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中國石化鎮海煉油化工股份有限公司

SINOPEC ZHENHAI REFINING & CHEMICAL COMPANY LIMITED

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

(Stock code: 1128)

WITHDRAWAL OF THE ZRCC LISTING

Financial Adviser to ZRCC

LEHMAN BROTHERS
LEHMAN BROTHERS ASIA LIMITED

Independent Financial Adviser to the Independent Board Committee of ZRCC

 **ROTHSCHILD**

The ZRCC Board announces that all Conditions have been fulfilled or waived (as applicable), and the listing of the ZRCC H Shares will be withdrawn from the Stock Exchange with effect from 9:30 a.m. on Friday, 24 March 2006.

Cheques for payment of the Cancellation Price are expected to be despatched to the ZRCC H Shareholders other than the Dissenting ZRCC Shareholders on or before Monday, 3 April 2006.

This announcement is made further to:

- (a) the announcement dated 12 November 2005 jointly issued by Sinopec Corp. and ZRCC in which it was stated that a proposal would be put forward to ZRCC Shareholders regarding the proposed privatisation of ZRCC through Ningbo Yonglian by way of merger by absorption pursuant to Article 184 of the PRC Company Law at the Cancellation Price of HK\$10.60 per ZRCC H Share;
- (b) the composite document dated 28 November 2005 jointly issued by ZRCC and Sinopec Corp. (the “**Composite Document**”);
- (c) the announcement issued by ZRCC on 12 January 2006 in which it was stated that the Special General Meetings were duly held and all the resolutions proposed at such meetings were duly passed; and
- (d) the announcement issued by ZRCC on 1 March 2006 in which it was stated that all Conditions (save for the withdrawal of the ZRCC Listing) have been fulfilled or waived (as applicable), in accordance with the terms of the Merger Agreement.

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

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DESPATCH OF CHEQUES FOR PAYMENT OF THE CANCELLATION PRICE

Cheques for payment of the Cancellation Price are expected to be despatched to the ZRCC H Shareholders other than the Dissenting ZRCC Shareholders on or before Monday, 3 April 2006.

On behalf of the board of
Sinopec Zhenhai Refining & Chemical Company Limited
Su Dewen
Company Secretary

23 March 2006, Ningbo, PRC

ZRCC 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 of this announcement, the Executive Directors of ZRCC are Mr. Sun Weijun (Chairman), Mr. Zhan Juping (Deputy Chairman), Mr. Xu Liqiao, Mr. Sun Jianli and Mr. Yu Renming; the Non-executive Directors of ZRCC are Ms. Wang Lisheng and Mr. Hu Weiqing; and the Independent Non-executive Directors of ZRCC are Mr. Sun Yongsen, Mr. Cen Kefa, Mr. Li Linghong and Ms. Qiu Yun.

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