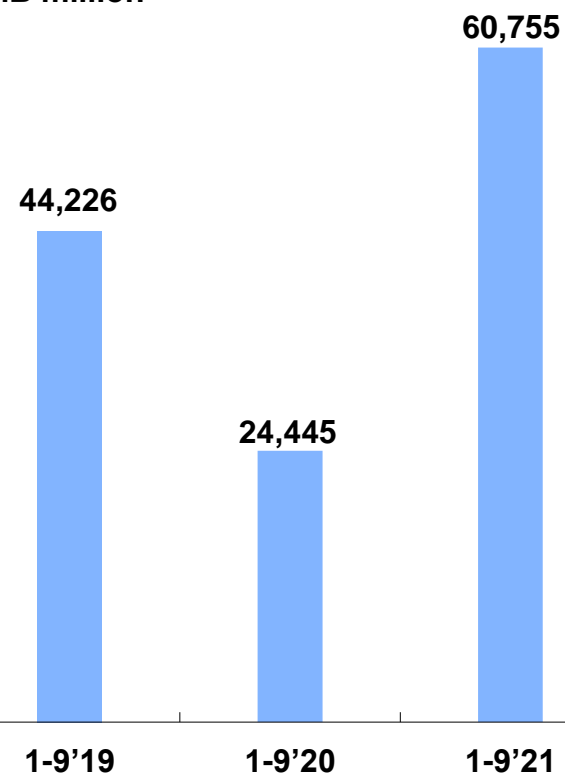


Achieved Good Performance

RMB million	1-9'19	1-9'20	1-9'21	YoY Change %
Revenue	2,233,305	1,552,536	2,003,350	29.0
EBIT	77,216	45,567	102,035	123.9
Profit Attributable to Shareholders of the Company	44,226	24,445	60,755	148.5
EPS (RMB)	0.365	0.202	0.502	148.5

Profit Attributable to Shareholders of the Company

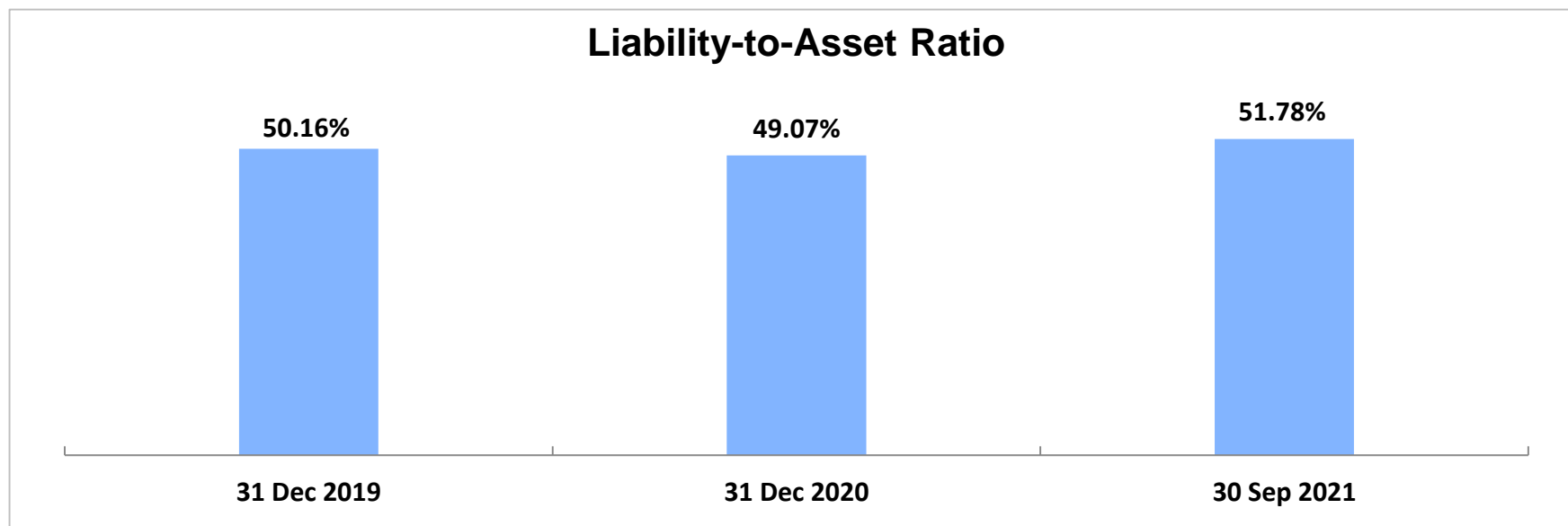
RMB million



Solid Financial Position

RMB million	As of Dec. 31, 2020	As of Sep. 30, 2021
Total Assets	1,734,445	1,887,282
Short-term Interest-bearing Debt	29,033	68,612
Long-term Interest-bearing Debt	83,815	89,467
Total Equity Attributable to Shareholders of the Company	741,916	768,412

Liability-to-Asset Ratio



Strong Cash Flow

RMB million	1-9'19	1-9'20	1-9'21	YoY Change %
Net Cash Generated from Operating Activities	81,398	84,230	115,723	37.4
Net Cash Generated from/ (Used in) Investing Activities	(70,752)	(103,572)	(99,831)	-
Net Cash Generated from/ (Used in) Financing Activities	(34,031)	46,644	(12,448)	-

RMB million	As of Dec. 31, 2020	As of Sep. 30, 2021	Change %
Cash and Cash Equivalents (Incl. Time Deposits)	188,057	203,955	8.5

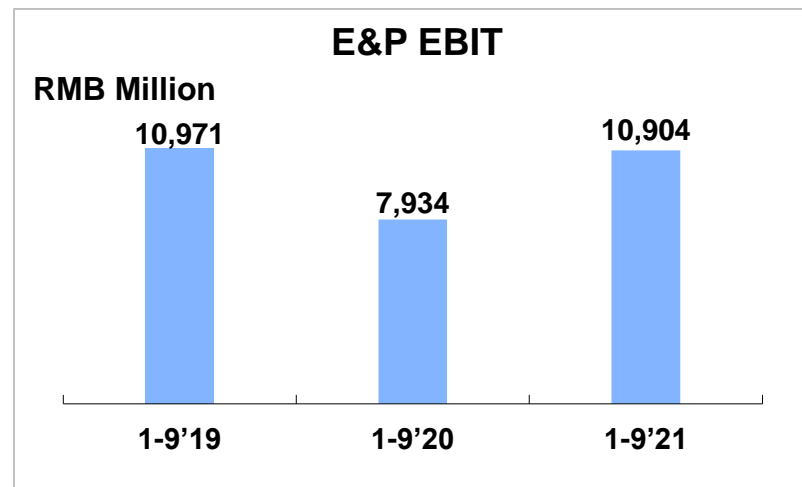
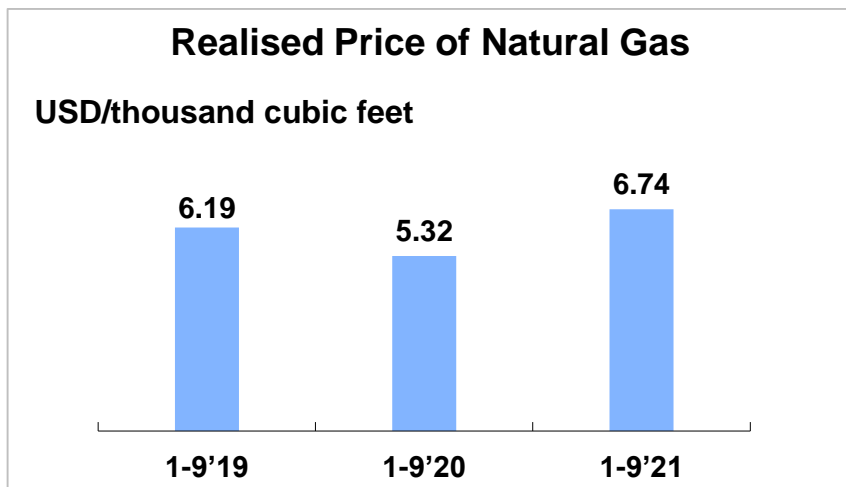
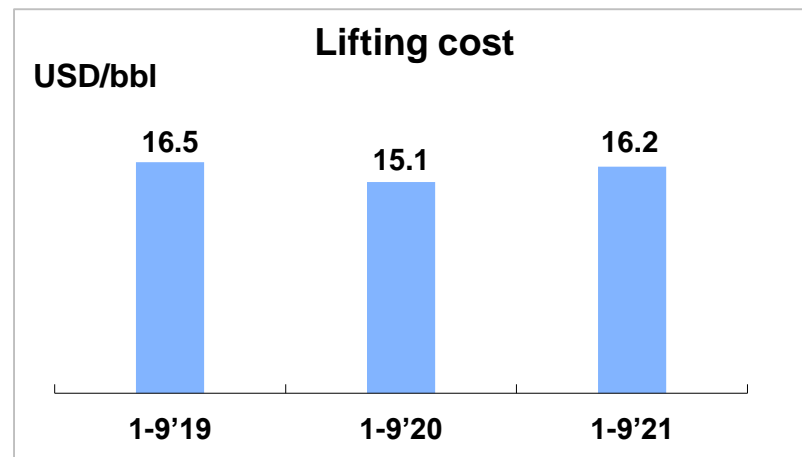
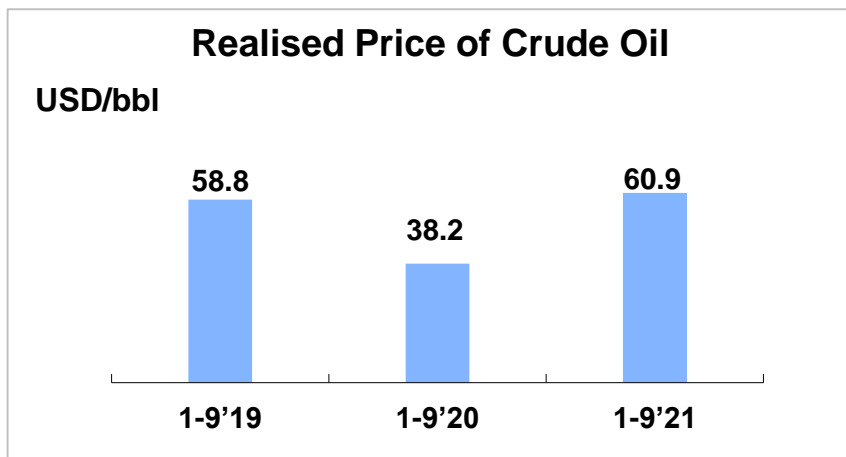
Upstream – Promote High-Quality Exploration and Profit-Oriented Development

- Achieved new discoveries in key basins
- Achieved major breakthroughs in continental facies shale oil exploration
- Enhanced the effort in capacity building and output of major natural gas and crude oil projects
- Natural gas production up by 13.7%

	1-9'19	1-9'20	1-9'21	YoY Change %
Oil and Gas Production(mmboe)	341.74	339.39	355.01	4.6
Crude Oil Production(mmbbl)	212.78	210.65	208.65	(0.9)
China	186.69	186.69	186.59	(0.1)
Overseas	26.09	23.96	22.06	(7.9)
Natural Gas Production(bcm)	21.90	21.87	24.86	13.7
Natural Gas Sales Volume(bcm)	32.99	36.41	45.14	24.0

* 1 tonne=7.1 bbls for domestic crude oil production; 1 tonne=7.21bbls for overseas crude oil production; 1 cubic meter=35.31 cubic feet for natural gas production.

Upstream – Significant Improvement in Profitability



* 1-9'19 USD 1=RMB 6.4844; 1-9'20 USD 1=RMB 6.9790; 1-9'21 USD 1=RMB 6.4714

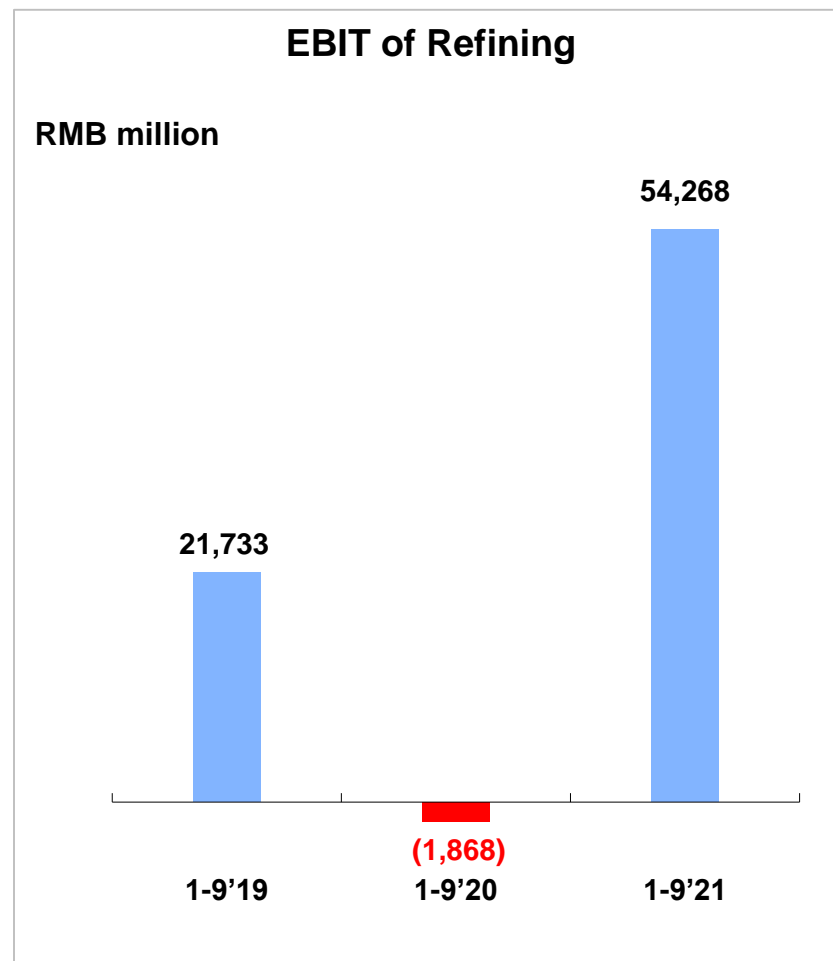
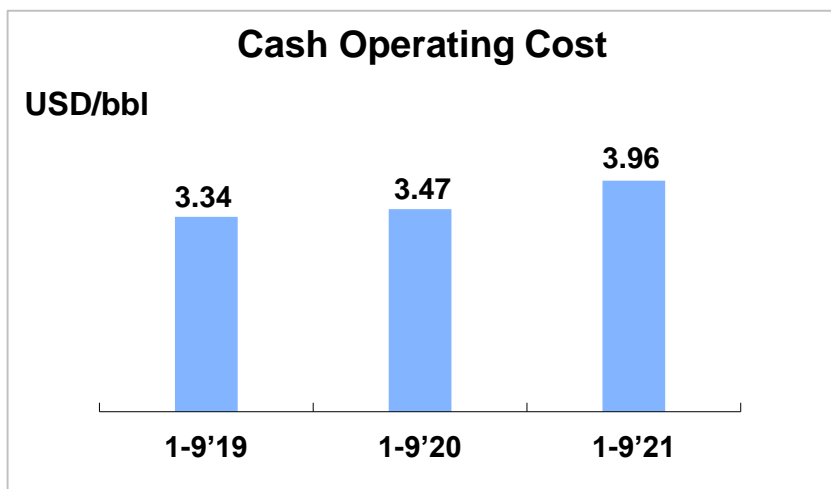
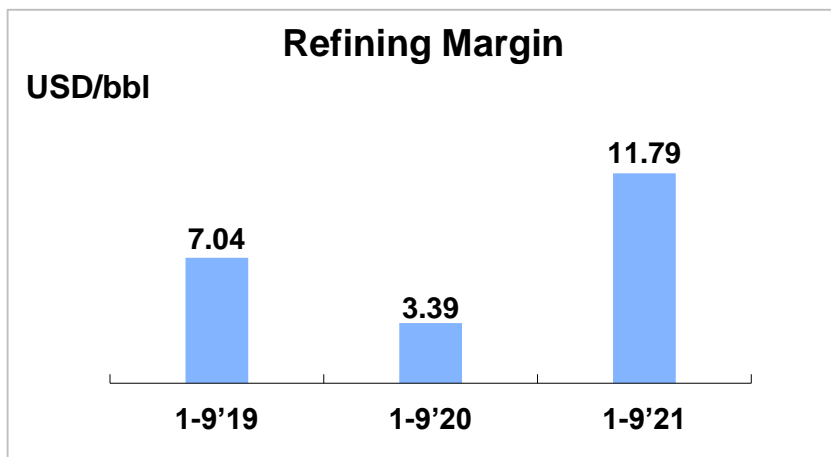
Refining – Strengthened Structural Adjustment

- Maintained high utilization rate and refining throughput increased significantly
- Dynamically adjusted crude oil procurement to reduce cost
- Increased light chemical feedstock production and lowered oil products yield and diesel-gasoline ratio
- Increased production of high value-added products and specialty products

mm tonnes	1-9'19	1-9'20	1-9'21	YoY(%)
Refinery Throughput	186.26	174.46	190.73	9.3
Gasoline, Diesel and Kerosene Production	119.54	105.19	108.60	3.2
Gasoline Production	47.20	42.46	49.07	15.6
Diesel Production	49.01	47.86	42.92	(10.3)
Kerosene Production	23.33	14.87	16.60	11.6
Light Chemical Feedstock Production	30.05	29.54	33.71	14.1

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

Refining – Strong Rebound in Earnings



Marketing – Rapid Recovery in Domestic Sales of Refined Oil Products

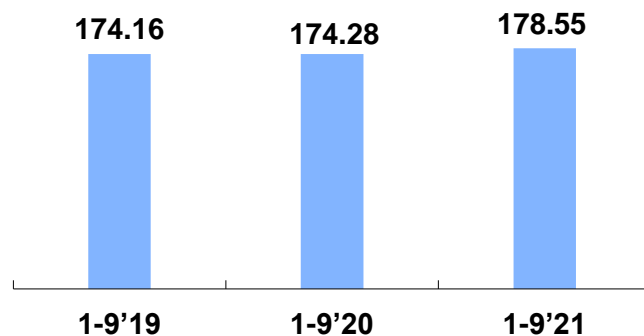
- Leveraged integrated advantage to expand market
- Vigorously implemented differentiated marketing to continuously improve the quality of services
- Accelerated the construction of integrated energy stations

mm tonnes	1-9'19	1-9'20	1-9'21	YoY(%)
Total Sales Volume of Refined Oil Products*	192.42	162.25	166.59	2.7
Domestic Sales of Refined Oil Products	139.25	123.19	127.88	3.8
Retail	91.80	83.06	83.70	0.8
Wholesale and Distribution	47.45	40.13	44.18	10.1
Annual Average Throughput per Station (tonne/station)	3,991	3,605	3,633	0.8

Marketing – Profitability Maintained at High Level

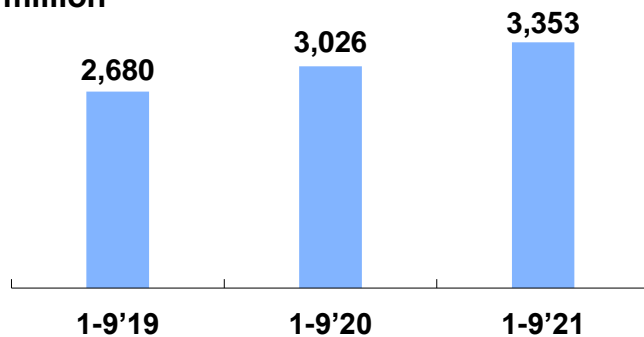
Marketing Cash Operating Cost

RMB/tonne



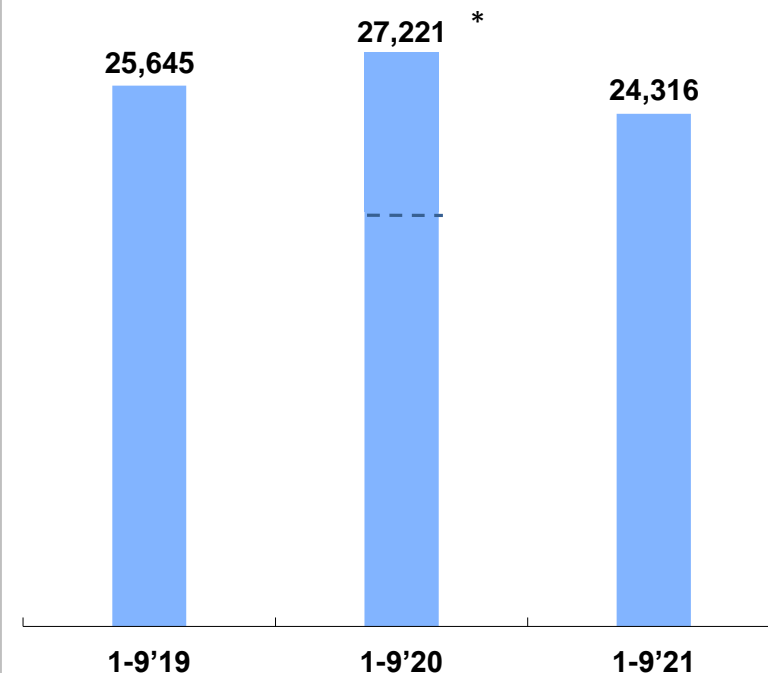
Profit of Non-fuel Business

RMB million



EBIT of Marketing

RMB million



* Including the value accretion of pipeline transaction

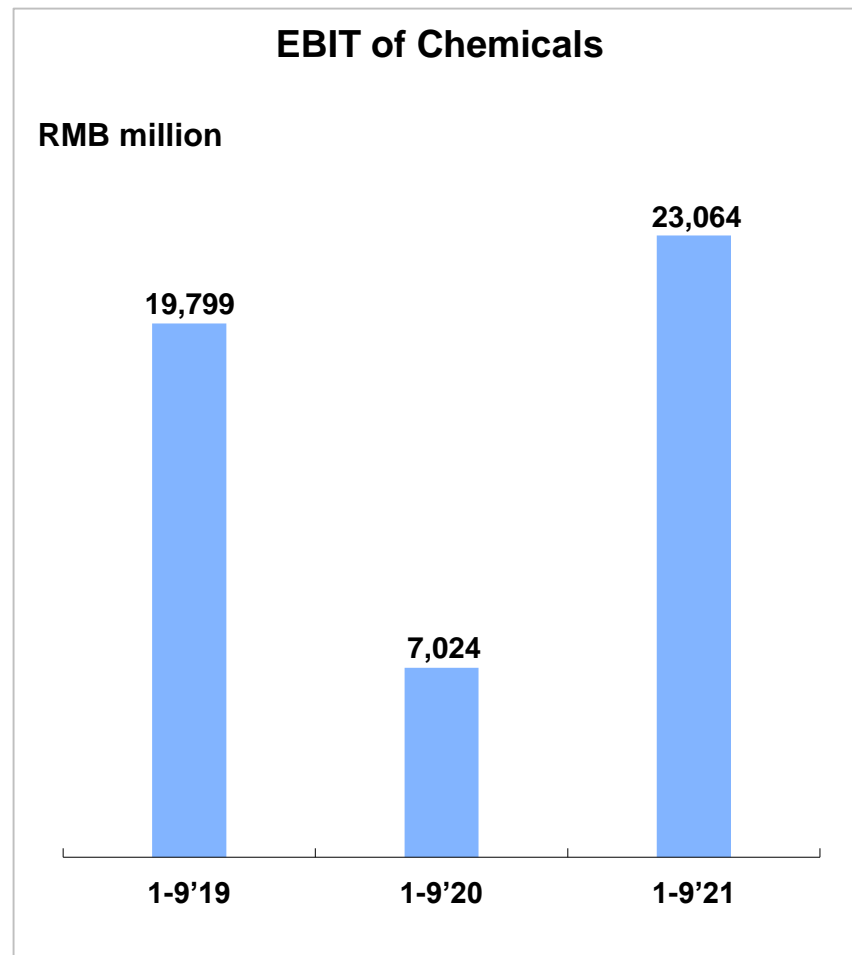
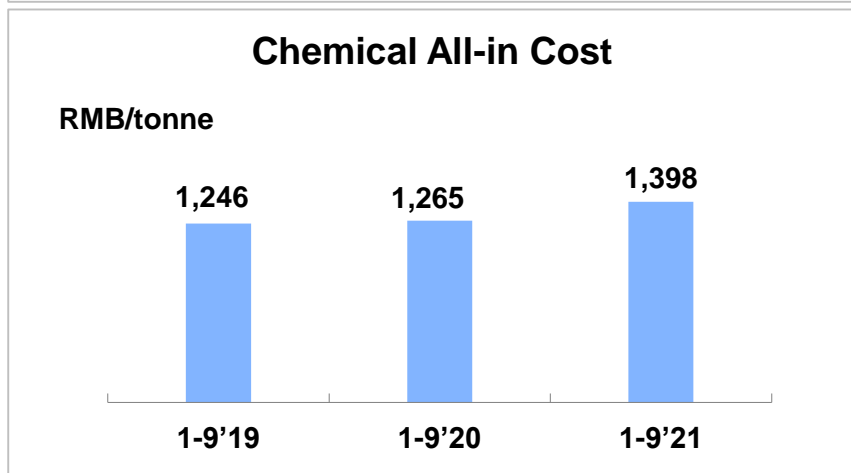
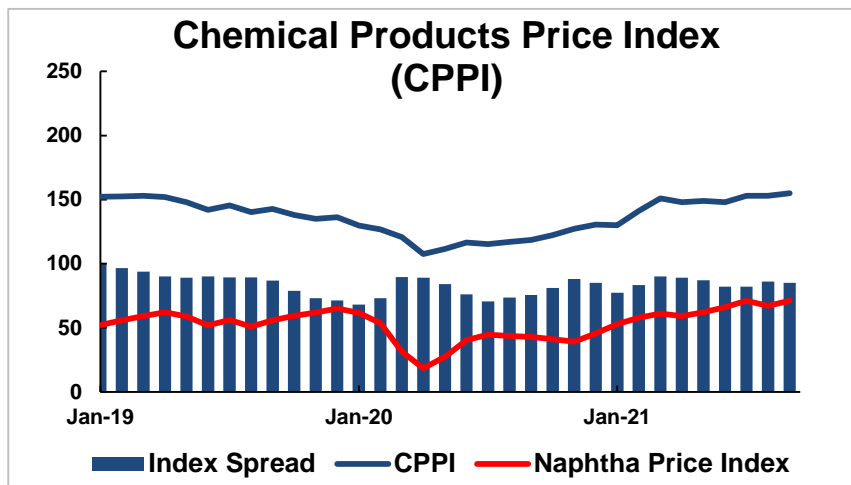
Chemicals – Adhere to “Basic + High-end” Development Strategy

- Optimized feedstock mix to further reduce costs
- Optimized facilities operation and maintenance schedule to raise the utilization of profitable facilities
- Optimized product slate to increase the proportion of high value-added products
- Accelerated advanced capacity construction by proactively pushing ahead with key projects

'000 tonnes	1-9'19	1-9'20	1-9'21	YoY(%)
Ethylene Production	9,295	8,850	9,752	10.2
Synthetic Resin Production	12,749	12,773	14,002	9.6
Synthetic Fiber Monomers & Polymers Production	794	790	891	12.8
Synthetic Fiber Production	7,511	6,711	6,820	1.6
Synthetic Rubber Production	968	935	1,032	10.4
Total Sales Volume (million tonnes)	7,154	6,242	6,077	(2.6)

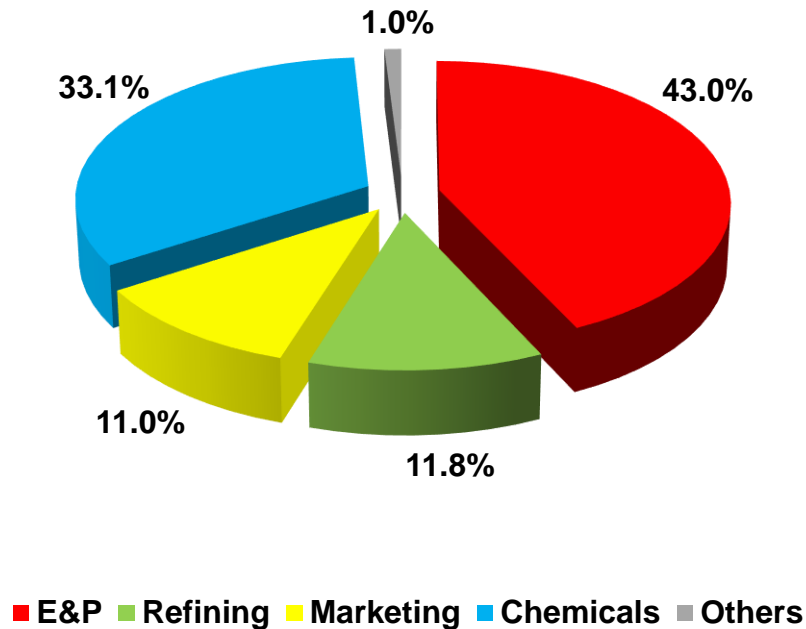
* 100% production of domestic joint ventures included

Chemicals – Realised High Profitability



Capital Expenditure

- Capital expenditure in the first quarter was RMB 89.7 billion



- **E&P: RMB 38.6 Bn**
 - ◆ Oil & Gas capacity building and storage & transportation facilities construction
- **Refining: RMB 10.6 Bn**
 - ◆ Construction of Zhenhai and Anqing refining structural upgrading projects
- **Marketing: RMB 9.9 Bn**
 - ◆ Construction of oil (gas) stations, integrated energy stations, and logistics facilities
- **Chemicals: RMB 29.7 Bn**
 - ◆ Construction of Zhenhai and Hainan projects
- **Others: RMB 0.9 Bn**
 - ◆ Construction of R&D facilities and IT system

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