



SINOPEC

China Petroleum & Chemical Corporation 1Q 2021 Results Announcement

April 29 2021



SINOPEC CORP.

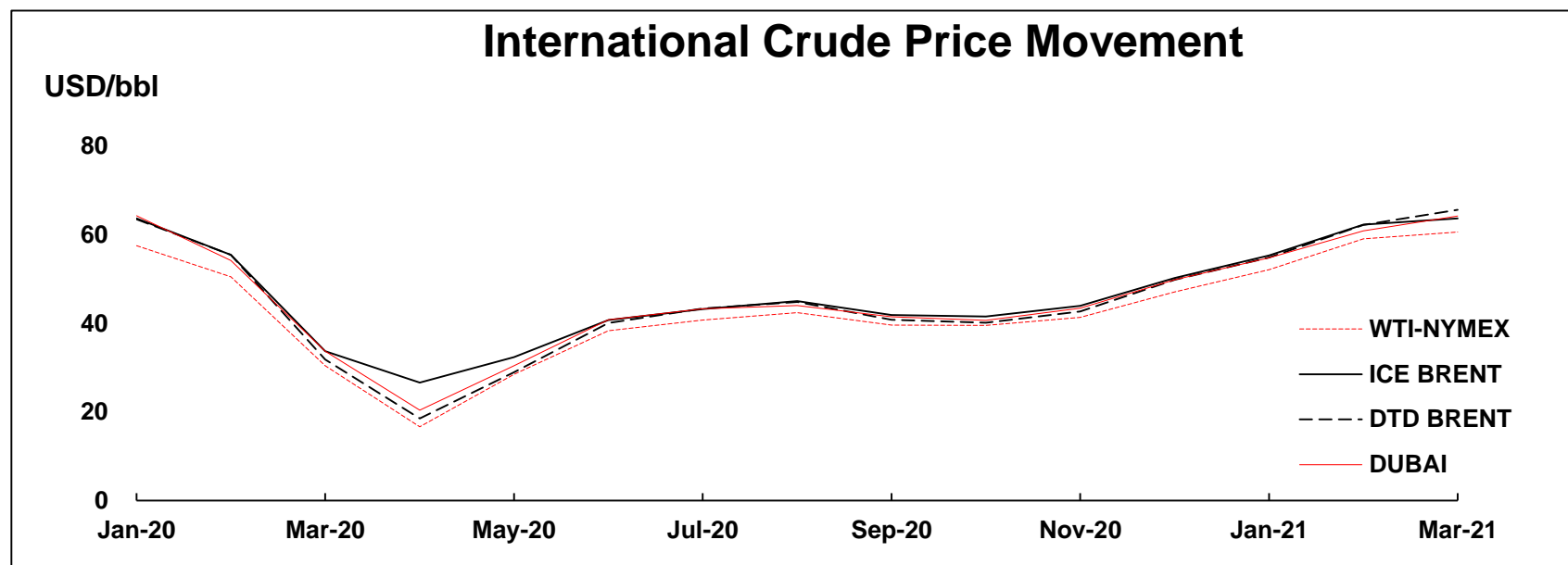
Cautionary Statement

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 1Q 2021

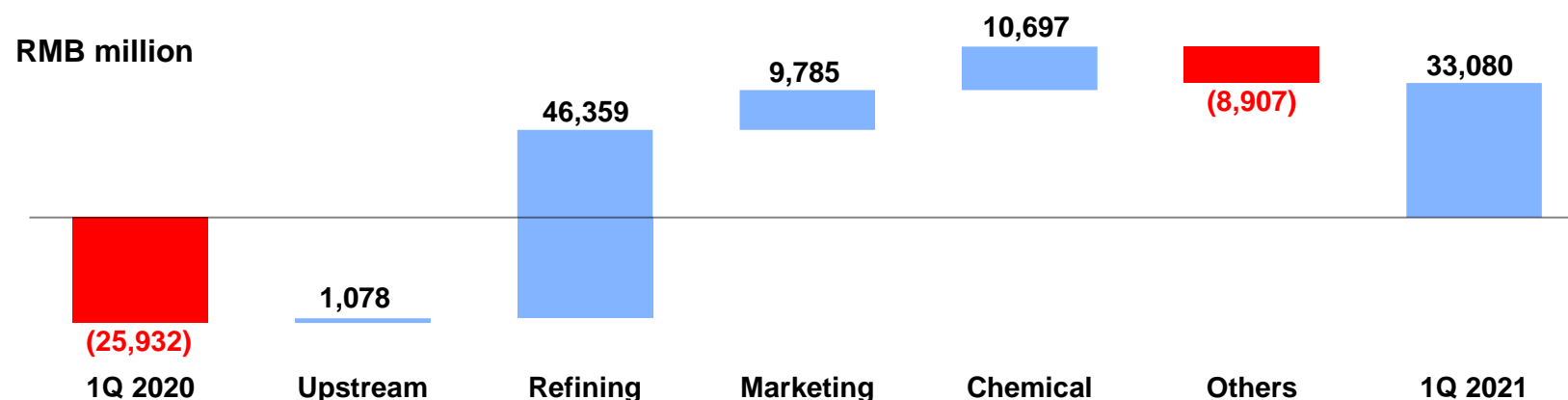
- China's economy maintained recovery growth with GDP up by 18.3%
- International crude oil price kept growth
- Domestic demand for refined oil products recovered steadily, while natural gas and petrochemicals demand maintained rapid growth



Outstanding Performance

RMB million	1Q 2019	1Q 2020	1Q 2021	YoY Change %
Turnover and Other Operating Revenues	716,022	554,482	576,982	4.1
EBIT	29,235	(25,932)	33,080	-
Profit Attributable to owners of the Company	15,530	(19,229)	18,543	-
EPS(RMB)	0.128	(0.159)	0.153	-

Y o Y Change in EBIT



Note: changes in others includes the decrease of RMB 7.7 billion in elimination of inter-segment

Solid Financial Position

RMB million	As of Dec. 31, 2020	As of Mar. 31, 2021
Total Assets	1,733,805	1,802,144
Short-term Interest-bearing Debt	29,033	85,781
Long-term Interest-bearing Debt	83,815	83,737
Total Equity Attributable to owners of the Company	742,463	764,675
Liability to Asset Ratio (%)	49.1	49.5

Cash Flow

RMB million	1Q 2019	1Q 2020	1Q 2021	YoY Change %
Net Cash Generated from/ (Used in) Operating Activities	(14,512)	(67,970)	(15,578)	-
Net Cash Generated from/ (Used in) Investing Activities	(25,615)	(14,548)	(24,052)	-
Net Cash Generated from/ (Used in) Financing Activities	29,598	97,658	51,114	(47.7)

RMB million	As of Dec. 31, 2020	As of Mar. 31, 2021	Change %
Cash and Cash Equivalents (Incl. Time Deposits)	188,057	198,086	5.3

Upstream – New Achievements in Maintaining Oil Production, Increasing Gas Output and Cost Reduction

- Focused on high-quality exploration and profit-driven development
- Natural gas production increased by 17% YoY
- Natural gas sales volume increased by 37% YoY, and market share further increased

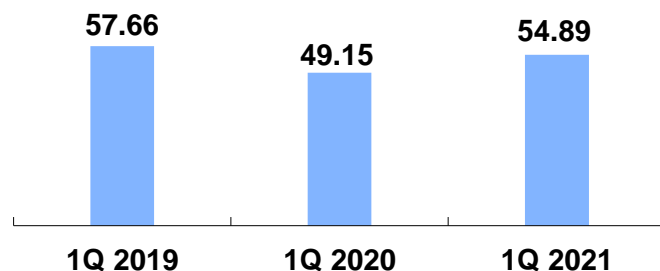
	1Q 2019	1Q 2020	1Q 2021	YoY Change %
Oil and Gas Production(mmboe)	113.46	112.28	117.03	4.2
Crude Oil Production(mmbbl)	70.81	70.65	68.41	(3.2)
China	61.55	62.11	61.23	(1.4)
Overseas	9.26	8.54	7.18	(15.9)
Natural Gas Production(bcf)	255.79	249.68	291.60	16.8

* 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 Improve in Profitability

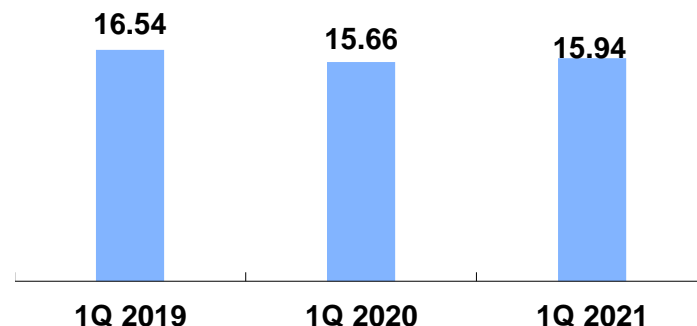
Realised Price of Crude Oil

USD/bbl



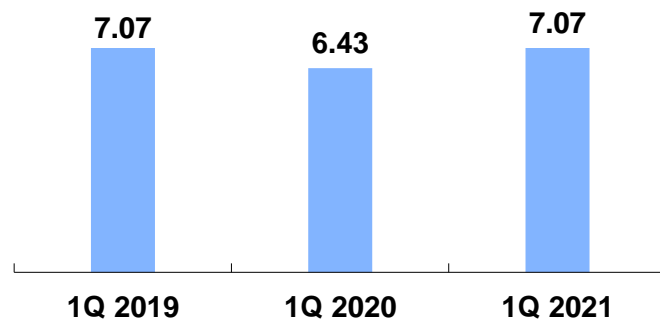
Lifting cost

USD/bbl



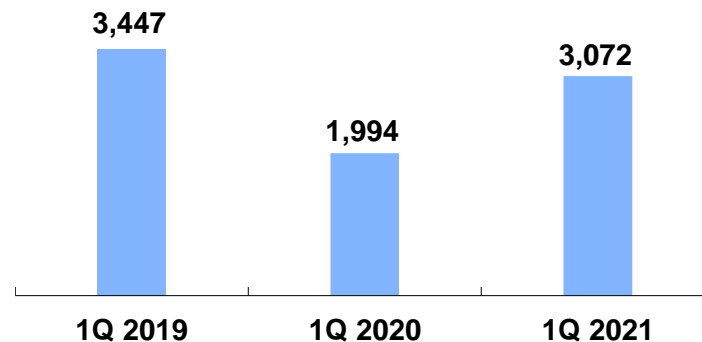
Realised Price of Natural Gas

USD/thousand cubic feet



E&P EBIT

RMB Million



* 1Q2019 USD 1=RMB 6.4844; 1Q2020 USD 1=RMB 6.9790

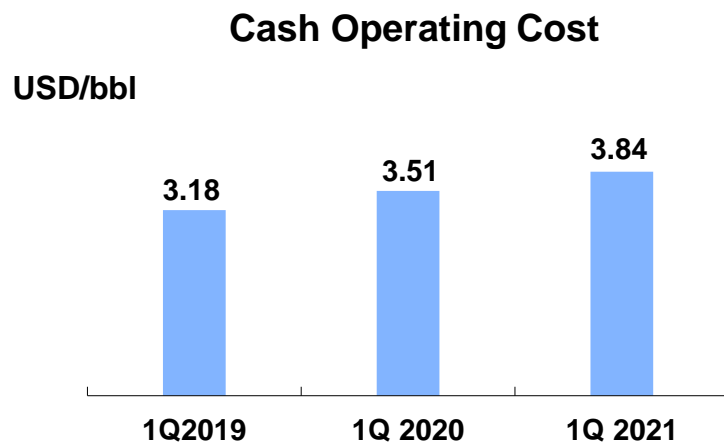
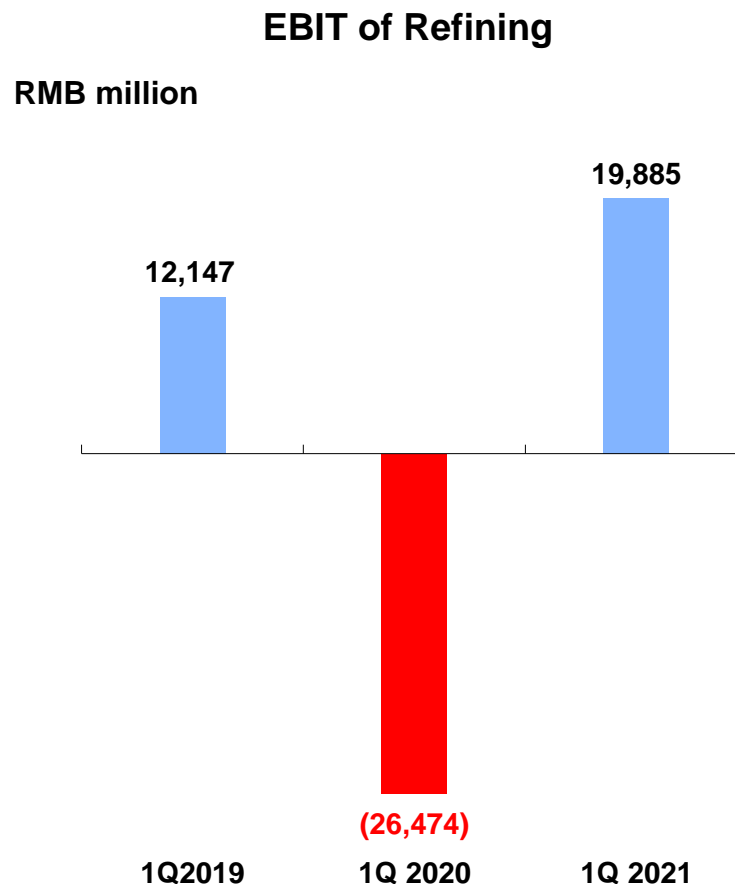
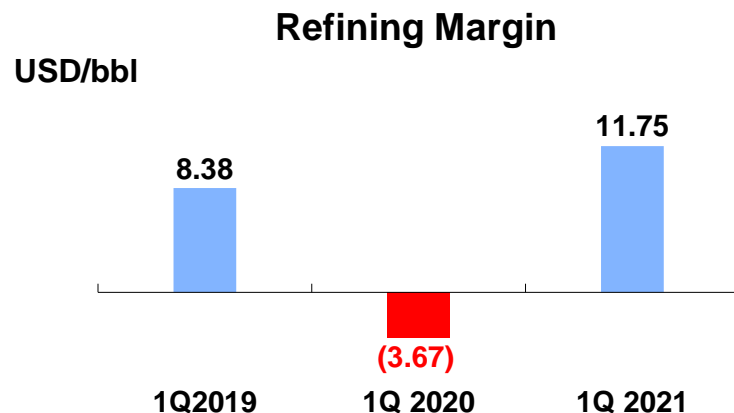
Refining – Integrated and Coordinated Production and Marketing

- Kept a high utilization rate and significantly increased refinery throughput
- Increased output of marketable and high-profit products based on market need
- Optimised crude oil procurement to reduce cost
- Sped up the construction of advanced production capacity and promoted structural adjustment in an orderly manner

mm tonnes	1Q 2019	1Q 2020	1Q 2021	YoY(%)
Refinery Throughput	61.78	53.74	62.52	16.3
Gasoline, Diesel and Kerosene Production	39.44	33.00	35.70	8.2
Gasoline Production	15.87	13.02	16.37	25.7
Diesel Production	16.03	14.19	14.34	1.1
Kerosene Production	7.54	5.79	4.99	(13.8)
Light Chemical Feedstock Production	10.07	9.84	11.60	17.9

* 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.

Refining – Dramatic Rebound in Profitability



Marketing – Effectively Responded to Market Change

- Domestic sales of refined oil products and retail scale improved substantially
- Optimised the layout of service stations to leverage network advantage
- Promoted the construction of hydrogen, charging and battery swapping stations to improve the capability and services of comprehensive energy supply

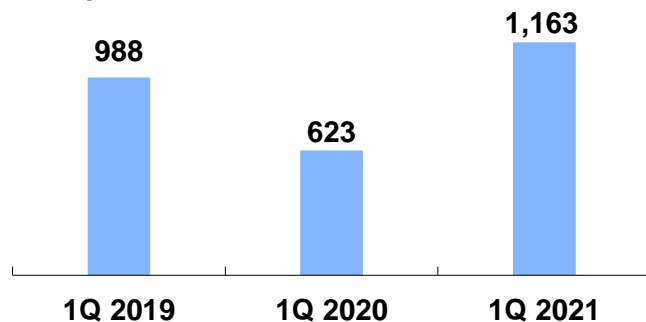
mm tonnes	1Q 2019	1Q 2020	1Q 2021	YoY(%)
Total Sales Volume of Refined Oil Products*	49.74	48.61	51.93	6.8
Domestic Sales of Refined Oil Products	45.61	32.48	40.03	23.2
Retail	30.02	21.83	27.15	24.4
Wholesale and Distribution	15.41	10.65	12.88	20.9
Annual Average Throughput per Station (tonne/station)	3,939	2,844	3,536	24.3

* 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.

Marketing – Considerable Increase in Profitability

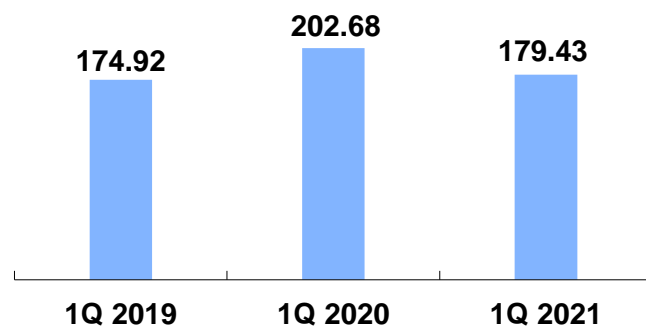
Profit of Non-fuel Business

RMB million



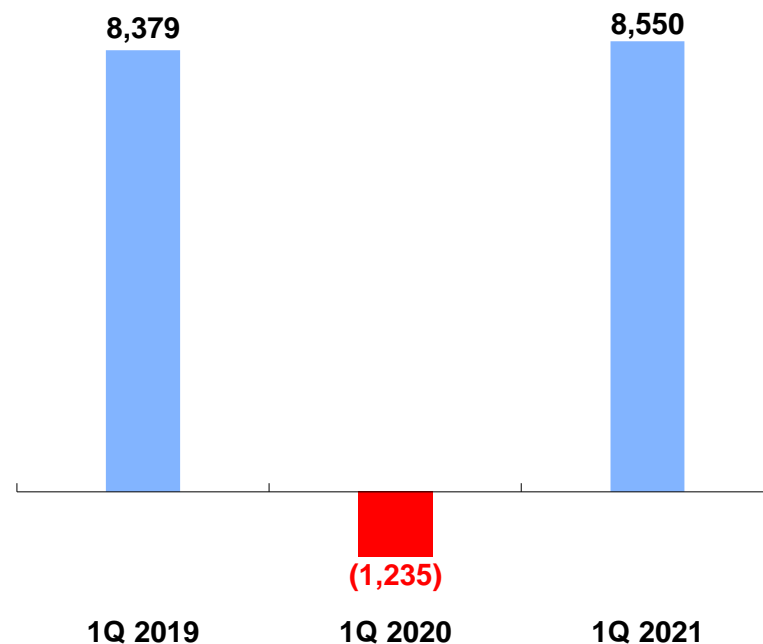
Marketing Cash Operating Cost

RMB/tonne



EBIT of Marketing

RMB million



Chemicals – Strengthened Structural Optimisation

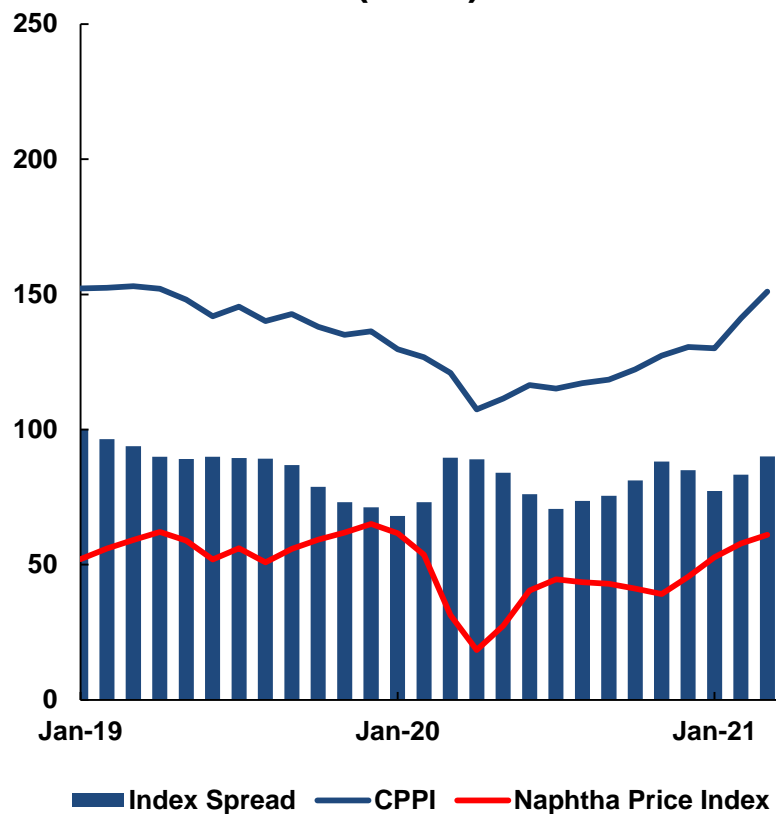
- Fine-tuned chemical feedstock mix and well controlled feedstock costs
- Adjusted product mix to increase the production of high value-added and high-end products
- Strengthened dynamic optimisation of facilities and utilization, and realized optimal operation
- Total sales volume of chemical products increased by 10.5% YoY

'000 tonnes	1Q 2019	1Q 2020	1Q 2021	YoY(%)
Ethylene Production	3,049	3,026	3,380	11.7
Synthetic Resin Production	4,178	4,293	4,787	11.5
Synthetic Fiber Monomers & Polymers Production	271	256	322	25.8
Synthetic Fiber Production	2,575	2,333	2,343	0.4
Synthetic Rubber Production	322	266	351	32.0
Total Sales Volume (million tonnes)	23.37	17.95	19.84	10.5

* 100% production of domestic joint ventures included

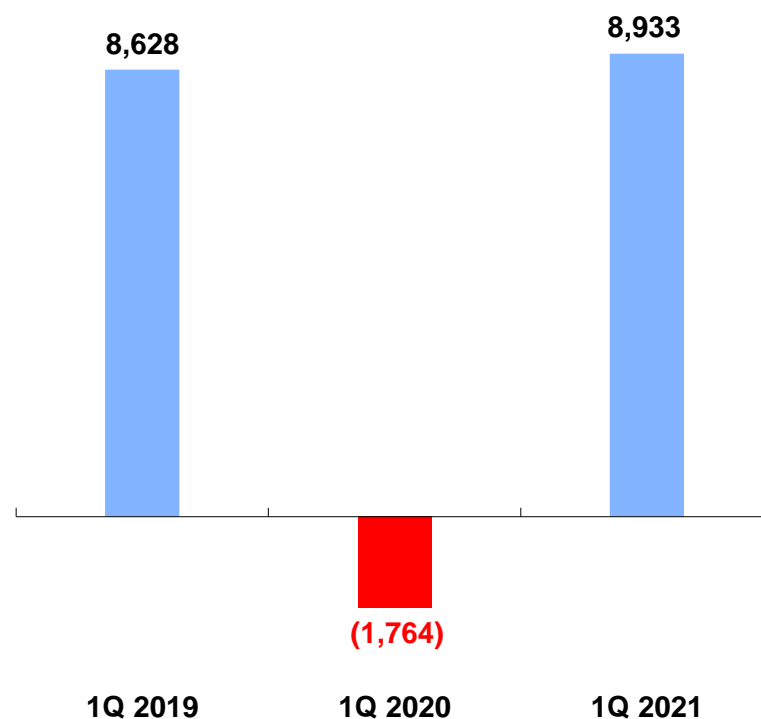
Chemicals – Strong Profitability

Chemical Products Price Index (CPPI)



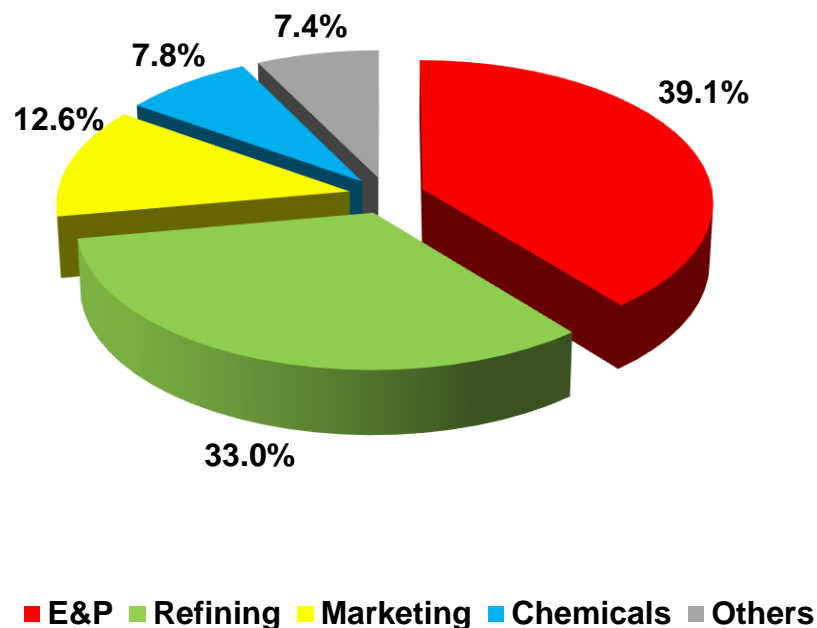
EBIT of Chemicals

RMB million



Capital Expenditure

- Capital expenditure in the first quarter was RMB 23.0 billion



- E&P: RMB 9.0 Bn
 - ◆ Mainly for capacity building of oil and gas, and LNG projects
- Refining: RMB 7.6 Bn
 - ◆ Mainly for the structural adjustment projects of Anqing, as well as the expansion of Zhenhai project
- Marketing: RMB 2.9 Bn
 - ◆ Mainly for service stations, gas stations, comprehensive energy stations, depots and non-fuel business
- Chemicals: RMB 1.8 Bn
 - ◆ Mainly for advanced capacity construction in Zhenhai, Tianjin Nangang, and the Amur projects
- Others: RMB 1.7 Bn
 - ◆ Mainly for R&D facilities and information technology projects

Contact Information

Investor relations

Beijing: Tel: (8610) 59960028 Fax: (8610) 59960386

Email: ir@sinopec.com

Hong Kong: Tel: (852) 28242638 Fax: (852) 28243669

Email: ir@sinopechk.com

Houston: Tel: (832) 834 2431 Fax: (713) 544 8878

Email: alpinewu@sinopec.com

www.sinopec.com



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