



中國石化鎮海煉油化工有限公司
SINOPEC ZHENHAI REFINING & CHEMICAL COMPANY LIMITED
(a joint-stock limited company incorporated in the People's Republic of China)
(Stock Code: 1128)

**ANNOUNCEMENT OF THE RESOLUTIONS PASSED
AT THE ANNUAL GENERAL MEETING FOR THE YEAR OF 2003**

The Board of Directors of Sinopec Zhenhai Refining & Chemical Company Limited (the “Company”) announced that the following resolutions were passed at the Company’s annual general meeting (the “AGM”) for the year of 2003 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 (“PRC”) on Friday, 18 June 2004, at 10:30 a.m. 5 shareholders and authorized proxies holding an aggregate of 2,188,518,346 shares with voting rights in the Company, representing 86.72% of the total number of shares with voting rights (2,523,754,468 shares) of the Company, were present at the AGM. This shareholding proportion was in compliance with the requirements of the provisions of the Articles of Association of the Company. The AGM was chaired by Mr Sun Weijun, the chairman of the Company. After consideration by the shareholders and authorized proxies and through voting by way of poll on an anonymous basis, the following resolutions were passed at the AGM and the details of voting are as follows:

Resolutions		No. of votes (Approximate %)	
		For	Against
Ordinary Resolutions			
1	To approve the audited financial report of the Company and the reports of the Board of Directors and auditors for the year ended 31 December 2003.	2,188,518,346 (100.0000%)	0 (0.0000%)
2	To approve the report of the Supervisory Committee for 2003.	2,188,518,346 (100.0000%)	0 (0.0000%)
3	To approve the profit appropriation proposal for the year ended 31 December 2003.	2,188,518,346 (100.0000%)	0 (0.0000%)
4	To determine the remuneration of the members of the Board of Directors and the Supervisors representing shareholders for the year of 2004.	2,179,838,346 (99.6034%)	8,680,000 (0.3966%)
5	To appoint KPMG as the Company’s auditors for the year of 2004 and to authorize the Board of Directors of the Company to determine their remuneration.	2,188,518,346 (100.0000%)	0 (0.0000%)

	Special resolution		
	To approve the proposed resolution by the Board of Directors of the Company regarding the proposed amendments to the Articles of Association and to authorize the Board of Directors to modify the wordings as appropriate and to do all such things as necessary in respect of the amendments to the Articles of Association pursuant to the requirements (if any) of the relevant PRC authorities and the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”).	2,160,969,846 (100.0000%)	0 (0.0000%)

As at the date of the AGM, the number of issued shares of the Company was 2,523,754,468 shares, which was the total number of shares entitling holders to attend and vote for or against all the resolutions proposed at the AGM. There were no restrictions on any shareholder casting votes on any of the proposed resolutions at the AGM. There was no share entitling the holder to attend and vote only against the proposed resolution at the AGM.

According to the requirements of the Listing Rules, KPMG was appointed as the scrutineer in respect of votings at the AGM. The taking of the poll results was scrutinized by KPMG Certified Public Accountants, whose work was limited to the conduct of certain procedures requested by the Company in accordance with the provisions of the Listing Rules to confirm that the poll results summary prepared by the Company were identical with the results shown in the poll forms collected and provided by the Company to KPMG. The work performed by KPMG in this respect did not constitute either an audit or a review made in accordance with Statement of Auditing Standards issued by the Hong Kong Society of Accountants nor did it include provision of any confirmation or advice on matters of legal interpretation or entitlement to vote.

FINAL DIVIDEND

At the AGM the payment of final dividend for the year ended 31 December 2003 was approved as follows:

- (i) As stated in Article 163 of the Company’s Articles of Association, dividends payable by the Company to any shareholder shall be calculated and declared in Renminbi (“RMB”). Dividends payable to holders of domestically-invested shares shall be paid in RMB and dividends payable to holders of H shares shall be paid in Hong Kong dollars (“HK\$”). According to the stipulations of the relevant State authorities, the conversion formula for dividends paid in HK\$ is as follows: Amount of dividend paid in HK\$ = (dividend in RMB)/ (the average of the basic exchange rates of RMB for HK\$ as published by the People’s Bank of China (“PBOC”) in the week immediately before the declaration date of dividends). The average of the basic exchange rates of RMB for HK\$ published by the PBOC in the week immediately before the declaration date of dividends (18 June 2004) was HK\$1.00 for RMB1.0617. The final dividend approved at the AGM was RMB0.09 per share. Accordingly, each H share of the Company is entitled to a final dividend of HK\$0.084 for the year of 2003.

- (ii) The Company has appointed Bank of China (Hong Kong) Trustees Limited as paying agent in Hong Kong (the “Paying Agent”). Dividends payable to holders of H shares whose names appeared on the register of members on 25 May 2004 will be paid by the Paying Agent on 28 June 2004 (Monday) and the relevant dividend warrants will be dispatched by Hong Kong Registrars Limited on the same date.

As at the date of this announcement, the Board of Directors of the Company comprises Mr Sun Weijun, Mr Zhan Juping, Mr Xu Liqiao, Mr Sun Jianli, Mr Zhao Jinxuan and Mr Yu Renming as executive directors, Ms Wang Lisheng and Mr Hu Weiqing as non-executive directors and Mr Sun Yongsun, Mr Cen Kefa, Mr Li Linghong and Ms Qiu Yun as independent non-executive directors.

By Order of the Board
Su Dwen
Company Secretary

18 June 2004, Ningbo, the PRC

Please also refer to the published version of this announcement in the South China Morning Post.