

INTERESTS OF DIRECTORS AND SENIOR MANAGEMENT IN SHARES

As of 30 June 2001, none of the directors, senior management or their related parties held, beneficially or non-beneficially, any of the shares issued by the Company or any of its associated companies which were required to be recorded in the register of directors' interests in compliance with Section 29 of the Securities (Disclosure of Interests) Ordinance. The Company also has not granted to any directors, senior management or their spouses or children under 18 years of age any right to subscribe for the Company's shares.

SUBSTANTIAL SHAREHOLDERS

As of 30 June 2001, shareholders holding shares representing 10% or more of the Company's share capital in issue as recorded in the Register of Substantial Shareholders' Interests maintained by the Company and their reported interests pursuant to provisions of Section 16(1) of the Securities (Disclosure of Interests) Ordinance are as follows:

Name	Number of Ordinary Shares <i>(Percentage of total shares in issue)</i>
Sinopec Kantons International Limited	750,000,000 (72.34%)

Note:

The entire issued share capital of Sinopec Kantons International Limited was held by China Petrochemical International Company Limited. The entire registered capital of China Petrochemical International Company Limited was held by China Petrochemical Corporation. The controlling interest in the registered capital of China Petrochemical Corporation was held by China Petroleum & Chemical Corporation.

PURCHASE, SALE AND REDEMPTION OF SHARES

During the period under review, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities.

CODE OF BEST PRACTICE

None of the Directors of the Company is aware of any information that would indicate that the Company was not in compliance with the Code of Best Practice set forth in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited during the reporting period.

DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

Information that is required by Paragraphs 45(1) to 45(3) of Appendix 16 of the Listing Rules will be released on the Stock Exchange of Hong Kong's website in due course.

By Order of the Board
Hong Zhi Ming
Chairman

Hong Kong, 5 September 2001

INDEPENDENT REVIEW REPORT

TO THE BOARD OF DIRECTORS OF SINOPEC KANTONS HOLDINGS LIMITED

INTRODUCTION

We have been instructed by the Company to review the interim financial report set out on page 2 to 9.

DIRECTORS' RESPONSIBILITIES

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") require the preparation of an interim financial report to be in compliance with Statement of Standard Accounting Practice No. 25 ("SSAP 25") "Interim Financial Reporting" issued by the Hong Kong Society of Accountants. However, the Listing Rules permit departure from SSAP 25 in that comparative figures are not required for the first statement of recognised gains and losses or for the cash flow statement included in the first interim financial report relating to accounting periods ended on or after 1 July 2000. The interim financial report is the responsibility of, and has been approved by, the directors.

REVIEW WORK PERFORMED

We conducted our review in accordance with Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" ("SAS 700") issued by the Hong Kong Society of Accountants. A review consists principally of making enquiries of group management and applying analytical procedures to the interim financial report and based thereon, assessing whether the accounting policies and presentation have been consistently applied unless otherwise disclosed. A review excludes audit procedures such as tests of controls and verification of assets, liabilities and transactions. It is substantially less in scope than an audit and therefore provides a lower level of assurance than an audit. Accordingly we do not express an audit opinion on the interim financial report.

REVIEW CONCLUSION

On the basis of our review which does not constitute an audit, we are not aware of any material modifications that should be made to the interim financial report for the six months ended 30 June 2001.

Without modifying our review conclusion, we draw to your attention that the comparative condensed income statement for the six months ended 30 June 2001 disclosed in the interim financial report have not been reviewed in accordance with SAS 700.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong, 5 September 2001