29. Reserves

Movements on reserves comprise:

	The Group		The Company	
	2005 RMB'000	2004 RMB'000	2005 RMB'000	2004 RMB'000 *(restated)*
Share premium				
At 1 January and 31 December(note(a))	2,420,841	2,420,841	2,420,841	2,420,841
Statutory surplus reserve				
At 1 January	1,457,791	1,060,664	1,457,791	1,060,664
Appropriation	170,463	397,127	170,463	397,127
At 31 December(note(b))	1,628,254	1,457,791	1,628,254	1,457,791
Statutory public welfare fund				
At 1 January	1,375,702	978,575	1,375,702	978,575
Appropriation	170,463	397,127	170,463	397,127
At 31 December(note(c))	1,546,165	1,375,702	1,546,165	1,375,702
General surplus reserve				
At 1 January and 31 December(note(d))	82,089	82,089	82,089	82,089
Capital reserve				
At 1 January and 31 December(note(e))	4,180	4,180	4,180	4,180
Discretionary surplus reserve				
At 1 January and 31 December(note(f))	1,280,514	1,280,514	1,280,514	1,280,514
Excess over share capital				
At 1 January and 31 December(note(g))	(148,604)	(148,604)	(148,604)	(148,604)
Retained profits				
At 31 December (note(h))	4,816,548	4,744,476	4,653,155	4,464,620
	11,629,987	11,216,989	11,466,594	10,937,133

29. Reserves *(continued)*

Notes:

(a) The application of the share premium account is governed by Sections 178 and 179 of the PRC Company Law.

(b) According to the Company's Articles of Association, the Company is required to transfer 10% of its profit after taxation, as determined under PRC Accounting Rules and Regulations, to a statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve is made before distribution of a dividend to shareholders.

The statutory surplus reserve can be used to make good previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

(c) According to the Company's Articles of Association, the Company is required to transfer 5% to 10% of its profit after taxation, as determined under PRC Accounting Rules and Regulations, to the statutory public welfare fund. This fund can only be utilised on capital items for the collective benefits of the Company's employees such as the construction of dormitories, canteen and other staff welfare facilities. This fund is non-distributable other than in liquidation. The transfer to this reserve must be made before distribution of a dividend to shareholders. The Directors have resolved to transfer 10% (2004: 10%) of the current year's profit after taxation to the fund.

(d) When the statutory public welfare fund is utilised, an amount equal to the lower of cost of the assets and the balance of the statutory public welfare fund is transferred from the statutory public welfare fund to the general surplus reserve. This reserve is non-distributable other than in liquidation. When the relevant assets are disposed of or written off, the original transfers from the statutory public welfare fund are reversed. In 2005, the Company did not utilise the statutory public welfare fund (2004: RMB Nil). As at 31 December 2005, the net book value of assets acquired utilising the statutory public welfare fund was RMB 33,925,000 (2004: RMB 37,282,000).

(e) This reserve represents gifts or grants received from China Petrochemical Corporation, the ultimate parent company and which are required to be included in this reserve fund by PRC regulations.

(f) The transfer to this reserve from the retained profits is subject to the approval by shareholders at general meetings. Its usage is similar to that of statutory surplus reserve.

(g) Effective 1 January 2002, land use rights which are included in lease prepayments are carried at historical cost base. Accordingly, the surplus on the revaluation of land use rights net of deferred tax asset are reversed to shareholders' equity. Under PRC Accounting Rules and Regulations, land use rights are carried at revalued amounts.

(h) According to the Company' Articles of Association, the reserve available for distribution is the lower of the amount determined under PRC Accounting Rules and Regulations and the amount determined under IFRSs. As of 31 December 2005, the reserve available for distribution was RMB 4,573,608,000 (2004: RMB4,649,907,000). Final dividend of RMB 720,000,000 (2004: RMB1,440,000,000) in respect of the financial year 2005 was declared after the balance sheet date.

30. Related party transactions

(a) Most of the transactions undertaken by the Group during the year ended 31 December 2005 have been effected with such counterparties and on such terms as have been determined by China Petroleum & Chemical Corporation ("Sinopec Corp"), the immediate parent company, and relevant PRC authorities.

Sinopec Corp negotiates and agrees the terms of crude oil supply with suppliers on a group basis, which is then allocated among its subsidiaries, including the Group, on a discretionary basis. During the year ended 31 December 2005, the value of crude oil purchased in accordance with Sinopec Corp's allocation was as follows:

	2005 RMB'000	2004 RMB'000
Purchases of crude oil	27,180,740	19,563,608

(b) Other transactions between the Group and other related parties during the year ended 31 December 2005 were as follows:

	2005 RMB'000	2004 RMB'000
Sales of goods and service fee income	20,068,746	15,334,038
Purchases other than crude oil	2,318,351	961,919
Insurance premiums paid	95,521	97,332
Net withdrawal from deposits in related party	(70,389)	(11,416)
Interest received and receivable	1,035	4,894
New loans obtained from a related party	130,000	130,000
Loans repaid to a related party	130,000	130,000
Interest paid and payable	6,649	6,643
Transportation fees	415,497	151,163
Construction and installation fees	183,191	199,676
Proceeds from sales of property, plant & equipment	62,742	99,969
Gains from disposal of investments	24,063	-
Sales commissions	70,752	-
Net decrease of guarantees	(33,586)	(27,212)

(c) Deposits with related parties

	The Group		The Company	
	2005 RMB'000	2004 RMB'000	2005 RMB'000	2004 RMB'000
Deposits, with maturity within 3 months	181,266	252,438	180,040	250,125

30. Related party transactions *(continued)*

(d) Loans with related parties

	The Group	
	2005	2004
	RMB'000	RMB'000
Short-term loans	30,000	130,000
Long-term loans	100,000	-
	130,000	130,000

(e) Key management personnel compensation and post-employment benefit plans

	2005	2004
	RMB'000	RMB'000
Short-term employee benefits	3,493	3,114
Post-employment benefits	31	27
	3,524	3,141

Although certain business activities of the Group are with PRC government authorities and affiliates and other state-owned enterprises, the Group believes that it has provided meaningful disclosure of related party transactions in the above.

31. Retirement schemes

As stipulated by the regulations of the PRC, the Group participates in a defined contribution retirement plan organised by the Shanghai Municipal Government for its staff. The Group is required to make contributions to the retirement plan at a rate of 22% of the salaries, bonuses and certain allowance of its staff in 2005 (2004: 22.5% from January to July and 22% from August to December). A member of the plan is entitled to a pension equal to a fixed proportion of the salary prevailing at his retirement date. The Group has no other material obligation for the payment of pension benefits associated with this plan beyond the annual contributions described above. In addition, pursuant to a document "Lao Bu Fa (1995) No.464" dated 29 December 1995 issued by the Ministry of Labour of the PRC, the Company has set out a supplementary defined contribution retirement plan for the benefit of employees. Employees who have served the Company for five years or more may participate in this plan. The Company and participating employees make defined contributions to their pension savings accounting according to the plan. The assets of this plan are held separately from those of the Company in an independent fund administered by a committee consisting of representatives from the employees and the Company. In April 2003, the Company revised certain terms of the plan and increased the amounts of contributions. For the year ended 31 December 2005, the Company's contribution to this plan amounted to RMB 47,852,000 (2004: RMB 42,379,000).

32. Capital commitments

The Group and the Company had capital commitments outstanding at 31 December not provided for in the financial statements as follows:

	The Group and the Company	
	2005	2004
	RMB'000	RMB'000
Property, plant and equipment		
Contracted but not provided for	222,711	322,797
Authorised by the Board but not contracted for	1,501,490	1,824,985
	1,724,201	2,147,782
Investment		
Contracted but not provided for	-	295,886
	1,724,201	2,443,668

33. Contingent liabilities

At 31 December, the Group and the Company had the following contingent liabilities:

	The Group		The Company	
	2005	2004	2005	2004
	RMB'000	RMB'000	RMB'000	RMB'000
Guarantees issued to banks in favour of:				
- subsidiaries	-	-	483,842	778,859
- associates	40,000	40,000	40,000	40,000
- joint ventures	28,300	61,886	-	29,200
	68,300	101,886	523,842	848,059

Guarantees issued to banks in favour of subsidiaries, associates and joint ventures are given to the extent of the Company's respective interest in these entities. The Group monitors the conditions that are subject to the guarantees to identify whether it is probable that a loss has occurred, and recognises any such losses under guarantees when those losses are estimable. At 31 December 2005 and 2004, it is not probable that the Group will be required to make payments under the guarantees. Thus no liability has been accrued for a loss related to the Group's and the Company's obligation under the guarantees arrangement.

34. Details of bank loans

The interest rates and terms of repayment for bank loans of the Group and the Company are as follows:

Repayment terms and last payment date	Interest rate at 31 December 2005	Interest type	The Group 2005 RMB'000	The Group 2004 RMB'000	The Company 2005 RMB'000	The Company 2004 RMB'000
Arranged by Central Treasury of the Company:						
U.S. Dollars denominated:						
Due in 2007	4.42%	Floating	397,112	416,402	397,112	416,402
Payable semi-annually through 2008(Note)	1.80%	Fixed	41,123	52,434	41,123	52,434
Renminbi denominated:						
Due in 2005	4.94%-5.58%	Fixed	-	1,100,000	-	1,100,000
Due in 2006	5.18%-5.56%	Fixed	1,220,000	1,220,000	1,220,000	1,220,000
Due in 2006	5.18%	Fixed	120,000	170,000	120,000	170,000
Due in 2008	5.18%	Fixed	700,000	-	700,000	-
Other loans due in 2015	Interest free	-	15,000	15,000	15,000	15,000
Arranged by subsidiaries:						
U.S. Dollars denominated:						
Payable annually through 2011	Interest free	-	17,431	20,856	-	-
Renminbi denominated:						
Payable annually from 2001 through 2005	Interest free	-	-	7,400	-	-
Payable due in 2008	5.18%	Fixed	110,000	-	-	-
Payable annually through 2010	Interest free	-	102,500	123,000	-	-
Payable annually through 2011 and after	Interest free	-	10,800	12,600	-	-
Due in 2006 and thereafter	5.18%-5.58%	Fixed	116,500	134,500	-	-
Total long-term bank loans outstanding			2,850,466	3,272,192	2,493,235	2,973,836
Less: Amounts due within one year (Note 25)			(1,373,205)	(1,257,578)	(1,340,000)	(1,114,899)
Amounts due after one year (Note 25)			1,477,261	2,014,614	1,153,235	1,858,937

Note: Guaranteed by China Petrochemical Corporation

The weighted average short-term interest rates for the Group and the Company were 4.53% and 4.45% respectively at 31 December 2005 (2004: the Group and the Company 3.56% and 3.17% respectively).

35. Segment reporting

Segment information is presented in respect of the Group's business segments. The format is based on the Group's management and internal reporting structure. In view of the fact that the Company and its subsidiaries operate mainly in the PRC, no geographical segment information is presented.

The Group evaluates performance based on operating profits before income tax and non-operating income and expenses. Certain administrative expenses are allocated based on the percentage of sales.

Inter-segment transfer pricing is based on cost plus an appropriate margin, as specified by Group policy.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise income-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one period.

The Group principally operates in four operating segments: synthetic fibres, resins and plastics, intermediate petrochemicals and petroleum products. All of the Group's products are produced through intermediate steps from the principal raw material of crude oil. The specific products of each segment are as follows:

(i) The synthetic fibres segment produces primarily polyester and acrylic fibres primarily used in the textile and apparel industries.

(ii) The resins and plastics segment produces primarily polyester chips, low density polyethylene resins and films, polypropylene resins and PVA granules. The polyester chips are used in the processing of polyester fibres and construction coating materials and containers. Low density polyethylene resins and plastics are used in cable jacketing, sheeting, the manufacture of moulded products, such as housewares and toys and for agricultural and packaging uses. Polypropylene resins are used in the manufacturing of extruded films or sheets and injection moulded products such as housewares, toys and household electric appliance and automobile parts.

(iii) The intermediate petrochemicals segment primarily produces ethylene and benzene. Most of the intermediate petrochemicals produced by the Group are used by the Group as raw materials in the production of other petrochemicals, resins, plastics and synthetic fibres. A portion of the intermediate petrochemicals as well as certain by-products of the production process are sold to outside customers.

35. Segment reporting *(continued)*

(iv) The Group's petroleum products segment has crude oil distillation facilities used to produce vacuum and atmospheric gas oils used as feedstocks of the Group's downstream processing facilities. Residual oil and low octane gasoline fuels are produced primarily as a co-product of the crude oil distillation process. A proportion of the residual oil is further processed into qualified refined gasoline and diesel oil. In addition, the Group produces a variety of other transportation, industrial and household heating fuels, such as diesel oils, jet fuels, heavy oils and liquefied petroleum gases.

(v) All other operating segments represent the operating segments which do not meet the quantitative threshold for determining reportable segments. These include sales of consumer products, services and a variety of other commercial activities, which are not allocated to the above four operating segments.

Reportable information on the Group's operating segments is as follows:

Turnover and other income

	2005 RMB'000	2004 RMB'000
Manufactured Products		
Synthetic Fibres		
-external sales	4,781,787	4,777,981
-intersegment sales	79	63
Total	4,781,866	4,778,044
Resins and Plastics		
-external sales	14,010,287	12,154,361
-intersegment sales	53,020	19,952
Total	14,063,307	12,174,313
Intermediate Petrochemicals		
-external sales	6,586,556	5,941,589
-intersegment sales	13,848,105	9,753,690
Total	20,434,661	15,695,279
Petroleum Products		
-external sales	18,616,544	13,692,352
-intersegment sales	1,064,616	846,488
-other income	632,820	-
Total	20,313,980	14,538,840

35. Segment reporting *(continued)*

Turnover and other income *(continued)*

	2005 RMB'000	2004 RMB'000
All others		
-external sales	1,960,729	2,836,250
-intersegment sales	3,687,428	3,452,657
Total	5,648,157	6,288,907
Eliminations of intersegment sales	(18,653,248)	(14,072,850)
Turnover and other income	46,588,723	39,402,533

External sales include sales to Sinopec Corp group companies.

Profit before taxation

	2005 RMB'000	2004 RMB'000
Profit from operations		
Synthetic Fibres	263,359	250,419
Resins and Plastics	1,490,740	1,886,537
Intermediate Petrochemicals	981,025	1,550,796
Petroleum Products	(446,867)	986,578
All others	239,703	350,822
Profit from operations	2,527,960	5,025,152
Share of losses of associates	(60,968)	(36,915)
Net financing costs	(179,398)	(292,008)
Profit before taxation	2,287,594	4,696,229

35. Segment reporting *(continued)*

Assets	2005 RMB'000	2004 RMB'000
Segment assets		
Synthetic Fibres	3,052,522	3,168,259
Resins and Plastics	3,326,289	3,981,270
Intermediate Petrochemicals	5,450,842	5,647,630
Petroleum Products	8,055,388	8,075,376
All others	2,173,132	2,589,245
Total segment assets	22,058,173	23,461,780
Interests in associates	2,130,803	1,906,917
Unallocated	2,621,395	2,907,904
Total assets	26,810,371	28,276,601

Liabilities	2005 RMB'000	2004 RMB'000
Segment liabilities		
Synthetic Fibres	226,760	286,338
Resins and Plastics	664,392	728,239
Intermediate Petrochemicals	312,346	355,975
Petroleum Products	882,828	820,301
All others	92,981	169,726
Total segment liabilities	2,179,307	2,360,579
Unallocated	5,453,624	7,125,949
Total liabilities	7,632,931	9,486,528

35. Segment reporting *(continued)*

Depreciation and amortisation	2005 RMB'000	2004 RMB'000
Synthetic Fibres	222,910	250,930
Resins and Plastics	350,625	356,097
Intermediate Petrochemicals	596,717	630,467
Petroleum Products	368,210	399,200
All others	167,192	177,581
Segment depreciation and amortisation	1,705,654	1,814,275
Unallocated	12,847	1,036
Depreciation and amortisation	1,718,501	1,815,311

Total capital expenditures for segment long-lived assets

	2005 RMB'000	2004 RMB'000
Synthetic Fibres	172,106	555,441
Resins and Plastics	17,323	124,768
Intermediate Petrochemicals	497,787	378,542
Petroleum Products	335,586	469,080
All others	104,003	165,783
Total segment capital expenditures	1,126,805	1,693,614
Unallocated	16,122	512,343
Capital expenditures for segment long-lived assets	1,142,927	2,205,957

36. Accounting estimates and judgements

The Group's financial condition and results of operations are sensitive to accounting methods, assumptions and estimates that underlie the preparation of the financial statements. The Group bases the assumptions and estimates on historical experience and on various other assumptions that the Group believes to be reasonable and which form the basis for making judgements about matters that are not readily apparent from other sources. On an on-going basis, management evaluates its estimates. Actual results may differ from those estimates as facts, circumstances and conditions change.

The selection of critical accounting policies, the judgements and other uncertainties affecting application of those policies and the sensitivity of reported results to changes in conditions and assumptions are factors to be considered when reviewing the financial statements. The principal accounting policies are set forth in Note 1. The Group believes the following critical accounting policies involve the most significant judgements and estimates used in the preparation of the financial statements.

Impairments

If circumstances indicate that the net book value of a long-lived asset may not be recoverable, the asset may be considered "impaired", and an impairment loss may be recognised in accordance with IAS 36 "Impairment of Assets". The carrying amounts of long-lived assets are reviewed periodically in order to assess whether the recoverable amounts have declined below the carrying amounts. These assets are tested for impairment whenever events or changes in circumstances indicate that their recorded carrying amounts may not be recoverable. When such a decline has occurred, the carrying amount is reduced to recoverable amount. The recoverable amount is the greater of the net selling price and the value in use. It is difficult to precisely estimate selling price because quoted market prices for the Group's assets are not readily available. In determining the value in use, expected cash flows generated by the assets are discounted to their present value, which requires significant judgement relating to level of sale volume, selling price and amount of operating costs. The Group uses all readily available information in determining an amount that is a reasonable approximation of recoverable amount, including estimates based on reasonable and supportable assumptions and projections of sale volume, selling price and amount of operating costs.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets annually in order to determine the amount of depreciation expense to be recorded during any reporting period. The depreciation expense for future periods is adjusted if there are significant changes from previous estimates.

Impairment for bad and doubtful debts

The Group estimates impairment losses for bad and doubtful debts resulting from the inability of the customers to make the required payments. The Group bases the estimates on the aging of the accounts receivable balance, customer credit-worthiness, and historical write-off experience. If the financial condition of the customers were to deteriorate, actual write-offs would be higher than estimated.

37. Financial instruments

Financial assets of the Company and the Group include cash and cash equivalents, deposits with banks, investments, trade debtors, bills receivable, deposits, other debtors and amounts due from parent companies and fellow subsidiaries. Financial liabilities of the Company and the Group include bank loans, trade creditors, other creditors and amounts due to parent company and fellow subsidiaries. The Group does not hold or issue financial instruments for trading purposes. The Group had no positions in derivative contracts that are designated and qualified as hedging instruments at 31 December 2005 and 2004.

(a) Interest rate risk

The interest rates and terms of repayment of loans of the Company and the Group are disclosed in note 34.

(b) Credit risk

The Group's financial instruments do not represent a concentration of credit risk because the Group deals with a variety of major financial institutions with good credit ratings, and its trade debtors are spread among a number of major industries and customers.

(c) Foreign currency risk

The Group has foreign currency risk as certain loans and cash and cash equivalents are denominated in foreign currencies, principally U.S. dollars and Hong Kong dollars. Depreciation or appreciation of Renminbi against foreign currencies will affect the Group's financial position and results of operations.

Other than the amounts as disclosed in Note 25, the amounts of other financial assets and liabilities of the Group are substantially denominated in the functional currency of respective entity of the Group.

(d) Fair value

The following table presents the carrying amounts and fair values of the Group's long term bank loans 31 December 2005 and 2004.

	2005		2004	
	Carrying amount RMB'000	Fair value RMB'000	Carrying amount RMB'000	Fair value RMB'000
Liabilities:				
Long-term bank loans	2,850,466	2,804,295	3,272,192	3,218,533

37. Financial instruments *(continued)*

(d) Fair value *(continued)*

Long-term bank loans - the fair values are estimated based on applying a discounted cash flow using current market interest rates for similar financial instruments.

Investments are unquoted interests, primarily equity interests in joint ventures. There is no quoted market price for such interest and securities in the PRC, and accordingly a reasonable estimate of fair value could not be made without incurring excessive costs. Further details pertinent to the valuation of these interests are disclosed in note 19.

The fair values of cash, trade debtors, bills receivable, deposits, other debtors, trade creditors, other creditors and amounts due from/to parent company and fellow subsidiaries are not materially different from their carrying amounts.

Time deposits and short-term bank loans - the carrying value is estimated to approximate fair value based on the nature or short term maturity of these instruments.

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgement and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

38. Possible impact of amendments, new standards and interpretations issued but not yet effective for the annual accounting period ended 31 December 2005

Up to the date of issue of these financial statements, the IASB has issued the following amendments, new standards and interpretations which are not yet effective for the annual accounting period ended 31 December 2005 and which have not been adopted in these financial statements:

	Effective for accounting period beginning on or after
IFRS 6, Exploration for and evaluation of mineral resources	1 January 2006
IFRS 7, Financial instruments: disclosures	1 January 2007
IFRIC 4, Determining whether an arrangement contains a lease	1 January 2006
IFRIC 5, Rights to interests arising from decommissioning, restoration environmental rehabilitation funds	1 January 2006

38. Possible impact of amendments, new standards and interpretations issued but not yet effective for the annual accounting period ended 31 December 2005 *(continued)*

IFRIC 6, Liabilities arising from participating in a specific market-Waste electrical and electronic equipment	1 December 2005
IFRIC 7, Applying the restatement approach under IAS 29, Financial reporting in hyperinflationary economies	1 March 2006
IFRIC 8, Scope of IFRS 2	1 May 2006
IFRIC 9, Reassessment of Embedded Derivatives	1 June 2006
Amendment to IAS 1, Presentation of financial statements: capital disclosures	1 January 2007
Amendment to IAS 19, Employee benefits-Actuarial Gains and Losses, Group Plans and Disclosures	1 January 2006
Amendment to IAS 21, Net investment in a foreign operation	1 January 2006
Amendment to IAS 39, Financial instrument: Recognition and measurement	
- Cash flow hedge accounting of forecast intragroup transactions	1 January 2006
- The fair value option	1 January 2006
- Financial guarantee contracts	1 January 2006
Amendment to IFRS 1, First-time Adoption of International Financial Reporting Standards	1 January 2006

The Group is in the process of making an asessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. Up to the date of issuance of these financial statements, the Group believes that the adoption of IFRIC4, IFRIC 5, IFRIC 6, IFRIC7, IFRIC 8, IFRIC 9 and the amendments to IAS19, IAS21, and IFRS 1 are not applicable to any of the Group's operations and that the adoption of the remainder of the above amendments, new standards and new interpretations is unlikely to have a significant impact on the Group's results of operations and financial position.

39. Non-adjusting post balance sheet events

The Group has been approved by the People's Bank of China to issue short-term commercial papers with an amount of RMB 2 billion in multiple tranches by the end of February 2007, pursuant to a notice Fa [2006] No.35 ("Notice of People's Bank of China in respect of the short-term commercial papers issued by Sinopec Shanghai Petrochemical Company Limited") dated 15 February 2006. The short-term commercial paper obligations will be issued to investors in the PRC inter-bank debenture market. The Company issued the first tranche of the short-term commercial papers on 27 February 2006 with a total amount of RMB 1 billion for a term of 270 days. The proceeds will form part of the Group's working capital.

40. Comparative figures

Certain comparative figures have been adjusted or re-classified as a result of the changes in accounting policies. Further details are disclosed in Note 2.

41. Parent companies

The Directors consider the immediate parent company and the ultimate parent company at 31 December 2005 to be China Petroleum & Chemical Corporation and China Petrochemical Corporation, respectively, which are incorporated in the PRC. China Petroleum & Chemical Corporation produces financial statements available for public use.