



中国石化
SINOPEC

China Petroleum & Chemical Corporation 3Q 2023 Results Announcement

October 27 2023



中国石油化工股份有限公司
SINOPEC CORP.

Cautionary Statement

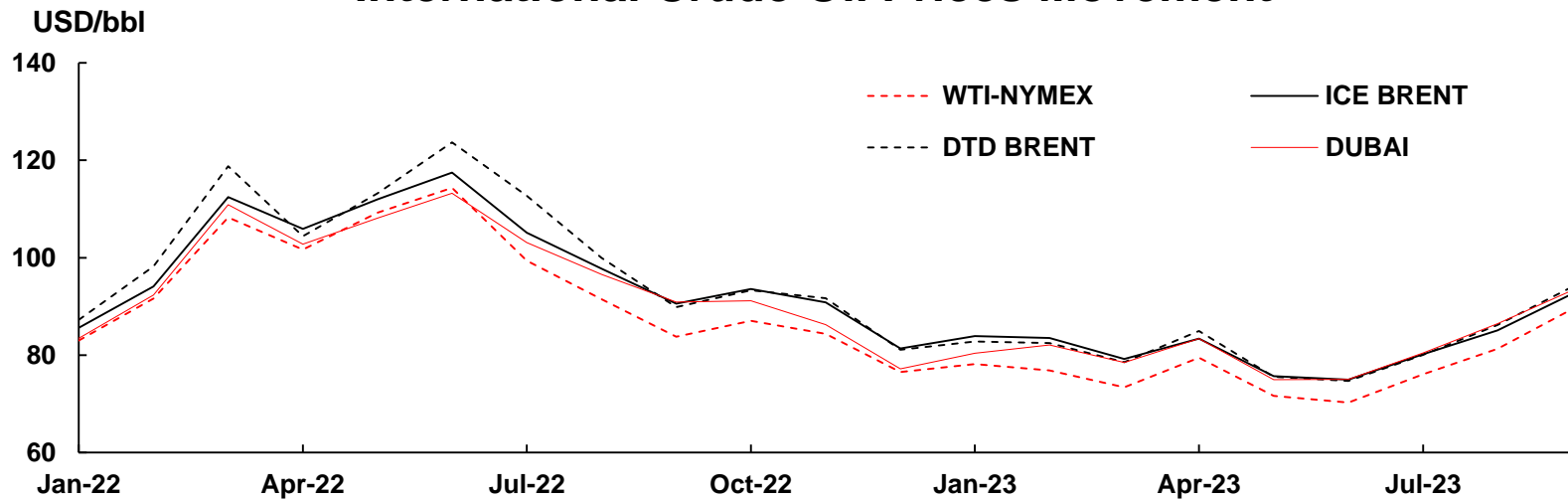
Financial data of the first three quarters contained in the presentation and presentation materials are unaudited.

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 The First Three Quarters of 2023

- China's economy continued to recover, GDP grew by 5.2% in the first three quarters YoY
- International crude oil prices dropped in 1H, and rebounded in 3Q
- Domestic demand growth for natural gas kept stable, refined oil products demand rebounded, chemicals demand recovered

International Crude Oil Prices Movement



Achieved Good Performance

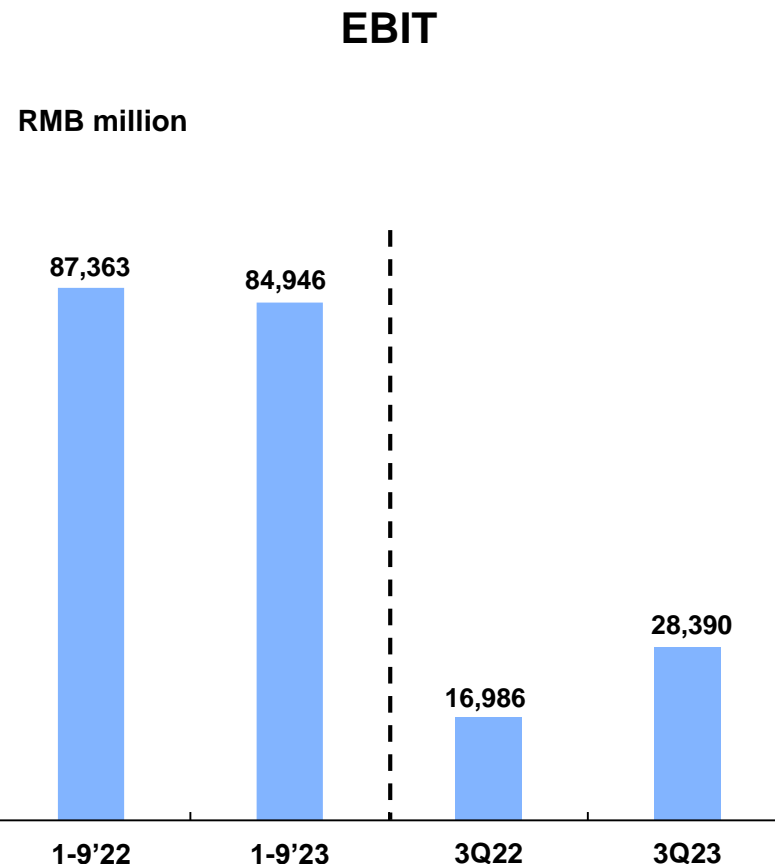
RMB million	1-9'22	1-9'23	YoY (%)
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Revenue	2,453,322	2,469,941	0.7
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EBIT	87,363	84,946	(2.8)
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Profit Attributable to Shareholders of the Company	57,869	54,060	(6.6)
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EPS (RMB)	0.478	0.451	(5.6)
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Financial Position

RMB million	As of Dec. 31, 2022	As of Sep. 30, 2023
Total Assets	1,951,121	2,084,435
Short-term Interest-bearing Debts	66,329	95,014
Long-term Interest-bearing Debts	107,961	198,793
Total Equity Attributable to Shareholders of the Company	787,600	798,152
Liability-to-Asset Ratio	51.85	54.29

Cash Flow

RMB million	1-9'22	1-9'23	YoY (%)
Net Cash Generated from Operating Activities	59,244	98,309	65.9
Net Cash Used in Investing Activities	(69,911)	(120,662)	-
Net Cash Generated from Financing Activities	23,877	56,645	137.2

RMB million	As of Dec. 31, 2022	As of Sep. 30, 2023	Change (%)
Cash and Cash Equivalents (Incl. Time Deposits)	145,052	181,782	25.3

Progress of Share Buyback

- To Promote the company's value and protect shareholders' interests, the Company continued to launch share buyback in A and H share markets, and all repurchased shares will be cancelled
 - Resolution in relation to the share buyback program approved by the board meeting on 25 August
 - Started share buyback on 28 August
 - As of Oct. 26, 2023, the total amount paid for A-share buyback was RMB 474 million, paid for H-share buyback was HKD 288 million
- Share buyback will proceed as planned

Upstream – New Achievements in Increasing Reserves, Stabilizing Oil Production, Boosting Gas Output and Cutting Costs

- Intensified efforts in high quality exploration, and achieved several oil and gas discoveries
- Efficient progress in oil and gas production capacity building
- Natural gas production grew by 8.7% YoY

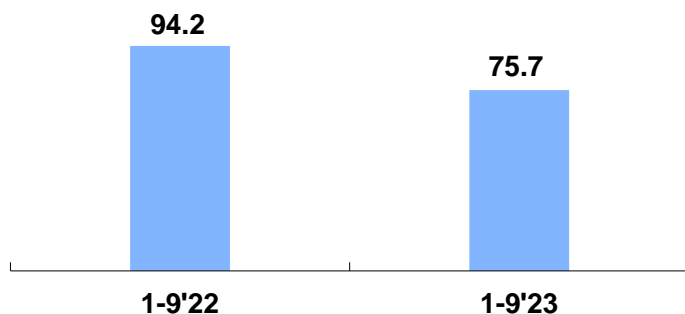
	1-9'22	1-9'23	YoY (%)
Oil and Gas Production (mmboe)	363.18	376.15	3.6
Crude Oil Production (mmbbls)	210.82	210.59	(0.1)
China	188.05	188.24	0.1
Overseas	22.77	22.35	(1.8)
Natural Gas Production (bcf)	913.81	992.98	8.7

* For domestic production of crude oil: 1 tonne = 7.10 barrels; for overseas production of crude oil: 1 tonne = 7.26 barrels; 1 cubic meter=35.31 cubic feet

Upstream – Strong Profitability

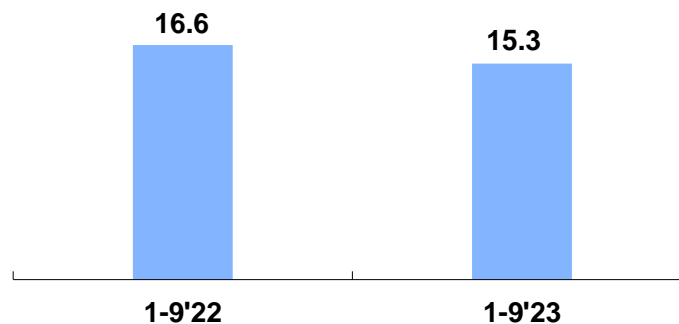
Realized Price of Crude Oil

USD/bbl



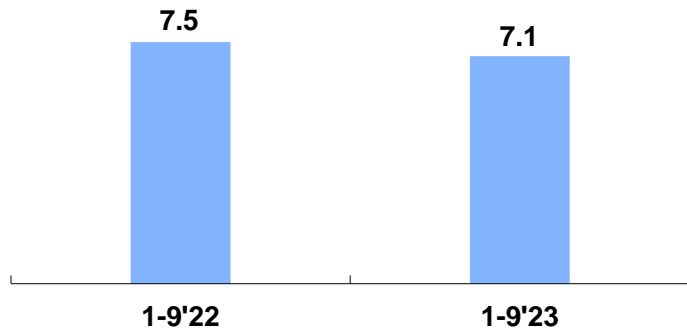
Lifting Cost

USD/bbl



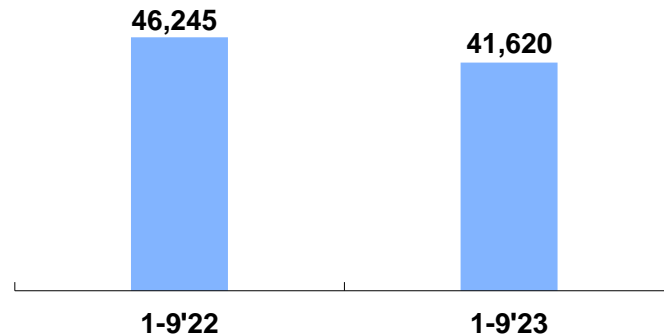
Realized Price of Natural Gas

USD/thousand cubic feet



E&P EBIT

RMB Million



* 1-9'23 USD 1=RMB 7.0148; 1-9'22 USD 1=RMB 6.6068

Refining – Flexible Adjustment of Business Strategy

- Vigorously increased facility utilization rate, refinery throughput increased by 7.6%
- The production of refined oil products increased by 14.0%
- Scaled up export volume and optimized export rhythm and structure
- Optimised the rhythm of converting refined oil products to chemical feedstock and refining specialties

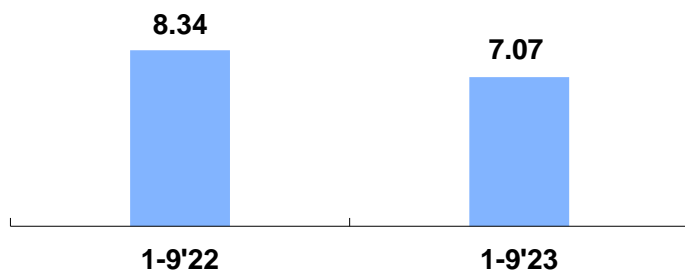
mm tonnes	1-9'22	1-9'23	YoY (%)
Refining Throughput	180.07	193.74	7.6
Gasoline, Diesel and Kerosene Production	103.07	117.52	14.0
Gasoline Production	44.98	47.26	5.1
Diesel Production	44.92	48.45	7.9
Kerosene Production	13.17	21.81	65.6
Light Chemical Feedstock Production	32.21	32.31	0.3

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

Refining – Profitability

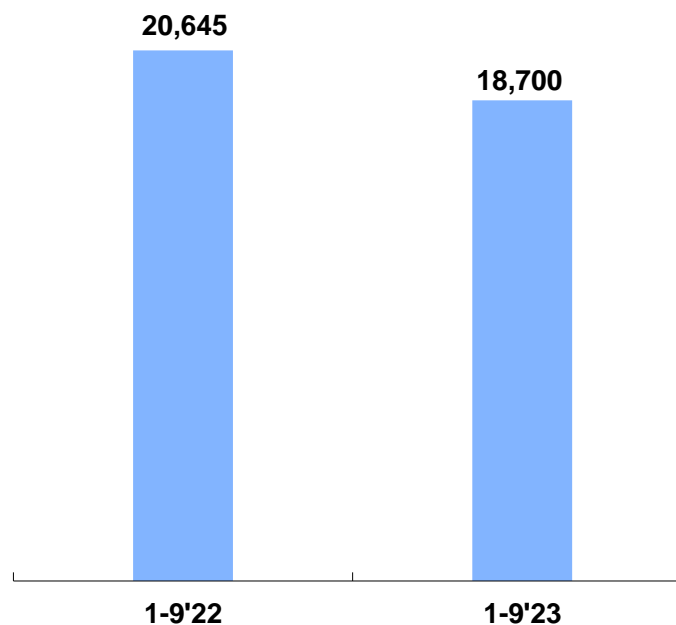
Refining Margin

USD/bbl



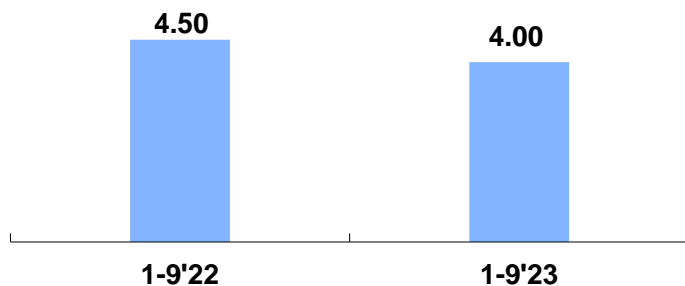
EBIT of Refining

RMB million



Cash Operating Cost

USD/bbl



Marketing – Gave Full Play to Integration and Network Advantages

- Expanded the market and sales, and improved the quality of operations
- Promoted the development of EV charging and battery swapping services and explored hydrogen energy application scenarios
- Transformed into a comprehensive energy services provider of Petro-Gas-Hydrogen-Power-Services

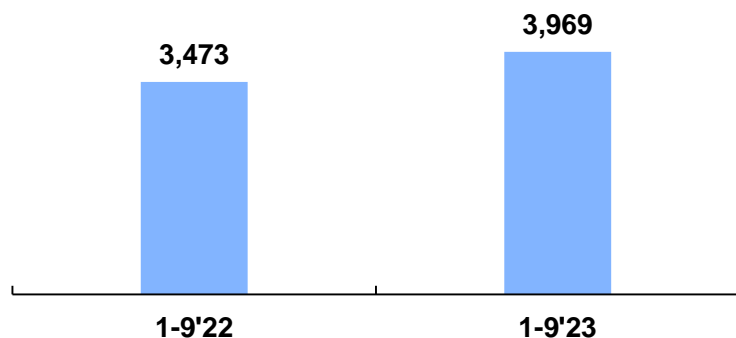
mm tons	1-9'22	1-9'23	YoY (%)
Total Sales Volume of Refined Oil Products*	151.60	180.55	19.1
Domestic Sales of Refined Oil Products	121.99	142.61	16.9
Retail	79.09	91.05	15.1
Wholesale and Distribution	42.91	51.56	20.2
Annual Average Throughput per Station (tonne/station)	3,430	3,923	14.4

*The total sales volume of refined oil products includes sales volume from Marketing and Distribution Segment and trading volume

Marketing – Achieved Increase in Profitability YoY

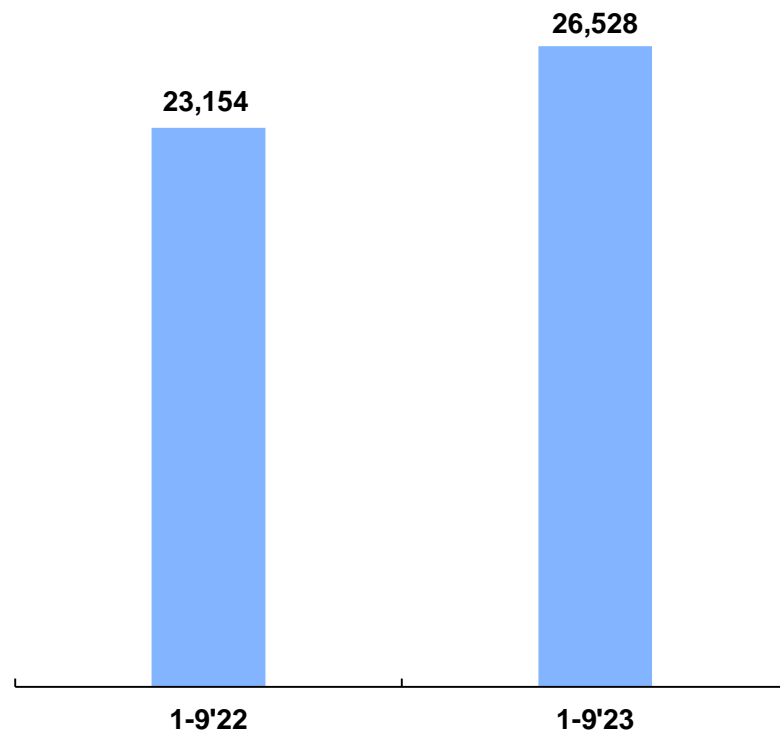
Profit of Non-fuel Business

RMB million



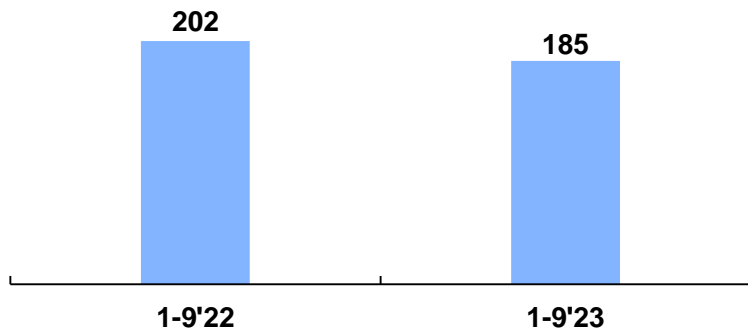
EBIT of Marketing

RMB million



Marketing Cash Operating Cost

RMB/tonne



Chemicals – Strengthened Structural Adjustment

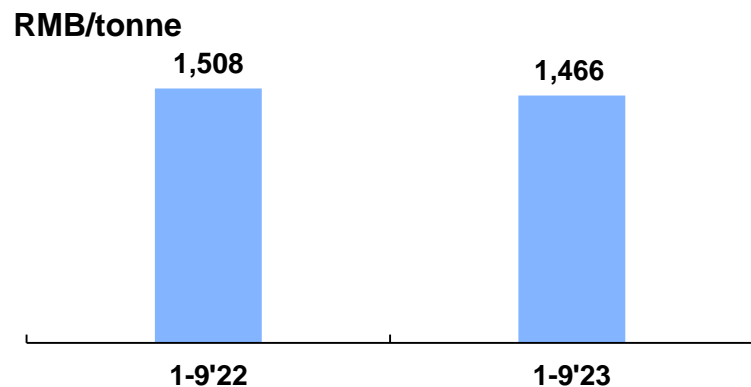
- Implemented profit-oriented optimization of raw materials, product slate and facilities utilization
- Steadily increased portion of high value-added products
- Vigorously expanded domestic and overseas market

'000 tonnes	1-9'22	1-9'23	YoY (%)
Ethylene Production	10,002	10,662	6.6
Synthetic Resin Production	13,790	15,233	10.5
Synthetic Rubber Production	936	1,052	12.4
Synthetic Fiber Monomers & Polymers Production	6,705	5,943	(11.4)
Synthetic Fiber Production	834	803	(3.7)
Total Sales Volume ('0000 tonnes)	6,040	6,343	5.0

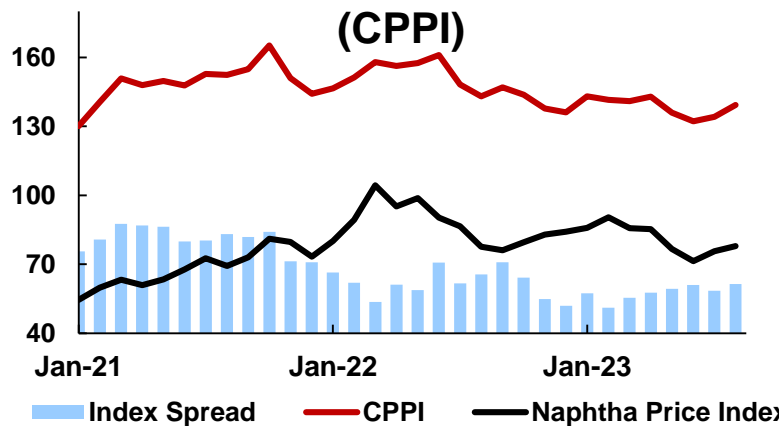
* 100% production of domestic joint ventures included

Chemicals – Made Turnaround in 3Q

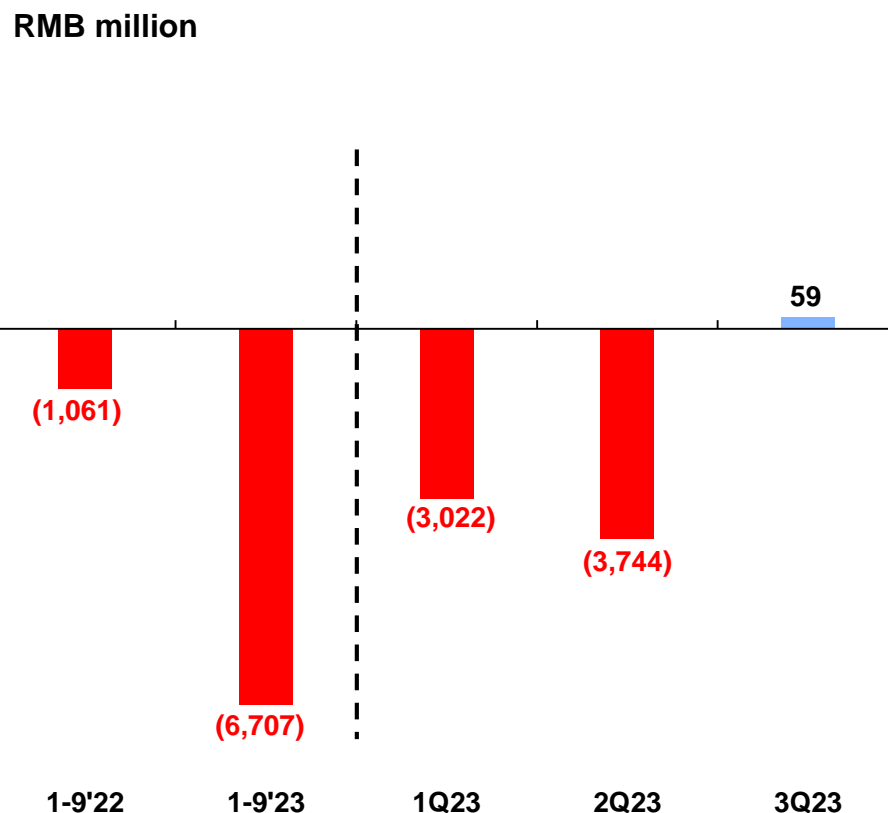
Chemical All-in Cost



Chemical Products Price Index (CPPI)

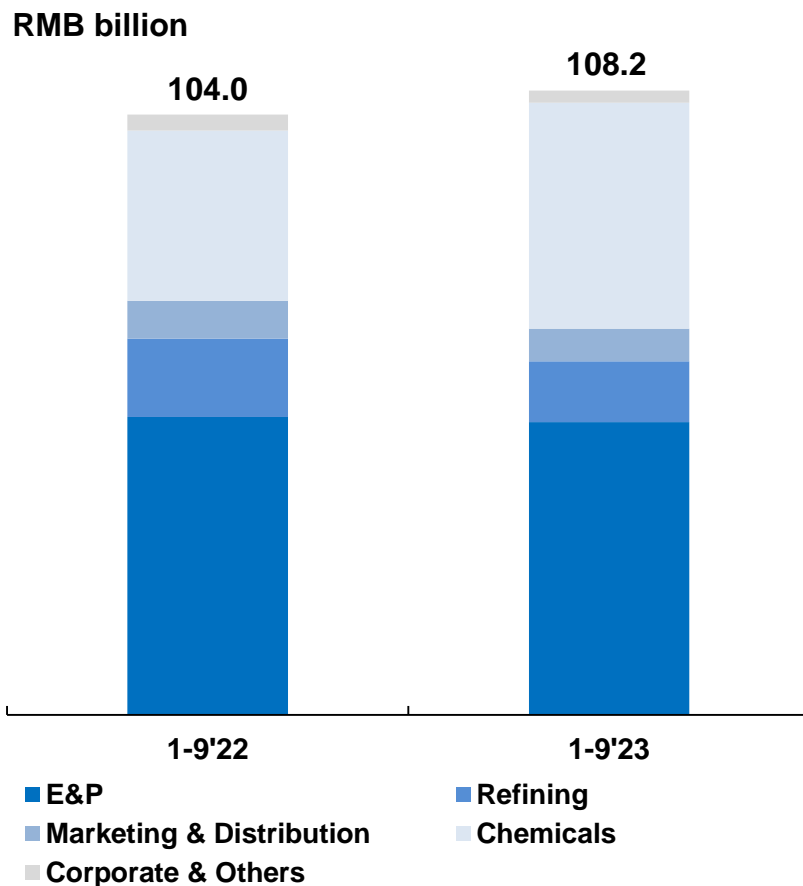


EBIT of Chemicals



Capital Expenditure

- Capital expenditure in the first three quarters was RMB 108.2 Bn



- **E&P: RMB 50.7 Bn**
Mainly for construction of oil & gas capacity and logistic facilities
- **Refining: RMB 10.5 Bn**
Mainly for refining structural adjustment projects in Yangzi
- **Marketing & Distribution: RMB 5.7 Bn**
Mainly for the development of integrated energy station network, revamping of end market network and non-fuel business
- **Chemicals: RMB 39.1 Bn**
Mainly for Zhenhai and Tianjin Nangang ethylene projects as well as coal chemical projects
- **Corporate & Others: RMB 2.1 Bn**
Mainly for R&D facilities and IT projects

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