



CHINA PETROLEUM & CHEMICAL CORPORATION

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

Announcement of Resolutions of the Annual General Meeting for 2000

The Annual General Meeting of China Petroleum & Chemical Corporation (hereinafter referred to as "Sinopec Corp.") for 2000 was held at China World Hotel at No. 1, Jian Guo Men Wai Ave., Beijing on 5th June, 2001 at 9:00 a.m./english 11 shareholders and authorised proxies were present at the Annual General Meeting holding a total of 75,174,534,223 shares having voting rights of Sinopec Corp., which accounted for 89.60% of the aggregate shares having voting rights of Sinopec Corp./english This shareholding proportion has complied with the provisions of the Articles of Association of Sinopec Corp. (hereinafter referred to as the "Articles of Association") regarding the number of shares valid for voting. The following resolutions were passed at the Annual General Meeting:

- Ordinary Resolution 1 The report of the Board of Directors of Sinopec Corp. for the year ended 31st December, 2000 was approved.
- Ordinary Resolution 2 The report of the Supervisory Committee of Sinopec Corp. for the year ended 31st December, 2000 was approved.
- Ordinary Resolution 3 The audited accounts and audited consolidated accounts of Sinopec Corp. for the year ended 31st December, 2000 were approved.
- Ordinary Resolution 4 The profit appropriation plan of Sinopec Corp. for the year ended 31st December, 2000 was approved.

According to the provisions of the Articles of Association, the lower of the after-tax profit calculated on the basis of PRC. accounting rules and International Accounting Standards shall be used when Sinopec Corp. distributes the after-tax profits of the relevant accounting year.

The amounts of the audited net profit of Sinopec Corp. for year 2000 calculated on the basis of PRC accounting rules and International Accounting Standards were RMB16.154 billion and RMB19.004 billion respectively. Accordingly, the amount of RMB16.154 billion shall be used for distribution of after-tax profit, and after allocations of 10% of it to the statutory surplus reserve and statutory public welfare fund respectively,

the profit available to be distributed to shareholders was RMB12.924 billion. According to the relevant PRC laws and regulations and the relevant provisions of the Articles of Association and taking into consideration of the interests of various shareholders and the development plans of Sinopec Corp., the dividends of Sinopec Corp. for year 2000 will be distributed on the basis of approximately 50% of the profit available to be distributed to shareholders. The dividend per share would be RMB0.08. The remaining undistributed profit was RMB6.212 billion which was carried forward to year 2001.

Ordinary Resolution 5 The re-appointment of Messrs. KPMG Peat Marwick Huazhen and KPMG as the PRC and international auditors, respectively, of Sinopec Corp. for the year 2001 was approved, and the Board of Directors was authorised to fix their remuneration.

Ordinary Resolution 6 The Report on the Use of Proceeds in Relation to the Issue of H Shares was approved.

Special Resolution 7 Approval was granted to the amendment to the Articles of Association shall be amended as follows: "The Board of Directors shall consist of twelve (12) directors. The external directors (referring to those directors who do not hold office in Sinopec Corp., the same below) shall represent more than 50% of the members of the Board of Directors, of which at least two (2) directors shall be independent (non-executive) directors (referring to those directors who are independent of the shareholders of Sinopec Corp. and do not hold office in Sinopec Corp., the same below).

The Board of Directors shall have one (1) Chairman and one (1) Vice-chairman.

When necessary, the Board of Directors can set up special committees in respect of strategic decision-making, audit and remuneration."

The Board of Directors of Sinopec Corp. was authorised to file the amendments to the Articles of Association with and/or apply to the relevant PRC authorities for approval of the amendments and to make the necessary changes.

Special Resolution 8 The following resolutions on the Issue of A Shares by Sinopec Corp. were approved:

(1) The adjustment to the plan (approved at the third extraordinary general meeting of Sinopec Corp. on 25th July, 2000) in relation to the issue of foreign listed shares to enable the issue of not more than 3 billion domestic shares was approved.

(2) Type of Securities to be issued: domestic listed Domestic-Invested

Shares which are RMB denominated ordinary shares of par value RMB1.00 per share (i.e. A shares).

(3) Number of A Shares to be issued: Not more than 3 billion A Shares.

(4) The Board of Directors of Sinopec Corp. was authorised to determine the exact number of A Shares to be issued which shall not exceed the number approved at the Annual General Meeting.

(5) The listing of such A Shares of Sinopec Corp. on the Shanghai Stock Exchange was approved.

(6) Target subscribers: Natural persons and institutional investors within the PRC (except those prohibited by PRC laws and regulations) who and which have established shareholder accounts with the Shanghai Stock Exchange for A Shares.

(7) The Board of Directors of Sinopec Corp. was authorised to determine the final subscribers, and the number and proportion of A Shares to be issued to each such subscriber.

(8) Issue price and pricing process: The issue price will be within a fixed price range and determined based on the book-building method.

(9) The Board of Directors of Sinopec Corp. Was authorised to determine the final issue price and pricing process.

(10) The Board of Directors of Sinopec Corp. was authorised to determine the commencement and closing dates of the A Share Issue in accordance with the approval by China Securities Regulatory Commission.

(11) Target proceeds of the proposed issue of A Shares is approximately RMB10 billion.

(12) The above eleven resolutions shall be valid for one year from the date of passing of the resolutions at the Annual General Meeting.

Special Resolution 9

The following resolutions relating to the use of the net proceeds of the A Share Issue were approved:

(1) That the net proceeds of the A Share Issue will be principally used for the acquisition by Sinopec Corp. of certain assets owned by Sinopec National Star Petroleum Company ("Sinopec National Star"), a

wholly-owned subsidiary of China Petrochemical Corporation ("Sinopec Group Company"), and/or interests in Sinopec National Star owned by Sinopec Group Company (the "Proposed Acquisition"). The Board of Directors of Sinopec Corp. was authorised to determine the initial purchase price for the Proposed Acquisition which shall not be lower than the value of Sinopec National Star as confirmed by the PRC government and determined in accordance with PRC laws, the requirements under the Articles of Association, the requirements under foreign regulatory authorities and market practice. The Board of Directors was also authorised to negotiate the terms of the Proposed Acquisition with Sinopec Group Company and to sign the acquisition agreement thereafter. The final acquisition method, purchase price and acquisition agreement will be presented for approval at an extraordinary general meeting of Sinopec Corp., which will be convened at such time when appropriate having regard to the progress of the Proposed Acquisition.

(2) Approximately RMB1.47 billion of the proceeds will be invested in the Ningbo-Shanghai-Nanjing Crude Oil Import Pipeline project.

(3) Approximately RMB2.59 billion of the proceeds will be invested in the Maoming-Guizhou-Kunming Product Oil Pipeline project.

(4) The Board of Directors of Sinopec Corp. was authorised to make necessary partial adjustment to the use of proceeds from the A Share Issue.

(5) After the proceeds have been used in the above projects in the above order, any remaining balance of the proceeds will be used as additional working capital of Sinopec Corp/english If the proceeds are not sufficient for funding the Proposed Acquisition and the pipeline projects, Sinopec Corp. will use its internal resources for funding.

(6) The Board of Directors of Sinopec Corp. was authorised to determine the timing for the use of the proceeds from the A Share Issue, having regard to the date of the extraordinary general meeting regarding the Proposed Acquisition.

(7) The above six resolutions shall be valid for one year from the date of passing of the resolutions at the Annual General Meeting.

Special Resolution 10

The following resolutions relating to the amendments of Articles 20, 21 and 24 of Articles of Association were approved:

(1) If the A Shares are successfully issued, Articles 20, 21 and 24 of the Articles of Association shall be amended as follows:

"Article 20 Subject to the approval of the companies approving department authorised by the State Council, the Company may issue a total of [] million ordinary shares, of which 68,800 million ordinary shares, representing []% of the total number of ordinary shares which may be issued by the Company, were issued to the promoter of the Company at the time when the Company was established. Subject to the approval of the State Council and the department of the State, the promoter of the Company may transfer part of the shares to China Xinda Assets Management Company, Development Bank of China, China Huarong Assets Management Company, China East Assets Management Company, of which 9,500.31 million shares to China Xinda Assets Management Company, 9,560.14 million shares to Development Bank of China, 1,412.31 million shares to China East Assets Management Company and 639.22 million shares to Huarong Assets Management Company.

Article 21 The Company shall issue 16,780.488 million Overseas Listed Foreign-Invested Shares after establishment. Among them, the Company may issue 15,102.439 million new shares and the promoter may sell 1,678.049 million shares. The Company shall issue [] domestic listed Domestic-Invested Shares, which are abbreviated as A Shares.

After the increase in capital, sale of shares by the promoter and the adjustment to the price of shares sold by the promoter when Overseas Listed Foreign-Invested Shares were issued, as described in the above Article(s), the structure of the Company's share capital shall be as follows:

The total number of Ordinary Shares amounts to [] million shares, of which China Petrochemical Corporation, the promoter, holds 47,742.561 million shares, representing []% of the total share capital of the Company, China Xinda Assets Management Company holds 8,720.65 million shares, representing []% of the total share capital of the Company, Development Bank

of China holds 8,775.57 million shares, representing []% of the total share capital of the Company, China East Assets Management Company holds 1,296.41 million shares, representing []% of the total share capital of the Company, China Huarong Assets Management Company holds 586.76 million shares, representing []% of the total share capital of the Company, the shareholders of Overseas Listed Foreign-Invested Shares hold 16,780.488 million shares, representing []% of the total share capital of the Company, and the shareholders of domestic listed Domestic-Invested Shares hold [] million shares. representing []% of the total share capital of the Company.

Article 24 The registered capital of the Company is RMB[] million yuan."

(2) Upon completion of the A Share Issue, the registered capital of Sinopec Corp. will not exceed 86,902.439 million shares and the Board was authorised to insert appropriate figures in the blank spaces [] in the above Articles, based on the results of the A Share Issue, to reflect the new structure of the Company's share capital after the A Share Issue, and to make the final amendments to the Articles of Association.

(3) The above two resolutions shall be valid for one year from the date of passing of the resolutions at the Annual General Meeting.

Special Resolution 11

The following resolutions regarding entitlement to the accumulated profits of Sinopec Corp. for the year of the A Share Issue for new and existing shareholders of Sinopec Corp., and the authorisation granted to the Board of Directors were approved:

(1) After the A Share Issue, the new and existing shareholders of Sinopec Corp. shall be entitled to mutual sharing of the accumulated profits of Sinopec Corp. for the year in which the A Share Issue takes place.

(2) In order to enable the successful issue of A Shares, the Board was authorised, under circumstances that do not violate any national laws, regulatory requirements and the Articles of Association, to sign all necessary documents, carry out all necessary procedures and take any other necessary actions.

(3) The above two resolutions shall be valid for one year from the date of passing of the resolutions at the Annual General Meeting.

By Order of the Board

China Petroleum & Chemical Corporation

Zhang Honglin

Company Secretary

Beijing, the PRC, 5th June, 2001