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 2019, the total value of the new contracts for the three months ended 31 March 2019 and the backlog as at 31 March 2019.

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 on the following information.

During the three months ended 31 March 2019, the total value of new contracts entered into by the Group amounted to RMB18.750 billion, representing a decrease of 30.3% as compared to RMB26.882 billion for the three months ended 31 March 2018. As at 31 March 2019, the backlog of the Group amounted to RMB104.037 billion, representing an increase of 9.6% as compared to RMB94.935 billion as at 31 December 2018.

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 2019, the total value of new contracts entered into by the Group amounted to RMB18.75 billion, and contracts that are representative are as follows:

1. an EPC contract entered into with Fujian Gulei Petrochemical Co., Ltd. (福建古雷石化有限公司) for, among others, the steam cracking plant, polypropylene plant and EO/EG plant of Gulei Refining and Petrochemical Integrated Project with a total contract value of RMB8.173 billion;

2. an EPC contract entered into with SINOPEC Tianjin Company (中國石油化工股份有限公司天津分公司) for structural adjustment and oil product quality upgrade of Tianjin refining products with a total contract value of RMB2.601 billion;

3. an EPC contract entered into with Shaanxi Yanchang Zhongmei Yulin Energy and Chemical Co., Ltd. (陝西延長中煤榆林能源化工有限公司) for Coal, Oil and Gas Resources Comprehensive Utilization Phase I Project of Jingbian Energy and Chemical Park with a total contract value of RMB1.570 billion;

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, 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.

The table below sets out the details of the total value of new contracts entered into by the Group and its backlog categorized 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:

	Total of New Contract Value For the three months ended 31 March 2019		Backlog As at 31 March 2019	
	(RMB thousand)	*Percentage (%)*	*(RMB thousand)*	*Percentage (%)*
Business segments				
Engineering, Consulting and Licensing	731,140	3.9	8,079,120	7.8
EPC Contracting	15,082,149	80.4	83,458,460	80.2
Construction	2,833,383	15.1	11,964,574	11.5
Equipment Manufacturing	103,462	0.6	534,922	0.5
Total	18,750,134	100.0	104,037,076	100.0
Industries in which the Group's clients operate				
Oil Refining	3,698,871	19.7	33,755,458	32.4
Petrochemical	11,671,753	62.3	36,561,290	35.1
New Coal Chemicals	3,083,939	16.4	12,535,332	12.1
Other Industries	295,571	1.6	21,184,996	20.4
Total	18,750,134	100.0	104,037,076	100.0
Regions				
PRC	18,149,554	96.8	82,784,096	79.6
Overseas	600,580	3.2	21,252,980	20.4
Total	18,750,134	100.0	104,037,076	100.0
Clients of each of (i) Sinopec Group and its associates and (ii) the non-Sinopec Group and its associates				
Sinopec Group and its associates	14,331,250	76.4	56,551,628	54.4
Non-Sinopec Group and its associates	4,418,884	23.6	47,485,448	45.6
Total	18,750,134	100.0	104,037,076	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.

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.

Yours faithfully,
By order of the Board
SINOPEC ENGINEERING (GROUP) CO., LTD.
SANG Jinghua
Vice President, Secretary to the Board

Beijing, the PRC
15 April 2019

As at the date of this announcement, the executive directors of the Company are LU Dong, XIANG Wenwu, SUN Lili (employee representative director) and ZHOU Yingguan (employee representative director); the non-executive directors of the Company are YU Baocai and WU Wenxin; and the independent non-executive directors of the Company are HUI Chiu Chung, Stephen, JIN Yong and YE Zheng.

This announcement is available on the website of Hong Kong Exchanges and Clearing Limited (www.hkex.com.hk) and on the website of the Company (www.segroup.cn).

* *For identification purposes only.*