SINOPEC ZHENHAI REFINING & CHEMICAL COMPANY LIMITED

(a joint-stock limited company incorporated in the People's Republic of China)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2002

SUMMARY

- Profit attributable to shareholders increased by 109.75% year on year, reaching a record high
- Throughput volume reached 11,946,300 tonnes, continuing to rank the highest among domestic refineries
- Three new units commenced operation, further strengthening the Company's competitiveness

Sinopec Zhenhai Refining & Chemical Company Limited ("the Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries ("the Group") for the year ended 31 December 2002.

The following financial information has been extracted from the Group's audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards, for the year ended 31 December 2002:

Consolidated income statement
for the year ended 31 December 2002
(Amounts expressed in thousands, except per share data)

	Note	**2002**	2001
		RMB'000	*RMB'000*
Turnover	*1*	**22,484,667**	20,764,580
Less: Business taxes and surcharges		**(990,170)**	(936,920)
Net sales		**21,494,497**	19,827,660
Cost of sales		**(19,484,384)**	(18,522,639)
Gross profit		**2,010,113**	1,305,021
Other operating income		**54,520**	55,207
Selling and administrative expenses		**(498,348)**	(501,619)
Other operating expenses		**(54,123)**	(27,406)
Net loss on disposal of property, plant and equipment		**(54,278)**	(33,121)
Employee reduction expenses		**–**	(51,200)

Profit from operations		**1,457,884**	746,882
Net financing costs	*2(a)*	**(74,650)**	(127,959)
Share of profits less losses from associates		**9,832**	3,106
Profit from ordinary activities before taxation	*2*	**1,393,066**	622,029
Income tax expense	*3*	**(419,809)**	(158,030)
Profit attributable to shareholders		**973,257**	463,999
Dividends attributable to the year:	*4*		
Interim dividend declared during the year		**100,950**	63,093
Final dividend proposed after the balance sheet date		**201,900**	88,332
		302,850	151,425
Earnings per share			
– Basic	*5(a)*	**RMB0.39**	RMB0.18
– Diluted	*5(b)*	**RMB0.39**	RMB0.18

Notes

1. Turnover

Turnover represents the sales value of goods sold to customers, net of value-added tax and is after deduction of any sales discounts and returns.

The Group is principally engaged in the production and sale of petroleum products (including gasoline, diesel, kerosene, naphtha, liquefied petroleum gas, solvent naphtha and fuel oil), intermediate petrochemical products, asphalt, urea and other petrochemical products. Gasoline, diesel and kerosene are three major products of the Group.

2. Profit from ordinary activities before taxation

Profit from ordinary activities before taxation is arrived at after charging/(crediting):

(a) Net financing costs:

	2002	2001
	RMB'000	*RMB'000*
Interest expense on		
– Bank borrowings wholly repayable within five years	**85,056**	63,618
– Convertible bonds	**144**	101,583
Less: Amount capitalised as projects in progress	**(15,915)**	(1,965)
Interest expense, net	**69,285**	163,236
Interest income	**(5,574)**	(42,296)
Net foreign exchange loss	**10,035**	6,334
Bank charges	**904**	685
Total	**74,650**	127,959

(b) Other items:

	2002	2001
	RMB'000	*RMB'000*
Depreciation of property, plant and equipment	**748,560**	874,649
Amortisation of lease prepayments	**893**	4,345
Net loss/(gain) on disposal of associates and other investments	**2,459**	(10,615)
Dividend income from other investments	**(5,983)**	(8,103)

3. Income tax expense

Individual companies within the Group are mainly subject to Enterprise Income Tax ("EIT") at 33% on taxable income determined according to the PRC tax laws. Pursuant to the document "Cai Shui Zi [1994] No.1" issued by the Ministry of Finance and State Administration of Taxation of China issued on 29 March 1994, the Group is eligible to certain EIT preferential treatments because of its recycling of certain wasted materials. The amount of the reduced EIT was RMB43,077,000 (2001: RMB69,697,000).

The Group did not carry on business overseas and in Hong Kong and therefore does not incur overseas and Hong Kong Profits Tax.

Income tax expense in the consolidated income statement represents:

	2002	2001
	RMB'000	*RMB'000*
Current tax expense		
– Current year	**426,838**	158,618
– Under provision in respect of prior years	**1,220**	–
	428,058	158,618
Deferred tax	**(15,707)**	(3,143)
Share of associates' income tax	**7,458**	2,555
Total income tax expense in consolidated income statement	**419,809**	158,030

4. Dividends

(a) Dividends attributable to the year

	2002	2001
	RMB'000	*RMB'000*
Interim dividend declared and paid of RMB0.04 per share (2001: RMB0.025 per share)	**100,950**	63,093
Final dividend proposed after the balance sheet date of RMB0.08 per share (2001: RMB0.035 per share)	**201,900**	88,332
	302,850	151,425

Pursuant to a resolution passed at the directors' meeting on 17 April 2003, a final dividend of RMB201,900,357 (2001: RMB88,331,406) was proposed for shareholders' approval at the Annual General Meeting.

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

(b) Dividends attributable to the previous financial year, approved and paid during the year

	2002	2001
	RMB'000	*RMB'000*
Final dividend in respect of the previous financial year, approved and paid during the year, of RMB0.035 per share (2001: RMB0.035 per share)	**88,332**	88,332

5. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary shareholders of RMB973,257,000 (2001: RMB463,999,000) and the weighted average number of ordinary shares of 2,523,754,468 (2001: 2,523,754,468) in issue during the year.

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the adjusted profit attributable to ordinary shareholders of RMB973,353,000 (2001: RMB464,095,000) and the weighted average number of ordinary shares of 2,525,357,000 (2001: 2,525,357,000) after adjusting for the effects of all dilutive potential ordinary shares.

(i) Reconciliation of profit attributable to ordinary shareholders

	2002	2001
	RMB'000	*RMB'000*
Profit attributable to ordinary shareholders	**973,257**	463,999
After-tax effect of interest on convertible bonds	**96**	96
Adjusted profit attributable to ordinary shareholders (diluted)	**973,353**	464,095

(ii) Reconciliation of weighted average number of ordinary shares
(In thousands of shares)

	2002	2001
Weighted average number of ordinary shares used in calculating basic earnings per share	**2,523,755**	2,523,755
Effect of conversion of convertible bonds	**1,602**	1,602
Weighted average number of ordinary shares used in calculating diluted earnings per share	**2,525,357**	2,525,357

6. Segment reporting

The Group conducts the majority of its business activities in two areas, refining and chemicals. An analysis of business segment is as follows:

	2002			
	Refining *RMB'000*	**Chemicals** *RMB'000*	**Elimination** *RMB'000*	**Total** *RMB'000*
Net sales	21,211,851	617,574	(334,928)	21,494,497
Cost of sales	(19,339,905)	(479,407)	334,928	(19,484,384)
Gross profit	1,871,946	138,167	–	2,010,113
Other operating income				54,520
Selling and administrative expenses				(498,348)
Other operating expenses				(54,123)
Net loss on disposal of property, plant and equipment				(54,278)
Profit from operations				1,457,884
Net financing costs				(74,650)
Share of profits less losses from associates				9,832
Income tax expense				(419,809)
Profit attributable to shareholders				973,257

	2001			
	Refining *RMB'000*	Chemicals *RMB'000*	Elimination *RMB'000*	Total *RMB'000*
Net sales	19,603,019	551,657	(327,016)	19,827,660
Cost of sales	(18,348,355)	(501,300)	327,016	(18,522,639)
Gross profit	1,254,664	50,357	–	1,305,021
Other operating income				55,207
Selling and administrative expenses				(501,619)
Other operating expenses				(27,406)
Net loss on disposal of property, plant and equipment				(33,121)
Employee reduction expenses				(51,200)
Profit from operations				746,882
Net financing costs				(127,959)
Share of profits less losses from associates				3,106
Income tax expense				(158,030)
Profit attributable to shareholders				463,999

Segment information is presented in respect of the Group's business segments. The format of which 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.

Inter-segment transfer pricing is based on cost plus an appropriate margin, as specified by China Petroleum & Chemical Corporation's policy.

The Group conducts the majority of its business activities in two areas, refining and chemicals. The specific products of each segment are as follows:

(a) The refining segment is principally engaged in the production and sale of petroleum, intermediate petrochemical and other petrochemical products. Gasoline, diesel and kerosene are three major products of the segment.

(b) The chemical segment is principally engaged in the production and sale of urea.

7. Change in accounting estimates

The Company undertook a comprehensive review of the expected useful lives of certain plant, machinery and equipment at the beginning of 2002 which has taken into consideration the depreciation method currently adopted by the domestic petrochemical industry. The Company has determined to revise the depreciation period of this plant, machinery and equipment. In this connection, the depreciation period of the main manufacturing facilities has been revised from between 8 and 10 years to between 12 and 14 years with effect from 1 January 2002.

The change had the effect of a reduction in depreciation expense by approximately RMB154 million and an increase of profit attributable to shareholders by approximately RMB103 million for the year ended 31 December 2002 and for each of the subsequent years until the assets are fully depreciated or disposed of.

8. Reserves

Effective 1 January 2002, land use rights which are included in lease prepayments are carried at historical cost less amortisation and impairment losses. Accordingly, the surplus on the revaluation of land use rights net of deferred tax asset was reversed to shareholders' equity at 1 January 2002. The effect of this change did not have a material impact on the Group's financial condition and results of operations in the years prior to the change. As such, certain comparative figures have been reclassified to conform with the current year's presentation.

9. Comparative figures

Certain comparative figures for the year ended 31 December 2001 have been reclassified to conform with the current year's presentation.

DIVIDEND

The Board of Directors recommended a final dividend of RMB0.08 per share for the year ended 31 December 2002. Together with the paid interim dividend of RMB0.04 per share , the total dividends would be RMB0.12 per share or a total dividend distribution of RMB302.85 million for the year ended 31 December 2002. The calculation of the final dividend for the year ended 31 December 2002 was based on the number of shares in issue according to the register of shareholders as of 31 December 2002. However, actual dividend payment will be based on the total number of registered shares in the Company as of 26 May 2003. Subject to shareholders' approval at the Annual General Meeting of the Company to be held on 20 June 2003, the final dividend will be paid on 27 June 2003 to shareholders whose names appear on the register of shareholders of the Company on 26 May 2003.

The dividend payable to China Petroleum & Chemical Corporation , the Company's controlling shareholder, will be paid in Renminbi, while the dividend payable to holders of H share will be paid in Hong Kong dollars converted at the average of the basic exchange rate of Renminbi for Hong Kong dollars of RMB1.0609 for HK$1 published by the People's Bank of China in the calendar week immediately before the declaration date (17 April 2003) of the dividends. The dividend payable for each H share will be HK$0.075.

REGISTRATION OF SHARE TRANSFERS

Holders of the Company's H shares should note that the register of shareholders of the Company will be closed from 20 May 2003 to 19 June 2003 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the final dividend for the year of 2002, holders of H shares shall lodge the transfers together with the relevant share certificates to the Company's H share registrar, Hong Kong Registrars Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m., 19 May 2003.

REVIEW OF 2002

The Group made unprecedented progress and achievements in 2002. Net sales for the whole year amounted to RMB21,494 million, representing an increase of 8.41% from that of last year. Profit attributable to shareholders, which rose by 109.75% from that of last year to RMB973 million, has reached a historical high. The Group's total profit continued to top the domestic industry's level. Competitive edges such as scale, technology, cost, management that the Company built up for years displayed stronger support to the Company. The Company reached a new stage in terms of overall competency and profitability.

China experienced continued stable economic growth in 2002. The gross domestic product (GDP) increased by 8% from that of last year. In the face of increasing market liberalisation since China joined the World Trade Organisation ("WTO") a year ago and the rigorous challenge of intensifying competition, the dominant domestic oil distributors strengthened cooperation, which maintained the stability of the domestic market for petroleum products in general and created a better business environment for enterprises.

In 2002, the Company fully utilized its large-scale operation, achieving an accumulated throughput volume of feedstock (including third-party processing business) of 11,946,300 tonnes for the whole year, which represented an increase of 11.29% from that of last year and ranked the first in the domestic industry. During the year, the Company seized market opportunities and resumed the third-party processing business. The feedstock throughput volume for third-party processing business for the entire year reached 384,500 tonnes, which helped to increase capacity utilization rate and lower unit fixed cost.

Taking account of the overall benefits, the Company fully utilized its capacity and strong sour crude oil processing capability, as well as streamlined the process of crude oil purchase. The throughput volume of sour crude oil and heavy crude oil reached 8,240,500 tonnes, which rose by 19.17% from that of last year, and its proportion in the total throughput volume increased by 4.56 percentage points to 68.98% Given the slight increase in international crude oil prices compared with that of last year, the Company's average price of processed crude oil during the period was RMB1,504.90 per tonne (after deducting import expenses, equivalent to US$24.32 per barrel ("$/bbl")), which was about 0.64 $/bbl lower than the average dated price of Brent crude oil during the same period and RMB60.07 per tonne (about 0.99 $/bbl) lower than RMB1,564.97 per tonne (after deducting import expenses, equivalent to 25.26 $/bbl) of that of last year.

Taking a market-oriented approach, the Company actively adjusted its product mix and upgraded its products to better satisfy market needs. Total output of all products for the whole year amounted to 10,639,800 tonnes. Output of high value-added products, including solvent oil, BTX, LPG, propylene, reached 1,094,500 tonnes, an increase of 23.66% from that of last year. The sales volume of staple products, including gasoline, kerosene, diesel, accounted for 68.40% of that of self-produced products, which rose slightly from that of last year. In particular, the ratio of the sales volume of high-grade gasoline (No. 93 up) to total sales volume of gasoline rose from 41.60% of the previous year to 54.30%.

Benefited from a streamlined management, the Company improved its efficiency and maintained the various economic and technical indicators at relatively satisfactory levels. The light oil yield for the whole year increased by 2.14 percentage points to 73.83% year on year, while the ex-factory volume of heavy oil reduced by 177,700 tonnes from that of last year to 50,600 tonnes of the reported year. The diesel to gasoline ratio stood at 2.56. The composite commercial yield was 93.51%, which was about the same level of the previous year. During the year, the Company increased its throughput volume and streamlined its production process. Due to the Company's redemption of its convertible bonds in December 2001, the Company reduced its net financing costs. In addition, the depreciation period of major production equipment has been revised, thereby reducing the cost of depreciation. All of these resulted in a lower unit complete expense for the whole year of RMB152.11 per tonne, which represented a decline of RMB5.85 per tonne year on year and remained at a leading level in the domestic industry.

The Company is committed to leveraging technological progress to advance its competitiveness. During the year, 1.8 million tpa vacuum gas oil ("VGO") hydro-desulfurisation unit, the 3 million tpa diesel hydrofining unit and the 70,000 tpa sulphur recovery unit were put into operation. As a result, the Company's processing capacity of sour crude oil and production capacity of clean products were further enhanced. In addition, a new residue processing route with "solvent deasphalting" unit as the nexus was formed, resulting in enhanced level of processing of fuel oil and light oil yield. The further integration of the refining and chemical fertilizer businesses played a significant role in bringing the chemical fertilizer business back to profitability.

Following its successful implementation of a streamlined management structure in June 2002, the Company introduced an enterprise resource planning ("ERP") programme in October 2002. Together these two measures helped further lower management cost and augment management efficiency, thereby creating opportunities for development.

PROSPECTS FOR THE YEAR OF 2003

In 2003, although some uncertainties lie in the world economic recovery, China is expected to experience continued stable economic growth. These bright economic prospects of China will continue to drive domestic consumption of petroleum products. The further-improved domestic petroleum product pricing mechanism will create a favorable external environment for the Company's production and operating activities, and as a result the Company's refining margin is likely to remain at a relatively satisfactory level. The Company will increase the total throughput volume and product output volume through continued expansion of third-party processing business. The planned throughput volume of crude oil (including third-party processing business) for the whole year is 12.5 million tonnes, but the Company will strive to achieve 13 million tonnes. Also, the Company will intensify improvement of internal resources to achieve efficiency and to maintain continued stable profitability.

First, to optimize production process for intensifying the integration of the refining and chemical fertilizer businesses. The Company will take full advantage of the new processing route with solvent deasphalting unit as the nexus, which is created after the new facilities commenced operation, to realize the integration of the refining and chemical fertilizer businesses, and optimize utilization of resources.

Second, to optimize product mix for further improvement in economic and technical indicators. The Company will fully capitalize on its strong intensified processing capability and organize its production activities based on a market-oriented approach. It is estimated that the production and sales volume of high value-added products, including propylene, liquefied petroleum gas ("LPG"), Styrene Butadiene Styrene ("SBS")-modified asphalt, will experience relatively larger increase during the year. At the same time, the Company will fully exploit internal resources by relying on technological advance and staff's intellect, in order to achieve better economic and technical indicators.

Third, to streamline operation management for improving cost-effectiveness. The Company intends to maintain its unit refining cash operating cost and unit complete expense at leading levels in the domestic industry by grabbing at market opportunities, keeping the purchase cost of imported crude oil under control, intensifying marketability, increasing the income contribution proportion of self-marketing products and controlling cost and expenses. Simultaneously, based on the flattened management structure and ERP system, the Company will make formal announcement of the Health, Safety and Environment (HSE) management system and prepare for the incorporation of the ISO quality system in its operation, in order to improve the overall management level of the Company.

Fourth, to optimize application of investment and production for future development. The Company's capital expenditure for 2003 will exceed RMB2 billion. Upon the completion of the construction of 1 million tpa continuous catalytic reforming unit in the mid-April of the year, the Company's comprehensive refining processing capacity reached 16 million tpa. The completion of chemical fertilizer fuel conversion project "replacing oil by coal as a source of energy" in the second half of the year will further promote the integration of the refining and chemical fertilizer businesses, thereby lowering the overall production and operating cost. To capture the opportunities from the recovery of the chemical industry, the Company's paraxylene ("PX") unit, which is scheduled to commence operation during the second half of 2003, and the polypropylene ("PP") project, the construction of which will be completed at the end of the year, will help the company to further extend its product chain. The aforesaid projects will become new profit centres of the Company.

EXTERNAL INVESTMENT

The Company intends to establish a joint-venture company ("JVC") with BP Global Investment Ltd for the sale of LPG. The investment amount of the JVC for the first three years is US$25 million, with a registered capital of US$10 million. The Company and BP Global Investment Ltd will each hold 50% interest of the JVC. The establishment of the JVC has been approved by the relevant department of the State. Upon the establishment of the JVC, the Company will sell all of the LPG produced by the Company to the JVC.

BASIC MEDICAL INSURANCE OF EMPLOYEES

The enterprises' employee basic medical insurance is a system that the enterprises must carry out according to the State regulation. In accordance with the relevant policy of the Ningbo municipal government, the Group has been participating in the employee basic medical insurance of Ningbo Municipality since 1 July 2001.

In 2002, 9% of the total salaries were appropriated for the premium of the employee basic medical insurance, which was reflected in the welfare payable account. As 14% of the total salaries was appropriated for the welfare payable during the period and such appropriation was reflected in the income statement, the employee basic medical insurance for 2002 need not be expensed in the income statement.

According to the relevant regulation of the Ningbo municipal government, starting from 1 January 2003, the premium of the employee basic medical insurance will be appropriated from 11% of the total salaries and will be first reflected in welfare payable account. It is expected that this change will not have any impact on the Group's consolidated income statement.

LOCAL TAX POLICIES

Details are set out in note 3 to this summarised financial information.

LOANS TO THIRD PARTY AND OVERDUE TIME DEPOSIT

The Company did not have any loan to third party or overdue time deposit as at 31 December 2002.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 December 2002, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the Company's shares.

AUDITORS

Arthur Andersen & Co, Certified Public Accountants ("Arthur Andersen & Co") was appointed as the Company's auditors for the year of 2001. Upon the expiry of the appointment, Arthur Andersen & Co ceased to be the Company's auditors. Pursuant to the approval of the Annual General Meeting held on 7 June 2002, KPMG Certified Public Accountants was formally appointed as the Company's auditors for the year ended 31 December 2002. The term is one year to the conclusion of the next Annual General Meeting.

It is desired that KPMG Certified Public Accountants will be reappointed as the Company's auditors as the term of the latter's appointment is about to expire. The resolution regarding the reappointment of KPMG Certified Public Accountants as the Company's auditors will be put forward at the upcoming Annual General Meeting.

OTHERS

There is no significant change between the current information listed in paragraph 32 of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Exchange") ("the Listing Rules") and the information disclosed in the recent annual report of the Company. In accordance with the requirement, the Company will submit the detailed information as stipulated by paragraphs 45(1) to 45(3) of Appendix 16 of the Listing Rules to the Exchange for posting on the Exchange's website.

By Order of the Board
Sun Weijun
Chairman

17 April 2003, Ningbo, the PRC

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Sinopec Zhenhai Refining & Chemical Company Limited ("the Company") for 2002 will be held at the conference room on the 1st floor of Donghai Hotel at the Company's premises at Zhenhai District, Ningbo Municipality, Zhejiang Province, the People's Republic of China on Friday, 20 June 2003, at 9:00 a.m. to review and approve, if appropriate, the following proposals:

1. To consider and approve the audited financial statements of the Company and the reports of the Board of Directors and auditors for the year ended 31 December 2002;

2. To consider and approve the report of the Supervisory Committee for 2002;

3. To consider and approve the proposed profit distribution for the year ended 31 December 2002;

4. To elect the members of the Fourth Board of Directors and the Supervisors representing shareholders in the Fourth Supervisory Committee.

5. To consider and approve the service contracts of the members of the Fourth Board of Directors and Supervisory Committee of the Company;

6. To determine the remuneration of the Directors and Supervisors for the year of 2003;

7. To appoint KPMG, Certified Public Accountants, as the auditors of the Company for the year of 2003 and to authorize the Board of Directors to determine their remuneration.

About the service contracts of the directors and supervisors:

(1) The contracts cover all directors, supervisors and one term of office (three years);

(2) The service contract consists of eight parts, namely the term of office, duty, remuneration, non competition undertaking, confidentiality, termination of service contract, binding effect and ancillary provisions.

(3) The aggregate annual remuneration of directors and the total aggregate annual remuneration of the supervisors will be submitted annually to the Annual General Meeting for consideration and approval.

By Order of the Board
Su Dewen
Company Secretary

17 April 2003, Ningbo, the PRC

Notes:

1. Each shareholder entitled to attend and vote at the meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the meeting on his/her behalf. A proxy need not be a shareholder of the Company. Shareholders or their proxies are entitled to one vote for each share held.

2. To be valid, the proxy form of a holder of H share of the Company together with the signed power of attorney or authority (if any) or notarially certified power of attorney or authority must be delivered to the Company's H share Registrar, Hong Kong Registrars Limited, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the meeting.

3. Shareholders or their proxies shall produce their identity documents when attending the meeting.

4. The register of members of the Company will be closed from Tuesday, 20 May 2003 to Thursday, 19 June 2003 (both days inclusive), during which period no transfer of shares will be effected. The record date for the final dividend for the year of 2002 is Monday, 26 May 2003. Shareholders whose names appear on the register of members on 26 May 2003 are entitled to the said dividend. In order to qualify for the final dividend mentioned above, holders of H shares shall lodge the transfers to the Company's H shares registrar, Hong Kong Registrars Limited (together with the relevant share certificates) not later than 4:00 p.m., Monday, 19 May 2003.

5. Shareholders whose names appear in the register of members on Monday, 26 May 2003 are entitled to attend and vote at the meeting.

6. The Annual General Meeting is not expected to take more than one day. The attending shareholders and proxies shall be responsible for their own traveling and accommodation expenses.

7. Holders of H share who intend to attend the meeting shall complete and lodge the reply slip and return the same to the Company or its Hong Kong share registrar on or before Friday, 30 May 2003. The reply slip may be delivered by hand, by post, or by fax at (86-574) 86456155/86446211.

"Please also refer to the published version of this announcement in SCMP".