



中国石化
SINOPEC

China Petroleum & Chemical Corporation 1Q 2023 Results Announcement

April 28 2023



中国石油化工股份有限公司
SINOPEC CORP.

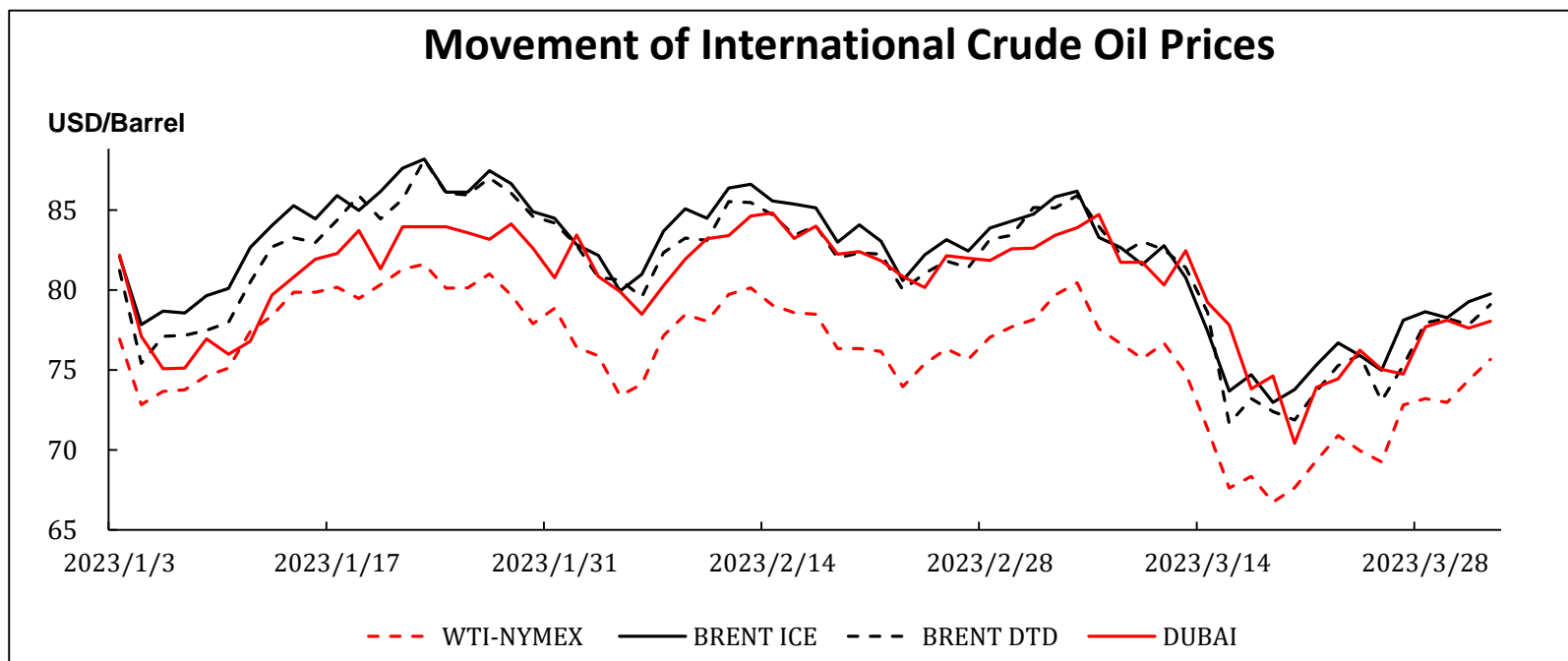
Cautionary Statement

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.

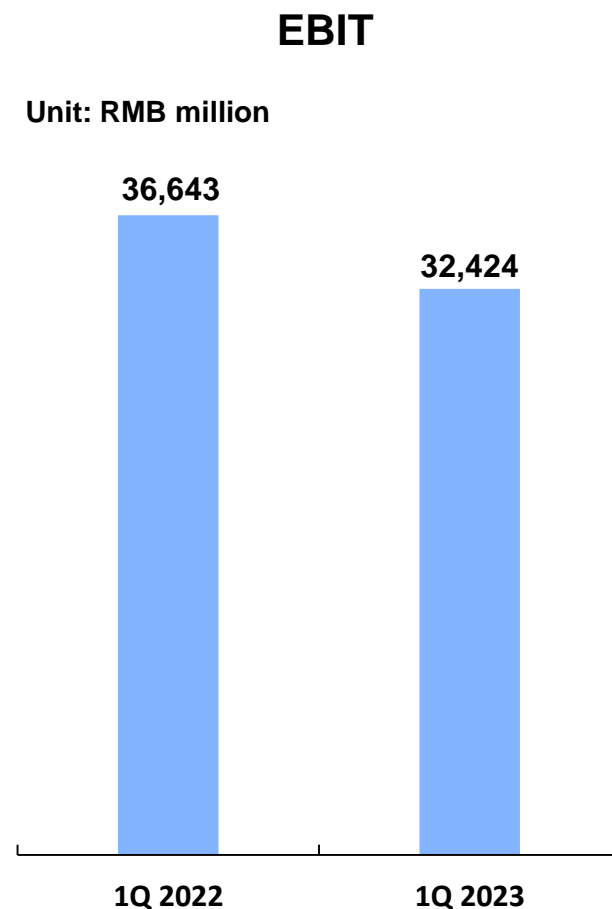
Market Environment in 1Q 2023

- China's economy improved with gross domestic product (GDP) up by 4.5% year on year
- International crude oil prices fluctuated in a wide range
- Demand for refined oil products rebounded, natural gas demand increased and chemicals demand also recovered to some extent



Achieved Good Results

RMB million	1Q 2022	1Q 2023	YoY (%)
Revenues	771,386	791,331	2.6
EBIT	36,643	32,424	(11.5)
Profit Attributable to Shareholders of the Company	23,533	20,740	(11.9)
EPS (RMB)	0.194	0.173	(10.8)



Solid Financial Position

RMB million	As of Dec. 31, 2022	As of Mar. 31, 2023
Total Assets	1,951,121	2,011,153
Short-term Interest-bearing Debts	66,329	121,647
Long-term Interest-bearing Debts	107,961	142,898
Total Equity Attributable to Shareholders of the Company	787,600	806,099
Liability-to-Asset Ratio (%)	51.85	52.30

Cash Flow

RMB million	1Q 2022	1Q 2023	YoY (%)
Net Cash Used in Operating Activities	(46,781)	(18,397)	-
Net Cash Used in Investing Activities	(38,080)	(54,289)	-
Net Cash Generated from Financing Activities	58,780	82,285	40.0

RMB million	As of Dec. 31, 2022	As of Mar. 31, 2023	Change (%)
Cash and Cash Equivalents (Incl. Time Deposits)	145,052	175,582	21.0

Upstream – Sound Achievements In Stabilizing Oil Production, Boosting Gas Output, and Cutting Costs

- Intensified efforts in high quality exploration, achieved a number of oil and gas discoveries
- Natural gas production grew by 5.3% YoY
- Optimised LNG recourses and reduced procurement cost

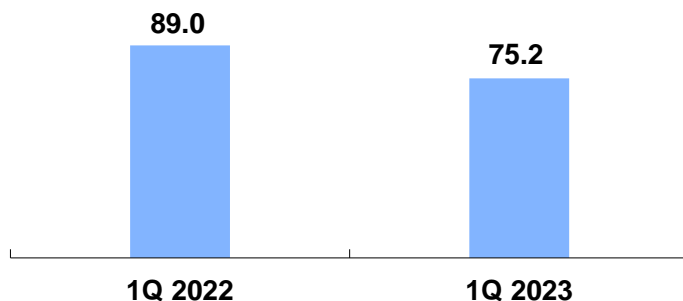
	1Q 2022	1Q 2023	YoY (%)
Oil and Gas Production (mmboe)	121.41	124.60	2.6
Crude Oil Production (mmbbls)	69.07	69.49	0.6
China	61.60	61.86	0.4
Overseas	7.47	7.63	2.1
Natural Gas Production (bcf)	313.94	330.47	5.3

* 1 cubic meter=35.31 cubic feet

Upstream – Profitability Further Improved

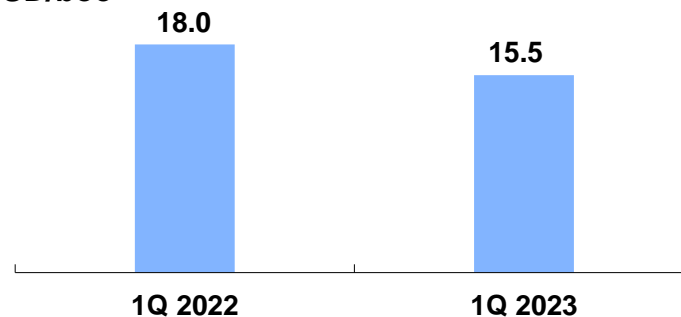
Realized Price of Crude Oil

USD/bbl



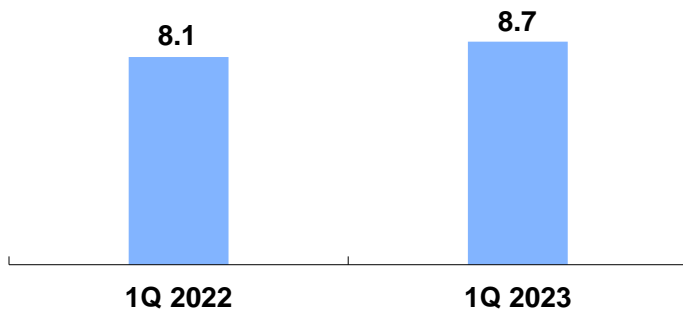
Lifting Cost

USD/boe



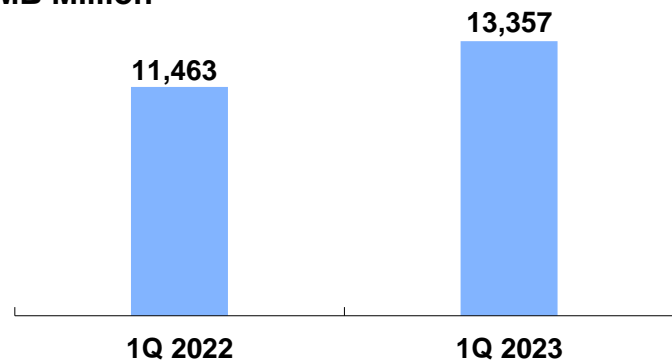
Realized Price of Natural Gas

USD/thousand cubic feet



E&P EBIT

RMB Million



Note: The average FX rate is 1USD = 6.8476 CNY for 1Q 2023, 1 USD = 6.3504 CNY for 1Q 2022

Refining – Flexible Adjustment of Business Strategy

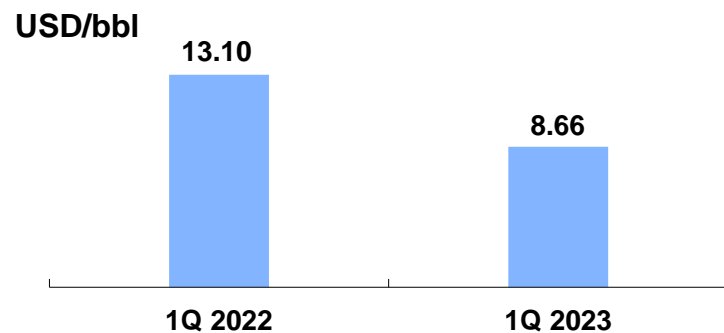
- Closely followed market changes and maintained high utilisation rate
- Flexibly adjusted procurement strategies and reduced cost
- Optimized product mix and increased exports of refined oil products

mm tonnes	1Q 2022	1Q 2023	YoY (%)
Refinery Throughput	64.19	62.24	(3.0)
Gasoline, Diesel and Kerosene Production	37.36	37.30	(0.2)
Gasoline Production	16.48	15.16	(8.0)
Diesel Production	15.72	15.58	(0.9)
Kerosene Production	5.16	6.56	27.1
Light Chemical Feedstock Production	11.79	10.61	(10.0)
Diesel-to-gasoline Ratio	0.95	1.03	Increase by 0.08 pct

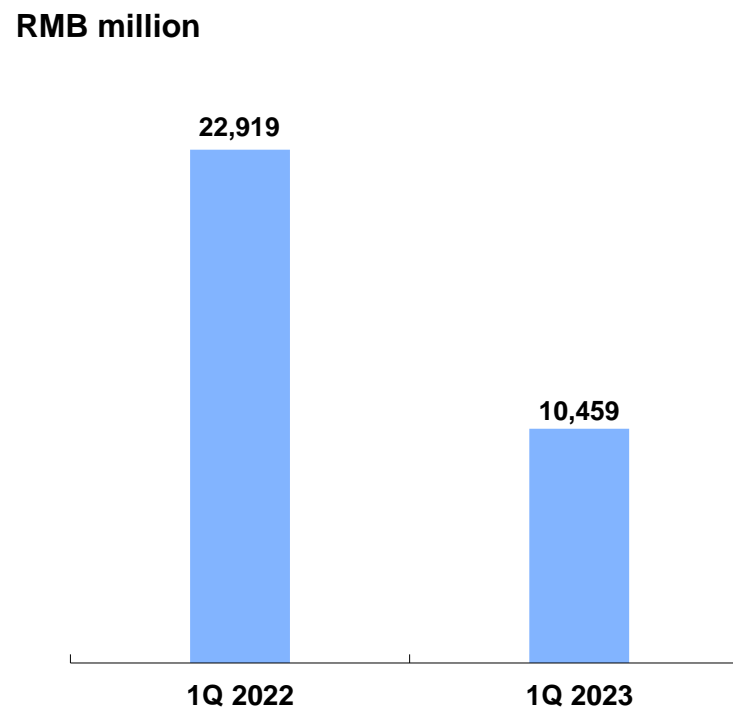
*Refinery throughput is calculated based on 1 tonne= 7.35 bbls; 100% production of domestic joint ventures included

Refining – Achieved Good Profitability

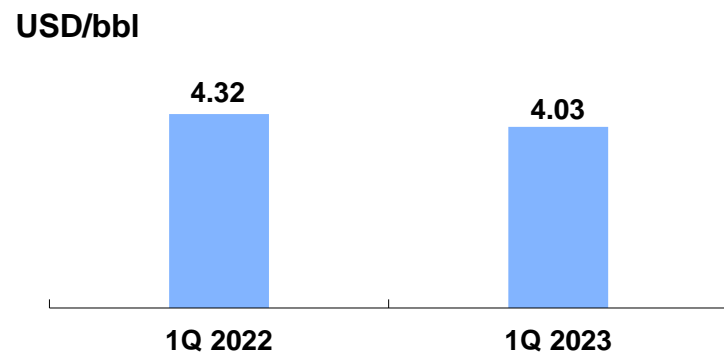
Refining Margin



EBIT of Refining



Cash Operating Cost



Marketing – Gave Full Play to Integration and Network Advantages

- Strengthened resources coordination, and enhanced efforts in expanding market
- Actively transformed into a comprehensive energy service provider of *Petro-Gas-Hydrogen-Power-Services*

mm tones	1Q 2022	1Q 2023	YoY (%)
Total Sales Volume of Refined Oil Products*	51.02	56.16	10.1
Domestic Sales of Refined Oil Products	41.06	44.57	8.5
Retail	27.34	29.36	7.4
Wholesale and Distribution	13.72	15.21	10.9
Annual Average Throughput per Station (tonne/station)	3,559	3,802	6.8

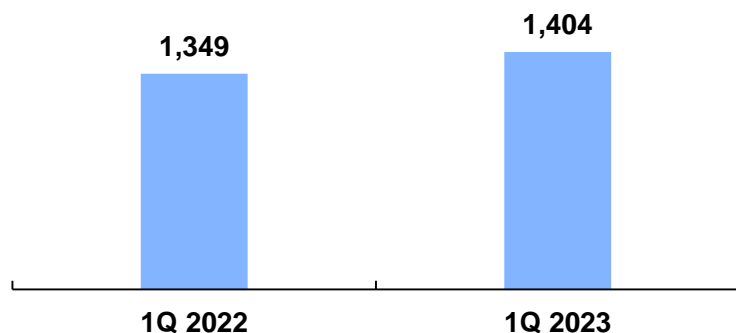
As of Mar. 31, 2023	
Number of Service Stations with Sinopec Brand	30,893
Number of Easy Joy convenient stores	28,350
Number of EV Charging and Battery Swapping Stations	2,350
Number of Hydrogen Stations	98

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

Marketing – Solid Profitability

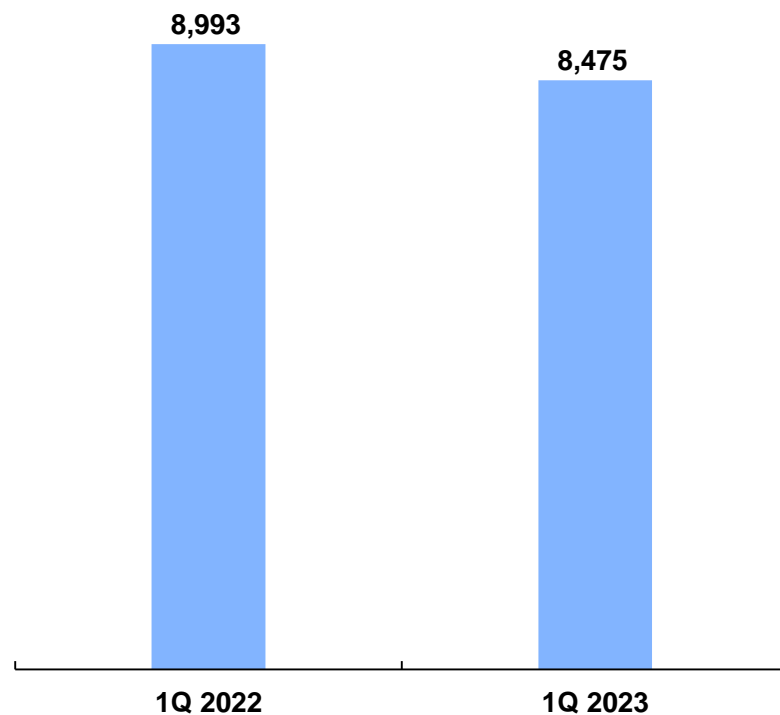
Profit of Non-fuel Business

RMB million



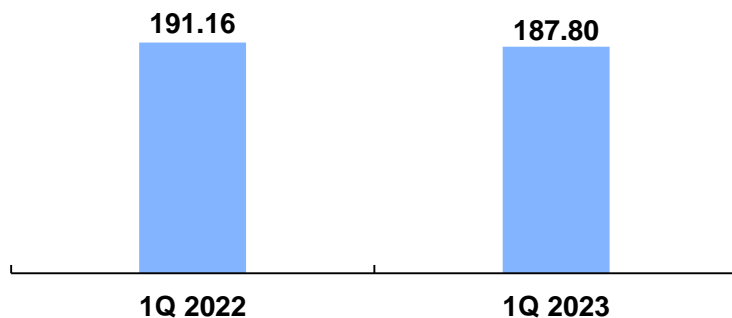
EBIT of Marketing

RMB million



Marketing Cash Operating Cost

RMB/tonne



Chemicals – Strengthened Structural Adjustment

- Implemented profit-oriented optimization of feedstock, facilities, and product slate
- Strengthened the combination of production, marketing, research and application, and increased R&D of high-end products and new materials

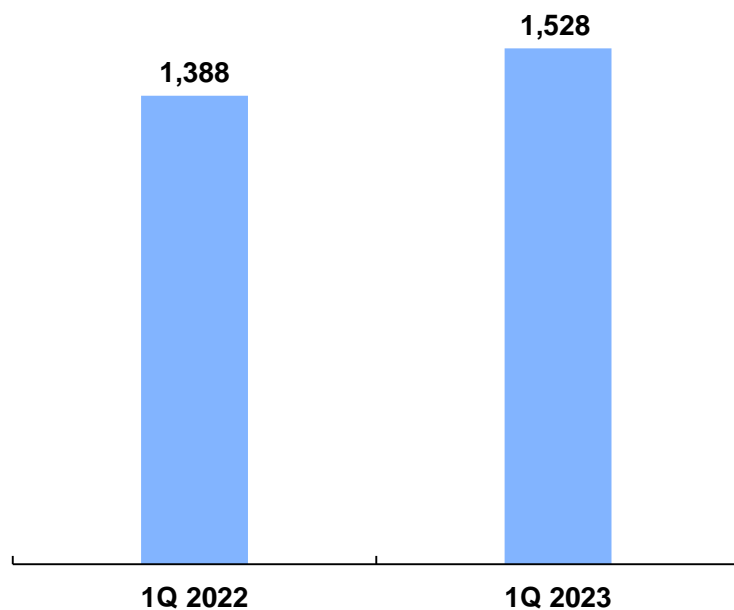
'000 tonnes	1 Q 2022	1 Q 2023	YoY (%)
Ethylene Production	3,606	3,347	(7.2)
Synthetic Resin Production	4,867	4,816	(1.0)
Synthetic Rubber Production	353	349	(1.1)
Synthetic Fiber Monomers & Polymers Production	2,491	2,034	(18.3)
Synthetic Fiber Production	286	258	(9.8)
Total Sales Volume ('0000 tonnes)	2,064	2,069	0.2

* 100% production of domestic joint ventures included

Chemicals – Profitability

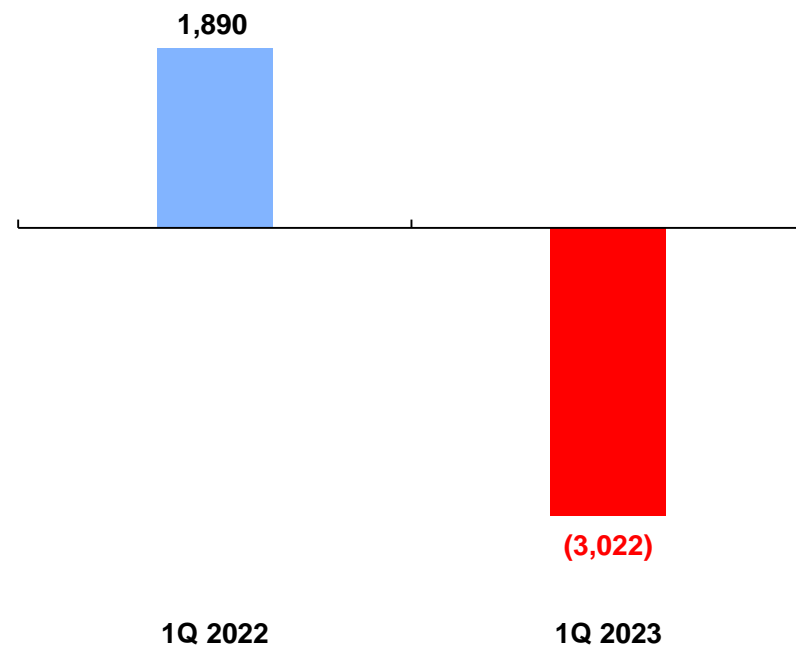
Unit All-In Cost

RMB/tonne



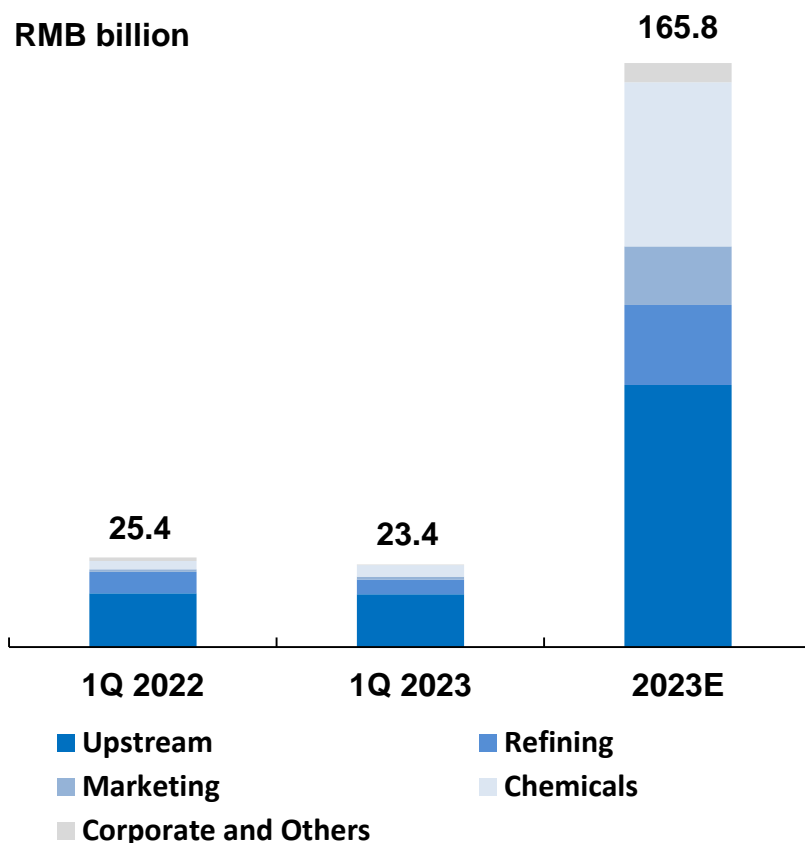
EBIT of Chemicals

RMB million



Capital Expenditure

- Capital expenditure in the first quarter was RMB 23.4 billion



- **Upstream: RMB 14.98 Bn**

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

- **Refining: RMB 4.22 Bn**

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

- **Marketing: RMB 0.78 Bn**

- ◆ Mainly for revamping of service stations

- **Chemicals: RMB 3.27 Bn**

- ◆ Mainly for Tianjin Nangang and Hainan ethylene projects

- **Corporate and Others: RMB 0.15 Bn**

- ◆ Mainly for information technology projects

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