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**中國石化北京燕化石油化工有限公司**  
**SINOPEC BEIJING YANHUA PETROCHEMICAL COMPANY LIMITED**

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

**(Stock code: 0325)**

**FULFILLMENT OF CONDITIONS  
CHANGE TO THE EXPECTED TIMETABLE  
AND  
EXPECTED DATE OF WITHDRAWAL OF  
THE BEIJING YANHUA LISTING**

**Financial Adviser to Beijing Yanhua**



**Bear Stearns Asia Limited**

**Independent Financial Adviser to the Independent Board Committee of Beijing Yanhua**

**LEHMAN BROTHERS  
Lehman Brothers Asia Limited**

The Sinopec Corp. Directors and the Beijing Yanhua Directors jointly announced on 29th December 2004 that:

- (a) Sinopec Corp.'s wholly owned subsidiary, Beijing Feitian, entered into the Merger Agreement with Beijing Yanhua; and
- (b) the Beijing Yanhua Directors agreed to put forward to the Beijing Yanhua Shareholders the Proposal, which involved the cancellation of all the Beijing Yanhua Shares.

On 17th January 2005, a composite document relating to the Proposal (the “**Circular**”) was issued jointly by Beijing Yanhua and Sinopec Corp.

The Special General Meeting and the Special General Meeting of the Independent Beijing Yanhua Shareholders were duly held on 4th March 2005, during which all the resolutions proposed were duly passed.

The Beijing Yanhua Board is pleased to announce that all Conditions (except, that the 90-day creditors' notice period has not yet expired and that filings for increasing the registered capital of Beijing Feitian and for de-registration of Beijing Yanhua with Beijing AIC have yet to be made) have been fulfilled, including the obtaining of all the PRC Approvals. Accordingly, Beijing Yanhua has applied to the Stock Exchange for the withdrawal of the Beijing Yanhua Listing. Such application has been made in accordance with Rule 6.15(2) of the Listing Rules as it is proposed that Beijing Yanhua be privatized by way of merger by absorption under Article 184 of the PRC Company Law which is taken as akin to a scheme of arrangement which is governed by the Takeovers Code and all the relevant requirements, including the shareholders' approval requirements, under the Takeovers Code (to the extent applicable) have been complied with.

Despite that the 90-day creditors' notice period has not yet expired, Beijing Feitian and Beijing Yanhua are considering to pay the Merger Consideration to the Qualifying Shareholders and withdrawing the Beijing Yanhua Listing by early May, 2005, which is earlier than the expected timetable as set out in the Circular. The Beijing Yanhua Directors believe that the proposed change to the expected timetable will be in the best interests of the Qualifying Shareholders. Beijing Feitian will make payment to the Qualifying Shareholders prior to expiry of the 90-day creditors' notice period (which will only expire on 7th June 2005). After expiry of the 90-day creditors' notice period and de-registration filings are processed, Beijing Yanhua will be formally de-registered and the Merger will become effective.

To facilitate the calculation and payment of the Merger Consideration, any Beijing Yanhua Shareholder who has voted against the Proposal at both Special General Meetings and who wishes to request Beijing Yanhua and/or Beijing Yanhua Shareholders who have voted for the Proposal to purchase its Beijing Yanhua Shares at a "fair price" in accordance with Article 172 of the Beijing Yanhua Articles is advised to make its request before Monday, 9th May 2005. Even if those Beijing Yanhua Shareholders do not make their request before Monday, 9th May 2005, their right to request for a fair price will not be extinguished under PRC laws.

Beijing Yanhua H Shareholders are reminded that the last day of dealings in the Beijing Yanhua H Shares on the Stock Exchange will be on Friday, 29th April 2005 and the last time for lodging transfers of the Beijing Yanhua H Shares in order to qualify for entitlements under the Proposal will be 4:00 p.m. on Monday, 9th May 2005.

Beijing Yanhua ADS Holders are reminded that the last day of dealings in the Beijing Yanhua ADSs on the NYSE will be on Thursday, 28th April 2005 (United States Eastern Standard Time). The Beijing Yanhua's ADS Registers will be closed from 5:00 p.m. on Thursday, 28th April 2005 (United States Eastern Standard Time).

The listing of the Beijing Yanhua H Shares is expected to be withdrawn from the Stock Exchange with effect from 9:30 a.m. on Wednesday, 11th May 2005. The listing of the Beijing Yanhua ADSs is expected to be withdrawn from the NYSE upon the making of proper filing by the NYSE with the SEC not later than Tuesday, 10th May 2005 (United States Eastern Standard Time). Upon payment of the Merger Consideration to the Bank of New York, Beijing Yanhua intends to terminate the registration of the Beijing Yanhua ADSs with the SEC under the Exchange Act on account of the fact that the Beijing Yanhua ADSs will be owned by less than 300 holders in the United States of America.

This announcement is made further to:

- (a) the joint announcement dated 29th December 2004 and made by Beijing Yanhua and Sinopec Corp. in which it was stated that a proposal would be put forward to Beijing Yanhua Shareholders regarding the proposed privatization of Beijing Yanhua through Beijing Feitian by way of merger by absorption of Beijing Yanhua under Article 184 of the PRC Company Law at the cancellation price of HK\$3.80 per Beijing Yanhua H Share; and
- (b) the announcement issued by Beijing Yanhua on 4th March 2005 in which it was stated that the Special General Meetings were duly held on the same date during which all the resolutions proposed were duly passed.

Capitalised terms used in this announcement shall have the same meanings as defined in the Circular unless the context herein requires otherwise.

#### **FULFILLMENT OF CONDITIONS AND EARLY PAYMENT OF THE MERGER CONSIDERATION**

The Sinopec Corp. Directors and the Beijing Yanhua Directors jointly announced on 29th December 2004 that:

- (a) Sinopec Corp.'s wholly owned subsidiary, Beijing Feitian, entered into the Merger Agreement with Beijing Yanhua; and
- (b) the Beijing Yanhua Directors agreed to put forward to the Beijing Yanhua Shareholders the Proposal, which involved the cancellation of all the Beijing Yanhua Shares.

On 17th January 2005, the Circular was issued jointly by Beijing Yanhua and Sinopec Corp.

The Special General Meeting and the Special General Meeting of the Independent Beijing Yanhua Shareholders were duly held on 4th March 2005, during which all the resolutions proposed were duly passed.

The Beijing Yanhua Board is pleased to announce that all Conditions (except, that the 90-day creditors' notice period has not yet expired and that filings for increasing the registered capital of Beijing Feitian and for de-registration of Beijing Yanhua with Beijing AIC have yet to be made) have been fulfilled, including the obtaining of all the PRC Approvals. Accordingly, Beijing Yanhua has applied to the Stock Exchange for the withdrawal of the Beijing Yanhua Listing.

Beijing Feitian and Beijing Yanhua are considering to pay the Merger Consideration to the Beijing Yanhua H Shareholders other than the Dissenting Beijing Yanhua Shareholders (the “**Qualifying Shareholders**”) and withdrawing the Beijing Yanhua Listing by early May, 2005, which is earlier than the expected timetable as set out in the Circular. Beijing Feitian will make payment to the Qualifying Shareholders prior to expiry of the 90-day creditors' notice period (which will only expire on 7th June 2005). After expiry of the 90-day creditors' notice period and the de-registration filings are processed, Beijing Yanhua will be formally de-registered and the Merger will become effective.

**CHANGE TO THE EXPECTED TIMETABLE**

To implement the early payment of the Merger Consideration and the early withdrawal of the Beijing Yanhua Listing, the revised expected timetable (“**Revised Expected Timetable**”) for the Proposal is set out below:

- Filing for de-registration of Beijing Yanhua with Beijing AIC . . Monday, 25th April 2005
- Last day for dealings in the Beijing Yanhua ADSs . . . . . Thursday, 28th April 2005^
- Record Time/Closure of Beijing Yanhua’s ADS Registers . . . . . 5:00 p.m. on Thursday,  
28th April 2005^
- Last day for dealings in the Beijing Yanhua H Shares. . . . . Friday, 29th April 2005
- Suspension of dealings in the Beijing Yanhua ADSs. . . . . 9:30 a.m. on Friday,  
29th April 2005^
- Suspension of dealings in the Beijing Yanhua H Shares . . . . . 9:30 a.m. on Tuesday,  
3rd May 2005
- Latest time for lodging transfers of the Beijing Yanhua H Shares  
in order to qualify for the Cancellation Price . . . . . 4:00 p.m. on Monday,  
9th May 2005
- Record Time/Closure of Beijing Yanhua’s Registers (until  
deregistration occurs) . . . . . 4:00 p.m. on Tuesday,  
10th May 2005

The NYSE to make proper filing with the SEC to withdraw  
the listing of Beijing Yanhua ADSs on the NYSE . . . . . not later than Tuesday,  
10th May 2005<sup>^</sup>

Withdrawal of the Beijing Yanhua Listing becomes effective . . . 9:30 a.m. on Wednesday,  
11th May 2005

Press announcement of the withdrawal of the Beijing  
Yanhua Listing in South China Morning Post and  
Hong Kong Economic Times . . . . . Wednesday, 11th May 2005

Cheques for payment of the Cancellation Price to be  
despatched on or before . . . . . Tuesday, 17th May 2005

End of the period during which creditors may request  
Beijing Yanhua and Beijing Feitian to pay off  
their respective indebtedness . . . . . Tuesday, 7th June 2005

De-registration of Beijing Yanhua with Beijing AIC  
becomes effective . . . . . Tuesday, 7th June 2005

<sup>^</sup> United States Eastern Standard Time

To facilitate payment of the Merger Consideration, Beijing Yanhua Shareholder who has voted against the Proposal at both Special General Meetings and who wishes to request Beijing Yanhua and/or Beijing Yanhua Shareholders who have voted for the Proposal to purchase its Beijing Yanhua Shares at a “fair price” in accordance with Article 172 of the Beijing Yanhua Articles is advised to make its request before Monday, 9th May 2005. Even if those Beijing Yanhua Shareholders do not make their request before Monday, 9th May, 2005, their right to request for a fair price will not be extinguished under PRC laws.

#### **LAST DAY FOR DEALINGS IN THE BEIJING YANHUA H SHARES AND ADSS**

Under the Revised Expected Timetable, the Beijing Yanhua H Shareholders are reminded that dealings in the Beijing Yanhua H Shares on the Stock Exchange will cease immediately after 4:00 p.m. on Friday, 29th April 2005, and the last time for lodging transfers of the Beijing Yanhua H Shares in order to qualify for entitlements under the Proposal will be 4:00 p.m. on Monday, 9th May 2005.

**Beijing Yanhua H Shareholders should ensure that their Beijing Yanhua H Shares are lodged for registration in their names or in the names of their nominees with the Hong Kong branch share registrar of Beijing Yanhua, Hong Kong Registrars Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road Central, Wanchai, Hong Kong not later than 4:00 p.m. on Monday, 9th May 2005 in order to qualify for their entitlements under the Proposal.**

Under the Revised Expected Timetable, the Beijing Yanhua ADS Holders are reminded that the last day of dealings in the Beijing Yanhua ADSs on the NYSE will be on Thursday, 28th April 2005 (United States Eastern Standard Time).

The Beijing Yanhua's ADS Registers will be closed from 5:00 p.m. on Thursday, 28th April 2005 (United States Eastern Standard Time), whereas the Beijing Yanhua's Registers will be closed from 4:00 p.m., on Tuesday, 10th May 2005 until deregistration of Beijing Yanhua occurs. The record time for establishing entitlements under the Proposal will be 4:00 p.m. on 10th May 2005 for the Beijing Yanhua H Shares and 5:00 p.m. on Thursday, 28th April 2005 (United States Eastern Standard Time) for the Beijing Yanhua ADSs. Cheques for cash entitlements to the Merger Consideration are expected to be despatched on or before Tuesday, 17th May 2005 but in any event within 10 days from the date of withdrawal of the Beijing Yanhua Listing.

## **EXPECTED DATE OF WITHDRAWAL OF THE BEIJING YANHUA LISTING**

Beijing Yanhua has applied to the Stock Exchange for the withdrawal of the Beijing Yanhua Listing. Such application has been made in accordance with Rule 6.15(2) of the Listing Rules as it is proposed that Beijing Yanhua be privatized by way of merger by absorption under Article 184 of the PRC Company Law which is taken as akin to a scheme of arrangement which is governed by the Takeovers Code and all the relevant requirements, including the shareholders' approval requirements, under the Takeovers Code (to the extent applicable) have been complied with.

Under the Revised Expected Timetable, the listing of the Beijing Yanhua H Shares is expected to be withdrawn from the Stock Exchange with effect from 9:30 a.m. on Wednesday, 11th May 2005. The listing of the Beijing Yanhua ADSs is expected to be withdrawn from the NYSE upon the making of proper filing by the NYSE with the SEC not later than Tuesday, 10th May 2005 (United States Eastern Standard Time). Upon payment of the Merger Consideration to the Bank of New York, Beijing Yanhua intends to terminate the registration of the Beijing Yanhua ADSs with the SEC under the Exchange Act on account of the fact that the Beijing Yanhua ADSs will be owned by less than 300 holders in the United States of America.

On behalf of the board of  
**Sinopec Beijing Yanhua Petrochemical Company Limited**  
**Zhou Quansheng**  
*Secretary to the Board of Directors*

Beijing, PRC, 14 April 2005

*Beijing Yanhua Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*

*As at the date hereof, the Beijing Yanhua Board comprises: Mr. Wang Yongjian, Mr. Yang Qingyu, Mr. Xu Hongxing as executive directors, Ms. Wang Yuying, Mr. Wang Ruihua, Mr. Cui Guoqi and Mr. Xiang Hanyin as non-executive directors, and Mr. Zhang Yanning, Mr. Liu Haiyan and Mr. Yang Xuefeng as independent non-executive directors.*

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