



Shanghai Jin Jiang International Hotels (Group) Company Limited*

上海錦江國際酒店(集團)股份有限公司

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

(Stock Code: 2006)

OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is issued pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The original Chinese versions of the two following announcements will be released on 1 February 2007 in Shanghai and in Hong Kong by Shanghai Jin Jiang International Hotels Development Company Limited (the "Company"), which is a subsidiary of Shanghai Jin Jiang International Hotels (Group) Company Limited and whose A shares and B shares are listed on the Shanghai Stock Exchange:

Prompter Announcement issued by the Board of Directors of Shanghai Jin Jiang International Hotels Development Company Limited

The Company and all members of the Board of Directors (the "Board") hereby warrants that the information contained in this announcement is true, accurate and complete and jointly and severally accept responsibility for any misrepresentations, misleading statements or material omissions herein.

The Company discloses the "Shijiazhuang Refining & Chemical Co., Ltd. Summary Form Report in respect of the Change in Equity Interests" today.

By Order of the Board of
Shanghai Jin Jiang International Hotels Development Company Limited

1 February 2007

Shijiazhuang Refining & Chemical Co., Ltd.

Summary Form Report in respect of the Change in Equity Interests

Listed Company:	Shijiazhuang Refining & Chemical Co., Ltd.
Place of Listing:	Shenzhen Stock Exchange
Stock Name:	S ShiLianHua
Stock Code:	000783
Party Responsible to Disclose for Information:	Shanghai Jin Jiang International Hotels Development Company Limited
Address:	12th Floor, 389 Pudian Road, Pudong New District, Shanghai
Correspondence Address:	5th Floor, 51 Guangdong Road, Shanghai
Nature of Change in Equity Interests:	Increase
Execution Date:	1 February 2007

Special Notes

- I. This Report was prepared by the party responsible to disclose information (the “Obligor”) pursuant to the relevant provisions of the Securities Law of the People’s Republic of China, the Measures for the Administration of Acquisitions by Listed Companies, Standard No. 15 concerning Contents and Formats of Information Disclosure by Companies Offering Securities to the Public Report on Change in Equity Interests and other relevant laws, regulations and departmental rules.
- II. The Obligor has obtained the necessary authorizations and approvals to execute this Report, and its performance is not in breach of nor in conflict with any provision of the articles of association and internal regulations of the Obligor.
- III. Pursuant to the provisions of the Securities Law of the People’s Republic of China and the Measures for the Administration of Acquisitions by Listed Companies, this Report has disclosed in full the change in respect of the Obligor’s ownership interests in the shares of Shijiazhuang Refining & Chemical Co., Ltd. (“Shijiazhuang Refining”).

As at the date of execution of this Report, save for the information disclosed herein, the Obligor has not increased or reduced its ownership interests in the shares of Shijiazhuang Refining by any other means.

- IV. Conditions precedent to the change of the Obligor’s ownership interests in the shares of Shijiazhuang Refining:
 1. The Merger by Absorption Agreement between Shijiazhuang Refining and Changjiang Securities Company Limited and the merger by absorption plan contemplated thereunder having been approved by resolutions passed by their respective general meetings of shareholders in accordance with the provisions of the Company Law, the articles of association and meeting regulations of the respective companies, and having obtained the approval of the China Securities Regulatory Commission;
 2. The plan in respect of the share split reform of Shijiazhuang Refining having been approved by the relevant shareholders’ meetings;
 3. The repurchase by Shijiazhuang Refining of its 920,444,333 non-tradable shares (representing 79.73% of the total share capital of Shijiazhuang Refining) held by China Petroleum & Chemical Corporation (“Sinopec”) and the sale by Shijiazhuang Refining of its entire assets to Sinopec having been approved by the China Securities Regulatory Commission.
- V. This change in equity interests is conducted in accordance with the information set out in this Report.

CONTENTS

Section 1 Definitions

Section 2 Particulars of the Obligor

Section 3 Purpose of Holding the Shares by the Obligor

Section 4 Ways by which the Obligor Changes its Equity interests

Section 5 Information pertaining to Trading of the Listed Tradable Shares during the Preceding Six Months

Section 6 Other Important Matters

Section 7 Documents Available for Inspection

DEFINITIONS

In this Report, unless the context otherwise requires, the following expressions shall have the meanings set out below:

“Party responsible to Disclose Information” or “Obligor”	Shanghai Jin Jiang International Hotels Development Company Limited
“Shijiazhuang Refining”	Shijiazhuang Refining & Chemical Co., Ltd.
“Sinopec”	China Petroleum & Chemical Corporation
“Changjiang Securities”	Changjiang Securities Company Limited
“Report”	the Summary Form Report in respect of the Change in Equity Interests of Shanghai Jin Jiang International Hotels Development Company Limited
“Merger by Absorption Agreement”	The Merger by Absorption Agreement between Shijiazhuang Refining & Chemical Co., Ltd. and Changjiang Securities Company Limited
“CSRC”	China Securities Regulatory Commission

SECTION 2: PARTICULARS OF THE OBLIGOR

I. Basic Particulars of the Obligor

Name:	Shanghai Jin Jiang International Hotels Development Company Limited
Place of Registration:	12th Floor, 389 Pudian Road, Pudong New District, Shanghai
Legal Representative:	Yu Minliang
Registered Capital:	RMB603,240,740
Business License Registration Number:	Qi Gu Hu Zong Zi No. 019036 (Shi Ju)
Organization Code Certificate Number:	13220371-5
Type of Enterprise:	Sino-foreign equity joint stock company (listed)
Scope of Business:	hotels, food and beverage, food production and chain operations, travel, photography, taxi, domestic trading, property management, business consultations, technical training, engineering design, tobacco and liquor retailing (restricted to operations by branch organizations) (where any of the above scope of business involves operation permits, rely on an operation permit to operate.)
State Tax Registration Number:	310101132203715
Local Tax Registration Number:	310101132203715

Term of Operation:	From 13 December 1994 for an indefinite term
Controlling Shareholder:	Shanghai Jin Jiang International Hotels (Group) Company Limited
De facto Controller:	Jin Jiang International Holdings Company Limited
Correspondence Address:	5th Floor, 51 Guangdong Road, Shanghai
Contact Telephone:	021-63741122
Postal Code:	200002

II. Shareholding of the Substantial Shareholder of the Obligor

The Obligor is a company listed on the Shanghai Stock Exchange, whose stock codes are 600754 and 900934. The controlling shareholder of the Obligor is Shanghai Jin Jiang International Hotels (Group) Company Limited, which holds 50.15% of its shares.

III. Information pertaining to the Directors and Key Responsible Persons of the Obligor

Name	Title	Nationality	Place of Long-term Residence	Residency in Other Countries
Yu Minliang	Chairman	PRC	Shanghai	None
Shen Maoxing	Vice Chairman	PRC	Shanghai	None
Yang Weimin	Vice Chairman	PRC	Shanghai	None
Zhang Baohua	Vice Chairman	PRC	Shanghai	None
Chen Hao	Director and Chief Executive Officer	PRC	Shanghai	Philippines
Zhu Weiya	Director and Vice President	PRC	Shanghai	None
Sun Ping	Director and Vice President	PRC	Shanghai	None
Lu Zhenggang	Director and Vice President	PRC	Shanghai	None
Xue Jianmin	Director	PRC	Shanghai	None
Guo Haiqing	Director	PRC	Hong Kong	None
Wang Fanghua	Independent Director	PRC	Shanghai	None
Dai Jixiong	Independent Director	PRC	Shanghai	None
Zhang Fubo	Independent Director	PRC	Shanghai	None
Lu Xiongwen	Independent Director	PRC	Shanghai	None
Yu Bingyan	Independent Director	PRC	Shanghai	None

IV. Information pertaining to the Obligor's Holding or Controlling which Shares represent more than 5% of the outstanding issued shares of other listed companies

As at the date of execution of this Report, the Obligor did not hold or control shares representing more than 5% of the outstanding issued shares of other listed companies.

SECTION 3: PURPOSE OF HOLDING THE SHARES BY THE OBLIGOR

I. Purpose of Holding the Shares by the Obligor

The Obligor will increase its shareholding in Shijiazhuang Refining as a result of the proposed merge by absorption of Changjiang Securities by Shijiazhuang Refining by way of the issuance of new shares. The Obligor, as an existing shareholder of Changjiang Securities, shall become a shareholder of Shijiazhuang Refining subsequent to the completion of the merger by absorption.

II. Does the Obligor have any intention to continue to increase its ownership interest in the shares of the listed company in the next 12 months?

The Obligor does not have any intention to increase its ownership interest in the shares of the listed company in the next 12 months.

SECTION 4: WAYS BY WHICH THE OBLIGOR CHANGES ITS EQUITY INTERESTS

I. Basic information pertaining to the Change in Equity Interests of the Obligor

On 23 January 2007, Shijiazhuang Refining and Sinopec entered into a “Share Repurchase Agreement between Shijiazhuang Refining & Chemical Co., Ltd. and China Petroleum & Chemical Corporation”, pursuant to the terms and conditions of which, Shijiazhuang Refining will repurchase all of the shares held by Sinopec in Shijiazhuang Refining, representing 79.73% of the total share capital of Shijiazhuang Refining. The repurchase of shares is subject to the review and approval by the extraordinary general meeting of shareholders of Shijiazhuang Refining and shall be submitted to the CSRC for examination and approval. Shijiazhuang Refining shall cancel the shares repurchased subsequent to the agreement becoming effective.

On 23 January 2007, Shijiazhuang Refining and Sinopec entered into an “Assets Disposal Agreement”, pursuant to the terms and conditions of which, Sinopec will acquire the entire assets of Shijiazhuang Refining by way of the assumption of all liabilities of Shijiazhuang Refining. Changes in the assets to be disposed of occurring between the reference date of disposal and the reference date of settlement, and the profits and losses arising from the normal operations of the original businesses of Shijiazhuang Refining relating to the assets to be disposed will be enjoyed or borne by Sinopec. The existing employees of Shijiazhuang Refining will, together with its assets, be taken over by Sinopec, who will be assigned the existing businesses of Shijiazhuang Refining.

On 23 January 2007, Shijiazhuang Refining and Changjiang Securities entered into a “Merger by Absorption Agreement between Shijiazhuang Refining & Chemical Co., Ltd. and Changjiang Securities Company Limited”. Subsequent to the negotiations between both parties to the merger, the aggregate valuation of Changjiang Securities for the purpose of the merger by absorption was RMB10.30172 billion (i.e. the price of the entire equity interest in Changjiang Securities is RMB10.30172 billion). The arithmetic average of the closing prices of the tradable shares in Shijiazhuang Refining for the last 20 trading days preceding the suspension of trading on 6 December 2006 was RMB7.15 per share, pursuant to which, both parties agreed that the price per share in Shijiazhuang Refining has been determined to be RMB7.15 after negotiation. Subsequent to the merger, the number of shares in Shijiazhuang Refining to be received by shareholders of Changjiang Securities will be 1,440,800,000 shares, which is calculated by dividing the price of the entire equity interest in Changjiang Securities by the price of each share in Shijiazhuang Refining. The implementation of the Merger by Absorption Agreement is subject to the consideration and approval by the extraordinary general meeting of shareholders, which is also the relevant shareholders’ meeting of Shijiazhuang Refining and approved by the CSRC after submission.

The share split reform of Shijiazhuang Refining will be implemented concurrently with the above-mentioned repurchase of shares, disposal of entire assets and merger by absorption of Changjiang Securities by way of issuance of new shares. The repurchase and cancellation of all the shares in Shijiazhuang Refining held by Sinopec, the merger by absorption of Changjiang Securities by way of the issuance of new shares, the share split reform and the giving of shares for free to all shareholders of the party being absorbed (i.e. Changjiang Securities) after the the share split reform proposal is approved, are inter-connected, failing any of which, the other matters will not be implemented.

Prior to the merger by absorption, the Obligor did not hold any share in Shijiazhuang Refining. The Obligor's shareholding in Changjiang Securities is RMB142,500,000, representing 7.120% of the total capital contribution of Changjiang Securities. Upon completion of the merger by absorption and share split reform, the Obligor will hold 100,637,463 shares in circulation in Shijiazhuang Refining subject to restrictive conditions, representing 6.01% of the issued shares of Shijiazhuang Refining and will become the fourth largest shareholder of Shijiazhuang Refining. Related parties of the Obligor do not hold any shares in Shijiazhuang Refining.

Prior to the merger by absorption, the Obligor has reserved 5% of its equity interests in Changjiang Securities for the purpose of implementing the employee share incentive plan of Changjiang Securities. The implementation of such employee share incentive plan is subject to the approval of supervisory authorities. The number of shares and shareholding percentage in Shijiazhuang Refining to be held by the Obligor will be changed as a result of the implementation of the employee share incentive plan of Changjiang Securities.

II. Main Contents of the “Merger by Absorption Agreement”

Main contents of the “Merger by Absorption Agreement” are as follows:

1. Method of the Merger by Absorption

Changjiang Securities will be merged by Shijiazhuang Refining by absorption by way of the issuance of new shares.

2. Consideration of the Merger by Absorption

On 23 January 2007, Shijiazhuang Refining and Changjiang Securities entered into a “Merger by Absorption Agreement between Shijiazhuang Refining & Chemical Co., Ltd. and Changjiang Securities Company Limited”. Subsequent to the negotiations between both parties to the merger, the aggregate valuation of Changjiang Securities for the purpose of the merger by absorption was RMB10.30172 billion (i.e. the price of the entire equity interest in Changjiang Securities is RMB10.30172 billion). The arithmetic average of the closing prices of the tradable shares in Shijiazhuang Refining for the last 20 trading days preceding the suspension of trading on 6 December 2006 was RMB7.15 per share, pursuant to which, both parties agreed that the price per share in Shijiazhuang Refining has been determined to be RMB7.15 after negotiation. Subsequent to the merger, the number of shares in Shijiazhuang Refining to be received by shareholders of Changjiang Securities will be 1,440,800,000 shares, which is calculated by dividing the value of the entire equity interest in Changjiang Securities by the price of per share in Shijiazhuang Refining. The implementation of the Merger by Absorption Agreement is subject to the consideration and approval by the extraordinary general meeting of shareholders, which is also the relevant shareholders' meeting of Shijiazhuang Refining and approved by the CSRC after submission.

3. Effectiveness and Termination of the Merger by Absorption Agreement

- (1) The Merger by Absorption Agreement will duly come into effect on the date when all the following conditions are satisfied:

The Merger by Absorption Agreement having been executed by the legal representative or authorized representative of Shijiazhuang Refining and Changjiang Securities respectively;

The Merger by Absorption Agreement and the merger by absorption plan contemplated thereunder having been approved by resolutions passed by the respective shareholders' meetings or general meetings of shareholders in accordance with the provisions of the Company Law, and the articles of associations and the meeting regulations of both companies;

The share split reform of Shijiazhuang Refining having been approved or filed for record by the relevant supervisory state-owned assets administration authorities;

The plan in respect of the share split reform of Shijiazhuang Refining having been approved by the relevant shareholders' meetings;

The repurchase by Shijiazhuang Refining of all the non-tradable shares held by Sinopec in Shijiazhuang Refining and the sale by Shijiazhuang Refining of its entire assets to Sinopec having been approved or filed for record by the relevant competent state-owned assets administration authorities;

The repurchase by Shijiazhuang Refining of all the non-tradable shares held by Sinopec in Shijiazhuang Refining and the sale by Shijiazhuang Refining of its entire assets to Sinopec having been approved by the CSRC;

The Merger by Absorption Agreement and the merger by absorption plan contemplated thereunder having been approved or filed for record by the relevant supervisory state-owned assets administration authorities;

- (2) In the event that the above prescribed provisions of the Merger by Absorption Agreement are not satisfied, the Merger by Absorption Agreement will be terminated automatically, with both parties being restored to their original positions without assumption of any liabilities.

III. Restrictions on the Shares involved in the Change of Equity Interests

As a party related to the share split reform of Shijiazhuang Refining, the Company has undertaken that, within 12 months from the date on which the share split reform proposed of Shijiazhuang Refining is implemented, it will not transfer the shares in Shijiazhuang Refining obtained by it through the merger by absorption by way of the issuance of new shares.

Save for the said undertaking, the shares in Shijiazhuang Refining held by the Company are not subject to any other restrictions on rights.

IV. The change in equity interests is not subject to any additional conditions, and there are no supplementary agreements or other arrangements made by both parties in respect of the exercise of the voting rights in the shares

Save for the conditions precedent stated in the Merger by Absorption Agreement, the change in equity interests is not subject to any other additional condition, and there are no supplementary agreements or other arrangements made by both parties in respect of the exercise of the voting rights in the shares.

SECTION 5: INFORMATION PERTAINING TO TRADING OF THE LISTED TRADABLE SHARES DURING THE PRECEDING SIX MONTHS

The Obligor has not traded in the listed tradable shares of Shijiazhuang Refining during the six months preceding the date of submission of this Report.

SECTION 6: OTHER IMPORTANT MATTERS

I. Other matters required to be disclosed

There are no other matters that are required to be disclosed by the Obligor in order to prevent any misunderstanding of the contents of this Report.

II. Declaration

I (and the organization which I represent) hereby undertake that there is no misrepresentation, misleading statement or material omission in this Report and jointly and severally accept legal responsibility for its truthfulness, accuracy and completeness.

The Obligor (with Seal): **Shanghai Jin Jiang International Hotels Development Company Limited**

Legal Representative (or Key Responsible Person): **Yu Minliang**

Execution Date: 1 February 2007

SECTION 7: DOCUMENTS AVAILABLE FOR INSPECTION

- I. Business License of Shanghai Jin Jiang International Hotels Development Company Limited
- II. Name list of the directors and key responsible persons of Shanghai Jin Jiang International Hotels Development Company Limited and their respective identification documents
- III. The Merger by Absorption Agreement between Changjiang Securities Company Limited and Shijiazhuang Refining & Chemical Co., Ltd. executed by Shijiazhuang Refining and Changjiang Securities
- IV. Resolution of the board of directors of Shanghai Jin Jiang International Hotels Development Company Limited in respect of the merger by absorption of Changjiang Securities by Shijiazhuang Refining.

Schedule 1

Summary Form Report in respect of the Change in Equity Interests

Basic particulars			
Name of the listed company	Shijiazhuang Refining & Chemical Co., Ltd.	Address of the listed company	Management Committee Building, Hi-Tech Development Zone, Shijiazhuang (No. 151, Huang He Avenue)
Stock name	S ShiLianHua	Stock code	000783
Name of the Obligor	Shanghai Jin Jiang International Hotels Development Company Limited	Registered address of the Obligor	12th Floor, 389, Pudian Road, Pudong New District, Shanghai
Change in the number of shares interested in	Increase <input checked="" type="checkbox"/> Decrease <input type="checkbox"/> No change except changes in shareholders <input type="checkbox"/>	Are there any parties acting in concert?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Is the Obligor the largest shareholder of the listed company?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Is the Obligor the de facto controller of the listed company?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Change in equity interests method (multiple selections allowed)	Through centralised trading on stock exchange <input type="checkbox"/> Administrative allocation or change of state-owned shares <input type="checkbox"/> Acquisition of new shares issued by listed company <input type="checkbox"/> Inheritance <input type="checkbox"/> Others <input checked="" type="checkbox"/>	Transfer by agreement <input type="checkbox"/> Transfer by indirect means <input type="checkbox"/> Execution of court judgment <input type="checkbox"/> Gift <input type="checkbox"/> Merger by absorption by way of the issuance of new shares <input type="checkbox"/>	
Number of shares held by the Obligor and its shareholding percentage in the issued shares of the listed company prior to disclosure	Number of shares held: <u>0</u>	Shareholding percentage: <u>0</u>	
Number of shares held by the Obligor and change in shareholding percentage traded subsequent to the changes in equity interests	Change in number: <u>100,637,463</u> shares	Change in shareholding percentage: <u>6.01%</u>	
Does the Obligor have any intention to continue to increase its shareholdings in the next 12 months?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
Has the Obligor traded in any shares of the listed company in the secondary market during the preceding 6 months?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
The Obligor shall provide explanation for the following items, if it involves the reduction in shareholding by the controlling shareholder or de facto controller of the listed company:			
Are there any issues where the interests of the listed company and its shareholders have been prejudiced by the reduction in shareholding of the controlling shareholder or de facto controller?	Yes <input type="checkbox"/> No <input type="checkbox"/>		

At the time when shareholding by the controlling shareholder or de facto controller was reduced, was it the case that outstanding debts due to the Company have not yet been settled, guarantees provided by the Company for its liabilities have not yet been released or other circumstances where the interests of the Company were being prejudiced?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	(If 'Yes', please specify)
Are any approval required in respect of the change in equity interests?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Have the approvals been obtained?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	

Instructions for filling in this form:

1. For the applicable items in the form, choose 'Yes' or 'No'. Where the answer is 'no', explanations must be given in the spaces provided.
2. For the inapplicable items in the form, choose 'None'.
3. Explanations, where necessary, can be given and written in the spaces provided.
4. The Obligor includes the investor and parties acting in concert with it. Where there are a number of Obligors, one of them may be nominated as the representative to prepare and submit this Report jointly.

Name of the Obligor (with Seal): Shanghai Jin Jiang International Hotels Development Company Limited
Legal Representative (with Seal): Yu Minliang
Date: 1 February 2007

By Order of the Board of
Shanghai Jin Jiang International Hotels (Group) Company Limited
Kang Ming, Yuen Chin Yau
Joint Company Secretaries

Shanghai, the People's Republic of China
31 January 2007

As at the date of this announcement, the executive Directors are Mr. Yu Minliang, Ms. Chen Wenjun, Mr. Yang Weimin, Mr. Chen Hao, Mr. Yuan Gongyao, Mr. Xu Zurong, Mr. Han Min and Mr. Kang Ming, the non-executive Director is Mr. Shen Maoxing, and the independent non-executive Directors are Mr. Ji Gang, Mr. Xia Dawei, Mr. Sun Dajian, Mr. Rui Mingjie, Mr. Yang Menghua, Mr. Tu Qiyu, Mr. Shen Chengxiang and Mr. Lee Chung Bo.

* *This company is registered as an oversea company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under its Chinese name and the English name "Shanghai Jin Jiang International Hotels (Group) Company Limited".*

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