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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)

WITHDRAWAL OF THE BEIJING YANHUA LISTING

Financial Adviser to Beijing Yanhua

**BEAR
STEARNS**

Bear Stearns Asia Limited

Independent Financial Adviser to the Independent Board Committee of Beijing Yanhua

LEHMAN BROTHERS

Lehman Brothers Asia Limited

The Beijing Yanhua Directors would like to announce that the listing of the Beijing Yanhua H Shares will be withdrawn from the Stock Exchange with effect from 9:30 a.m. on Wednesday, 11 May 2005. The listing of the Beijing Yanhua ADSs will be withdrawn from the NYSE on or about Monday, 16 May 2005 (United States Eastern Standard Time).

Cheques for payment of the Merger Consideration are expected to be despatched to the Beijing Yanhua H Shareholders of Beijing Yanhua other than the Dissenting Beijing Yanhua Shareholders (the “**Qualifying Shareholders**”) on or before Tuesday, 17 May 2005, but in any event within 10 days from the date of the withdrawal of the Beijing Yanhua Listing. Following payment of the Merger Consideration to the Bank of New York, Beijing Yanhua intends to terminate the registration of its ADSs with the SEC under the Securities Exchange Act of 1934 on account of the fact that the ADSs will be owned by less than 300 holders in the United States.

This announcement is made further to:

- (a) the joint announcement dated 29 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 privatisation 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;

- (b) the composite document issued jointly by Beijing Yanhua and Sinopec Corp. on 17 January 2005 (the “**Circular**”); and
- (c) the announcement issued by Beijing Yanhua on 14 April 2005 in which it was stated 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 had yet to be made) had been fulfilled, including the obtaining of all the PRC Approvals.

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

WITHDRAWAL OF BEIJING YANHUA LISTING

Beijing Yanhua has made filing for de-registration with Beijing AIC on 25 April 2005 and expects that the effective date of de-registration of Beijing Yanhua would fall on 7 June 2005. NYSE has made proper filing with the SEC to withdraw the listing of Beijing Yanhua ADSs on the NYSE on 5 May 2005. The period during which creditors may request Beijing Yanhua and Beijing Feitian to pay off their respective indebtedness is expected to end on 7 June 2005.

The Beijing Yanhua Directors would like to announce that the listing of the Beijing Yanhua H Shares will be withdrawn from the Stock Exchange with effect from 9:30 a.m. on Wednesday, 11 May 2005. The listing of the Beijing Yanhua ADSs will be withdrawn from the NYSE on or about Monday, 16 May 2005 (United States Eastern Standard Time).

DESPATCH OF CHEQUES FOR PAYMENT OF MERGER CONSIDERATION

Cheques for payment of the Merger Consideration are expected to be despatched to the Qualifying Shareholders on or before Tuesday, 17 May 2005, but in any event within 10 days from the date of the withdrawal of the Beijing Yanhua Listing. Following payment of the Merger Consideration to the Bank of New York, Beijing Yanhua intends to terminate the registration of its ADSs with the SEC under the Securities Exchange Act of 1934 on account of the fact that the ADSs will be owned by less than 300 holders in the United States.

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

Beijing, PRC, 10 May 2005

The 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.