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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 with certain information in connection with the representative new contracts entered into by the Group for the three months ended 30 September 2023, the total value of new contracts for the nine months ended 30 September 2023 and the backlog as at 30 September 2023.

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.

This announcement is made voluntarily by the Company. The Board is pleased to update shareholders of the Company and potential investors the following information.

During the three months ended 30 September 2023, the total value of new contracts entered into by the Group amounted to RMB6.627 billion. As at 30 September 2023, the backlog of the Group amounted to RMB118.731 billion.

* 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 30 September 2023, the total value of new contracts entered into by the Group amounted to RMB6.627 billion, and contracts that are representative are as follows:

1. an EPC contract (bidding section I) entered into with Sinopec Qingdao Refining & Chemical Co., Ltd. in relation to the LPG Safety Enhancement (Succinic Acid) Project of Qingdao Refining & Chemical with a contract value of RMB510 million;
2. a construction contract entered into with Shandong Binhua New Material Co., Ltd. in relation to the Propylene Oxide/Methyl Tert-Butyl Ether (P/-MTBE) Project of Shandong Binhua New Material Co., Ltd. with a contract value of RMB477 million; and
3. a contract entered into with Envision Energy LLC in relation to the Wind Power Installation Project for NEOM New City in Saudi Arabia with a contract value of USD48 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. Term of the uncompleted projects may extend, resulting which 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.

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 periods or as at the date indicated:

	Total of New Contract Value		Backlog	
	For the nine months ended 30 September 2023		As at 30 September 2023	
	<i>(RMB thousand)</i>	<i>Percentage (%)</i>	<i>(RMB thousand)</i>	<i>Percentage (%)</i>
<i>Business segments</i>				
Engineering, Consulting and Licensing	3,165,527	7.1	11,690,757	9.9
EPC Contracting	23,993,102	54.1	79,443,135	66.9
Construction	16,490,867	37.2	25,902,751	21.8
Equipment Manufacturing	709,352	1.6	1,694,431	1.4
Total	44,358,848	100.0	118,731,074	100.0
<i>Industries in which the Group's clients operate</i>				
Oil Refining	3,854,774	8.7	17,416,049	14.7
Petrochemical	35,657,413	80.4	71,257,015	60.0
New Coal Chemicals	374,719	0.8	2,118,357	1.8
Storage & Transportation and Others	4,471,942	10.1	27,939,653	23.5
Total	44,358,848	100.0	118,731,074	100.0
<i>Regions</i>				
PRC	35,566,054	80.2	92,675,346	78.1
Overseas	8,792,794	19.8	26,055,728	21.9
Total	44,358,848	100.0	118,731,074	100.0
<i>Clients of each of (i) Sinopec Group and its associates and (ii) the non-Sinopec Group and its associates</i>				
Sinopec Group and its associates	17,870,023	40.3	59,846,297	50.4
Non-Sinopec Group and its associates	26,488,825	59.7	58,884,777	49.6
Total	44,358,848	100.0	118,731,074	100.0

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, Secretary of the
Board and Company Secretary*

Beijing, the PRC
20 October 2023

As at the date of this announcement, directors of the Company are: JIANG Dejun[#], XIANG Wenwu[#], YU Renming^{}, LI Chengfen^{*}, WU Wenxin^{*}, ZHANG Xinming[#], HUI Chiu Chung, Stephen⁺, DUAN Xue⁺, YE Zheng⁺, ZHAO Jinsong⁺ and XIE Yanli[#].*

[#] *Executive Directors*

^{*} *Non-executive Directors*

⁺ *Independent non-executive Directors*

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