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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 31 March 2024, the total value of new contracts for the three months ended 31 March 2024 and the backlog as at 31 March 2024.

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 31 March 2024, the total value of new contracts entered into by the Group amounted to RMB33.764 billion, representing an increase of 80.3% as compared to RMB18.728 billion for the three months ended 31 March 2023. As at 31 March 2024, the backlog of the Group amounted to RMB155.688 billion, representing an increase of 14.3% as compared to RMB136.262 billion as at 31 December 2023.

\* 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 2024, the total value of new contracts entered into by the Group amounted to RMB33.764 billion, and contracts that are representative are as follows:

1. an EPC contract entered into with North Huajin United Petroleum and Chemicals Co., Ltd.\* (北方華錦聯合石化有限公司) in relation to parts of units of the fine chemicals and feedstock projects for the residual oil hydrogenation and full density polyethylene units etc. with a total contract value of approximately RMB3.439 billion;
2. an EPC contract entered into with Levima Gerun (Shandong) Advanced Materials Co., Ltd.\* (聯泓格潤(山東)新材料有限公司) in relation to the DMTO units and the system supporting facilities of the integration project of new energy materials and biodegradable materials with a total contract value of RMB2.995 billion; and
3. a construction contract entered into with L&T Hydrocarbon Company in relation to the bidding section P1 GPT4 of Phase II of Jafurah Natural Gas Expansion Project of Saudi Aramco with a total contract value of approximately USD161 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 based on the Group's assumption that the relevant contracts will be fully 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. Terms of the uncompleted projects may also extend due to various factors beyond the Group's control, making the projects remain in the Group's backlog for an extended period of time beyond what was initially anticipated.

\* *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 indicated periods or as at the indicated date:

	Total of New Contract Value For the three months ended 31 March 2024 (RMB thousand) Percentage (%)		Backlog As at 31 March 2024 (RMB thousand) Percentage (%)	
<b><i>Business segments</i></b>				
Engineering, Consulting and Licensing	2,482,645	7.4	13,304,315	8.6
EPC Contracting	23,583,357	69.8	111,755,232	71.8
Construction	7,389,989	21.9	28,513,679	18.2
Equipment Manufacturing	308,392	0.9	2,114,891	1.4
Total	<u>33,764,383</u>	<u>100.0</u>	<u>155,688,117</u>	<u>100.0</u>
<b><i>Industries in which the Group's clients operate</i></b>				
Oil Refining	5,489,203	16.2	30,824,890	19.8
Petrochemical	20,756,170	61.5	83,111,884	53.4
New Coal Chemicals	3,198,145	9.5	5,016,585	3.2
Storage & Transportation and Others	4,320,865	12.8	36,734,758	23.6
Total	<u>33,764,383</u>	<u>100.0</u>	<u>155,688,117</u>	<u>100.0</u>
<b><i>Regions</i></b>				
PRC	28,011,286	83.0	115,185,227	74.0
Overseas	5,753,097	17.0	40,502,890	26.0
Total	<u>33,764,383</u>	<u>100.0</u>	<u>155,688,117</u>	<u>100.0</u>
<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	8,385,397	24.8	55,106,450	35.4
Non-Sinopec Group and its associates	25,378,986	75.2	100,581,667	64.6
Total	<u>33,764,383</u>	<u>100.0</u>	<u>155,688,117</u>	<u>100.0</u>

The Board wishes to emphasize 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.**  
**YIN Fengbing**  
*Chief Financial Officer & Secretary to the Board*

Beijing, the PRC  
15 April 2024

*As at the date of this announcement, directors of the Company are: JIANG Dejun<sup>#</sup>, XIANG Wenwu<sup>#</sup>, LI Chengfeng<sup>\*</sup>, YU Renming<sup>\*</sup>, WU Wenxin<sup>\*</sup>, ZHANG Xinming<sup>#</sup>, HUI Chiu Chung, Stephen<sup>+</sup>, DUAN Xue<sup>+</sup>, YE Zheng<sup>+</sup>, ZHAO Jinsong<sup>+</sup> and XIE Yanli<sup>#</sup>.*

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

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

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

*This announcement is available on the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and on the website of the Company ([www.segroup.cn](http://www.segroup.cn)).*