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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 2024, the total value of new contracts for the nine months ended 30 September 2024 and the backlog as at 30 September 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 with the following information.

During the nine months ended 30 September 2024, the total value of new contracts entered into by the Group amounted to RMB73.457 billion, representing an increase of 65.6% as compared to RMB44.359 billion for the nine months ended 30 September 2023. As at 30 September 2024, the backlog of the Group amounted to RMB165.773 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 2024, the total value of new contracts entered into by the Group amounted to RMB23.391 billion, and contracts that are representative are as follows:

1. an EPC contract entered into with Rongxin Chemical Co., Ltd.* (內蒙古榮信化工有限公司) in relation to the MTO unit of the 800,000-ton Olefin Project with a total contract value of approximately RMB2.427 billion;
2. an EPC contract entered into with Sinopec Nanjing Chemical Industries Co., Ltd.* (中國石化集團南京化學工業有限公司) in relation to the Fujian Gulei Aniline-Rubber Auxiliary Industry Chain Project with a total contract value of RMB1.926 billion;
3. an EPC contract entered into with Silleno LLP in relation to the Ethane Cracking Project of Silleno Petrochemical Complex Project in Kazakhstan with a total contract value of USD1.25 billion; and
4. an EPC contract entered into with SABIC in relation to the Saudi Arabia SABIC AMIRAL Tank Area Project with a total contract value of approximately USD177 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 be extended 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.

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The table below sets out the details of the total value of new contracts entered into by the Group and projects in 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		Backlog	
	For the nine months ended 30 September 2024		As at 30 September 2024	
	<i>(RMB thousand)</i>	<i>Percentage (%)</i>	<i>(RMB thousand)</i>	<i>Percentage (%)</i>
<i>Business segments</i>				
Engineering, Consulting and Licensing	4,227,248	5.8	13,616,924	8.2
EPC Contracting	54,271,122	73.9	124,683,277	75.2
Construction	14,211,381	19.3	25,164,656	15.2
Equipment Manufacturing	747,199	1.0	2,307,725	1.4
Total	73,456,950	100.0	165,772,581	100.0
<i>Industries in which the Group's clients operate</i>				
Oil Refining	7,506,644	10.2	26,831,732	16.2
Petrochemical	42,714,197	58.2	86,528,059	52.2
New Coal Chemicals	7,305,428	9.9	8,580,815	5.2
Storage & Transportation and Others	15,930,680	21.7	43,831,975	26.4
Total	73,456,950	100.0	165,772,581	100.0
<i>Regions</i>				
PRC	46,860,980	63.8	109,462,701	66.0
Overseas	26,595,970	36.2	56,309,880	34.0
Total	73,456,950	100.0	165,772,581	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	30,605,277	41.7	66,060,277	39.8
Non-Sinopec Group and its associates	42,851,672	58.3	99,712,304	60.2
Total	73,456,950	100.0	165,772,581	100.0

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.

By order of the Board
SINOPEC ENGINEERING (GROUP) CO., LTD.
YIN Fengbing
Chief Financial Officer & Secretary to the Board

Beijing, the PRC
18 October 2024

As at the date of this announcement, directors of the Company are: JIANG Dejun[#], ZHANG Xinming[#], XIANG Wenwu^{}, LI Chengfeng^{*}, YU Renming^{*}, 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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