



2022年冬奥会官方合作伙伴 北京
Partner of the Olympic Winter Games-Beijing 2022 Official

China Petroleum & Chemical Corporation 3Q 2022 Results Announcement

October 28 2022



SINOPEC CORP.

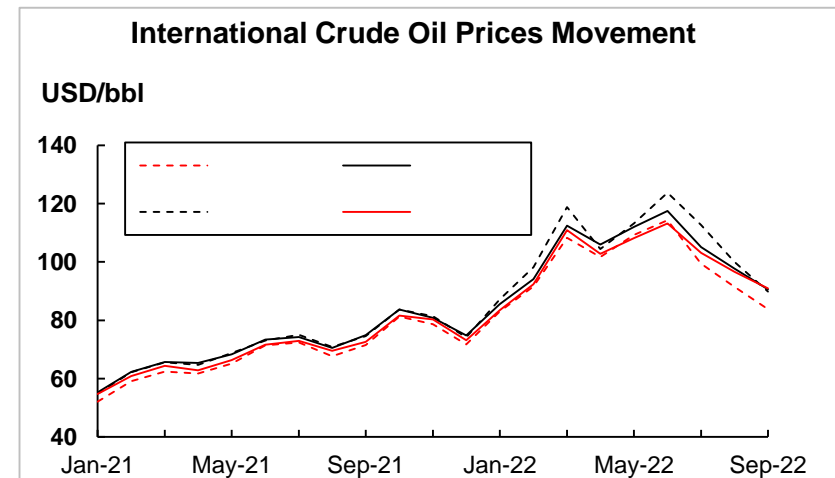
Cautionary Statement

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.

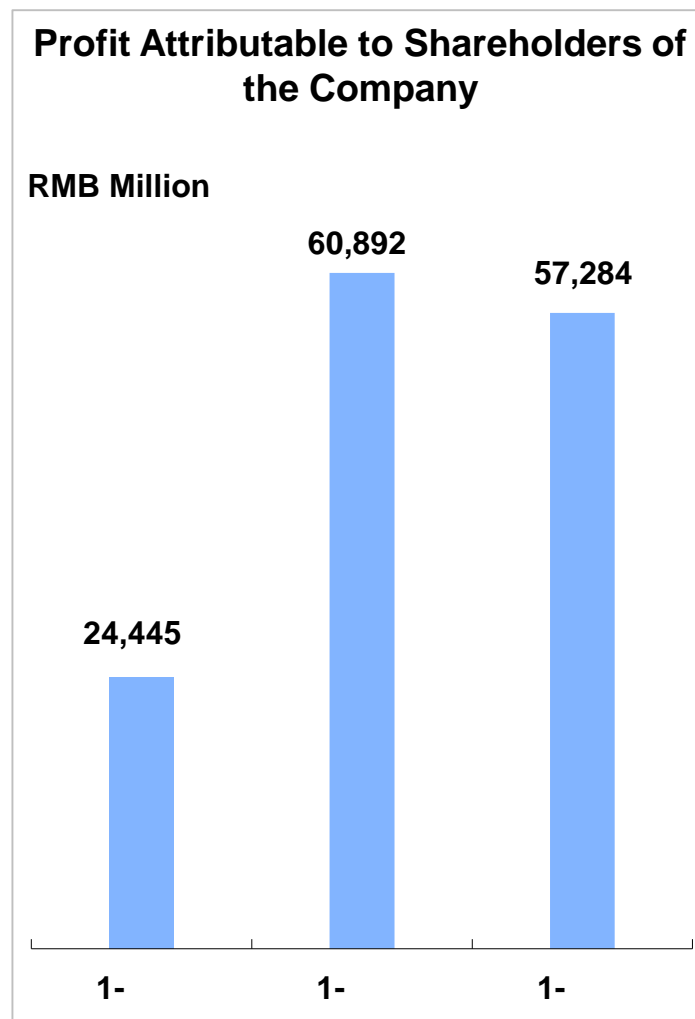
Market Environment in 3Q 2022

- China effectively coordinated pandemic prevention and control with economic and social development, GDP grew by 3.0% in the first nine months YoY
 - ◆ Domestic economy recovered in 3Q with GDP grew by 3.9% YoY
- International crude oil prices fluctuated with an upward trend in 1H and decreased in 3Q
- Domestic demand for natural gas kept stable
- Domestic demand for refined oil and chemical products was weak
 - ◆ Demand for refined oil products recovered in 3Q
 - ◆ Demand for chemical products decreased in 3Q



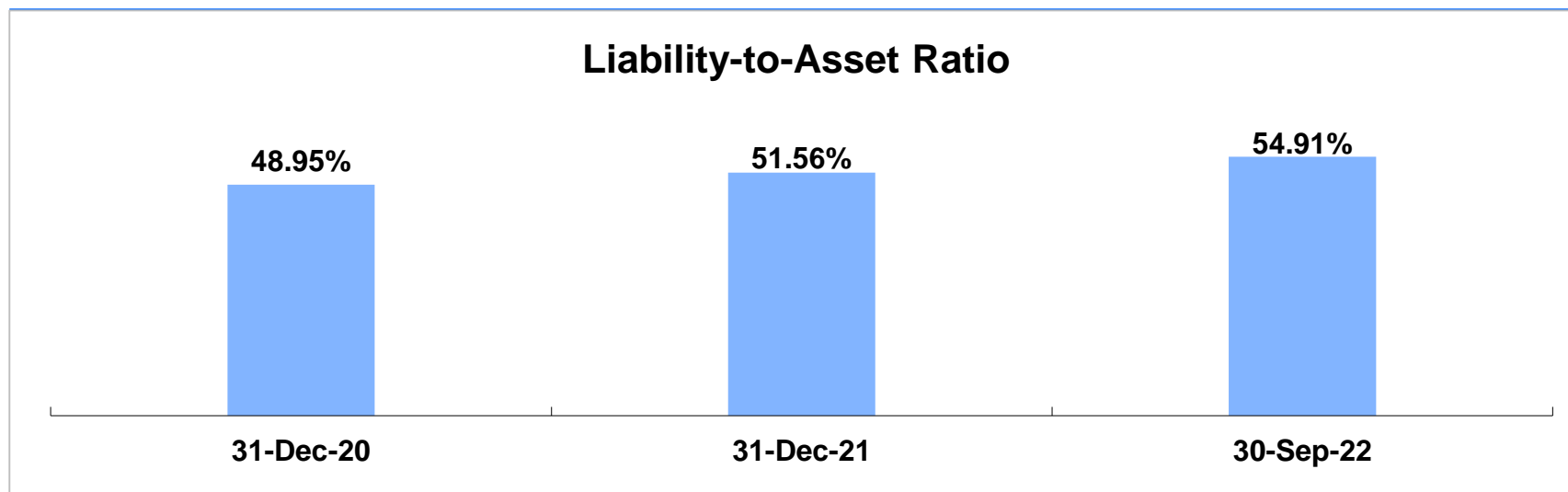
Achieved Good Profitability

| RMB million | 1- | 1- | 1- | YoY Change % |
|---|-----------|-----------|-----------|--------------------|
| Revenue | 1,552,536 | 2,001,691 | 2,453,322 | 22.6 |
| EBIT | 45,567 | 102,254 | 87,363 | (14.6) |
| Profit Attributable to Shareholders of the Company | 24,445 | 60,892 | 57,284 | (5.9) |
| EPS (RMB) | 0.202 | 0.503 | 0.473 | (5.9) |



Financial Position

| RMB million | As of Dec. 31, 2021 | As of Sep. 30, 2022 |
|--|---------------------|---------------------|
| Total Assets | 1,889,255 | 2,050,519 |
| Short-term Interest-bearing Debt | 38,125 | 135,010 |
| Long-term Interest-bearing Debt | 91,990 | 94,935 |
| Total Equity Attributable to Shareholders of the Company | 774,182 | 780,394 |



Cash Flow

- Focused on reducing the occupation of Accounts Receivable and Inventory and improved turnover efficiency of current assets
- Achieved a quarter by quarter improvement

| RMB million | 1- | 1- | 1- | YoY Change % |
|---|-----------|-----------|----------|-----------------|
| Net Cash Generated from/ (Used in) Operating Activities | 84,230 | 116,744 | 59,244 | (49.3) |
| Net Cash Generated from/ (Used in) Investing Activities | (103,572) | (100,071) | (69,911) | - |
| Net Cash Generated from/ (Used in) Financing Activities | 46,644 | (13,229) | 23,877 | - |

| RMB million | As of Dec. 31, 2021 | As of Sep. 30, 2022 | Change % |
|--|---------------------|---------------------|----------|
| Cash and Cash Equivalents (Incl. Time Deposits) | 221,989 | 216,728 | (2.4) |

Focused on Corporate Value and Safeguarded Shareholders' Interests

- **First launched share buyback in A and H markets**
 - Resolution in relation to the share buyback mandate approved by the annual general meeting on 18 May
 - Resolution in relation to the share buyback program approved by the board meeting on 26 August
 - A share and H share buybacks executed simultaneously on 21 September
 - 54.41 million H shares cancelled on 14 October
- **Share buyback will proceed as planned**

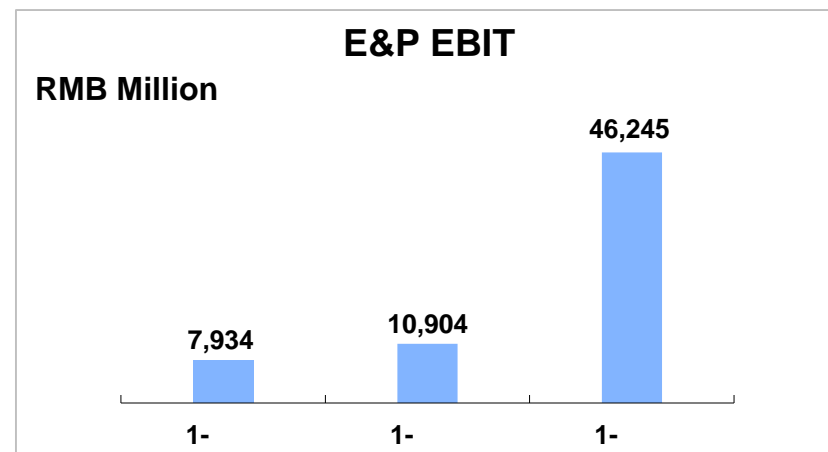
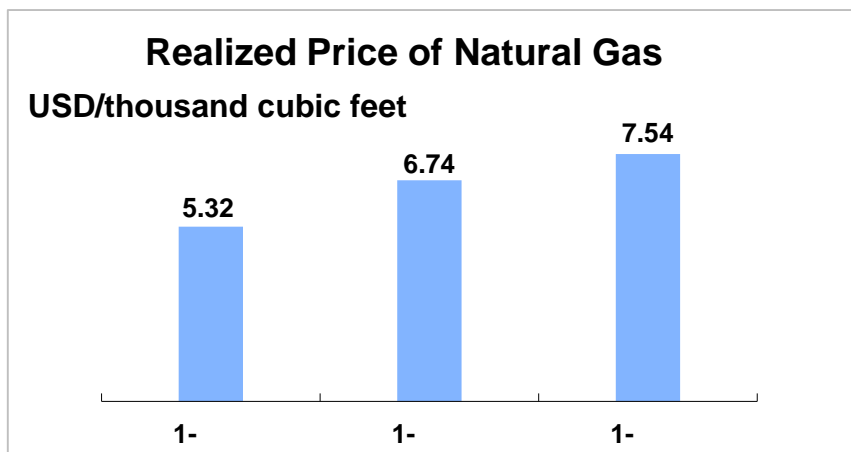
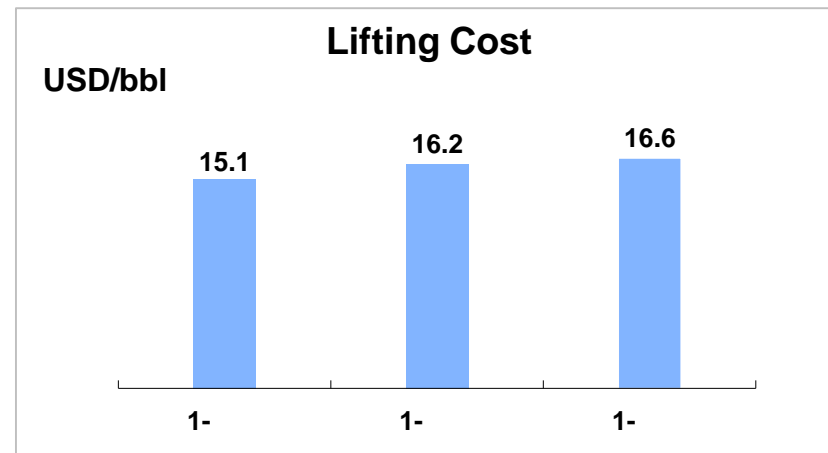
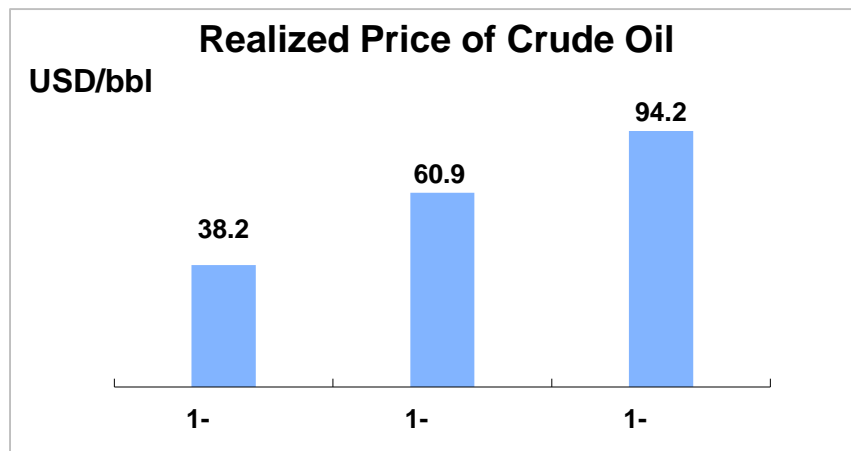
Upstream Improved Reserves, Production and Profitability

- Enhanced efforts in exploration and development, and achieved breakthrough
- Accelerated capacity building, oil and gas production up by 2.3% YoY
- Optimized natural gas value chain, and improved performance

| | 1- | 1- | 1- | YoY Change % |
|-------------------------------|--------|--------|--------|--------------|
| Oil and Gas Production(mmboe) | 339.39 | 355.01 | 363.18 | 2.3 |
| Crude Oil Production(mmbbl) | 210.65 | 208.65 | 210.82 | 1.0 |
| China | 186.69 | 186.59 | 188.05 | 0.8 |
| Overseas | 23.96 | 22.06 | 22.77 | 3.2 |
| Natural Gas Production(bcf) | 772.14 | 877.85 | 913.81 | 4.1 |

* 1 tonne=7.1 bbls for domestic crude oil production; 1 tonne=7.05 bbls for overseas crude oil production; 1 cubic meter=35.31 cubic feet for natural gas production.

Upstream Strong Increase in Profitability



* 1- 22 USD 1=RMB 6.6068; 1- 21 USD 1=RMB 6.4714; 1- 20 USD 1=RMB 6.9917

Refining Strengthened Optimization and Synergy

- Leveraged integration advantage, dynamically adjusted utilization rate and product slate
- Optimized the procurement arrangement and allocation of crude oil resources
- Steadily shifted from refined oil products to chemical feedstock and refining specialties

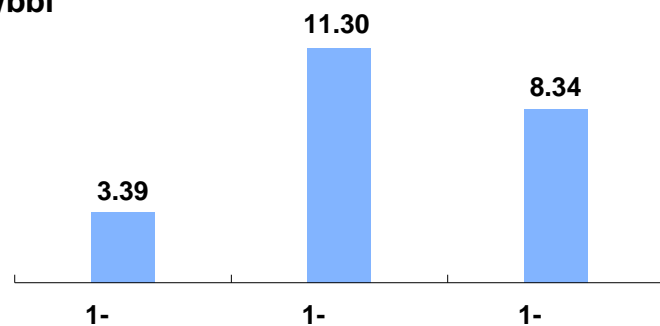
| mm tonnes | 1- | 1- | 1- | YoY(%) |
|--|--------|--------|--------|--------|
| Refinery Throughput | 174.46 | 190.73 | 180.07 | (5.6) |
| Gasoline, Diesel and Kerosene Production | 105.19 | 108.60 | 103.07 | (5.1) |
| Gasoline Production | 42.46 | 49.07 | 44.98 | (8.3) |
| Diesel Production | 47.86 | 42.92 | 44.92 | 4.7 |
| Kerosene Production | 14.87 | 16.60 | 13.17 | (20.7) |
| Light Chemical Feedstock Production | 29.54 | 33.71 | 32.21 | (4.4) |

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

Refining Profitability

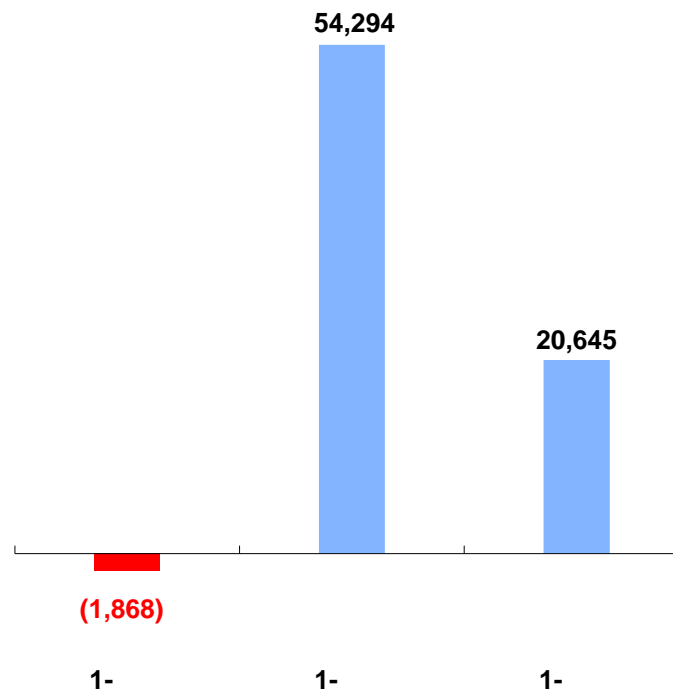
Refining Margin

USD/bbl



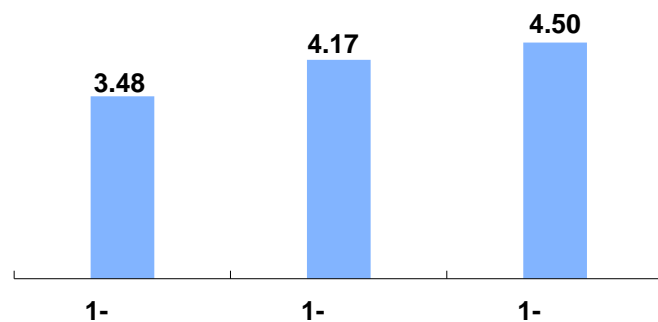
EBIT of Refining

RMB million



Cash Operating Cost

USD/bbl



Marketing Enhanced Market Position

- Strengthened integration of production and marketing, leveraged integration and network advantage
- Implemented precision marketing strategy and actively expanded end market
- Actively transformed into an integrated energy service provider of refined oil products, natural gas, hydrogen, EV charging & battery swapping and non-fuel business

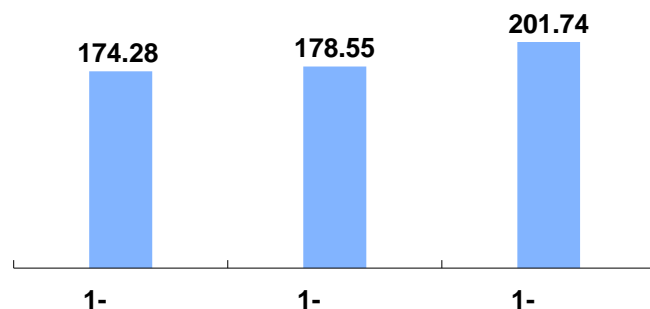
| mm tonnes | 1- | 1- | 1- | YoY(%) |
|--|--------|--------|--------|--------|
| Total Sales Volume of Refined Oil Products* | 162.25 | 166.59 | 151.60 | (9.0) |
| Domestic Sales of Refined Oil Products | 123.19 | 127.88 | 121.99 | (4.6) |
| Retail | 83.06 | 83.70 | 79.09 | (5.5) |
| Wholesale and Distribution | 40.13 | 44.18 | 42.91 | (2.9) |
| Annual Average Throughput per Station (tonne/station) | 3,605 | 3,633 | 3,430 | (5.6) |

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

Marketing Profitability

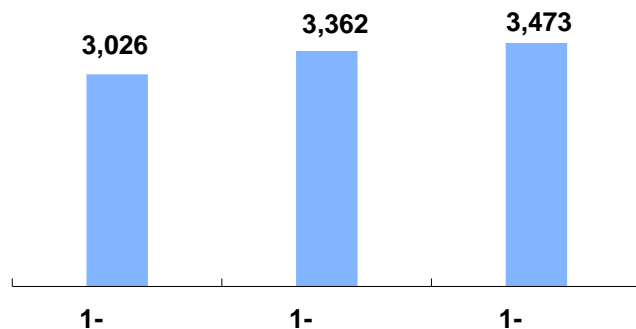
Marketing Cash Operating Cost

RMB/tonne



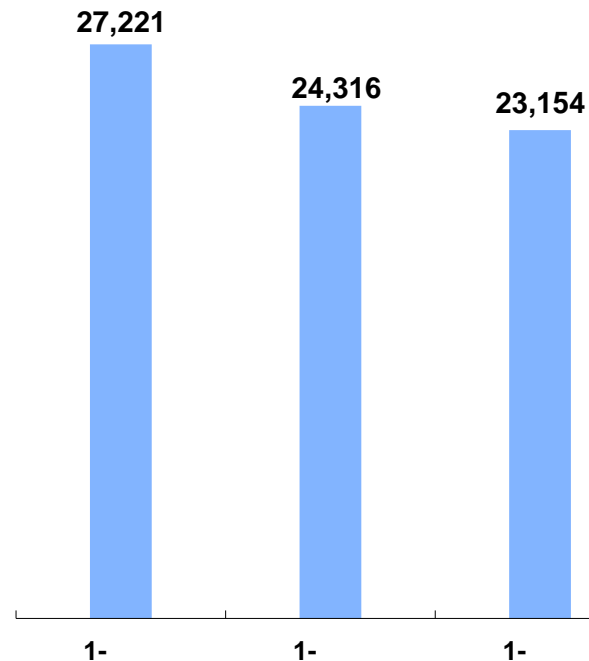
Profit of Non-fuel Business

RMB million



EBIT of Marketing

RMB million



Chemicals Strengthened Structural Optimization

- Dynamically optimized feedstock and product slate, increased product exportation
- Optimized utilization rate based on profitability, and kept high utilization rates for profitable production units, such EVA, BR etc.
- Successful accomplishment of chemical production capacity construction

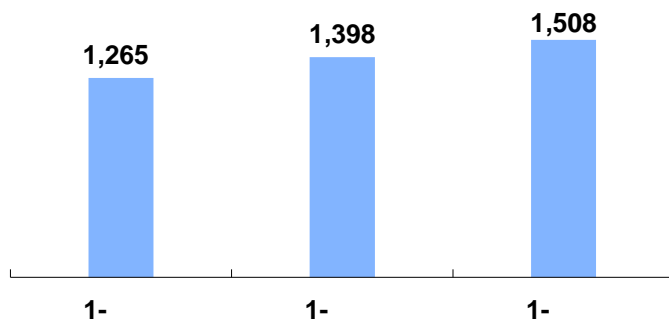
| tonnes | 1- | 1- | 1- | YoY(%) |
|--|--------|--------|--------|--------|
| Ethylene Production | 8,850 | 9,752 | 10,002 | 2.6 |
| Synthetic Resin Production | 12,773 | 14,002 | 13,790 | (1.5) |
| Synthetic Rubber Production | 790 | 890 | 936 | 5.2 |
| Synthetic Fiber Monomers & Polymers Production | 6,711 | 6,819 | 6,705 | (1.7) |
| Synthetic Fiber Production | 935 | 1,031 | 834 | (19.1) |
| tonnes) | 6,242 | 6,077 | 6,040 | (0.6) |

* 100% production of domestic joint ventures included

Chemicals Profitability

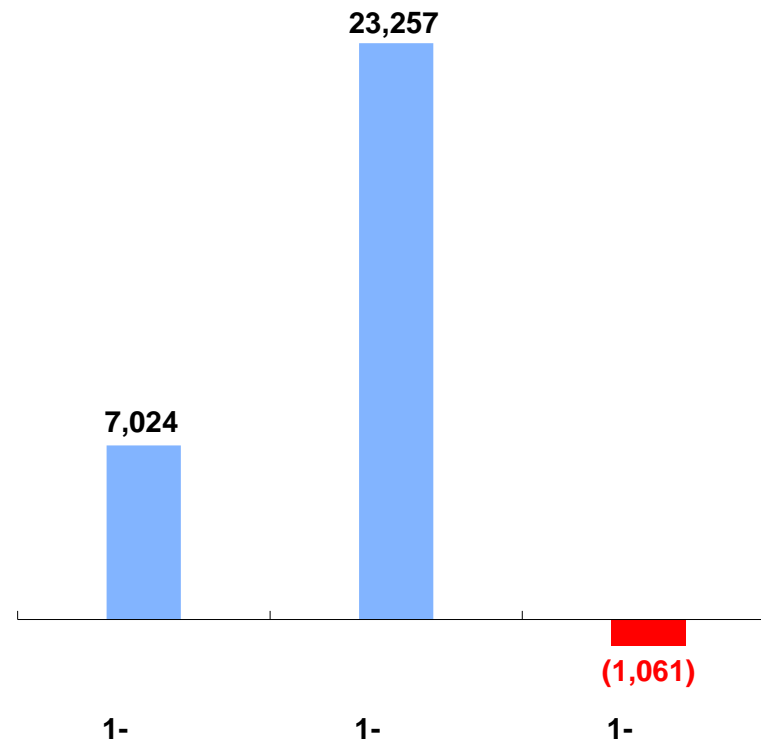
Chemical All-in Cost

RMB/tonne

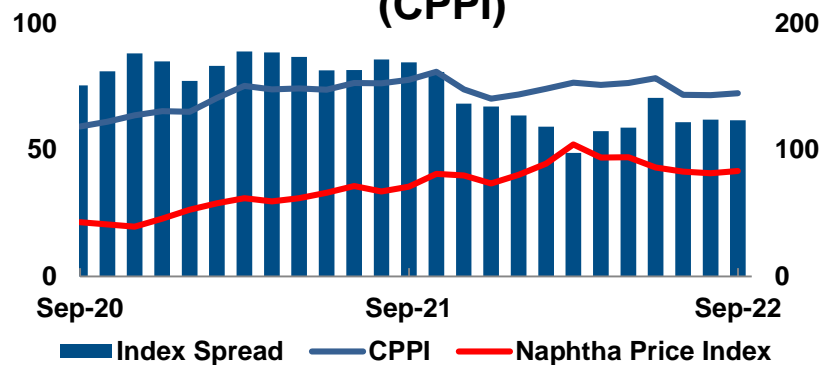


EBIT of Chemicals

RMB million



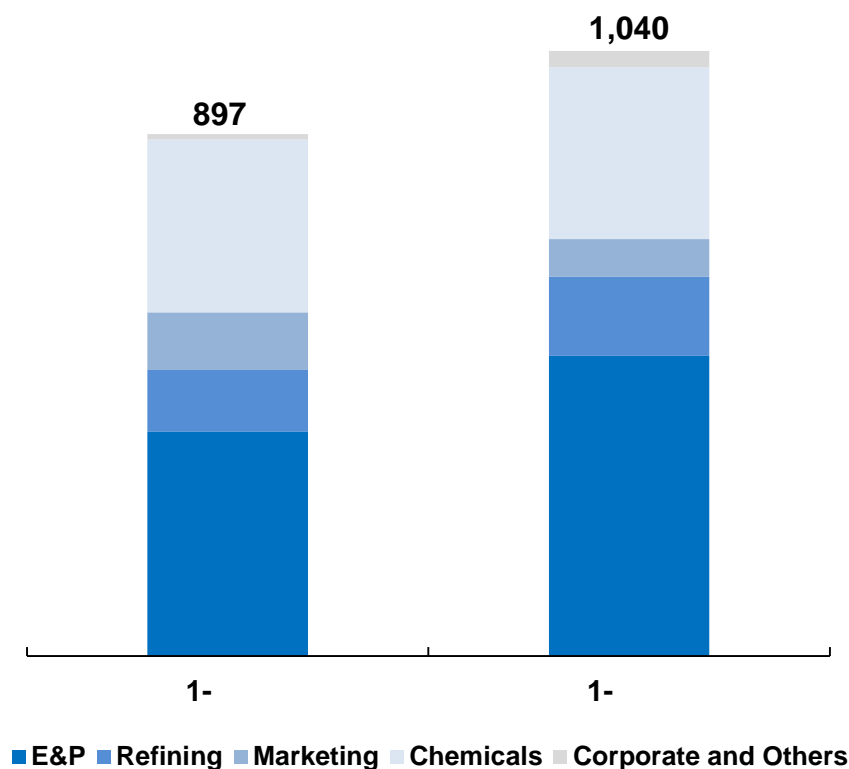
Chemical Products Price Index (CPPI)



Capital Expenditure

- Capital expenditure in the first three quarters was RMB 104 billion

RMB 100 million



- **Upstream: RMB 51.6 Bn**

- ◆ Mainly for oil & gas capacity building, and storage & transportation facilities construction

- **Refining: RMB 13.6 Bn**

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

- **Marketing: RMB 6.5 Bn**

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

- **Chemicals: RMB 29.5 Bn**

- ◆ Mainly for Hainan and Tianjin Nangang ethylene projects, Jiujiang Aromatics project, Zhenhai phase II expansion project, and Yizheng PTA project, etc.

- **Corporate and Others: RMB 2.8 Bn**

- ◆ Mainly for information technology projects

Contact Information

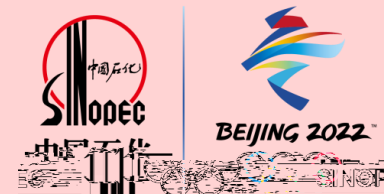
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