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中国石油化工股份有限公司

CHINA PETROLEUM & CHEMICAL CORPORATION

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00386)

Overseas Regulatory Announcement
China Petroleum & Chemical Corporation
The Third Quarterly Report for 2024

This announcement is made pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

By Order of the Board
China Petroleum & Chemical Corporation
Huang Wensheng
Vice President and Secretary to the Board of Directors

Beijing, the PRC,
28 October 2024

As of the date of this announcement, directors of the Company are: Ma Yongsheng, Zhao Dong#, Zhong Ren*, Li Yonglin#, Lv Lianggong#, Niu Shuanwen#, Wan Tao#, Yu Baocai#, Xu Lin+, Zhang Liying+, Liu Tsz Bun Bennett+ and Zhang Xiliang+.*

Executive Director

* *Non-executive Director*

+ *Independent Non-executive Director*



中国石油化工股份有限公司

China Petroleum & Chemical Corporation

The Third Quarterly Report for 2024

28 October 2024

Beijing China

Important notice

- The Board of Directors, the Supervisory Committee of China Petroleum & Chemical Corporation (“Sinopec Corp.” or “the Company”) and its directors, supervisors and senior management warrant the authenticity, accuracy and completeness of the information contained in this quarterly report and there are no false representations, misleading statements or material omissions and severally and jointly accept full responsibility.
- The third quarterly report for 2024 was approved at the 3rd meeting of the 9th Session of the Board of Directors of Sinopec Corp. All directors attended this meeting.
- Mr. Ma Yongsheng, Chairman of the Board, Mr. Zhao Dong, Vice Chairman of the Board and President, Ms. Shou Donghua, Chief Financial Officer and Head of the Corporate Accounting Department of Sinopec Corp. warrant the authenticity, accuracy and completeness of the financial statements contained in this quarterly report.
- The financial statements in this quarterly report were not audited.

1. Principal financial data

1.1 Principal financial data and indicators

1.1.1 Principal financial data and indicators prepared in accordance with China Accounting Standards for Business Enterprises (CASs)

RMB million

	Three-month period ended 30 September		Changes over the same period of the preceding year (%)	Nine-month period ended 30 September		Changes over the same period of the preceding year (%)
	2024	2023		2024	2023	
Operating income	790,410	876,259	(9.8)	2,366,541	2,469,941	(4.2)
Net profit attributable to shareholders of the Company	8,544	17,855	(52.1)	44,247	52,966	(16.5)
Net profit attributable to shareholders of the Company excluding extraordinary gains and losses	8,385	16,624	(49.6)	43,967	50,279	(12.6)
Basic earnings per share (RMB)	0.070	0.149	(53.0)	0.366	0.442	(17.2)
Diluted earnings per share (RMB)	0.070	0.149	(53.0)	0.366	0.442	(17.2)
Weighted average return on net assets (%)	1.04	2.24	(1.20) percentage points	5.45	6.67	(1.22) percentage points

RMB million

	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023	Changes over the same period of the preceding year (%)
Net cash flow from operating activities	101,541	98,309	3.3
	As of 30 September 2024	As of 31 December 2023	Changes from the end of last year (%)
Total assets	2,097,633	2,026,674	3.5
Total equity attributable to equity shareholders of the Company	819,104	805,794	1.7

1.1.2 Extraordinary items

RMB million

Extraordinary items	Three-months period ended 30 September 2024 (July to September) (income) /expense	Nine-months period ended 30 September 2024 (income) /expense
	Net gain on disposal of non-current assets	(444)
Donations	42	82
Government grants	(158)	(841)
Gains on holding and disposal of various investments	(237)	(502)
Other extraordinary (income) /expenses, net	399	1,236
Subtotal	(398)	(688)
Tax effect	141	223
Total	(257)	(465)
Attributable to:		
Equity shareholders of the Company	(159)	(280)
Minority interests	(98)	(185)

1.1.3 Principal financial data and indicators prepared in accordance with IFRS Accounting Standards

RMB million

	Three-month period ended 30 September		Changes over the same period of the preceding year (%)	Nine-month period ended 30 September		Changes over the same period of the preceding year (%)
	2024	2023		2024	2023	
Operating profit	12,570	25,591	(50.9)	63,591	79,287	(19.8)
Profit attributable to shareholders of the Company	8,031	17,938	(55.2)	45,110	54,060	(16.6)
Basic earnings per share (RMB)	0.066	0.150	(56.0)	0.373	0.451	(17.3)
Diluted earnings per share (RMB)	0.066	0.150	(56.0)	0.373	0.451	(17.3)
Return on net assets (%)	1.04	2.20	(1.16) percentage points	5.33	6.47	(1.14) Percentage points

RMB million

	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023	Changes over the same period of the preceding year (%)
Net cash flow from operating activities	101,541	98,309	3.3
	As of 30 September 2024	As of 31 December 2023	Changes from the end of last year (%)
Total assets	2,095,553	2,024,696	3.5
Total equity attributable to equity shareholders of the Company	816,224	802,989	1.6

1.2 Significant changes in major items contained in the consolidated financial statements prepared in accordance with CASs.

Items of Consolidated Balance Sheet	As of 30 September 2024	As of 31 December 2023	Increase/ (Decrease)		Main reasons for changes
	RMB million	RMB million	Amount	Percentage	
			RMB million	(%)	
Financial assets held for trading	4	3	1	33.3	Impact of changes in fair value of funds held by the Company.
Accounts receivable	64,165	48,652	15,513	31.9	Impact of increase in sales volume of the overseas refined oil products and fuel oil, and others.
Receivables financing	11,215	2,221	8,994	405.0	The Company strengthened the cash flow management and enlarged the scale of bill settlement.
Bills payable	51,079	29,122	21,957	75.4	
Prepayments	11,935	5,067	6,868	135.5	Increase in prepayments for procurements including crude oil.
Employee benefits payable	22,885	13,941	8,944	64.2	Impact of change in payable performance-based salary.
Non-current liabilities due within one year	67,470	30,457	37,013	121.5	Certain long-term loans and debentures payable being reclassified to non-current liabilities due within one year.
Other current liabilities	32,213	20,833	11,380	54.6	Super short-term commercial paper was issued during the reporting period.
Debentures payable	15,471	8,513	6,958	81.7	Medium-term notes were issued during the reporting period.
Other comprehensive income	1,500	3,060	(1,560)	(51.0)	Impact of decrease in foreign currency translation difference and changes in fair value of hedging business.
Specific reserve	3,534	2,597	937	36.1	Increase in accrued safety production expenses during the reporting period.

Items of Consolidated Income Statement	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023	Increase/ (Decrease)		Main reasons for changes
			Amount	Percentage	
	RMB million	RMB million	RMB million	(%)	
Investment income	11,141	2,190	8,951	408.7	Impact of changes in profits and losses of hedging business and increase in profit of chemical associates and joint ventures.
Losses from changes in fair value	(772)	(5,663)	4,891	–	Impact of decrease in floating loss of hedging business year on year.
Credit impairment losses	(31)	(86)	55	–	Increase in bad debt reversal of accounts receivables during the reporting period.
Asset disposal gains	663	1,481	(818)	(55.2)	Disposal of some pipeline network assets in the previous year, which did not happen during the reporting period.

Items of Consolidated Income Statement	Three-month period ended 30 September 2024	Three-month period ended 30 September 2023	Increase/ (Decrease)		Main reasons for changes
			Amount	Percentage	
	RMB million	RMB million	RMB million	(%)	
Investment income/(loss)	3,576	(1,101)	4,677	–	Impact of changes in profits and losses of hedging business.
Gains/(losses) from changes in fair value	503	(7,138)	7,641	–	Impact of decrease in floating loss of hedging business year on year.
Impairment losses	(509)	(353)	(156)	–	Increase of inventory loss including certain trading crude oil and refined oil products due to the decrease of international oil prices.
Operating profit	12,703	26,236	(13,533)	(51.6)	Due to the crude oil prices rose in the third quarter of previous year and dropped rapidly in the third quarter of this year, the inventory gain substantially decreased year-on-year, and margin of petroleum and chemical products also decreased.
Profit before taxation	12,210	25,788	(13,578)	(52.7)	
Income tax expense	2,349	4,510	(2,161)	(47.9)	
Net profit	9,861	21,278	(11,417)	(53.7)	
Net profit attributable to shareholders of the Company	8,544	17,855	(9,311)	(52.1)	
Net profit attributable to minority interests	1,317	3,423	(2,106)	(61.5)	
Basic earnings per share (RMB)	0.070	0.149	(0.079)	(53.0)	
Diluted earnings per share (RMB)	0.070	0.149	(0.079)	(53.0)	

Items of Consolidated Cash Flow Statement	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023	Increase/(Decrease)		Main reasons for changes
	RMB million	RMB million	Amount	Percentage	
			RMB million	(%)	
Refund of taxes and levies	6,140	9,202	(3,062)	(33.3)	Decrease in VAT refunds on imported LNG during the reporting period year-on-year due to decrease in imported LNG price.
Cash received from disposal of investments	296	661	(365)	(55.2)	Cash received from sale of equity in the nine-month period of previous year, which did not happen during the reporting period.
Cash received from returns on investments	8,967	6,518	2,449	37.6	Increase in dividends received from associates and joint ventures.
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,603	3,828	(2,225)	(58.1)	Decrease in disposal of fixed assets during the reporting period year-on-year.
Net cash paid for acquisition of subsidiaries and other entities	-	(73)	73	-	Cash paid for acquisition of equity in the nine-month period of previous year, which did not happen during the reporting period.
Cash received from capital contribution	15,137	957	14,180	1,481.7	Proceeds received from the issue of shares to the target subscriber during the reporting period.
Other cash received relating to financing activities	1,296	551	745	135.2	Impact of the financial leasing business during the reporting period.

2. Shareholders information

Total number of shareholders and top ten shareholders at the end of the reporting period

Total number of ordinary shareholders at the end of the reporting period	Total number of shareholders was 376,692, including 371,360 holders of domestic A shares and 5,332 holders of overseas H shares.					
The shareholdings of top ten shareholders (excluding shares lent through refinancing)						
Name of shareholder	Nature of shareholder	Total number of shares held	Percentage (%)	Number of restricted shares held	Shares subject to pledges, marked or freezing	
					Status	Amount
China Petrochemical Corporation	State-owned share	83,062,059,096	68.25	2,390,438,247	None	-
HKSCC (Nominees) Limited ¹	H share	24,200,753,184	19.89	-	Unknown	Unknown

中国证券金融股份有限公司	A share	2,325,374,407	1.91	–	None	–
中国石油天然气集团有限公司	A share	2,165,749,530	1.78	–	None	–
香港中央结算有限公司	A share	1,391,292,451	1.14	–	None	–
中国人寿保险股份有限公司—传统—普通保险产品—005L—CT001 沪	A share	529,769,410	0.44	–	None	–
国新投资有限公司	A share	388,632,391	0.32	–	None	–
中央汇金资产管理有限责任公司	A share	315,223,600	0.26	–	None	–
中国工商银行—上证 50 交易型开放式指数证券投资基金	A share	294,877,455	0.24	–	None	–
中国工商银行股份有限公司—华泰柏瑞沪深 300 交易型开放式指数证券投资基金	A share	279,293,620	0.23	–	None	–

Note 1: Sinopec Century Bright Capital Investment Limited, an overseas wholly-owned subsidiary of China Petrochemical Corporation, held 965,726,000 H shares, accounting for 0.79% of the total issued share capital of Sinopec Corp. Those shareholdings were included in the total number of the shares held by HKSCC (Nominees) Limited.

The shareholdings of top ten shareholders with non-restricted shares (excluding shares lent through refinancing)			
Name of shareholder	Number of non-restricted shares held	Class and number of shares	
		Class	Amount
China Petrochemical Corporation	80,671,620,849	RMB ordinary share	80,671,620,849
HKSCC (Nominees) Limited	24,200,753,184	Overseas listed foreign share	24,200,753,184
中国证券金融股份有限公司	2,325,374,407	RMB ordinary share	2,325,374,407
中国石油天然气集团有限公司	2,165,749,530	RMB ordinary share	2,165,749,530
香港中央结算有限公司	1,391,292,451	RMB ordinary share	1,391,292,451
中国人寿保险股份有限公司—传统—普通保险产品—005L—CT001 沪	529,769,410	RMB ordinary share	529,769,410
国新投资有限公司	388,632,391	RMB ordinary share	388,632,391
中央汇金资产管理有限责任公司	315,223,600	RMB ordinary share	315,223,600
中国工商银行—上证 50 交易型开放式指数证券投资基金	294,877,455	RMB ordinary share	294,877,455

中国工商银行股份有限公司—华泰柏瑞沪深 300 交易型开放式指数证券投资基金	279,293,620	RMB ordinary share	279,293,620
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Shareholders holding more than 5% of the shares, top ten shareholders and top ten shareholders with non-restricted shares have not participated in lending of shares through refinancing.

Statement on the connected relationship or acting in concert among the aforementioned shareholders:
Sinopec Corp. is not aware of any connected relationship or acting in concert among or between the above-mentioned shareholders.

The change of top ten shareholders					
Name of shareholder	Entry/exit during the reporting period	Number of unreturned shares lent through refinancing at the end of the reporting period		Number of shareholding of ordinary account and credit account and unreturned shares lent through refinancing at the end of the reporting period	
		Amount	Percentage (%)	Amount	Percentage (%)
中国工商银行股份有限公司—华泰柏瑞沪深 300 交易型开放式指数证券投资基金	Entry	–	–	279,293,620	0.23
国信证券股份有限公司	Exit	–	–	236,061,940	0.19

3. Review of operating results

In the first three quarters of 2024, China's economy has posted generally stable performance, making progress while ensuring stability, registering a GDP growth of 4.8% year on year. International oil prices fluctuated in a wide range in the first half of 2024, and dropped rapidly in the third quarter. The average spot price of Platts Brent in the first three quarters was USD 82.8 per barrel, among which USD 80.2 per barrel in the third quarter, down by 7.6% year-on-year and 5.6% quarter-on-quarter. Based on our statistics, domestic demand for natural gas increased rapidly with apparent consumption up by 9.5% year on year. Due to the declining diesel demand, domestic consumption of refined oil products decreased by 1.0% year on year. Domestic demand for chemicals kept growing with ethylene equivalent consumption up by 3.9% year on year.

The Company spared every effort to optimise production and operation, enhanced cost reduction, and actively responded to the changing market. In accordance with CASs, net profit attributable to shareholders

of the Company in the first three quarters was RMB 44.247 billion, down by 16.5% year-on-year. In accordance with IFRS Accounting Standards, profit attributable to shareholders of the Company in the first three quarters was RMB 45.110 billion, down by 16.6% year-on-year.

Exploration and Production: The Company intensified efforts in high quality exploration and profit-oriented development, yielding good results in adding reserves and production, cutting cost and increasing profit. In terms of exploration, we strengthened geophysical, risk and integrated evaluation exploration, and achieved major exploration breakthroughs in shale gas of Sichuan Basin and in the new area of Beibu Gulf Basin. We also promoted construction of Shengli Jiyang Shale Oil National Demonstration Zone. In terms of development, we carried forward the key crude oil capacity building of offshore Shengli, Tahe and Beibu Gulf, and spared no efforts to progress with the key gas capacity building projects in West Sichuan and Shunbei Zone Two. We further enhanced the integrated operation of natural gas production, supply, storage and sales, improving the profitability of the whole natural gas business chain. The Company’s production of oil and gas in the first three quarters was 386.06 million barrels of oil equivalent, up by 2.6% year-on-year, among which natural gas production reached 1,048.14 billion cubic feet, up by 5.6% year-on-year. The exploration and production segment realised EBIT of RMB 45.209 billion in the first three quarters.

Exploration and Production	Unit	Nine-month period ended 30 September		Changes
		2024	2023	(%)
Oil and gas production	million boe	386.06	376.15	2.6
Crude oil production	million barrels	211.29	210.59	0.3
China	million barrels	190.42	188.24	1.2
Overseas	million barrels	20.87	22.35	(6.6)
Natural gas production	billion cubic feet	1,048.14	992.98	5.6
Realised crude oil price	USD/barrel	76.56	75.73	1.1
Realised natural gas price	USD/thousand cubic feet	7.48	7.10	5.4

Conversion: For domestic production of crude oil, 1 tonne = 7.1 barrels. For overseas production of crude oil in 2024, 1 tonne = 7.25 barrels. For overseas production of crude oil in 2023, 1 tonne = 7.26 barrels. For production of natural gas, 1 cubic meter = 35.31 cubic feet.

Refining: Facing severe challenges brought by the rapidly decreasing oil prices and narrowing margin of certain products, the Company adhered to the integration of production and marketing by closely following market demand, optimised and adjusted utilization rate and product mix, increased production of market-oriented products such as gasoline and jet fuel, and reduced the diesel output. We strengthened the synergy among procurement, storage and transportation, and production to reduce procurement cost. We optimised the pace of carrying forward the “oil to chemicals” and “oil to specialties” projects. Efforts were also made to seize opportunities in overseas market and optimise export arrangement. In the first three quarters, the Company processed 190.69 million tonnes of crude and produced 116.60 million tonnes of refined oil products, with gasoline and kerosene output up by 4.1% and 10.5% respectively year on year. The refining segment realised EBIT of RMB 6.156 billion in the first three quarters.

Refining	Unit	Nine-month period ended 30 September		Changes
		2024	2023	(%)
Refinery throughput	million tonnes	190.69	193.74	(1.6)
Gasoline, diesel and kerosene production	million tonnes	116.60	117.52	(0.8)
Gasoline	million tonnes	49.21	47.26	4.1
Diesel	million tonnes	43.29	48.45	(10.7)
Kerosene	million tonnes	24.10	21.81	10.5
Light chemical feedstock production	million tonnes	30.32	32.31	(6.2)

Note : Including 100% production of domestic joint ventures.

Marketing and Distribution: The Company actively addressed the challenges of weak diesel demand and rapid growth of electric vehicles. By taking a client-focused approach, we brought our advantages in integrated business into full play and expanded the market through carrying out theme marketing and differentiated marketing strategy. Measures were taken to effectively cement existing marketing network and promote the growth of EV battery charging and gas fueling network. We promoted steady development of hydrogen transportation and promote the transition to an integrated energy service provider of petro, gas, hydrogen, power and services. At the same time, we reinforced buildup of proprietary brands, enriched diversified non-fuel business models and upgraded the operating quality. Total sales volume of refined oil products for the first three quarters of the year was 181.67 million tonnes, up by 0.6% year on year. The marketing and distribution segment realised EBIT of RMB 19.866 billion in the first three quarters.

Marketing and Distribution	Unit	Nine-month period ended 30 September		Changes
		2024	2023	(%)
Total sales volume of refined oil products	million tonnes	181.67	180.55	0.6
Total domestic sales volume of refined oil products	million tonnes	138.06	142.61	(3.2)
Retail	million tonnes	85.85	91.05	(5.7)
Direct sales & Distribution	million tonnes	52.21	51.56	1.3

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

Chemicals: Facing the challenge of the domestic chemical market still being in the cyclical trough, the Company strengthened coordination of refining and chemical business, regional collaboration and integration of production, sales and R&D efforts close to market needs. We enhanced cost reduction and spared no efforts to reduce losses. Feedstock was further diversified to lower cost. We also ran profitable units at high utilization, arranged utilization cut as well as operational shutdown for units with negative marginal profits and increased the proportion of high value-added products steadily. We enhanced cooperation with strategic customers, pushed forward tailor-made product services and explored both

domestic and overseas markets. The total chemical sales volume in the first three quarters reached 62.17 million tonnes with all products sold. The chemicals segment realised losses before tax of RMB 4.787 billion in the first three quarters.

Chemicals	Unit	Nine-month period ended 30 September		Changes
		2024	2023	(%)
Ethylene	thousand tonnes	10,041	10,662	(5.8)
Synthetic resin	thousand tonnes	14,952	15,233	(1.8)
Monomers and polymers for synthetic fibre	thousand tonnes	7,377	5,943	24.1
Synthetic fibre	thousand tonnes	934	803	16.3
Synthetic rubber	thousand tonnes	1,038	1,052	(1.3)

Note : Including 100% production of domestic joint ventures.

Capital expenditures: In the first three quarters of 2024, total capital expenditures were RMB 86.350 billion. Capital expenditure for the exploration and production segment was RMB 50.765 billion, mainly for crude oil capacity building in Jiyang and Tahe, natural gas capacity building in West Sichuan and the construction of oil and gas storage and transportation facilities. Capital expenditure for the refining segment was RMB 12.573 billion, mainly for Zhenhai expansion, technical upgrading in Guangzhou and Maoming companies. Capital expenditure for the marketing and distribution segment was RMB 5.565 billion, mainly for the development of integrated energy station network of petro, gas, hydrogen, power and services, revamping of the existing end-user network and non-fuel business. Capital expenditure for the chemical segment was RMB 15.435 billion, mainly for ethylene projects in Zhenhai phase II and Maoming and high-end materials projects etc. Capital expenditures for the corporate and other segment were RMB 2.012 billion, mainly for R&D facilities and information technology application projects.

4. Other significant events

4.1 Progress of share repurchase during the reporting period

On 28 June 2024, the Annual General Meeting for 2023, the First A Shareholders Class Meeting for 2024 and the First H Shareholders Class Meeting for 2024 of Sinopec Corp. considered and approved the Resolution on the Grant to the Board of Sinopec Corp. a Mandate to Buy Back Domestic Shares and/or Overseas-listed Foreign Shares of the Company, and authorized the Board (or the director authorised by the Board) to buy back A Shares or H Shares separately or jointly, not exceeding 10% of the number of A Shares or H Shares of the Company in issue.

On 23 August 2024, the 2nd meeting of the 9th Session of the Board considered and approved the Plan on Repurchasing the Company's Shares by Centralized Bidding Transactions. For details, please refer to the Company's announcement disclosed on the website of the Shanghai Stock Exchange on 26 August 2024.

In September 2024, the Company began to implement the repurchase of A shares and H shares. As of 30 September 2024, the Company has repurchased 7,490,800 A shares, accounting for 0.01% of the Company's total issued share capital on 30 September 2024, the highest repurchase price was RMB 6.40 per share, the lowest repurchase price was RMB 6.17 per share, and the total amount paid was RMB

47,315,369 (exclusive of transaction fees). For details, please refer to the Progress Announcement on the Repurchase of A Shares by Centralized Bidding Transactions disclosed by the Company on the website of the Shanghai Stock Exchange on 10 October 2024; the Company has repurchased 111,192,000 H Shares, accounting for 0.09% of the Company's total issued share capital on 30 September 2024, the highest repurchase price was HK\$4.89 per share, the lowest repurchase price was HK\$4.31 per share, and the total amount paid was HK\$506,261,070.60 (exclusive of transaction fees).

4.2 Progress of share increase in the Company by China Petrochemical Corporation

Due to confidence in Sinopec Corp.'s development prospects, the controlling shareholder of the Company, China Petrochemical Corporation planned to increase its shareholdings of A shares and H shares of Sinopec Corp. by itself and its wholly-owned subsidiary within 12 months since 11 November 2023. As notified by China Petrochemical Corporation and as of 30 September 2024, China Petrochemical Corporation and its wholly-owned subsidiary increased their shareholdings by 297,263,456 shares of the Company in aggregation.

This quarterly results announcement is published in both Chinese and English languages. In the event of any inconsistency between the two versions, the Chinese version shall prevail.

By Order of the Board

Ma Yongsheng

Chairman

28 October, 2024

5 Appendix

5.1 Quarterly financial statements prepared under China Accounting Standards for Business Enterprises (CASs)

Consolidated Balance Sheet

As at 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	At 30 September 2024	At 31 December 2023
Current assets:		
Cash at bank and on hand	170,170	164,960
Financial assets held for trading	4	3
Derivative financial assets	7,888	9,721
Accounts receivable	64,165	48,652
Receivables financing	11,215	2,221
Prepayments	11,935	5,067
Other receivables	32,092	26,089
Inventories	267,221	250,898
Other current assets	30,808	26,824
Total current assets	595,498	534,435
Non-current assets:		
Long-term equity investments	238,705	234,608
Other equity instrument investments	447	450
Fixed assets	686,498	690,957
Construction in progress	194,426	180,250
Right-of-use assets	169,359	174,529
Intangible assets	135,835	138,181
Goodwill	6,467	6,472
Long-term deferred expenses	11,877	13,199
Deferred tax assets	20,404	20,110
Other non-current assets	38,117	33,483
Total non-current assets	1,502,135	1,492,239
Total assets	2,097,633	2,026,674

Consolidated Balance Sheet (Continued)

Current liabilities:		
Short-term loans	51,166	59,815
Derivative financial liabilities	2,716	2,752
Bills payable	51,079	29,122
Accounts payable	201,811	229,878
Contract liabilities	137,618	127,239
Employee benefits payable	22,885	13,941
Taxes payable	40,630	40,008
Other payables	88,198	93,031
Non-current liabilities due within one year	67,470	30,457
Other current liabilities	32,213	20,833
Total current liabilities	695,786	647,076
Non-current liabilities:		
Long-term loans	176,517	179,347
Debentures payable	15,471	8,513
Lease liabilities	160,593	163,864
Provisions	50,173	48,269
Deferred tax liabilities	8,380	7,817
Other non-current liabilities	14,296	13,133
Total non-current liabilities	425,430	420,943
Total liabilities	1,121,216	1,068,019
Shareholders' equity:		
Share capital	121,700	119,349
Capital reserve	127,115	117,273
Less: Treasury shares	398	-
Other comprehensive income	1,500	3,060
Specific reserve	3,534	2,597
Surplus reserves	223,134	223,134
Retained earnings	342,519	340,381
Total equity attributable to shareholders of the Company	819,104	805,794
Minority interests	157,313	152,861
Total shareholders' equity	976,417	958,655
Total liabilities and shareholders' equity	2,097,633	2,026,674

Ma Yongsheng
Chairman
(Legal representative)

Zhao Dong
President

Shou Donghua
Chief Financial Officer

Balance Sheet

As at 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	At 30 September 2024	At 31 December 2023
Current assets:		
Cash at bank and on hand	60,262	65,753
Financial assets held for trading	4	3
Derivative financial assets	261	482
Accounts receivable	21,148	27,878
Receivables financing	7,363	367
Prepayments	3,269	1,760
Other receivables	48,644	50,940
Inventories	74,530	67,922
Other current assets	36,313	33,852
Total current assets	251,794	248,957
Non-current assets:		
Long-term equity investments	430,649	413,572
Other equity instrument investments	15	14
Fixed assets	296,688	305,494
Construction in progress	79,747	70,306
Right-of-use assets	81,869	84,589
Intangible assets	7,997	8,312
Long-term deferred expenses	3,961	4,652
Deferred tax assets	6,246	6,567
Other non-current assets	49,974	47,004
Total non-current assets	957,146	940,510
Total assets	1,208,940	1,189,467
Current liabilities:		
Short-term loans	33,901	39,413
Derivative financial liabilities	936	251
Bills payable	5,028	5,014
Accounts payable	67,171	81,628
Contract liabilities	10,266	9,079
Employee benefits payable	12,944	8,366
Taxes payable	20,813	22,103
Other payables	259,752	250,472
Non-current liabilities due within one year	37,763	16,100
Other current liabilities	13,048	912
Total current liabilities	461,622	433,338

Balance Sheet (Continued)

Non-current liabilities:		
Long-term loans	97,682	108,427
Debentures payable	11,988	4,993
Lease liabilities	84,545	86,399
Provisions	41,790	40,077
Other non-current liabilities	1,702	1,684
Total non-current liabilities	237,707	241,580
Total liabilities	699,329	674,918
Shareholders' equity:		
Share capital	121,700	119,349
Capital reserve	70,719	61,814
Less: Treasury shares	398	-
Other comprehensive income	74	700
Specific reserve	2,089	1,673
Surplus reserves	223,135	223,134
Retained earnings	92,292	107,879
Total shareholders' equity	509,611	514,549
Total liabilities and shareholders' equity	1,208,940	1,189,467

Ma Yongsheng
Chairman
(Legal representative)

Zhao Dong
President

Shou Donghua
Chief Financial Officer

Consolidated Income Statement

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	The third quarter of 2024 (July- September)	The third quarter of 2023 (July- September)	Nine- month period ended 30 September 2024	Nine- month period ended 30 September 2023
I. Operating income	790,410	876,259	2,366,541	2,469,941
II. Total Operating costs	784,651	844,775	2,317,625	2,395,922
Including: Operating costs	679,360	734,358	2,006,934	2,085,919
Taxes and surcharges	67,627	71,248	200,239	198,509
Selling and distribution expenses	15,541	15,652	45,205	44,826
General and administrative expenses	13,340	14,607	39,644	42,094
Research and development expenses	4,242	3,892	10,245	9,884
Financial expenses	2,708	2,485	8,983	7,275
Including: Interest expenses	4,762	4,618	14,416	13,667
Interest income	1,524	1,622	4,776	4,861
Exploration expenses, including dry holes	1,833	2,533	6,375	7,415
Add: Other income	2,984	2,783	6,489	7,679
Investment income/(loss)	3,576	(1,101)	11,141	2,190
Including: Income from investment in associates and joint ventures	2,266	2,675	8,998	5,286
Gains/(losses) from changes in fair value	503	(7,138)	(772)	(5,663)
Credit impairment losses	(54)	(51)	(31)	(86)
Impairment losses	(509)	(353)	(2,198)	(2,718)
Asset disposal gains	444	612	663	1,481
III. Operating profit	12,703	26,236	64,208	76,902
Add: Non-operating income	217	218	877	1,158
Less: Non-operating expenses	710	666	2,007	1,626
IV. Profit before taxation	12,210	25,788	63,078	76,434
Less: Income tax expense	2,349	4,510	12,280	14,680
V. Net profit	9,861	21,278	50,798	61,754
Classification by continuity of operations:				
(i) Net profit from continuing operations	9,861	21,278	50,798	61,754
(ii) Net profit from discontinued operations	-	-	-	-

Consolidated Income Statement (Continued)

Classification by ownership:				
(i) Equity shareholders of the Company	8,544	17,855	44,247	52,966
(ii) Minority interests	1,317	3,423	6,551	8,788
VI. Other comprehensive income (net of tax)	(569)	4,185	10	(909)
<i>(1) Other comprehensive income (net of tax) attributable to shareholders of the Company</i>	(433)	4,198	(283)	744
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Changes in fair value of other equity instrument investments	-	-	1	(1)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Other comprehensive income that can be reclassified to profit or loss under the equity method	(935)	(820)	78	(5,030)
Cash flow hedges	2,231	5,553	820	2,865
Foreign currency translation differences	(1,729)	(535)	(1,182)	2,910
<i>(2) Other comprehensive income (net of tax) attributable to non-controlling interests</i>	(136)	(13)	293	(1,653)
VII. Total comprehensive income	9,292	25,463	50,808	60,845
Equity shareholders of the Company	8,111	22,053	43,964	53,710
Minority interests	1,181	3,410	6,844	7,135
VIII. Earnings per share				
(i) Basic earnings per share (RMB/Share)	0.070	0.149	0.366	0.442
(ii) Diluted earnings per share (RMB/Share)	0.070	0.149	0.366	0.442

Ma Yongsheng
Chairman
(Legal representative)

Zhao Dong
President

Shou Donghua
Chief Financial Officer

Income Statement

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	The third quarter of 2024 (July- September)	The third quarter of 2023 (July- September)	Nine- month period ended 30 September 2024	Nine-month period ended 30 September 2023
I. Operating income	258,640	313,049	804,948	900,334
Less: Operating costs	209,512	251,808	646,497	725,757
Taxes and surcharges	35,926	43,391	110,448	120,893
Selling and distribution expenses	349	421	1,095	1,194
General and administrative expenses	5,350	6,004	15,166	17,695
Research and development expenses	3,854	3,438	9,281	8,555
Financial expenses	3,343	2,942	9,345	8,608
Including: Interest expenses	3,738	3,522	10,780	10,482
Interest income	471	428	1,514	1,430
Exploration expenses, including dry holes	1,702	2,360	5,680	6,451
Add: Other income	2,380	2,348	5,000	6,256
Investment income	6,590	7,087	18,518	26,468
Including: Income from investment in associates and joint ventures	905	1,378	3,336	3,909
(Losses) /gains from changes in fair value	(176)	156	(110)	338
Credit impairment (losses) /reversals	(3)	(3)	25	(11)
Impairment reversals/ (losses)	3	-	(1,422)	(1,389)
Asset disposal gains	87	2	86	715
II. Operating profit	7,485	12,275	29,533	43,558
Add: Non-operating income	107	107	252	384
Less: Non-operating expenses	359	340	1,165	822
III. Profit before taxation	7,233	12,042	28,620	43,120
Less: Income tax expense	49	1,275	2,097	3,308
IV. Net profit	7,184	10,767	26,523	39,812
(i) Net profit from continuing operations	7,184	10,767	26,523	39,812
(ii) Net profit from discontinued operations	-	-	-	-

Income Statement (continued)

V. Other comprehensive income (net of tax)	(970)	1,946	(77)	26
<i>Items that may not be reclassified subsequently to profit or loss:</i>				
Changes in fair value of other equity instrument investments	-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Other comprehensive income that can be converted into profit or loss under the equity method	96	(77)	87	(127)
Cash flow hedges	(1,066)	2,023	(164)	153
VI. Total comprehensive income	6,214	12,713	26,446	39,838

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Shou Donghua
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Consolidated Cash Flow Statement

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	2,642,331	2,618,319
Refund of taxes and levies	6,140	9,202
Other cash received relating to operating activities	93,060	109,031
Sub-total of cash inflows	2,741,531	2,736,552
Cash paid for goods and services	(2,177,569)	(2,154,024)
Cash paid to and for employees	(66,187)	(65,806)
Payments of taxes and levies	(250,229)	(240,945)
Other cash paid relating to operating activities	(146,005)	(177,468)
Sub-total of cash outflows	(2,639,990)	(2,638,243)
Net cash flow from operating activities	101,541	98,309
II. Cash flows from investing activities:		
Cash received from disposal of investments	296	661
Cash received from returns on investments	8,967	6,518
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	1,603	3,828
Other cash received relating to investing activities	58,984	55,509
Sub-total of cash inflows	69,850	66,516
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	(87,856)	(120,061)
Cash paid for acquisition of investments	(3,433)	(3,152)
Cash paid for acquisition of subsidiaries and other business units	-	(73)
Other cash paid relating to investing activities	(78,362)	(63,892)
Sub-total of cash outflows	(169,651)	(187,178)
Net cash flow used in investing activities	(99,801)	(120,662)
III. Cash flows from financing activities:		
Cash received from capital contributions	15,137	957

Consolidated Cash Flow Statement(Continued)

Including: Cash received from minority shareholders' capital contributions to subsidiaries	3,142	957
Cash received from borrowings	519,031	580,906
Other cash received relating to financing activities	1,296	551
Sub-total of cash inflows	535,464	582,414
Cash repayments of borrowings	(475,667)	(460,054)
Cash paid for dividends, profits distribution or interest	(51,397)	(51,730)
Including: Subsidiaries' cash payments for distribution of dividends or profits to minority shareholders	(1,489)	(5,020)
Other cash paid relating to financing activities	(16,021)	(13,985)
Sub-total of cash outflows	(543,085)	(525,769)
Net cash flow (used in)/from financing activities	(7,621)	56,645
IV. Effects of changes in foreign exchange rate	(329)	738
V. Net (decrease)/increase in cash and cash equivalents	(6,210)	35,030
Add: Initial balance of cash and cash equivalents	121,759	93,438
VI. Ending balance of cash and cash equivalents	115,549	128,468

Ma Yongsheng
Chairman
(Legal representative)

Zhao Dong
President

Shou Donghua
Chief Financial Officer

Cash Flow Statement

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
I. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	893,916	981,033
Refund of taxes and levies	4,578	6,211
Other cash received relating to operating activities	45,754	34,532
Sub-total of cash inflows	944,248	1,021,776
Cash paid for goods and services	(659,087)	(743,661)
Cash paid to and for employees	(31,043)	(32,681)
Payments of taxes and levies	(130,462)	(130,871)
Other cash paid relating to operating activities	(83,871)	(60,469)
Sub-total of cash outflows	(904,463)	(967,682)
Net cash flow from operating activities	39,785	54,094
II. Cash flows from investing activities:		
Cash received from disposal of investments	19,774	4,135
Cash received from returns on investments	12,134	16,405
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	236	185
Other cash received relating to investing activities	8,673	38,443
Sub-total of cash inflows	40,817	59,168
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	(39,080)	(52,259)
Cash paid for acquisition of investments	(22,955)	(18,047)
Cash paid for acquisition of subsidiaries and other business units	(300)	-
Other cash paid relating to investing activities	(37,222)	(42,979)
Sub-total of cash outflows	(99,557)	(113,285)
Net cash flow used in investing activities	(58,740)	(54,117)
III. Cash flows from financing activities:		
Cash received from capital contributions	11,995	-
Cash received from borrowings	119,768	166,544
Other cash received relating to financing activities	214,082	168,249
Sub-total of cash inflows	345,845	334,793
Cash repayments of borrowings	(95,568)	(77,032)
Cash paid for dividends or interest	(47,824)	(46,787)
Other cash paid relating to financing activities	(194,469)	(170,608)

Cash Flow Statement (Continued)

Sub-total of cash outflows	(337,861)	(294,427)
Net cash flow from financing activities	7,984	40,366
IV. Effects of changes in foreign exchange rate	(7)	56
V. Net (decrease)/increase in cash and cash equivalents	(10,978)	40,399
Add: Initial balance of cash and cash equivalents	64,471	23,228
VI. Ending balance of cash and cash equivalents	53,493	63,627

Ma Yongsheng
Chairman
(Legalrepresentative)

Zhao Dong
President

Shou Donghua
Chief Financial Officer

Segment Reporting

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
Income from principal operations		
Exploration and production		
External sales	131,801	128,707
Inter-segment sales	88,721	85,702
Subtotal	220,522	214,409
Refining		
External sales	121,134	128,742
Inter-segment sales	1,002,567	1,004,531
Subtotal	1,123,701	1,133,273
Marketing and distribution		
External sales	1,276,295	1,312,648
Inter-segment sales	5,898	14,386
Subtotal	1,282,193	1,327,034
Chemicals		
External sales	311,742	303,549
Inter-segment sales	73,773	68,621
Subtotal	385,515	372,170
Corporate and others		
External sales	480,381	546,948
Inter-segment sales	666,349	676,817
Subtotal	1,146,730	1,223,765
Elimination of inter-segment sales	(1,837,308)	(1,850,057)
Consolidated income from principal operations	2,321,353	2,420,594

Segment Reporting (Continued)

Income from other operations		
Exploration and production	2,860	4,589
Refining	2,695	2,745
Marketing and distribution	30,282	33,173
Chemicals	7,201	6,988
Corporate and others	2,150	1,852
Consolidated income from other operations	45,188	49,347
Consolidated operating income	2,366,541	2,469,941
Operating profit		
By segment		
Exploration and production	38,134	33,313
Refining	5,695	17,484
Marketing and distribution	16,648	24,120
Chemicals	(5,575)	(3,782)
Corporate and others	828	9,845
Elimination	(60)	(2,490)
Total segment operating profit	55,670	78,490
Investment income		
Exploration and production	2,604	1,885
Refining	(430)	(79)
Marketing and distribution	3,006	1,481
Chemicals	259	(3,928)
Corporate and others	5,702	2,831
Total segment investment income	11,141	2,190
Financial expenses	(8,983)	(7,275)
Losses from changes in fair value	(772)	(5,663)
Asset disposal gains	663	1,481
Other income	6,489	7,679
Operating profit	64,208	76,902
Add: Non-operating income	877	1,158
Less: Non-operating expenses	2,007	1,626
Profit before taxation	63,078	76,434

5.2 Quarterly financial statements prepared under IFRS Accounting Standards

Consolidated Income Statement

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Current Amount (July-September)	Amount of the previous period (July-September)	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
Revenue				
Revenue from primary business	775,433	859,092	2,321,353	2,420,594
Other operating revenues	14,977	17,167	45,188	49,347
Subtotal	790,410	876,259	2,366,541	2,469,941
Operating expenses				
Purchased crude oil, products and operating supplies and expenses	(643,252)	(697,914)	(1,897,465)	(1,980,796)
Selling, general and administrative expenses	(15,298)	(15,487)	(41,784)	(42,868)
Depreciation, depletion and amortisation	(30,242)	(28,304)	(89,660)	(83,543)
Exploration expenses, including dry holes	(1,833)	(2,533)	(6,375)	(7,415)
Personnel expenses	(24,051)	(26,939)	(74,341)	(76,888)
Taxes other than income tax	(67,627)	(71,248)	(200,239)	(198,509)
Impairment losses on trade and other receivables	(54)	(51)	(31)	(86)
Other operating income/(expense), net	4,517	(8,192)	6,945	(549)
Total operating expenses	(777,840)	(850,668)	(2,302,950)	(2,390,654)
Operating profit	12,570	25,591	63,591	79,287
Finance costs				
Interest expense	(4,762)	(4,618)	(14,416)	(13,667)
Interest income	1,524	1,622	4,776	4,861
Foreign currency exchange gains, net	530	511	657	1,531
Net finance costs	(2,708)	(2,485)	(8,983)	(7,275)
Investment income	243	124	521	373
Share of profits less losses from associates and joint ventures	1,598	2,675	8,896	5,286
Profit before taxation	11,703	25,905	64,025	77,671
Income tax expense	(2,349)	(4,510)	(12,280)	(14,680)
Profit for the period	9,354	21,395	51,745	62,991
Attributable to:				
Owners of the Company	8,031	17,938	45,110	54,060
Non-controlling interests	1,323	3,457	6,635	8,931
Profit for the period	9,354	21,395	51,745	62,991

Consolidated Income Statement (Continued)

Earnings per share:				
Basic earnings per share (RMB)	0.066	0.150	0.373	0.451
Diluted earnings per share (RMB)	0.066	0.150	0.373	0.451

Consolidated Statement of Comprehensive Income

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Current Amount (July- September)	Amount of the previous period (July- September)	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
Profit for the period	9,354	21,395	51,745	62,991
Other comprehensive income:				
<i>Other comprehensive income (net of tax) attributable to shareholders of the Company</i>	(433)	4,198	(283)	744
<i>Items that may not be reclassified subsequently to profit or loss:</i>				
Equity investments at fair value through other comprehensive income	-	-	1	(1)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Share of other comprehensive income of associates and joint ventures	(935)	(820)	78	(5,030)
Cash flow hedges	2,231	5,553	820	2,865
Cost of hedging reserve	-	-	-	-
Foreign currency translation differences	(1,729)	(535)	(1,182)	2,910
<i>Other comprehensive income (net of tax) attributable to non-controlling interests</i>	(136)	(13)	293	(1,653)
Total other comprehensive income net of tax	(569)	4,185	10	(909)
Total comprehensive income for the period	8,785	25,580	51,755	62,082
Attributable to:				
Shareholders of the Company	7,598	22,136	44,827	54,804
Non-controlling interests	1,187	3,444	6,928	7,278

Consolidated Balance Sheet

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	At 30 September 2024	At31 December 2023
Non-current assets:		
Property, plant and equipment, net	686,311	690,897
Construction in progress	194,426	180,250
Right-of-use assets	258,526	264,054
Goodwill	6,467	6,472
Interest in associates	166,213	163,066
Interest in joint ventures	70,412	69,564
Financial assets at fair value through other comprehensive income	447	450
Deferred tax assets	20,404	20,110
Long-term prepayments and other non-current assets	96,849	95,398
Total non-current assets	1,500,055	1,490,261
Current assets:		
Cash and cash equivalents	115,549	121,759
Time deposits with financial institutions	53,513	41,778
Financial assets at fair value through profit and loss	4	3
Derivatives financial assets	7,888	9,721
Trade accounts receivable and bills receivable	64,165	48,652
Financial assets at fair value through other comprehensive income	11,215	2,221
Inventories	267,221	250,898
Prepaid expenses and other current assets	75,943	59,403
Total current assets	595,498	534,435

Consolidated Balance Sheet(Continued)

Current liabilities:		
Short-term debts	99,547	58,534
Loans from Sinopec Group Company and fellow subsidiaries	10,327	12,437
Lease liabilities	18,289	17,536
Derivatives financial liabilities	2,716	2,752
Trade accounts payable and bills payable	252,890	259,000
Contract liabilities	137,618	127,239
Other payables	171,768	168,124
Income tax payable	2,631	1,454
Total current liabilities	695,786	647,076
Net current liabilities	100,288	112,641
Total assets less current liabilities	1,399,767	1,377,620
Non-current liabilities:		
Long-term debts	167,302	163,049
Loans from Sinopec Group Company and fellow subsidiaries	24,686	24,811
Lease liabilities	160,593	163,864
Deferred tax liabilities	8,380	7,817
Provisions	50,173	48,269
Other non-current liabilities	15,134	14,001
Total non-current liabilities	426,268	421,811
Total net assets	973,499	955,809
Equity:		
Share capital	121,700	119,349
Reserves	694,524	683,640
Total equity attributable to shareholders of the Company	816,224	802,989
Non-controlling interests	157,275	152,820
Total equity	973,499	955,809

Consolidated Cash Flow Statement

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
Net cash generated from operating activities(a)	101,541	98,309
Investing activities		
Capital expenditure	(75,374)	(108,081)
Exploratory wells expenditure	(12,482)	(11,980)
Purchase of investments	(3,433)	(3,152)
Payment for acquisition of subsidiary, net of cash acquired	-	(73)
Proceeds from disposal of investments	296	661
Proceeds from disposal of property, plant, equipment and other non-current assets	1,603	3,828
Increase in time deposits with maturities over three months	(78,066)	(62,391)
Decrease in time deposits with maturities over three months	56,960	48,691
Interest received	3,947	6,804
Investment and dividend income received	8,967	6,518
Payments of other investing activities	(2,219)	(1,487)
Net cash used in investing activities	(99,801)	(120,662)
Financing activities		
Proceeds from bank and other loans	519,031	580,906
Repayments of bank and other loans	(475,667)	(460,054)
Issue of new shares	11,995	-
Contributions to subsidiaries from non-controlling interests	3,142	957
Dividends paid by the Company	(42,113)	(40,765)
Distributions by subsidiaries to non-controlling interests	(1,489)	(5,020)
Interest paid	(7,795)	(5,945)
Repayments of lease liabilities	(13,410)	(13,041)
Proceeds from other financing activities	1,296	551
Repayments of other financing activities	(2,611)	(944)
Net cash (used in)/generated from financing activities	(7,621)	56,645

Consolidated Cash Flow Statement (Continued)

Net (decrease)/increase in cash and cash equivalents	(5,881)	34,292
Cash and cash equivalents at the beginning of the period	121,759	93,438
The impact of exchange rate movements	(329)	738
Cash and cash equivalents at the end of the period	115,549	128,468

Note to consolidated statement of Cash Flows

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

(a) Reconciliation of profit before taxation to net cash generated from operating activities

Items	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
Operating activities		
Profit before taxation	64,025	77,671
Adjustments for:		
Depreciation, depletion and amortisation	89,660	83,543
Dry hole costs written off	4,059	5,153
Share of profits less losses from associates and joint ventures	(8,896)	(5,286)
Investment income	(521)	(373)
Interest income	(4,776)	(4,861)
Interest expense	14,416	13,667
Loss on foreign currency exchange rate changes and derivative financial instruments	77	4,140
Gain on disposal of property, plant, equipment and other non-current assets, net	(360)	(1,095)
Impairment losses on assets	2,198	2,718
Impairment losses on trade and other receivables	31	86
Operating profit before change of operating capital	159,913	175,363
Accounts receivable and other current assets	(37,424)	(58,267)
Inventories	(18,564)	(26,600)
Accounts payable and other current liabilities	9,811	15,461
Subtotal	113,736	105,957
Income tax paid	(12,195)	(7,648)
Net cash generated from operating activities	101,541	98,309

Segment Reporting

For the nine-month period ended 30 September 2024

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
Revenue from primary business		
Exploration and production		
External sales	131,801	128,707
Inter-segment sales	88,721	85,702
Subtotal	220,522	214,409
Refining		
External sales	121,134	128,742
Inter-segment sales	1,002,567	1,004,531
Subtotal	1,123,701	1,133,273
Marketing and distribution		
External sales	1,276,295	1,312,648
Inter-segment sales	5,898	14,386
Subtotal	1,282,193	1,327,034
Chemicals		
External sales	311,742	303,549
Inter-segment sales	73,773	68,621
Subtotal	385,515	372,170
Corporate and others		
External sales	480,381	546,948
Inter-segment sales	666,349	676,817
Subtotal	1,146,730	1,223,765
Elimination of inter-segment sales	(1,837,308)	(1,850,057)
Revenue from primary business	2,321,353	2,420,594
Other operating revenues		
Exploration and production	2,860	4,589
Refining	2,695	2,745
Marketing and distribution	30,282	33,173
Chemicals	7,201	6,988
Corporate and others	2,150	1,852
Other operating revenues	45,188	49,347
Revenue	2,366,541	2,469,941

Segment Reporting (Continued)

Result		
Operating profit/ (loss)		
By segment		
Exploration and production	42,695	39,178
Refining	6,586	18,963
Marketing and distribution	17,237	24,348
Chemicals	(4,896)	(2,775)
Corporate and others	2,029	2,063
Elimination	(60)	(2,490)
Total segment operating profit	63,591	79,287
Share of profits/ (losses) from associates and joint ventures		
Exploration and production	2,514	2,442
Refining	(455)	(286)
Marketing and distribution	2,617	2,176
Chemicals	262	(3,656)
Corporate and others	3,958	4,610
Aggregate share of profits from associates and joint ventures	8,896	5,286
Investment income		
Exploration and production	-	-
Refining	25	23
Marketing and distribution	12	4
Chemicals	(153)	(276)
Corporate and others	637	622
Aggregate investment income	521	373
Net finance costs	(8,983)	(7,275)
Profit before taxation	64,025	77,671

5.3 Differences between consolidated financial statements prepared in accordance with the accounting policies complying with the accounting policies complying with CASs and IFRS Accounting Standards (Unaudited)

Other than the differences in the classifications of certain financial statements captions and the accounting for the items described below, there are no material differences between the Group's consolidated financial statements prepared in accordance with the accounting policies complying with CASs and IFRS Accounting Standards. The reconciliation presented below is included as supplemental information, is not required as part of the basic financial statements and does not include differences related to classification, presentation or disclosures. Such information has not been subject to independent audit or review. The major differences are:

(i) Government grants

Under CASs, grants from the government are credited to capital reserve if required by relevant governmental regulations. Under IFRS Accounting Standards, government grants relating to the purchase of fixed assets are recognised as deferred income and are transferred to the income statement over the useful life of these assets.

(ii) Safety production fund

Under CASs, safety production fund should be recognised in profit or loss with a corresponding increase in reserve according to PRC regulations. Such reserve is reduced for expenses incurred for safety production purposes or, when safety production related fixed assets are purchased, is reduced by the purchased cost with a corresponding increase in the accumulated depreciation. Such fixed assets are not depreciated thereafter. Under IFRS Accounting Standards, payments are expensed as incurred, or capitalised as fixed assets and depreciated according to applicable depreciation methods.

(iii) Capitalization adjustment of exchange gains and losses of special borrowings

According to the Accounting Standards for Business Enterprises of China, the exchange difference between the principal and interest of special foreign currency borrowings shall be capitalized and included in the cost of assets eligible for capitalization. According to the IFRS Accounting Standards, except that the exchange differences arising from foreign currency borrowings adjusted as interest expenses can be capitalized, others are included in the current profits and losses.

Effects of major differences between the net profit under CASs and the profit for the period under IFRS Accounting Standards are analysed as follows:

Prepared by: China Petroleum & Chemical Corporation

Units: million Currency: RMB Type: unaudited

Items	Nine-month period ended 30 September 2024	Nine-month period ended 30 September 2023
Net profit under CASs	50,798	61,754
Adjustments:		
Government grants(i)	30	38
Safety production fund(ii)	1,020	1,202
Other	(1)	(3)
Capitalization adjustment of exchange gains and losses of special borrowings(iii)	(102)	-
Profit for the period under IFRS Accounting Standards	51,745	62,991

Effects of major differences between the shareholders' equity under CASs and the total equity under IFRS Accounting Standards are analysed as follows:

Units: million Currency: RMB Type: unaudited

Items	As of 30 September 2024	As of 31 December 2023
Shareholders' equity under CASs	976,417	958,655
Adjustments:		
Government grants(i)	(838)	(868)
Capitalisation of exchange difference of specific loans(iii)	(2,080)	(1,978)
Total equity under IFRS Accounting Standards	973,499	955,809

5.4 Changes in accounting policies

In 2024, the Group has adopted the revised accounting requirements and guidance under CASs newly issued by the Ministry of Finance (“MOF”) as follows:

“The provision on the Classification of Liabilities as Current or Non-current” in CAS Bulletin No. 17 (Caikuai [2023] No. 21) (“CAS Bulletin No. 17”).

In accordance with CAS Bulletin No. 17, when classifying the liquidity of liabilities, the Group only considers whether it has a substantial right to defer the settlement of liabilities to more than one year after the balance sheet date ("Right to Defer the Settlement of Liabilities") at the balance sheet date, without taking into account the subjective likelihood of the Group exercising such rights.

For liabilities arising from the Group's loan arrangements, if the Group's Right to Defer the Settlement of Liabilities depends on whether the Group has complied with the conditions stipulated in the loan arrangements ("Contractual Conditions"), the Group classifies the liquidity of the relevant liabilities by considering only the impact of the Contractual Conditions to be followed by the Group on or before the balance sheet date, without considering the impact of Contractual Conditions that the Group should comply with after the balance sheet date.

For liabilities settled by the Group through the delivery of its own equity instruments at the option of the counterparty, if the Group classifies such options as equity instruments and recognises them separately as equity components of compound financial instruments in accordance with the provisions of CAS No. 37 - Presentation of Financial Instruments, the liquidity classification of such liability will not be affected. Conversely, if such options cannot be classified as equity instruments, the liquidity classification of the liability will be affected.

The adoption of this provision does not have a material impact on the Group’s financial position and results of operations.