

China Petroleum & Chemical Cor

China Petroleum and Chemical Corporation (Sinopec) refines, produces and trades petroleum and petrochemical products, such as gasoline, diesel, jet fuel, kerosene, ethylene, synthetic fibres, synthetic rubber, synthetic resins and chemical fertilisers. Sinopec also explores and produces crude oil and natural gas. EBIT declined 10.7% y/y to CNY75.9bn, while net profits fell 5.9% y/y to CNY57.3bn, mainly due to lower realised prices. Operating cash flow dropped to CNY59.2bn from CNY116.7bn in 9M 2021. Capex grew 15.9% y/y to CNY104.0bn. Exploration & Production (E&P): EBIT rose to CNY46.2bn (vs CNY10.9bn in 9M 2021), mainly driven by higher output and better prices. Crude oil output improved 1.0% y/y to 210.8m barrels of oil equivalent (mboe), thanks to a 3.2% y/y rise in overseas production, while domestically, crude oil output improved 0.8% y/y. Meanwhile, natural gas production was up 4.1% y/y. Growth in the segment further benefitted from a strong increase in realised prices of crude oil (+54.6% y/y) and natural gas (+11.9% y/y). Refining: EBIT declined 62.0% y/y to CNY20.6bn, mainly due to lower utilisation rates and higher processing costs of crude oil. Refining throughput declined 5.6% y/y. Marketing: EBIT dropped 4.8% y/y to CNY23.2bn, mainly due to a 9.0% decline in total sales volumes (led by a 4.6% y/y fall in domestic sales volumes) and annualised throughput (-5.6% y/y). Chemicals: It reported a loss before income and taxes of CNY1.1bn compared with EBIT of CNY23.1bn, due to a sharp decline in the gross profit margin of chemical products. However, production of ethylene (+2.6% y/y) and synthetic rubber (+5.2% y/y) increased. Volumes fell in monomers and polymers (-1.7% y/y) and synthetic resin (-1.5% y/y).

Corporate Ratings		Periodicity	Fiscal Quarterly	Currency	Default	Parent/Consolidated			C	Data	Adjusted (If Available)			
S&P	A+													
Outlook	Stable													
Moody's	A1													
Outlook	Stable													
Fitch	A+													
Outlook	Stable													
CDS Data														
5 YR CDS	#N/A N/A													
% 3 Months	#N/A N/A													
% 6 Months	#N/A N/A													
% 1 Year	#N/A N/A													
52 Week Low	#N/A N/A													
52 Week High	#N/A N/A													
Profitability		Balance Sheet Summary		03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
EBIT	99,617	Total Current Assets		677,395.0	677,395.0	706,433.0	679,865.0	558,024.0	584,662.0	553,436.0	519,979.0	455,660.0		
Operating Margin	3.18	Total Long-Term Assets		#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	1,283,236.0
Pretax Margin	3.45	Total Assets		#####	#####	#####	#####	#####	#####	#####	#####	#####	#####	1,738,896.0
Return on Assets	4.02	Total Current Liabilities		784,893.0	784,893.0	793,623.0	730,001.0	641,280.0	637,842.0	623,995.0	559,737.0	522,995.0		
Return on Common Equity	10.21	Total Long-Term Liabilities		340,089.0	340,089.0	335,450.0	349,260.0	332,901.0	338,424.0	322,661.0	332,681.0	328,199.0		
Return on Capital	7.78	Total Liabilities		#####	#####	#####	#####	974,181.0	976,266.0	946,656.0	892,418.0	851,194.0		
Asset turnover	1.59	Total Shareholders' Equity		925,537.0	925,537.0	930,741.0	934,846.0	915,074.0	911,016.0	906,308.0	909,726.0	887,702.0		
Structure														
Current Ratio	0.86	Shares Outstanding		121,071.0	121,071.0	121,071.0	121,071.0	121,071.0	121,071.0	121,071.0	121,071.0	121,071.0		
Quick Ratio	0.37	Book Value per Share		--	--	6.5	6.5	6.6	6.4	6.4	6.3	6.3		6.2
Total Debt to Total Assets	17.94	Tangible Book Value / Sh				5.4	5.4	6.4	6.5	6.3	5.3	6.2		6.1
Total Debt to Com Equity	47.09	Shareholder Equity/Total Liab				45.1	45.1	45.2	46.4	48.4	48.3	48.9		51.0
Growth Potential		Cash Flow Summary		03/23 E	12/22 E	LTM	09/22 Q	06/22 Q	03/22 Q	12/21 Q	09/21 Q	06/21 Q	03/21 Q	12/20 Q
Sales 1yr Growth	30.79	Net Income		--	--	68,875.0	13,130.0	21,113.0	23,338.0	11,294.0	20,603.0	21,453.0	18,774.0	9,103.0
Asset 1yr Growth	8.65	Depreciation and Amortization		--	--	--	--	15,326.0	26,694.0	21,473.0	--	16,710.0	26,647.0	29,820.0
Capital 1yr Growth	3.62	Change in Working Capital		--	--	-54,318.0	-20,308.0	-37,054.0	33,120.0	-30,076.0	17,379.0	-30,801.0	27,577.0	-16,677.0
		Cash - Operating Activities				182,961.0	57,160.0	54,369.0	-45,676.0	117,108.0	69,812.0	66,197.0	-15,178.0	85,804.0
		Capital Expenditures				#####	-31,462.0	-27,456.0	-35,567.0	-56,559.0	-32,380.0	-28,643.0	-27,579.0	-50,618.0
		Cash - Investing Activities				#####	-23,146.0	-17,384.0	-40,486.0	-58,873.0	-37,226.0	-45,505.0	-25,396.0	-3,764.0
		Cash - Financing Activities				-7,300.0	-46,594.0	20,041.0	59,724.0	-40,471.0	-19,874.0	-41,825.0	52,262.0	-82,047.0
		Net Changes in Cash				35,772.0	-12,580.0	57,026.0	-26,438.0	17,764.0	12,712.0	-21,133.0	11,688.0	-7.0
		Free Cash Flow				31,917.0	25,698.0	26,913.0	-81,243.0	60,549.0	37,432.0	37,554.0	-42,757.0	35,186.0

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