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If you have sold or transferred all your shares in SINOPEC Engineering (Group) Co., Ltd., you should at once hand this circular, together with the accompanying proxy form, to the purchaser or to the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

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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)

WORK REPORT OF BOARD OF DIRECTORS FOR THE YEAR 2023
WORK REPORT OF SUPERVISORY COMMITTEE FOR THE YEAR 2023
AUDITED FINANCIAL REPORT FOR THE YEAR 2023
FINAL DIVIDEND DISTRIBUTION PLAN FOR THE YEAR 2023
AUTHORISATION TO THE BOARD TO DETERMINE
THE INTERIM PROFIT DISTRIBUTION PLAN FOR THE YEAR 2024
BUSINESS OPERATION PLAN, INVESTMENT PLAN AND
FINANCIAL BUDGET FOR THE YEAR 2024
APPOINTMENT OF DOMESTIC AUDITOR AND
INTERNATIONAL AUDITOR FOR THE YEAR 2024
AND AUTHORISATION TO THE BOARD TO FIX THEIR REMUNERATION
FOR THE YEAR 2024
REDUCTION OF THE REGISTERED CAPITAL OF THE COMPANY AND
AMENDMENTS TO THE ARTICLES OF ASSOCIATION
CAP FOR THE AMOUNT OF PARENT GUARANTEE FOR THE YEAR 2024
GENERAL MANDATE TO REPURCHASE DOMESTIC SHARES
AND/OR H SHARES

A letter from the Board is set out on pages 5 to 17 of this circular.

The notices convening the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting to be held at 9 a.m., 9:30 a.m. (or immediately after the conclusion of the previous meeting) and 10 a.m. (or immediately after the conclusion of the previous meeting) on Friday, 10 May 2024 at A67, Ande Road, Xicheng District, Beijing, the PRC are set out on pages 18 to 29 of this circular.

If you intend to attend the AGM, the Domestic Shares Class Meeting and/or the H Shares Class Meeting, please complete and return the enclosed reply slip in accordance with the instructions printed thereon as soon as possible and in any event by Friday, 19 April 2024.

Whether or not you are able to attend the AGM, the Domestic Shares Class Meeting and/or the H Shares Class Meeting, please complete and return the enclosed proxy forms in accordance with the instructions printed thereon as soon as possible and in any event not less than 24 hours before the time scheduled for holding the AGM, the Domestic Shares Class Meeting and/or the H Shares Class Meeting (or any adjourned meeting thereof). Completion and return of the proxy form shall not preclude you from attending and voting at the AGM, the Domestic Shares Class Meeting and/or the H Shares Class Meeting or any adjournment thereof should you so wish.

* For identification purposes only

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings.

“AGM”	the annual general meeting of the Company for the year 2023 to be convened and held on Friday, 10 May 2024
“Articles of Association”	the Articles of Association of SINOPEC Engineering (Group) Co., Ltd. (H Share), as amended, supplemented or otherwise modified from time to time
“Board”	the board of directors of the Company
“Company”	SINOPEC Engineering (Group) Co., Ltd., a joint stock limited liability company incorporated under the laws of the PRC on 28 August 2012, which is listed on the Hong Kong Stock Exchange (Stock Code: 2386)
“Company Law”	the Company Law of the People’s Republic of China (中華人民共和國公司法), as amended and came into effect at the Sixth Meeting of the Standing Committee of the Thirteenth National People’s Congress on 26 October 2018 (as amended, supplemented or otherwise modified from time to time)
“controlling shareholder”	has the meaning ascribed thereto under the Hong Kong Listing Rules
“CSRC”	China Securities Regulatory Commission (中國證券監督管理委員會)
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi and are unlisted Shares which are currently not listed or traded on any stock exchange
“Domestic Shares Class Meeting”	the first class meeting for Domestic Shareholder(s) for the year 2024 to be held on Friday, 10 May 2024
“Domestic Shareholder(s)”	the Shareholder(s) who/which hold Domestic Share(s)

DEFINITIONS

“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign invested ordinary share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, listed on the Main Board of the Hong Kong Stock Exchange
“H Shares Class Meeting”	the first class meeting for H Shareholders for the year 2024 to be held on Friday, 10 May 2024
“H Shareholder(s)”	the Shareholder(s) who/which hold H Share(s)
“HK\$ or Hong Kong dollars”	the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Latest Practicable Date”	15 March 2024, being the latest practicable date for ascertaining certain information before the printing of this circular
“PBOC”	People’s Bank of China (中國人民銀行)
“PRC” or “People’s Republic of China”	the People’s Republic of China
“Repurchase Mandate”	subject to the conditions set out in the proposed resolution approving the Repurchase Mandate at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting, the general mandate to be granted to the Board to exercise the power of the Company to repurchase Domestic Shares and/or H Shares with an aggregate nominal amount not exceeding 10% of the aggregate nominal amount of Domestic Shares and/or H Shares in issue as at the date of passing the relevant resolution as set out in the notices for convening the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting

DEFINITIONS

“RMB”	the lawful currency of the PRC
“Rules and Procedures for the Board Meetings”	The Rules and Procedures for the Meetings of the Board of Directors of SINOPEC Engineering (Group) Co., Ltd.
“Rules and Procedures for the Shareholders Meetings”	The Rules and Procedures for the Meetings of the Shareholders of SINOPEC Engineering (Group) Co., Ltd.
“SAFE”	State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
“SASAC”	State-owned Assets Supervision and Administration Commission of State Council of the People’s Republic of China (國務院國有資產監督管理委員會)
“Share(s)”	share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)
“Sinopec Group”	China Petrochemical Corporation (中國石油化工集團有限公司), a state-owned enterprise incorporated under the laws of the PRC and established in July 1998 upon reorganisation of the former China Petrochemical Corporation (中國石油化工總公司), and the Company’s controlling shareholder
“Southbound Trading”	has the meaning ascribed thereto under the section headed “Final dividend distribution plan for the year 2023” in this circular
“subsidiary” or “subsidiaries”	has the meaning ascribed thereto in section 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission, as amended, supplemented or otherwise modified from time to time

DEFINITIONS

“United States” the United States of America, its territories, its possessions and all areas subject to its jurisdiction

“US\$” the lawful currency of the United States

“%” percentage ratio

LETTER FROM THE BOARD



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)

Executive Directors:

JIANG Dejun (蔣德軍) (Chairman)

XIANG Wenwu (向文武) (Vice Chairman)

ZHANG Xinming (張新明) (Executive Director, President)

XIE Yanli (謝艷麗) (Employee Representative Director)

Non-executive Directors:

LI Chengfeng (李成峰)

YU Renming (俞仁明)

WU Wenxin (吳文信)

Independent non-executive Directors:

HUI Chiu Chung, Stephen (許照中)

DUAN Xue (段雪)

YE Zheng (葉政)

ZHAO Jinsong (趙勁松)

17 March 2024

To the Shareholders

Dear Sir or Madam,

**WORK REPORT OF BOARD OF DIRECTORS FOR THE YEAR 2023
WORK REPORT OF SUPERVISORY COMMITTEE FOR THE YEAR 2023
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LETTER FROM THE BOARD

I. INTRODUCTION

The purpose of this circular is to provide you with, among other things, further information in relation to the following resolutions to be proposed at the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting (if applicable) to consider and approve:

1. the work report of the Board for the year 2023;
2. the work report of the Supervisory Committee for the year 2023;
3. the audited financial report for the year 2023;
4. the final dividend distribution plan for the year 2023;
5. the authorisation to the Board to determine the interim profit distribution plan of the Company for the year 2024;
6. the business operation plan, investment plan and financial budget for the year 2024;
7. the appointment of domestic auditor and international auditor for the year 2024 and the authorisation to the Board to fix their remuneration for the year 2024;
8. the reduction of the registered capital of the Company and amendments to the Articles of Association;
9. the cap for the amount of parent guarantee for the year 2024; and
10. the grant to the Board of a general mandate to repurchase Domestic Shares and/or H Shares.

II. WORK REPORT OF THE BOARD FOR THE YEAR 2023

An ordinary resolution will be proposed at the AGM to consider and approve the work report of the Board for the year 2023, the text of which is set out in the Company's annual report for the year 2023 published on 17 March 2024.

III. WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2023

An ordinary resolution will be proposed at the AGM to consider and approve the work report of the Supervisory Committee for the year 2023, the text of which is set out in the Company's annual report for the year 2023 published on 17 March 2024.

LETTER FROM THE BOARD

IV. AUDITED FINANCIAL REPORT FOR THE YEAR 2023

An ordinary resolution will be proposed at the AGM to consider and approve the Company's audited financial report for the year 2023, the text of which is set out in the Company's annual report for the year 2023 published on 17 March 2024.

V. FINAL DIVIDEND DISTRIBUTION PLAN FOR THE YEAR 2023

1. Final dividend distribution plan for the year 2023

On 15 March 2024, the Board approved the final dividend distribution plan for the year 2023. In accordance with the Articles of Association, the profits attributable to Shareholders shall be the lower of the Company's net profits attributable to Shareholders calculated pursuant to the Chinese Accounting Standards for Business Enterprises and the International Financial Reporting Standards. After due consideration of return to Shareholders as well as the long-term interests of the Company, a final dividend of RMB0.224 per Share (inclusive of applicable tax) for the year 2023 is proposed to be distributed to all Shareholders in cash.

The final dividend will be denominated and declared in Renminbi. The Domestic Shareholders will be paid in Renminbi and the H Shareholders will be paid in Hong Kong dollars. The exchange rate for the final dividend to be paid in Hong Kong dollars will be the average of the benchmark exchange rates of Renminbi to Hong Kong dollars as announced by the PBOC during the five business days preceding the date of approval of the final dividend at the AGM.

The Company will appoint a receiving agent in Hong Kong and will pay to such receiving agent the final dividend (after deductions of relevant tax, if applicable) declared for payment to H Shareholders. The final dividend will be paid by the receiving agent on or before Friday, 19 July 2024. The cheques will be dispatched to H Shareholders by ordinary post at their own risks.

An ordinary resolution will be proposed at the AGM to consider and approve the above final dividend distribution plan. The payment of the final dividend is subject to the Shareholders' approval at the AGM.

2. Closure of Register of Members for H Shares

The final dividend will be paid on or before Friday, 19 July 2024 to all Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 22 May 2024. In order to qualify for the final dividend, the H Shareholders must lodge all share certificates accompanied by the transfer documents with Computershare Hong Kong Investor Services Ltd. (address: Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong) before 4:30 p.m. on Thursday, 16 May 2024 for registration. For the purpose of ascertaining Shareholders who qualify for the final dividend, the register of members for H Shares will be closed from Friday, 17 May 2024 to Wednesday, 22 May 2024 (both days inclusive).

LETTER FROM THE BOARD

3. Taxation

In accordance with the Enterprise Income Tax Law of the People's Republic of China (中華人民共和國企業所得稅法) and its implementation regulations, the Company is required to withhold and pay enterprise income tax at the rate of 10% on behalf of the non-resident enterprise Shareholders whose names appear on the register of members for H Shares when distributing the cash dividends. Any H Shares not registered under the name of an individual Shareholder, including HKSCC Nominees Limited, other nominees, agents or trustees, or other organisations or groups, shall be deemed as Shares held by non-resident enterprise Shareholders. Therefore, enterprise income tax shall be withheld from dividends payable to such Shareholders. If H Shareholders intend to change their shareholder status, please enquire about the relevant procedures with their agents or trustees. The Company will strictly comply with the law or the requirements of the relevant government authority and withhold and pay enterprise income tax on behalf of the relevant Shareholders based on the register of members for H Shares as at Wednesday, 22 May 2024.

If the individual H Shareholders are Hong Kong or Macau residents or residents of the countries which had an agreed tax rate of 10% for the cash dividends to them under the relevant tax agreement with the PRC, the Company should withhold and pay individual income tax on behalf of the relevant Shareholders at a rate of 10%. Should the individual H Shareholders be residents of the countries which had an agreed tax rate of less than 10% under the relevant tax agreement with the PRC, the Company shall withhold and pay individual income tax on behalf of the relevant shareholders at a rate of 10%. In that case, if the relevant individual H Shareholders wish to reclaim the extra amount withheld due to the application of 10% tax rate, the Company can apply for the relevant agreed preferential tax treatment provided that the relevant Shareholders submit the information required by the notice of the relevant tax agreement to the H share registrar of the Company. The Company will assist with the tax refund of the extra amount withheld after obtaining the approval of the competent tax authority. Should the individual H Shareholders be residents of the countries which had an agreed tax rate of over 10% but less than 20% under the relevant tax agreement with the PRC, the Company shall withhold and pay the individual income tax at the agreed actual rate in accordance with the relevant tax agreement. In the case that the individual H Shareholders are residents of the countries which have had an agreed tax rate of 20% under the relevant tax agreement with the PRC, or which have not entered into any tax agreement with the PRC, or in any other circumstances, the Company shall withhold and pay the individual income tax at a rate of 20%.

LETTER FROM THE BOARD

4. Profit Distribution for Investors of Southbound Trading

For investors investing in the H Shares of the Company through the Shanghai Stock Exchange or Shenzhen Stock Exchange (including enterprises and individuals) (the “**Southbound Trading**”), the Company has entered into the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading (《港股通H股股票現金紅利派發協議》) with China Securities Depository and Clearing Corporation Limited, pursuant to which, China Securities Depository and Clearing Corporation Limited, as the nominee of the holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system. The cash dividends for the investors of H Shares of Southbound Trading will be paid in Renminbi.

Pursuant to the relevant requirements under the “Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect” (Caishui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2014]81號)) and the “Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect” (Caishui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》(財稅[2016]127號)), for dividends received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors. For dividends received by domestic securities investment funds from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, the tax payable shall be the same as that for individual investors. The company of such H shares will not withhold and pay the income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

VI. AUTHORISATION TO THE BOARD TO DETERMINE THE INTERIM PROFIT DISTRIBUTION PLAN OF THE COMPANY FOR THE YEAR 2024

An ordinary resolution will be proposed at the AGM to consider and approve the authorisation to the Board to determine the interim profit distribution plan of the Company for the year 2024.

LETTER FROM THE BOARD

VII. BUSINESS OPERATION PLAN, INVESTMENT PLAN AND FINANCIAL BUDGET FOR THE YEAR 2024

An ordinary resolution will be proposed at the AGM to consider and approve the business operation plan, investment plan and financial budget of the Company for the year 2024, details of which are set out below:

1. Business Operation Plan

According to the development goal of the Company and taking into account the annual operation results and fulfilment of indicators in 2023, it is proposed that the annual business operation target for 2024 includes: a domestic new contracts value of RMB60 billion and an overseas new contracts value of US\$3 billion.

2. Investment Plan

According to the proposed investment plans for 2024 prepared by all subsidiaries of the Company, after optimising and balancing, the Company proposes an investment amount of RMB787 million for 2024, among which, RMB15 million will be invested in the projects funded from listing and RMB772 million will be invested in other self-owned projects.

3. Financial Budget¹

After comprehensive analysis and research, it is proposed that the Company controls the costs and expenses for 2024 as follows: the administrative expenses shall be RMB1.205 billion, the selling and marketing expenses shall be RMB179 million, and the net financial income shall be RMB200 million.

VIII. APPOINTMENT OF DOMESTIC AUDITOR AND INTERNATIONAL AUDITOR FOR THE YEAR 2024 AND AUTHORISATION TO THE BOARD TO FIX THEIR REMUNERATION FOR THE YEAR 2024

An ordinary resolution will be proposed at the AGM to consider and approve the appointment of BDO China Shu Lun Pan Certified Public Accountants LLP and BDO Limited as the domestic auditor and the international auditor of the Company, respectively, which will hold office until the conclusion of the next annual general meeting of the Company, and the authorisation to the Board to fix their remuneration for the year 2024.

¹ The financial budget herein is prepared in accordance with the Chinese Accounting Standards for Business Enterprises.

LETTER FROM THE BOARD

IX. REDUCTION OF THE REGISTERED CAPITAL OF THE COMPANY AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Company has repurchased a total of 9,456,500 H Shares from 19 October 2023 to 15 December 2023 and cancelled the aforesaid repurchased shares on 21 December 2023. After the cancellation, the number of issued shares of the Company decreased from 4,428,000,000 shares to 4,418,543,500 shares, including 1,451,343,500 H Shares and 2,967,200,000 Domestic Shares. Pursuant to the above changes, the Company shall simultaneously reduce its registered capital from RMB4,428,000,000 to RMB4,418,543,500 and perform the relevant procedures of notification to creditors and announcement in accordance with the Company Law and the Articles of Association, make amendments to Article 18 and Article 21 of the Articles of Association concurrently and complete the change in industrial and commercial registration.

In addition, due to the relocation of the Company it is required to amend Article 3 of the Articles of Association. Pursuant to the relevant requirements of the Beijing Municipal Administration of Market Regulation on the full implementation of the standardized registration of the business scope of market entities, the Company is required to amend Article 12 of the Articles of Association.

The details of the proposed amendments to the Articles of Association are as follows, if there is any inconsistency between the Chinese and English versions, the Chinese version shall prevail:

Existing Articles of Association	Proposed amendments
Article 3 The address of the Company: 101, 5/F, Building 8, Shenggujiayuan, Chaoyang District, Beijing, China Zip: 100029 Tel: 86-10-56730522 Fax: 86-10-56730500	Article 3 The address of the Company: A67, Ande Road, Xicheng District, Beijing, the PRC Postal Code: 100011 Tel: 86-10-56730522 Fax: 86-10-56730500

LETTER FROM THE BOARD

Existing Articles of Association	Proposed amendments
<p>Article 12 The Company’s scope of business shall be as approved by the authorities responsible for the registration of the Company.</p> <p>The Company’s scope of business includes: licensed projects: dispatch of labour required for overseas projects; general projects: contracting in respect of local and overseas oil refining, petrochemical engineering, coal chemical engineering, natural gas and unconventional gas engineering, ocean engineering, environmental engineering, energy saving engineering, biological and renewable energy engineering, storage and transportation engineering, inorganic chemical engineering, pharmaceuticals, power and municipal engineering projects; project consultancy, exploration, design, procurement, construction, installation, transportation and supervision, startup services, operation and maintenance services, energy saving and environmental protection services; project management; technical research and development, technical transfer, technical consultancy and technical services; investment and investment management; design and sale of pressure vessels and equipment; import and export business; dispatch of labour required for overseas projects; computer system services; software development; data processing (excluding bank card centre and cloud computing data centres with PUE values above 1.5 in data processing); sale of electronic products and machinery. (Enterprises independently choose to operate projects and carry out business activities according to laws; projects that are required to be approved according to laws can only be conducted after being approved by relevant authorities; business activities prohibited or restricted by industrial policies of the city are not allowed.)</p>	<p>Article 12 The Company’s scope of business shall be as approved by the authorities responsible for the registration of the Company.</p> <p>The Company’s scope of business includes: licensed projects: construction engineering design; construction engineering works; construction engineering survey; construction engineering supervision and management; general projects: project management services; procurement agent services; external contracting projects; engineering and technical research and testing development; technical services, technical development, technical consulting, technology exchange, technology transfer, technology promotion; energy saving management services; environmental protection consulting service, soil pollution control and restoration services; engage in investment activities with proprietary funds; asset management services for proprietary investments; information system integration service; information technology consulting service; information system operation and maintenance service; software development; data processing and storage support services; sales of electronic products; wholesale of computer software, hardware and ancillary equipment; sales of specialized equipment for oil refining and petrochemical production; sales of specialized equipment for environmental protection. (Market entities may independently choose to operate projects and carry out business activities in accordance with the laws; projects that are required to be approved in accordance with the laws may only be conducted according to the approved details after approval is granted by the relevant authorities; business activities prohibited or restricted by industrial policies of the state and local authority are not allowed.)</p>

LETTER FROM THE BOARD

Existing Articles of Association	Proposed amendments
<p>Article 18 The Company, with the approval of China Securities Regulatory Commission dated 21 March 2013, issued to Foreign Investors 1,460,800,000 Overseas-Listed Foreign-Invested Shares (out of these, 1,328,000,000 shares were newly issued shares of the Company. The promoters transferred 132,800,000 shares of the Company they held to the National Council for Social Security Fund, which were converted into Overseas-Listed Foreign-Invested Shares), which were listed on the Hong Kong Stock Exchange on 23 May 2013.</p> <p>The existing structure of the Company's share capital is as follows: all shares are ordinary shares with 4,428,000,000 shares in total, out of these, 2,907,856,000 shares representing 65.67% of the total number of issued ordinary shares of the Company are held by the promoter, China Petrochemical Corporation; 59,344,000 shares representing 1.34% of the total number of issued ordinary shares of the Company are held by Sinopec Assets Management Co., Ltd.; 1,460,800,000 shares representing 32.99% of the total number of issued ordinary shares of the Company are held by holders of Overseas-Listed Foreign-Invested Shares.</p>	<p>Article 18 The Company, with the approval of China Securities Regulatory Commission dated 21 March 2013, issued to Foreign Investors 1,460,800,000 Overseas-Listed Foreign-Invested Shares (out of these, 1,328,000,000 shares were newly issued shares of the Company. The promoters transferred 132,800,000 shares of the Company they held to the National Council for Social Security Fund, which were converted into Overseas-Listed Foreign-Invested Shares), which were listed on the Hong Kong Stock Exchange on 23 May 2013.</p> <p>The existing structure of the Company's share capital is as follows: all shares are ordinary shares with 4,418,543,500 shares in total, out of these, 2,907,856,000 shares representing 65.81% of the total number of issued ordinary shares of the Company are held by the promoter, China Petrochemical Corporation; 59,344,000 shares representing 1.34% of the total number of issued ordinary shares of the Company are held by Sinopec Assets Management Co., Ltd.; 1,451,343,500 shares representing 32.85% of the total number of issued ordinary shares of the Company are held by holders of Overseas-Listed Foreign-Invested Shares.</p>
<p>Article 21 The registered capital of the Company is RMB4,428,000,000.</p>	<p>Article 21 The registered capital of the Company is RMB4,418,543,500.</p>

LETTER FROM THE BOARD

X. CAP FOR THE AMOUNT OF PARENT GUARANTEE FOR THE YEAR 2024

Pursuant to the provisions of the Articles of Association, the Rules and Procedures for the Shareholders Meetings and the Rules and Procedures for the Board Meetings, when the Board considers and approves the guarantee(s) provided by the Company to its controlled subsidiaries for the purpose of undertaking EPC, construction project contracts and other principal businesses, an annual cap can be set. For guarantees within the scope of such annual cap, there is no need to submit to the Board for consideration separately, but the terms of such guarantee shall conform to the practice in the engineering market. For guarantees exceed the annual cap, or the terms of guarantee do not conform to the practice in the engineering market and impose special obligations or liabilities on the Company, such guarantees are still required to be submitted to the Board for consideration. For those guarantee that must be considered and approved by the shareholders at the general meeting are still required to be submitted to the shareholders at the general meeting for consideration and approval.

After estimation, the Board proposed that the annual cap for the amount of guarantee(s) to be provided to controlled subsidiaries (as the parent company) for principal business projects such as EPC contracting and construction for the year 2024 will be set at RMB59.3 billion. Pursuant to the requirements of the Company Law and the Articles of Association, the guarantee amount of the parent company for the year 2024 exceeds 30% of the latest audited total assets of the Company, will be submitted to the AGM for approval. After approval, the parent guarantee that occur within the annual cap for the year will not be required to be submitted separately to the shareholders' general meeting and/or the Board meeting for consideration.

XI. GRANT OF A GENERAL MANDATE TO THE BOARD TO REPURCHASE DOMESTIC SHARES AND/OR H SHARES

At each of the Company's annual general meeting for the year 2022, the class meeting for Domestic Shareholders and the class meeting for H Shareholders held on 26 May 2023, the Shareholders passed a special resolution to approve the grant of a general mandate to the Board to repurchase such number of Domestic Shares and/or H Shares which are not more than 10% of the Domestic Shares or H Shares in issue (as the case may be).

LETTER FROM THE BOARD

The effective period of the above general mandate will expire soon. To provide flexibility and discretion to the Board in the event that it becomes desirable to repurchase any Domestic Shares and/or H Shares, the Repurchase Mandate is proposed to be granted to the Board by way of a special resolution at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting to repurchase Domestic Shares and/or H Shares subject to the following conditions:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase Domestic Shares and/or H Shares in issue, subject to and in accordance with all applicable laws, rules, regulations and/or requirements of the PRC, the Hong Kong Stock Exchange or any other governmental or regulatory bodies, is approved;
- (b) the aggregate nominal value of Domestic Shares or H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period (as defined in paragraph (d) below) shall not exceed 10% of the aggregate nominal value of Domestic Shares or H Shares in issue, respectively, as at the date of passing this special resolution;
- (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the special resolution to be passed at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting shall be of the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i));
 - (ii) compliance with the relevant requirements of the Company Law and the regulatory authorities (including the Hong Kong Stock Exchange) of the place of listing of the Company as amended from time to time; and
 - (iii) the approval of or the filing with the SAFE, the CSRC and/or any other regulatory authorities (if applicable) as may be required by the laws, rules and regulations of the PRC has been obtained or made.
- (d) For the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution at the AGM, the Domestic Shares Class Meeting and H Shares Class Meeting until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company following the passing of this special resolution;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held;

LETTER FROM THE BOARD

- (iii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, by a special resolution of Domestic Shareholders at the Domestic Shares Class Meeting or by a special resolution of H Shareholders at the H Shares Class Meeting; or
 - (iv) the expiration of a period of 12 months after this special resolution has been passed at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting.
- (e) the Board is hereby authorised to:
- (i) formulate and implement specific repurchase plans, including but not limited to the repurchase price, the amount of repurchases, the timing and period for repurchases;
 - (ii) notify creditors and publish announcements in accordance with the relevant requirements (if applicable) of the Company Law, the Articles of Association and the Hong Kong Stock Exchange as amended from time to time;
 - (iii) open a foreign stock account and complete the corresponding procedure of change in foreign exchange registration;
 - (iv) perform the relevant approval or filing procedure in accordance with the requirements of the regulatory authority and the place of listing, including filing with the CSRC;
 - (v) complete the procedure for the cancellation of the repurchased Shares, the reduction of the registered capital of the Company, the amendment of the relevant provisions of the Articles of Association relating to, among other things, the total amount of share capital and shareholding structure, and perform the relevant domestic and foreign registration and filing procedures according to the statutory requirements in the PRC and foreign regions;
 - (vi) sign and execute other documents and complete other matters relevant to repurchases of Shares; and
 - (vii) within the scope of authority, by way of resolution, authorise the chairman of the Board to repurchase Shares on behalf of the Board, provided that the authorisation given by the Board to the chairman shall not exceed the authorisation given by the general meeting to the Board.

An explanatory statement giving certain information regarding the Repurchase Mandate is set out in the Appendix to this circular.

LETTER FROM THE BOARD

XII. RECOMMENDATION

The Directors (including all independent non-executive Directors) consider that the resolutions in relation to each of (i) the work report of the Board for the year 2023; (ii) the work report of the Supervisory Committee for the year 2023; (iii) the audited financial report for the year 2023; (iv) the final dividend distribution plan for the year 2023; (v) the authorisation to the Board to determine the interim profit distribution plan of the Company for the year 2024; (vi) the business operation plan, investment plan and financial budget for the year 2024; (vii) the appointment of domestic auditor and international auditor for the year 2024 and authorisation to the Board to fix their remuneration for the year 2024; (viii) the reduction of the registered capital of the Company and amendments to the Articles of Association; (ix) the cap for the amount of parent guarantee for the year 2024; and (x) the proposed grant of a general mandate to the Board to repurchase Domestic Shares and/or H Shares are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of such resolutions to be proposed at the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting as set out in the AGM Notice, the Domestic Shares Class Meeting Notice and the H Shares Class Meeting Notice, respectively.

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

Beijing, the PRC
17 March 2024

NOTICE OF ANNUAL GENERAL MEETING



中石化炼化工程(集团)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)

NOTICE OF THE ANNUAL GENERAL MEETING FOR THE YEAR 2023 AND CLOSURE OF REGISTER OF MEMBERS

NOTICE IS HEREBY GIVEN that the annual general meeting (the “AGM”) for the year 2023 of SINOPEC Engineering (Group) Co., Ltd. (the “Company”) will be held at 9 a.m. on Friday, 10 May 2024 at A67, Ande Road, Xicheng District, Beijing, the PRC for the purposes of considering and, if thought fit, passing the following resolutions. In this notice, unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Company’s circular dated 17 March 2024 (the “Circular”).

RESOLUTIONS TO BE CONSIDERED AND APPROVED AT THE AGM

By way of ordinary resolutions:

- (1) to consider and approve the work report of the Board for the year 2023;
- (2) to consider and approve the work report of the Supervisory Committee for the year 2023;
- (3) to consider and approve the audited financial report for the year 2023;
- (4) to consider and approve the final dividend distribution plan for the year 2023;
- (5) to consider and approve the authorisation to the Board to determine the interim profit distribution plan of the Company for the year 2024;
- (6) to consider and approve the business operation plan, investment plan and financial budget for the year 2024; and

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

- (7) to consider and approve the appointment of BDO China Shu Lun Pan Certified Public Accountants LLP and BDO Limited as the domestic auditor and the international auditor of the Company for the year 2024, respectively, to hold office until the conclusion of the next annual general meeting of the Company, and the authorisation to the Board to fix their remuneration for the year 2024.

By way of special resolutions:

- (8) to consider and approve the reduction of the registered capital of the Company and amendments to the Articles of Association;
- (9) to consider and approve the cap for the amount of parent guarantee for the year 2024; and
- (10) to consider and approve the grant of a general mandate to the Board to repurchase Domestic Shares and/or H Shares.

Details of the above resolutions proposed at the AGM are contained in the Circular, which is available on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.segroup.cn).

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

Beijing, the PRC
17 March 2024

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

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

NOTICE OF ANNUAL GENERAL MEETING

Notes:

ATTENDEE OF THE AGM

1. Eligibility and Registration Procedures for Attending the AGM

- (a) Closure of Register of Members. For the purpose of ascertaining Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 10 April 2024 to Friday, 10 May 2024 (both days inclusive).
- (b) Domestic Shareholders and H Shareholders whose names appear on the register of members of the Company before the close of business on Wednesday, 10 April 2024 are entitled to attend and vote in respect of all resolutions to be proposed at the AGM.
- (c) H Shareholders who wish to attend the AGM shall lodge their share certificates accompanied by the transfer documents with Computershare Hong Kong Investor Services Ltd. before 4:30 p.m. on Tuesday, 9 April 2024 for registration.
- (d) A Shareholder or his/her/its proxy shall produce proof of identity when attending the meeting. If a Shareholder is a legal person, its legal representative or other persons authorised by the board of directors or other governing body of such Shareholder may attend the AGM by producing a copy of the resolution of the board of directors or other governing body of such Shareholder appointing such persons to attend the meeting.
- (e) Domestic Shareholders and H Shareholders intending to attend the AGM should return the reply slip for attending the AGM to the Company on or before Friday, 19 April 2024.
- (f) Shareholders may send the above reply slip to the Company in person, by post or by email.

2. Proxy

- (a) A Shareholder eligible to attend and vote at the AGM is entitled to appoint, in written form, one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a Shareholder.
- (b) A proxy should be appointed by a written instrument signed by the appointer or his/her/its attorney duly authorised in writing. If the proxy form is signed by the attorney of the appointer, the power of attorney authorising that attorney to sign or the authorisation document(s) must be notarised.
- (c) To be valid, the power of attorney or other authorisation document(s) which has been notarised, together with the completed proxy form, must be delivered to the place of business of the Company for Domestic Shareholders and Computershare Hong Kong Investor Services Ltd. at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for H Shareholders not less than 24 hours before the time designated for holding the AGM.
- (d) A Shareholder or his/her/its proxy may exercise the right to vote by poll.

3. Closure of Register of Members for H Shares regarding Final Dividend

For the purpose of ascertaining Shareholders who qualify for the final dividend for the year 2023, the H Share register of members of the Company will be closed from Friday, 17 May 2024 to Wednesday, 22 May 2024 (both days inclusive). In order to qualify for the final dividend, H Shareholders shall lodge their share certificates accompanied by the transfer documents with the Company's share registrar of H Shares before 4:30 p.m. on Thursday, 16 May 2024 for registration.

NOTICE OF ANNUAL GENERAL MEETING

4. Miscellaneous

- (a) The AGM will not last for more than one working day. Shareholders who attend the AGM shall bear their own travel and accommodation expenses.
- (b) The address of the Company's share registrar of H Shares, Computershare Hong Kong Investor Services Ltd., is at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (c) The place of business of the Company is at:

A67, Ande Road, Xicheng District, Beijing, the PRC
Postal Code: 100011
Telephone No.: (+86) 10 5673 0525
Email: seg.ir@sinopec.com

NOTICE OF DOMESTIC SHARES CLASS MEETING



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)

NOTICE OF DOMESTIC SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that the first class meeting for Domestic Shareholders for the year 2024 (the “**Domestic Shares Class Meeting**”) of SINOPEC Engineering (Group) Co., Ltd. (the “**Company**”) will be held at 9:30 a.m. on Friday, 10 May 2024 or immediately after the annual general meeting of the Company for the year 2023 (the “**AGM**”) to be convened and held on the same date at the same place at A67, Ande Road, Xicheng District, Beijing, the PRC for the purposes of considering and, if thought fit, approving the following resolution. In this notice, unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Company’s circular dated 17 March 2024.

By way of a special resolution:

- (1) To consider and approve the grant of a general mandate to the Board to repurchase Domestic Shares and/or H Shares subject to the following conditions:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase Domestic Shares and/or H Shares in issue, subject to and in accordance with all applicable laws, rules, regulations and/or requirements of the PRC, the Hong Kong Stock Exchange or any other governmental or regulatory bodies, is approved;
 - (b) the aggregate nominal value of Domestic Shares or H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period (as defined in paragraph (d) below) shall not exceed 10% of the aggregate nominal value of Domestic Shares or H Shares in issue, respectively, as at the date of passing this special resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the special resolution to be passed at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting shall be of the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i));

* For identification purposes only

NOTICE OF DOMESTIC SHARES CLASS MEETING

- (ii) compliance with the relevant requirements of the Company Law and the regulatory authorities (including the Hong Kong Stock Exchange) of the place of listing of the Company as amended from time to time; and
 - (iii) the approval of or the filing with the SAFE, the CSRC and/or any other regulatory authorities (if applicable) as may be required by the laws, rules and regulations of the PRC has been obtained or made.
- (d) For the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution at the AGM, the Domestic Shares Class Meeting and H Shares Class Meeting until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company following the passing of this special resolution;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held;
 - (iii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, by a special resolution of Domestic Shareholders at the Domestic Shares Class Meeting or by a special resolution of H Shareholders at the H Shares Class Meeting; or
 - (iv) the expiration of a period of 12 months after this special resolution has been passed at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting.
- (e) the Board is hereby authorised to:
- (i) formulate and implement specific repurchase plans, including but not limited to the repurchase price, the amount of repurchases, the timing and period for repurchases;
 - (ii) notify creditors and publish announcements in accordance with the relevant requirements (if applicable) of the Company Law, the Articles of Association and the Hong Kong Stock Exchange as amended from time to time;
 - (iii) open a foreign stock account and complete the corresponding procedure of change in foreign exchange registration;
 - (iv) perform the relevant approval or filing procedure in accordance with the requirements of the regulatory authority and the place of listing, including filing with the CSRC;

NOTICE OF DOMESTIC SHARES CLASS MEETING

- (v) complete the procedure for the cancellation of the repurchased Shares, the reduction of the registered capital of the Company, the amendment of the relevant provisions of the Articles of Association relating to, among other things, the total amount of share capital and shareholding structure, and perform the relevant domestic and foreign registration and filing procedures according to the statutory requirements in the PRC and foreign regions;
- (vi) sign and execute other documents and complete other matters relevant to repurchases of Shares; and
- (vii) within the scope of authority, by way of resolution, authorise the chairman of the Board to repurchase Shares on behalf of the Board, provided that the authorisation given by the Board to the chairman shall not exceed the authorisation given by the general meeting to the Board.

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

Beijing, the PRC
17 March 2024

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

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

NOTICE OF DOMESTIC SHARES CLASS MEETING

Notes:

ATTENDEE OF THE DOMESTIC SHARES CLASS MEETING

1. Eligibility and Registration Procedures for Attending the Domestic Shares Class Meeting

- (a) Closure of Register of Members. For the purpose of ascertaining Domestic Shareholders who are entitled to attend and vote at the Domestic Shares Class Meeting, the register of members of the Company will be closed from Wednesday, 10 April 2024 to Friday, 10 May 2024 (both days inclusive).
- (b) Domestic Shareholders whose names appear on the register of members of the Company before the close of business on Wednesday, 10 April 2024 are entitled to attend and vote in respect of the resolution to be proposed at the Domestic Shares Class Meeting.
- (c) A Domestic Shareholder or his/her/its proxy shall produce proof of identity when attending the meeting. If a Domestic Shareholder is a legal person, its legal representative or other persons authorised by the board of directors or other governing body of such Shareholder may attend the Domestic Shares Class Meeting by producing a copy of the resolution of the board of directors or other governing body of such Shareholder appointing such persons to attend the meeting.
- (d) Domestic Shareholders intending to attend the Domestic Shares Class Meeting should return the reply slip for attending the Domestic Shares Class Meeting to the Company on or before Friday, 19 April 2024.
- (e) Domestic Shareholders may send the above reply slip to the Company in person, by post or by email.

2. Proxy

- (a) A Domestic Shareholder eligible to attend and vote at the Domestic Shares Class Meeting is entitled to appoint, in written form, one or more proxies to attend and vote on his/her/its behalf. A proxy needs not be a Shareholder.
- (b) A proxy should be appointed by a Domestic Shareholder by a written instrument signed by the appointer or his/her/its attorney duly authorised in writing. If the proxy form is signed by the attorney of the appointer, the power of attorney authorising that attorney to sign or the authorisation document(s) must be notarised.
- (c) To be valid, the power of attorney or other authorisation document(s) which has been notarised, together with the completed proxy form, must be delivered to the place of business of the Company not less than 24 hours before the time designated for holding the Domestic Shares Class Meeting.
- (d) A Domestic Shareholder or his/her/its proxy may exercise the right to vote by poll.

3. Miscellaneous

- (a) The Domestic Shares Class Meeting is expected to take place immediately after the AGM. Domestic Shareholders attending the Domestic Shares Class Meeting shall be responsible for their own travel and accommodation expenses.
- (b) The place of business of the Company is at:

A67, Ande Road, Xicheng District, Beijing, the PRC
Postal Code: 100011
Telephone No.: (+86) 10 5673 0525
Email: seg.ir@sinopec.com

NOTICE OF H SHARES CLASS MEETING



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)

NOTICE OF H SHARES CLASS MEETING

NOTICE IS HEREBY GIVEN that the first class meeting for H Shareholders for the year 2024 (the “**H Shares Class Meeting**”) of SINOPEC Engineering (Group) Co., Ltd. (the “**Company**”) will be held at 10 a.m. on Friday, 10 May 2024 or immediately after the annual general meeting of the Company for the year 2023 (the “**AGM**”) and the first domestic shares class meeting for the year 2024 (the “**Domestic Shares Class Meeting**”) to be convened and held on the same date at the same place at A67, Ande Road, Xicheng District, Beijing, the PRC for the purposes of considering and, if thought fit, approving the following resolution. In this notice, unless the context otherwise requires, terms used herein shall have the same meanings as defined in the Company’s circular dated 17 March 2024.

By way of a special resolution:

- (1) To consider and approve the grant of a general mandate to the Board to repurchase Domestic Shares and/or H Shares subject to the following conditions:
 - (a) subject to paragraphs (b) and (c) below, the exercise by the Board during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to repurchase Domestic Shares and/or H Shares in issue, subject to and in accordance with all applicable laws, rules, regulations and/or requirements of the PRC, the Hong Kong Stock Exchange or any other governmental or regulatory bodies, is approved;
 - (b) the aggregate nominal value of Domestic Shares or H Shares authorised to be repurchased pursuant to the approval in paragraph (a) above during the Relevant Period (as defined in paragraph (d) below) shall not exceed 10% of the aggregate nominal value of Domestic Shares or H Shares in issue, respectively, as at the date of passing this special resolution;
 - (c) the approval in paragraph (a) above shall be conditional upon:
 - (i) the special resolution to be passed at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting shall be of the same terms as the resolution set out in this paragraph (except for this sub-paragraph (c)(i));

* For identification purposes only

NOTICE OF H SHARES CLASS MEETING

- (ii) compliance with the relevant requirements of the Company Law and the regulatory authorities (including the Hong Kong Stock Exchange) of the place of listing of the Company as amended from time to time; and
 - (iii) the approval of or the filing with the SAFE, the CSRC and/or any other regulatory authorities (if applicable) as may be required by the laws, rules and regulations of the PRC has been obtained or made.
- (d) For the purpose of this special resolution, “Relevant Period” means the period from the passing of this special resolution at the AGM, the Domestic Shares Class Meeting and H Shares Class Meeting until whichever is the earliest of:
- (i) the conclusion of the next annual general meeting of the Company following the passing of this special resolution;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held;
 - (iii) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, by a special resolution of Domestic Shareholders at a class meeting for Domestic Shareholders or by a special resolution of H Shareholders at a class meeting for H Shareholders; or
 - (iv) the expiration of a period of 12 months after this special resolution has been passed at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting.
- (e) the Board is hereby authorised to:
- (i) formulate and implement specific repurchase plans, including but not limited to the repurchase price, the amount of repurchases, the timing and period for repurchases;
 - (ii) notify creditors and publish announcements in accordance with the relevant requirements (if applicable) of the Company Law, the Articles of Association and the Hong Kong Stock Exchange as amended from time to time;
 - (iii) open a foreign stock account and complete the corresponding procedure of change in foreign exchange registration;
 - (iv) perform the relevant approval or filing procedure in accordance with the requirements of the regulatory authority and the place of listing, including filing with the CSRC;

NOTICE OF H SHARES CLASS MEETING

- (v) complete the procedure for the cancellation of the repurchased Shares, the reduction of the registered capital of the Company, the amendment of the relevant provisions of the Articles of Association relating to, among other things, the total amount of share capital and shareholding structure, and perform the relevant domestic and foreign registration and filing procedures according to the statutory requirements in the PRC and foreign regions;
- (vi) sign and execute other documents and complete other matters relevant to repurchases of Shares; and
- (vii) within the scope of authority, by way of resolution, authorise the chairman of the Board to repurchase Shares on behalf of the Board, provided that the authorisation given by the Board to the chairman shall not exceed the authorisation given by the AGM to the Board.

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

Beijing, the PRC
17 March 2024

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

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

NOTICE OF H SHARES CLASS MEETING

Notes:

ATTENDEE OF THE H SHARES CLASS MEETING

1. Eligibility and Registration Procedures for Attending the H Shares Class Meeting

- (a) Closure of Register of Members. For the purpose of ascertaining H Shareholders who are entitled to vote at the H Shares Class Meeting, the register of members of the Company will be closed from Wednesday, 10 April 2024 to Friday, 10 May 2024, both dates inclusive.
- (b) H Shareholders whose names appear on the register of members of the Company before the close of business on Wednesday, 10 April 2024 are entitled to attend and vote in respect of the resolution to be proposed at the H Shares Class Meeting.
- (c) H Shareholders who wish to attend the H Shares Class Meeting shall lodge their share certificates accompanied by the transfer documents with the Company's share registrar of H Shares before 4:30 p.m. on Tuesday, 9 April 2024 for registration.
- (d) An H Shareholder or his/her/its proxy shall produce proof of identity when attending the meeting. If an H Shareholder is a legal person, its legal representative or other persons authorised by the board of directors or other governing body of such Shareholder may attend the H Shares Class Meeting by producing a copy of the resolution of the board of directors or other governing body of such Shareholder appointing such persons to attend the meeting.
- (e) H Shareholders who intend to attend the H Shares Class Meeting should return the reply slip for attending the H Shares Class Meeting to the Company on or before Friday, 19 April 2024.
- (f) H Shareholders may send the above reply slip in person, by post or by email.

2. Proxy

- (a) An H Shareholder eligible to attend and vote at the H Shares Class Meeting is entitled to appoint, in written form, one or more proxies to attend and vote on his/her/its behalf. A proxy needs not be a Shareholder.
- (b) A proxy should be appointed by an H Shareholder by a written instrument signed by the appointer or his/her/its attorney duly authorised in writing. If the proxy form is signed by the attorney of the appointer, the power of attorney authorising that attorney to sign or the authorisation document(s) must be notarised.
- (c) To be valid, the power of attorney or other authorisation document(s) which has been notarised, together with the completed proxy form, must be delivered to the Company's share registrar of H Shares, Computershare Hong Kong Investor Services Ltd. at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not less than 24 hours before the time designated for holding the H Shares Class Meeting.
- (d) An H Shareholder or his/her/its proxy may exercise the right to vote by poll.

3. Miscellaneous

- (a) The H Shares Class Meeting is expected to take place immediately after the AGM and the Domestic Shares Class Meeting. H Shareholders attending the H Shares Class Meeting shall be responsible for their own travel and accommodation expenses.
- (b) The address of the Company's share registrar of H Shares, Computershare Hong Kong Investor Services Ltd., is at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.
- (c) The place of business of the Company is at:

A67, Ande Road, Xicheng District, Beijing, the PRC
Postal Code: 100011
Telephone No.: (+86) 10 5673 0525
Email: seg.ir@sinopec.com

This appendix serves as an explanatory statement, as required by the Hong Kong Listing Rules, to provide the requisite information to enable you to make an informed decision on whether to vote for or against the special resolution to approve the grant of the Repurchase Mandate to the Board.

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LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES

The Hong Kong Listing Rules permit companies whose primary listing is on the Hong Kong Stock Exchange to repurchase their securities on the Hong Kong Stock Exchange subject to certain restrictions, the most important of which are summarised below. The Company is empowered by the Articles of Association to repurchase its own securities. The Company confirms that there is no abnormality in this explanatory statement and the proposed Repurchase Mandate.

EXERCISE OF REPURCHASE MANDATE

As at the Latest Practicable Date, the number of issued shares of the Company was 4,418,543,500, comprising of 2,967,200,000 Domestic Shares and 1,451,343,500 H Shares. Subject to the passing of the proposed resolution for the grant of the Repurchase Mandate and on the basis that there is no change in the number of issued Domestic Shares and H Shares on or prior to the date of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting, the Company will be allowed under the Repurchase Mandate to purchase a maximum of 296,720,000 Domestic Shares and/or 145,134,350 H Shares, being the maximum of 10% of the respective aggregate nominal values of Domestic Shares or H Shares in issue as at the date of passing the relevant resolution.

REASONS FOR THE REPURCHASE

The Directors believe that the Repurchase Mandate is in the interests of the Company and the Shareholders. The exercise of the Repurchase Mandate may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share and will only be made if the Directors believe that such repurchase will benefit the Company and the Shareholders.

FUNDING OF THE REPURCHASES

In repurchasing the Domestic Shares and/or H Shares, the Company may only apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association, the Hong Kong Listing Rules and the applicable laws, rules and regulations of the PRC, including, without limitation, surplus funds and undistributed profits of the Company.

Taking into account the current good working capital position of the Company, the Directors consider that, if the Repurchase Mandate were to be exercised in full, it would not have a material adverse effect on the working capital and/or the gearing position of the Company as compared with its position as at 31 December 2023 as disclosed in the Company's latest published audited accounts contained in its annual report for the year 2023. However, the Directors do not intend to make any repurchase to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company. The number of Domestic Shares and/or H Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at an appropriate time having taken into consideration the circumstances then prevailing which shall be in the best interests of the Company and the Shareholders as a whole.

H SHARE PRICES

The highest and lowest prices at which the H Shares were traded on the Hong Kong Stock Exchange during each of the previous twelve months preceding the Latest Practicable Date were as follows:

Month	H Shares	
	Highest (HK\$)	Lowest (HK\$)
2023		
March	4.53	3.75
April	4.09	3.85
May	4.16	3.29
June	3.55	3.31
July	3.59	3.39
August	3.68	3.25
September	3.75	3.43
October	4.00	3.39
November	4.15	3.89
December	4.09	3.79

Month	H Shares	
	Highest (HK\$)	Lowest (HK\$)
2024		
January	4.18	3.56
February	4.45	3.84
1 March to the Latest Practicable Date	4.70	4.25

DIRECTORS' UNDERTAKING

The Directors will exercise the power of the Company under appropriate circumstances to make repurchases pursuant to the Repurchase Mandate in accordance with the Hong Kong Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

DISCLOSURE OF INTERESTS

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined under the Hong Kong Listing Rules) has any present intention to sell any of the Domestic Shares and/or H Shares to the Company if the Repurchase Mandate is approved at each of the AGM, the Domestic Shares Class Meeting and the H Shares Class Meeting.

No core connected person (as defined under the Hong Kong Listing Rules) of the Company has notified the Company that he, she or it has a present intention to sell any Domestic Shares and/or H Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is granted.

If a Shareholder's proportionate interest in the voting rights of the Company increases upon the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

The Directors are not aware of any consequences under the Takeovers Code and/or any similar applicable laws may be resulted from any repurchases carried out pursuant to the Repurchase Mandate. In addition, the Directors will not make share repurchase on the Hong Kong Stock Exchange if such repurchase would result in the requirements under Rule 8.08 of the Hong Kong Listing Rules not being complied with.

SECURITIES REPURCHASE MADE BY THE COMPANY

Details of the repurchases made by the Company (whether on the Hong Kong Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date are set out as follows:

Month of Repurchase	Number of shares repurchased	Purchase price per share		Total price (HK\$)
		Maximum (HK\$/share)	Minimum (HK\$/share)	
2023				
October	4,599,500	3.97	3.55	17,438,320.50
November	2,749,000	4.07	3.89	11,071,759.40
December	5,475,000	4.06	3.79	21,572,413.85
2024				
January	451,500	4.06	4.02	1,830,540.90