

DIVIDENDS

The Directors has declared an interim dividend of Renminbi¹ ("RMB") 0.025 per share, or a total of RMB63,093,862 for the year ending 31st December, 2001. The dividend will be paid on 12th October, 2001 to shareholders whose names appear on the Company's register of members on 28th September, 2001. Dividends payable to China Petroleum & Chemical Corporation ("Sinopec"), the Company's controlling shareholder, will be paid in RMB, while dividends payable to holders of H Shares will be paid in Hong Kong dollars at an exchange rate of RMB1.0612 for HK\$1.00, being the average of the basic rates of RMB for Hong Kong dollars published by the People's Bank of China in the calendar week immediately before the date of the declaration of dividend (24th August, 2001). Accordingly, each H share in the Company is entitled to an interim dividend of HK\$0.0235.

The register of members of the Company will be closed from 24th September, 2001 to 28th September, 2001 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the 2001 interim dividend, holders of H shares must lodge their transfers together with all relevant share certificates to the Company's H share registrar, Hong Kong Registrars Limited at 2/F, Vicwood Plaza, 199 Des Voeux Road, Central, Hong Kong, not later than 4 p.m. on 21st September, 2001.

¹The currency unit is in RMB except specified otherwise.