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**中石化煉化工程(集團)股份有限公司**

**SINOPEC Engineering (Group) Co., Ltd.\***

*(a joint stock limited liability company incorporated in the People's Republic of China)*

**(Stock Code: 2386)**

**VOLUNTARY ANNOUNCEMENT  
TOTAL NEW CONTRACT VALUE AND BACKLOG**

This announcement is made voluntarily by SINOPEC Engineering (Group) Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”). The board of directors of the Company (the “**Board**”) is pleased to update shareholders of the Company and potential investors on certain information in connection with the representative new contracts entered into by the Group for the three months ended 31 March 2021, the total value of the new contracts for the three months ended 31 March 2021 and the backlog as at 31 March 2021.

This announcement is made by the order of the Board. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

During the three months ended 31 March 2021, the total value of new contracts entered into by the Group amounted to RMB29.893 billion, representing an increase of 85.9% as compared to RMB16.081 billion for the three months ended 31 March 2020. As at 31 March 2021, the backlog of the Group amounted to RMB121.967 billion, representing an increase of 15.4% as compared to RMB105.655 billion as at 31 December 2020.

\* For identification purposes only.

## **New Contract Value and Backlog**

### ***Representative New Contracts***

New contract value represents the value of the contracts the Group entered into during a specified period. The value of a contract is the amount that the Group expects to receive under the terms of the contract if the contract is performed in accordance with its terms. During the three months ended 31 March 2021, the total value of new contracts entered into by the Group amounted to RMB29.893 billion, and contracts that are representative are as follows:

1. An EPC contract entered into with Sinopec Hainan Refining & Chemical Co., Limited\* (中國石化海南煉油化工有限公司) in relation to the ethylene facilities of the 1,000,000 tons/year ethylene and refinery expansion project with a total contract value of approximately RMB9.506 billion;
2. an EPC contract entered into with Zhejiang Energy Wenzhou LNG Co., Ltd.\* (浙江浙能溫州液化天然氣有限公司) in relation to Wenzhou liquefied natural gas receiving terminal project with a total contract value of approximately RMB3.415 billion; and
3. a construction contract entered into with a project company, which is a joint venture controlled as to 60% by PJSC SIBUR Holding and 40% by China Petrochemical Corporation in relation to Amur Gas Chemical Complex project of ethylene facilities with a total contract value of approximately USD900 million.

### ***Backlog***

Backlog represents the total estimated contract value of work that remains to be completed pursuant to outstanding contracts as at a certain date, net of estimated value added tax, and is based on the Group's assumption that the relevant contracts will be performed in accordance with their terms. Backlog is not a measure defined by generally accepted accounting principles. Any modification, termination or suspension of these contracts by the Group's clients may have a substantial and immediate effect on the Group's backlog. Projects may also remain in the Group's backlog for an extended period of time beyond what was initially anticipated due to various factors beyond the Group's control.

\* For identification purposes only.

The table below sets out the details of the total value of new contracts entered into by the Group and its backlog categorised by (1) business segments; (2) the industries in which the Group's clients operate; (3) regions; and (4) clients of each of (i) China Petrochemical Corporation (“**Sinopec Group**”) and its associates and (ii) the non-Sinopec Group and its associates during the period or as at the date indicated:

	<b>Total of New Contract Value For the three months ended 31 March 2021</b>		<b>Backlog As at 31 March 2021</b>	
	<i>(RMB thousand)</i>	<i>Percentage (%)</i>	<i>(RMB thousand)</i>	<i>Percentage (%)</i>
<b><i>Business segments</i></b>				
Engineering, Consulting and Licensing	1,200,204	4.1	9,208,143	7.6
EPC Contracting	17,376,192	58.1	85,751,203	70.3
Construction	11,125,800	37.2	26,149,659	21.4
Equipment Manufacturing	190,694	0.6	857,955	0.7
<b>Total</b>	<b>29,892,890</b>	<b>100.0</b>	<b>121,966,960</b>	<b>100.0</b>
<b><i>Industries in which the Group's clients operate</i></b>				
Oil Refining	3,916,910	13.1	31,902,690	26.2
Petrochemicals	16,039,685	53.7	36,017,710	29.5
New Coal Chemicals	229,362	0.8	11,341,928	9.3
Storage & Transportation and Others <sup>(1)</sup>	9,706,933	32.4	42,704,632	35.0
<b>Total</b>	<b>29,892,890</b>	<b>100.0</b>	<b>121,966,960</b>	<b>100.0</b>
<b><i>Regions</i></b>				
PRC	23,381,719	78.2	90,368,163	74.1
Overseas	6,511,171	21.8	31,598,797	25.9
<b>Total</b>	<b>29,892,890</b>	<b>100.0</b>	<b>121,966,960</b>	<b>100.0</b>
<b><i>Clients of each of (i) Sinopec Group and its associates and (ii) the non-Sinopec Group and its associates</i></b>				
Sinopec Group and its associates	19,204,658	64.2	68,104,733	55.8
Non-Sinopec Group and its associates	10,688,232	35.8	53,862,227	44.2
<b>Total</b>	<b>29,892,890</b>	<b>100.0</b>	<b>121,966,960</b>	<b>100.0</b>

*Note 1:* In order to more accurately and effectively reflect the industries in which the Group's clients operate, the name has been changed from “Other Industries” to “Storage & Transportation and Others”, basis of the amounts remains unchanged.

The Board wishes to emphasise that the above information in relation to the representative new contracts, the total value of new contracts and backlog shall not constitute any forecast or prediction of the profits of the Group.

This announcement is made by the order of the Board. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

**Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**SINOPEC ENGINEERING (GROUP) CO., LTD.**  
**Jia Yiqun**  
*Chief Financial Officer, Company Secretary*

Beijing, the PRC  
16 April 2021

*As at the date of this announcement, directors of the company are: SUN Lili<sup>#</sup>, XIANG Wenwu<sup>#</sup>, JIANG Dejun<sup>#</sup>, WU Wenxin<sup>\*</sup>, HUI Chiu Chung, Stephen<sup>+</sup>, JIN Yong<sup>+</sup> and YE Zheng<sup>+</sup>.*

<sup>#</sup> *Executive Directors*

<sup>\*</sup> *Non-executive Director*

<sup>+</sup> *Independent non-executive Directors*

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