

Press Release
(For immediate release)



中石化煉化工程(集團)股份有限公司
SINOPEC Engineering (Group) Co., Ltd.

(Stock code: 2386)

SEG Announces 2022 Annual Results

Value of New Contracts and Annual Dividend Per Share Hit Record Highs

(19 March 2023, Hong Kong) SINOPEC Engineering (Group) Co., Ltd. (“SEG” or the “Company”, together with its subsidiaries collectively known as the “Group”) (stock code: 2386) today announced its annual results for the twelve months ended 31 December 2022 (the “Reporting Period”).

In year of 2022, the Company pushed ahead with the plan of developing itself into the world’s leading technology-oriented engineering company, focusing on the implementation of “Value-Oriented, Innovation-Driven, Green & Clean, Talent-Based, Globalization and Fusion Symbiosis” strategy. The management led all employees in coordinated efforts to propel high-quality development. As a result, the Group successfully completed all targets and tasks, rewarding the society and shareholders with stable business performance. The Group’s revenue reached RMB53.028 billion, and net profit grew by 7.1% year-on-year to RMB2.282 billion. The value of new contracts signed in the year amounted to RMB72.525 billion, up 14.8% year on year. All of them are hard-earned achievements. In view of the Group’s profitability, shareholder returns and the needs for sustainable development, the Board proposed a final dividend of RMB0.210 per share for the year of 2022. Taking into account the interim dividend of RMB0.118 per share, the total dividend for the year was RMB0.328 per share with a dividend payout ratio of 65%. The dividend payout grew from the previous year.

Enhanced corporate governance. We continuously improved the formation of the Board according to the regulatory requirements. The functions and power of the Board were fully performed. We completed the 3-year action plan for SOE reform with high standards and passed the special audit. We strengthened the compliance governance and successfully passed the ISO 37301 compliance management system certification of LRQA, becoming one of the first batch of listed companies in China and the first listed company in the petrochemical industry receiving this certification. We continuously propelled integration of management system and implemented management penetration enhancement action, so as to continuously improve the Group’s overall coordination and resources allocation capability, as well as to reinforce the advantages of complementarity and comprehensive cooperation among the Group’s members. We also optimized the tracking and monitoring system for major risk events and indicators, which ensured effective prevention and control of major operating risks.

Enhancement of production and operation capability. Domestically, by leveraging the advantages of the Group’s coordinated development, we completed the construction of Zhenhai Project Phase I and Jiujiang Aromatics Project, which had commenced

operation. Hainan Ethylene Project was delivered in high quality. While construction of Tianjin Nangang was accelerated, the development of Huizhou Ethylene Project, Anqing Transformation and Upgrading Project and a number of other projects was gaining steam. We also accelerated the implementation of a cluster of LNG projects and Green Hydrogen projects. In overseas market, we made relentless efforts to develop the projects in Saudi Arabia, and the start-up and completion of RAPID project in Malaysia. The overseas business maintained persistent, stable and healthy operation. We reinforced the lean management in engineering projects to ensure project safety and quality and made sure the delivery of projects on schedule. We strived to ensure reasonable profit margin while saving investment and achieving added-value for the clients.

New track record of market exploration. We vigorously explored new markets and the value of domestic new contracts for the year hit a record high. We undertook the early work of a batch of large-scale petrochemical projects. We signed engineering design, EPC and construction contracts of many remarkable projects in the industry, such as Tianjin Nangang Ethylene Projects, CNOOC Shell Huizhou Project Phase III, and CNPC Petrochemical Transformation and Upgrading Project in Jilin. In addition to providing services to SINOPEC, we also actively provided CNPC, CNOOC, CHN Energy, Sinochem Group and Yanchang Group with good services for their development planning. In the fields of new energy and new materials, we sped up to expand our business presence and signed new contracts worth RMB4.65 billion in the year. We made a breakthrough in overseas market under adverse situations, marked by exceeding annual contract target of USD1 billion. We entered the Algerian market for the first time, continued to consolidate the Middle East market, and successfully started to provide “technology +” high-end engineering services in the Central Asian market.

New achievements of innovative development. A large number of key energy and petrochemical technologies R & D programs were carried out smoothly, represented by 24 state-level programs. We totally won 35 scientific and technological advancement awards at the provincial and ministerial level or higher throughout the year. Several projects tackling core technologies in new fields were completed construction and they had been put into operation. We actively promoted our independently developed technologies, the technology licensing contract amount reached RMB399 million, up 40% year-on-year. We also worked on transformation reservation focusing on achieving “carbon peak and carbon neutrality” targets. The research regarding the carbon sources in the petrochemical industry was carried out with carbon neutrality strategy and implementation method in order to develop and reserve related technologies in parallel from the source, to the process and till the end.

New stage of digital empowerment. We continued to deepen the application of digital technology. Digital delivery of nearly 40 large-scale projects were achieved, which strengthened the foundation of smart plant construction. Aiming at the advanced capability of digital engineering in the industry, we continued to promote the application of digital technology in close alignment with the needs of domestic and overseas project execution. The system base platform, digital service platform and integrated design platform were established and improved to continuously support the efficiency and quality of engineering design. In response to clients’ new needs for digital delivery and intelligent management, we developed an integrated delivery application platform based on the industrial Internet platform to realize the integration of design, construction, delivery, smart plant construction and production consulting services. The digital delivery empowers the plant operation and maintenance, thus promoting the digital engineering to

be extended towards smart plant.

New achievements of green and low-carbon development. We provided clients with a full range of services for environmental protection. Resource conservation and utilization were fully implemented in the consultation planning and overall design of more than 10 major petrochemical plants, such as in Maoming, Luoyang, Jilin and Huizhou, and so on. Our service helps to enhance energy, water and land utilization efficiency from the very beginning of the petrochemical plants, life cycle, which promoted clean production. We further reduced the energy consumption and main pollutant emissions of devices by using a new generation independently-developed technology, reaching the international advanced level. These devices are from several representative projects, such as Gulei Ethylene Project, Jiujiang Aromatics Project and so on. A series of environmental protection core technologies, such as sewage treatment technology using new petrochemical materials, PTA wastewater anaerobic expansion granular sludge bed technology, and freezing crystallization technology treating wet air oxidized alkali waste from ethylene unit were respectively applied in projects such as Zhenhai Project Phase II, Yizheng Chemical Fiber Project and Nangang Ethylene Project. We provided energy-saving consultation and diagnosis for equipment in operation. We also offered companies integrated solutions covering investment, construction and project implementation, through which the energy-saving and consumption reduction projects invested and implemented by Energy Management Company have saved 170,000 tons of standard coal per year and reduced carbon dioxide equivalent to nearly 410,000 tons per year. The three hydrogen fueling stations designed by us supplied hydrogen for 2022 Beijing Winter Olympics and light up the Olympics torch with high-purity hydrogen, which guaranteed clean energy supply for the “Green Winter Olympics”.

The year of 2023 marks the tenth anniversary of the Company’s listing in Hong Kong. We have actively adapted ourselves to the major trend of energy transformation. With the vision of “building ourselves as the world’s leading technology-oriented engineering company”, we actively contributed to the upgrade of petrochemical industry, and made efforts to become a comprehensive engineering and technical service provider which integrates engineering technology R&D, engineering transformation and engineering implementation, and adapted ourselves to meet the demands of complete industrial chain and lifecycle. Over the past decade, the Group have completed a large number of representative key projects successively. The market influence and brand reputation of the Group has been continuously enhanced. The Group won 22 national excellent design achievement awards, 37 national quality engineering awards and 319 science and technology progress awards at national, provincial and ministerial level. Over the past decade, the Group have accumulatively generated income of RMB476.4 billion, made profit of RMB23.9 billion, and distributed dividend of RMB12.1 billion, creating generous values for the society, industry and shareholders while realizing its sustainable and healthy development.

Ms. Sun Lili, Chairwoman of SEG, said: “Looking ahead to the future, in view of the target of ‘carbon peak and carbon neutrality’, the constraint of resources and environment will have a profound impact on the development of the energy and petrochemical industry. The development of the industry will enter into a period requiring transformation and qualitative change, at same time of which the Group’s high-quality development will also come into a critical stage. We will strive our best along the road towards premium products, reputable brand, leading innovation and modern governance. We will coordinate and make overall plan to effectively carry out the high quality development of the Group, striding towards the goal of making the Group world’s leading

technology-oriented engineering company. With the persistent efforts of the Board, executive staffs and all employees, under the strong support of shareholders and people from all walks of life, I believe that SINOPEC Engineering Group will make concerted effort on high-standard corporate governance, production and operation, transformation and development, scientific and technological innovation, reform management, risk prevention and control, so as to create stronger momentum for the high-quality development of petrochemical industry. We will present more quality service and bring greater value to shareholders, society and employees. We are committed to reward our investors for your support and attention with excellent business achievement and performance!”

Business Review and Highlights

Market development has made further success

During the Reporting Period, the value of new contracts signed by the Group was RMB72.525 billion, representing an increase of 14.8% on a year-on-year basis.

During the reporting period, the Group has made a new record of value of domestic contracts newly signed, reaching RMB65.324 billion, with a year-on-year increase of 19.9%. Newly signed contracts include the BEPC contract for the Huizhou Ethylene Project with a total contract value of approximately billions of dollars; EPC contract for the Tianjin Nangang Ethylene and Downstream High-end New Material Industry Cluster Project with a total contract value of approximately RMB10.033 billion; EPC contract for the Zhenhai Refining and Chemical, and High-end Synthetic New Materials Project with a total contract value of approximately RMB7.945 billion; EPC contract for the Longkou LNG Receiving Terminal of Sinopec, with a total contract value of approximately RMB2.310 billion; EPC contract for the Receiving Terminal of Guangxi LNG Expansion Project (Phase III), with a total contract value of approximately RMB2.357 billion. During the reporting period, the Group has signed 129 contracts in the field of “three-new” (new energy, new materials and new economy), the value of contracts newly signed has reached RMB4.65 billion, and the Group has accelerated new business development.

During the reporting period, the Group has explored and opened up a new horizon in international market. The Group has made new breakthrough in African market, signed two EPCC general contracts of LNG storage tank project and MTBE project of Algerian National Oil Company, with the contract value of USD182 million and USD315 million respectively; continued to consolidate Middle East market, signed a series of engineering service contracts with Saudi Aramco and SABIC, and made breakthroughs in new countries and new fields in Iraq, the United Arab Emirates and Qatar; has activated the development mode of “technology +” high-end engineering services in Central Asian market, successfully signed the design, purchase and equipment manufacturing contracts of MTO project in Uzbekistan; and has successfully obtained certain front-end design consulting business in Southeast Asia, laying a solid foundation for the subsequent EPC project development.

Powerful promotion of major projects

- Hainan Refining and Chemical Integration Project has been handed over, devices have been brought into trial production in succession.

- Tianjin Nangang Ethylene Project was in the stage of rapid construction, and the overall progress was over 60%.
- Baling Caprolactam Project was in the final stage of construction, and the overall progress was about 90%.
- Xinjiang Kuqa Green Hydrogen Demonstration Project was in the stage of rapid construction, and the overall progress was over 80%.
- Tianjin LNG Project (Phase II) was in the final stage of construction, and the overall progress was about 90%.
- Shandong LNG Project (Phase II) was in the final stage of construction, and the overall progress was over 90%.
- Wenzhou LNG Project was in the final stage of construction, and the overall progress was over 90%.
- Longkou LNG Project entered the peak period of construction, and the overall progress was about 50%.

Technical innovation for guidance of industrial development

During the Reporting Period, the Group has made prominent achievements in research and development of science and technology, the Group signed 301 new technology development contracts and 92 new technology licensing contracts in the entire year, with a technology development and technology license amount of RMB855 million, all of the engineering technology innovations closely focused on the Company's strategic development and technical requirements of the engineering market, the key scientific research projects were steadily advanced, and new progress was made in tackling key core technologies.

During the Reporting Period, the Group completed 771 new patent applications, among which, 540 were invention patents, accounting for 70%; the Group also had 543 newly licensed patents, 284 of which were invention patents, patent quality has been continuously optimized.

During the Reporting Period, the Group received a total of 62 science and technology progress awards in scientific and technical innovation and engineering construction fields at the provincial and above level. Among these awards, we won 8 first prizes, 7 second prizes and 5 third prizes of Sinopec Science and Technology Progress Award; 15 prizes of other provincial and ministerial level awards for scientific and technological progress; 5 prizes of the national high quality projects award; 4 prizes of the national excellent design award.

During the Reporting Period, the Group has optimized transformation reservation focusing on Carbon Peaking and Carbon Neutrality target, completed feasibility research for in-depth coupled application of high temperature gas cooled reactor in petrochemical industry, and propelled carbon reduction from the source in petrochemical industry; carried out summary and research of carbon sources in the petrochemical industry, proposed carbon neutrality strategies and implementation routes, and concurrently organized development and reservation of related technologies from the source, in

process and at terminal.

During the Reporting Period, the Group has continued to optimize scientific and technical innovation mechanism, and formulated administration method of “public offer of reward for scientific and technical innovation”, taking an important step in exploration of scientific and technical innovation mechanism.

Enable intelligent factories with digital engineering technology

During the Reporting Period, the Group has completed digital delivery of nearly 40 large-size projects, laying an important foundation for construction of intelligent factories. Aiming at advanced level of digital engineering capability in the industry, the Group has continued to deepen the application of digital technology, closely adapted itself to the implementation demand of domestic and foreign projects, established and optimized the system basic platform, digital service platform and integrated design platform, and continuously enhanced the efficiency and quality of engineering design; on the basis of the new demand of digital delivery and intelligent management of customers in the industry, the Group has developed integrated platform for delivery and application based on the industrial Internet platform, realized the integrated collaboration of design, construction, delivery, intelligent factory construction and production consultation services, enabled factory operation and maintenance with digital delivery, and propelled the extension of digital engineering construction towards intelligent factories.

During the Reporting Period, the Group has continuously optimized the application architecture and implementation program in business field of oil refining and petrochemical, brought business management platform online, deployed data service platform, and established low-code development platform, making initial achievements of data governance and fusion of data and industry.

Continuous enhancement of production and operation capability

During the Reporting Period, the Group has continuously strengthened lean management, and optimized full-cycle revenue and cost plan of projects. The Group has promoted enhancement of efficiency and benefit of projects through standardization of design and optimization of design, formed 61 achievements for optimization of design which can be promoted and applied and 74 standardized design achievements in the entire year, and propelled saving of design resources and project cost. The Group has optimized subcontracting management, dynamically adjusted contractor evaluation, and effectively enhanced project implementation quality. The Group has organized management benchmarking, and optimized purchase program, so that purchase price negotiation and project supply assurance capability have been continuously enhanced. The Group has propelled application of advanced tools setup, strengthened application of automatic welding technology and equipment in 29 projects, so that the proportion of application of automatic welding has showed 7% year-on-year growth. The Group has further enhanced large-size equipment manufacturing capability, the maximum diameter of reaction settling vessel shell manufactured on the site of Anqing transformation and update project has reached 18m, making a record of non-standard equipment in China. The Group has brought into play the integration advantages of technology research and development, engineering design, equipment manufacturing and construction, has efficiently and collaboratively tackled technical problems of several new material projects, and opened up full procedure of engineering technology transformation. During the

Reporting Period, the Group has executed 1,192 projects in China and foreign countries, and energetically ensured project operation.

Maintenance of excellent state of safety, quality and environmental protection

During the Reporting Period, the Group has mitigated major risks and enhanced inherent quality and aesthetic quality through comprehensive governance and special action focusing on the main line of promotion of system development, optimization of capability, paying close attention on implementation and construction of shelter. The Group has continued to propel the implementation of the QHSE management system, optimize intrinsic safety and technological support, and propel green enterprise actions, so as to ensure that the safety, quality and clean production situation of the Company are continuously stable and controllable.

During the Reporting Period, the Group has obtained more than 20 provincial and ministerial design and welding quality awards, 73 projects have passed green construction site evaluation, and 9 units have successfully passed review for creation of green enterprises. As of the end of this report period, the Group has completed 250 million man/hours of safe production, and realized annual goals on quality improvement, environmental protection, etc.

Continuous enhancement of management effectiveness through reform and development

During the Reporting Period, the Group has continued to optimize international business organization architecture, management mechanism and operation mode, integrated advantageous resources and exerted the overall composition of force, laying a solid foundation for high-quality development of overseas business; the Group has compiled and issued “Major Operation Risks Control Manual of SINOPEC SEG”, continuously optimized major risk events and indicators follow-up monitoring system, and further enhanced the risk management capability of the Company.

During the Reporting Period, benchmarking our work with international leading standards, the Company has strengthened compliance governance, and successfully passed the ISO 37301 compliance management system certification of LRQA, becoming one of the first batch of professional companies in China and the first professional company in the petrochemical industry to pass this certification, creating a new mode of compliance management control featuring our own business characteristics; meanwhile, we have actively employed management penetration enhancement action, clarified the management interface of the entire business chain, and continued to propel the integration and fusion of management system.

Development on the foundation of talent team construction

During the Reporting Period, the Group has energetically propelled the development strategy of “talent-based development of enterprise” and optimized talent cultivation mode. The Group has established “Future Scientist” platform to carry out Young Scientific and Technical Elites Contest. A batch of young scientific and technical talents with development potential and forward looking innovation projects have become eminent, in which 2 outstanding young persons were honored with the title of “Outstanding Young Scientific and Technical Innovation Talents of Sinopec”.

During the Reporting Period, the Group has implemented the “Young Talents Cultivation Plan” for the first time, selected 34 outstanding young talents for serving temporary positions in other units and other posts, and strengthened source cultivation, practice cultivation and accurate cultivation of young cadre by providing stage and assigning tasks to them, so as to enhance the comprehensive capability and qualification and realize collaborative development of talents and enterprise.

During the Reporting Period, the Group has continuously optimized the construction of talent growth channel, and established database of 267 experts of 41 fields such as factory design, engineering construction and functional management. 1 winner of “Sinopec Scientific and Technical Meritorious Service Award”, 7 Sinopec Outstanding Contribution Experts, 8 Min Enzhe Young Scientific and Technical Talents and 35 persons with principal senior professional title have been added in the entire year.

Business Prospects

2023 will be a key year acting as a connecting link between the preceding and the following for implementation of the “14th five year” plan. Even though the external environment is complicated and severe, but the fundamental state that Chinese economy has high resilience, huge potential, sufficient validity, and long-term good trend have not changed. As various policies have been implemented and refined continuously, the endogenous driving force of economic growth will be continuously accumulated and strengthened, and China’s economy will hopefully improve as a whole.

Opportunities and challenges coexist on the road ahead. From the point of view of opportunities, the essential requirements and strategic arrangements of Chinese modernization have created an excellent macro-environment and provided a larger development space for the high-quality development of the petrochemical industry. From the point of view of challenges, the world economic recovery is weak, and technological changes have reshaped comparative advantages of competition; the petrochemical industry should adjust the energy structure to promote emission reduction, propel low-carbon energy utilization, and explore new green and low-carbon businesses such as hydrogen energy, this imposes higher requirements on technological innovation of the Company in related fields.

Looking forward to the future, the Group will always take “building high-quality factory genes and creating high-quality projects” as its own responsibility, focus on engineering innovation and value creation, guide continuous progress of petrochemical industry, make every effort to propel high-quality development in the process to benefit human society and try the best to build the Group into a world’s leading technology-oriented engineering company.

In 2023, the Group’s target for new contracts signed in China is RMB50 billion and target for new overseas contracts is USD1.5 billion.

In terms of the scientific and technical innovation, the Group will focus on the development target of “becoming more premium, more intensive and more differentiated”, strengthen and optimize technologies in traditional advantages fields, and speed up integration, innovation and engineering transformation of new energy and new material technology at the same time, and continuously enhance independent innovation capability through continuous optimization of innovation system and mechanism. Firstly, explore the reform of system and mechanism of scientific research, further optimize the

mechanism of “public offer of reward” for major technical problems tackling projects of the Company, enhance scientific resources innovation effectiveness, optimize overall planning and coordination, and continue to strengthen scientific and technical innovation capability. Secondly, profoundly study and interpret “Carbon Peaking and Carbon Neutrality” target and strategy deployment, find out new opportunities for technical development of the Company under the restriction of “Carbon Peaking and Carbon Neutrality” target, carry out research of coupled application of nuclear power and oil refining and chemical industry, put forth efforts on development of core technical competitive power, and continue to strengthen innovation capability for engineering technology. Thirdly, actively propel the progress of various major hydrogen energy projects, accelerate the formation of integrated R&D layout of hydrogen energy production, storage and transportation and terminal utilization, and form the technical characteristics of the Company. Fourthly, focus on tackling technical problems of “bottleneck” materials in new material field, and strengthen original innovation capability, so as to make new breakthrough in fields, and lay a solid foundation for high-quality development of the Company.

In terms of the market development, domestically, the Group will grasp the strategic opportunity period for the transformation and upgrading of the energy and chemical industry, make overall plan for internal and external advantageous resources, actively make efforts to obtain large-scale refining and chemical engineering projects, and accelerate implement of work in the fields such as LNG, green power and green hydrogen, clean and efficient utilization of coal, CCUS and soil treatment along the coastal and riverside regions, so as to expand market share. The Group will accelerate the future market layout, pay close attention to the medium-term and long-term engineering market of petrochemical bases and oil refining transformation and upgrading, and actively explore the market of large-scale industrial park projects, so as to provide new power for the sustainable development of the Company. The Group will actively explore emerging fields such as new energy, new materials, new processes, new technologies and new equipment, and accelerate the establishment of new strategic support points.

Overseas, the Group will continue to strengthen the comprehensive analysis and judgment of the international political and economic situations, the development trend of the global energy and chemical industry, the change of key target markets and overseas business risks, cultivate the markets of key countries along “Belt and Road”, promote the market development of key overseas projects as per high-quality standard, continuously consolidate the construction of relationship with key overseas customers, continue to deepen all-round cooperation with international engineering companies, and improve and optimize overseas marketing network. At the same time, the Group will strengthen the development of localization business operation capability in overseas market, put forth efforts to cultivate implementation capability for overseas projects investment and financing as well as new mode, explore new development route for international operation and cultivate new kinetic energy for development, and systematically enhance the comprehensive competitiveness of international business. The Group will continue to consolidate the large-scale sustainable development trend in advantageous markets, strengthen training in emerging regional markets, seek to expand business fields, and work hard for making more substantive breakthroughs.

In terms of the project implementation, the Group will take project cost as cardinal line, and focus on full process cost-benefit management and control of projects; continue to optimize project management mode, strengthen close cooperation between all

procedures and units of design, purchase and construction, and enhance efficiency and quality; propel standardization construction of organization structure of projects, clarify standard for construction of organization structure of projects of the Company, and enhance project implementation capability; bring the leading role of design into play, continue to propel the optimal design and standardized design of the device, enhance the design quality and work efficiency, continue to carry out enhancement of purchase management by benchmarking advanced standard, propel strategic purchase, and continuously enhance the ability of purchase and supply assurance; strengthen subcontracting management, ensure to give priority to use of high-quality resources, and continuously enhance the ability to guarantee construction resources; put forth efforts to propel the application of advanced tool setup equipment such as automatic welding and welding robots, strengthen prefabrication, and enhance the level of tool setup in construction business.

In terms of the development of talents team, the Group will grasp the key period of scientific and technical talents growth and golden innovation period to speed up optimization of talent development mechanism featuring the characteristics of petrochemical industry and international competitiveness on the basis of six major talent projects, and realize high-quality development of talent work. Start up the training plan of “Getting Closer to Scientists” and “Approach Advanced Enterprises”, adopt the method of “localization and globalization”, strengthen professional qualification training, enhance the comprehensive qualification and ability of cadres and employees, accelerate the cultivation of a batch of strategic scientists, leading talents of engineering technology, outstanding engineers, masters with superb skill and young person of outstanding scientific and technological ability, realize a high degree of compatibility between talent growth and enterprise development, and make contribution to construction of talent centers and innovation hubs of global importance for China.

Summary of Financial Data and Indicators Prepared in Accordance with International Financial Reporting Standards (“IFRS”)

Unit: RMB'000

Items	As at 31 December 2022	As at 31 December 2021	Changes from the end of 2021 (%)
Total assets	78,681,739	72,917,243	7.9
Total equity attributable to equity holders of the Company	30,034,207	29,118,084	3.1
Net assets per share attributable to equity holders of the Company (RMB)	6.78	6.58	3.1

Unit: RMB'000

Items	For the twelve months ended 31 December		Changes over the same period of 2021 (%)
	2022	2021	
Revenue	53,028,139	57,759,590	(8.2)
Gross profit	5,612,325	6,468,189	(13.2)
Operating profit	1,180,813	1,701,898	6.4
Profit before taxation	2,762,276	2,592,407	6.6
Net profit attributable to equity holders of the Company	2,281,800	2,129,589	7.1
Basic earnings per share (RMB)	0.52	0.48	7.1
Net cash flow generated from operating activities	6,809,048	2,943,228	131.3
Net cash flow generated from operating activities per share (RMB)	1.54	0.66	131.3

Items	For the twelve months ended 31 December	
	2022	2021
Gross profit margin (%)	10.6	11.2
Net profit margin (%)	4.3	3.7
Return on assets (%)	3.0	3.0
Return on equity (%)	7.6	7.3
Return on invested capital (%)	7.8	7.5

Items	As at 31 December 2022	As at 31 December 2021
Asset-liability ratio (%)	61.8	60.1

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This press release is issued by PRChina Limited on behalf of SINOPEC Engineering (Group) Co., Ltd.

About SINOPEC Engineering (Group) Co., Ltd.

The Group is a leading energy and chemical engineering company in the PRC with strong international competitiveness and can provide domestic and overseas clients with overall solutions for petrol refining, petrochemicals, aromatics, coal chemicals, inorganic chemicals, pharmaceutical chemicals, clean energy, storage and transportation facilities, environmental protection and energy saving, among other industry sectors. The Group is an integrated service provider for the whole industry chain and the whole life cycle in energy and chemical industry and can provide overall industry chain services including engineering consulting, technology licensing, project management contracting, financing assistance, EPC (engineering, procurement and construction) contracting, as well as design, procurement, construction and installation, lifting and transportation of large equipment, precommissioning and start-up.

After nearly 70 years of continuous development, the Group currently has an academican of the Chinese Academy of Sciences, three academicians of the Chinese Academy of Engineering and more than 10,000 professionals. The Group has rich project management and implementation experience, and owns and cooperatively owns patents and know-how in core business areas. The Group has delivered on schedule hundreds of modern factories with enormous investment, complicated process, advanced technology and high quality to clients in more than 20 countries and regions around the world, established long-term and steady cooperative relationships with large energy and chemical enterprises at home and abroad, maintained an extensive and stable client base, and enjoys remarkable industrial influence and social reputation.

In the future, adhering to the development orientation of “Integrated Service Provider with Whole Industry Chain and Whole Life Cycle in Energy and Chemical Industry”, the Group will base itself on the energy and chemical engineering construction industry, continuously broaden its business scope and extend its value chain. The Group take “Engineering Innovation” and “Value Creation” as the development engines and deepen the implementation of the six development strategies of “Value-Oriented, Innovation-Driven, Green & Clean, Talent-Based, Globalization-Targeted, Fusion & Symbiosis”. The Group comprehensively improve the level of safe, efficient, green and lowcarbon service in the business chain, and fuel a new momentum in achieving the corporate vision of “building the world’s leading technology-oriented engineering company”.

Disclaimer

This press release includes “forward-looking statements”. All statements, other than statements of historical facts that address activities, events or developments that the Group expects or anticipates will or may occur in the future (including but not limited to projections, targets, other estimates and business plans) are forward-looking statements. The Group’s actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to the price fluctuation, possible changes in actual demand, foreign exchange rate, market shares, competition, environmental risks, possible changes to laws, finance and regulations, conditions of the global economy and financial markets, political risks, possible delay of projects, government approval of projects, cost estimates and other factors beyond the Group’s control. In addition, the Group makes the forward-looking statements referred to herein as of today and undertakes no obligation to update these statements.

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