

Sinopec Zhenhai Refining & Chemical Company Limited (the "Company") is situated in the port city of Ningbo, Zhejiang Province in Eastern China, one of the regions with the fastest economic growth in the PRC.

The Company is principally engaged in the production and sale of petroleum products (including gasoline, diesel, kerosene, fuel oil, naphtha and solvent naphtha), intermediate petrochemical products (including benzene, toluene, mixed-xylene, ortho-xylene ("BTX"), propylene and polypropylene), as well as urea and other petrochemical products including LPG, asphalt and petroleum coke. The three major products of the Company are gasoline, diesel and jet fuel.

The predecessor of the Company was Zhejiang Refinery Plant, which was established in 1974. It became a subsidiary of China Petrochemical Corporation in 1983 and was later renamed Sinopec Zhenhai General Petrochemical Works ("ZGP"). On 26th June, 1994, ZGP as sole promoter proposed the establishment of the Company, which was incorporated on 28th June, 1994. The Company became listed on The Stock Exchange of Hong Kong Limited on 2nd December, 1994 through an initial public offer of 600 million H shares which were listed on The Stock Exchange of Hong Kong Limited.

The Company has a comprehensive processing capacity of 14 million tonnes per annum ("tpa"), being the highest in the PRC. The Company is one of the largest producers of high-octane unleaded gasoline, premium diesel, jet fuel, urea, paving asphalt and BTX in China. With the most advanced processing facilities in China's refining industry and the oil berths with an aggregate handling capacity of 25 million tpa, the Company processes the largest volume and variety of imported crude oil in China. The Company exports some of its products to the USA, Japan, South Korea, India, Hong Kong and Taiwan.

The Company consists of a refinery, a urea plant and five principal wholly owned subsidiaries, and has equity interests in six principal associated companies in the PRC.

As at 31st December, 2001, the Company had a workforce of 9,600.



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