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## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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**If you are in any doubt** as to any aspect about this circular or as to the action to be taken, you should consult a licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in 上海棟華石油化工有限公司 (the “**Company**”), you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

This circular, for which the directors of the Company (the “**Directors**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of the Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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### 上海棟華石油化工有限公司 SHANGHAI TONVA PETROCHEMICAL CO., LTD.\*

*(a joint stock company established in the People's Republic of China with limited liability)*  
(Stock code: 8251)

#### GENERAL MANDATE TO ISSUE NEW SHARES AND REDUCTION IN NUMBER OF DIRECTORS AND APPOINTMENT OF NEW DIRECTOR AND AMENDMENT OF ARTICLES AND NOTICE OF ANNUAL GENERAL MEETING

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A notice convening the annual general meeting of the Company (the “**AGM**”) to be held at Room 2201, 22/F, BM Tower, 218 Wu Song Road, Hong Kou District, Shanghai, PRC on Friday, 15 June 2012 at 10:00 a.m. is set out on pages 8 to 11 of this circular.

A form of proxy for the AGM is enclosed in this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the registrar of H shares of the Company in Hong Kong, Computershare Hong Kong Investor Services Ltd. at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong in accordance with the instructions printed thereon by not less than 48 hours before the time fixed for the AGM or any adjourned meeting thereof. Completion and return of a form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person should you so wish.

This circular will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the day of its publication and on the Company's website at <http://www.tonva.com>.

30 April 2012

\* For identification purposes only

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## CHARACTERISTICS OF GEM

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GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Room 2201, 22/F, BM Tower, 218 Wu Song Road, Hong Kou District, Shanghai, PRC on Friday, 15 June 2012 at 10:00 a.m., notice of which is set out on pages 8 to 11 of this circular
“Articles”	the articles of association of the Company adopted by the Company on 20 May 2010
“Amendment of Articles”	shall have the meaning ascribed to such term as set out in the section headed “Amendment of Articles” on page 6 of this circular
“Board”	the board of Directors
“Company”	上海棟華石油化工有限公司 (Shanghai Tonva Petrochemical Co., Ltd.*), a joint stock limited company incorporated in the PRC and whose H Shares are listed on GEM
“Directors”	the directors of the Company
“Domestic Share(s)”	domestic share(s) of nominal value of RMB0.10 each in the share capital of the Company, which are subscribed for in RMB
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM as amended from time to time
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas-listed foreign invested share(s) of the Company with a nominal value of RMB0.10 each
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	25 April 2012, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Main Board”	means the securities market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) and which stock market continues to be operated by the Stock Exchange in parallel with GEM, and for avoidance of doubt, it does not include GEM for the purpose hereof

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## DEFINITIONS

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“Main Board Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“Notice of AGM”	the notice convening the AGM as set out at the end of this circular
“Ordinary Resolution(s)”	the proposed ordinary resolution(s) as referred to in the Notice of AGM
“PRC”	The People’s Republic of China and, for the purpose of this circular, shall exclude Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Reduction in Number of Directors”	has the meaning ascribed to such term in the section headed “Reduction in Number of Directors” on page 4 of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	Domestic Share(s) and H Share(s)
“Share Issue Mandate”	a general mandate proposed to be granted to the Directors to exercise the powers of the Company to allot, issue and deal with each of Domestic Shares and H Shares during the period as set out in Special Resolution no. 10 with an aggregate nominal amount of up to but not exceeding 20% of the aggregate nominal amount of H Shares and Domestic Shares respectively in issue as at the date of passing of Special Resolution no. 10
“Shareholder(s)”	Holder(s) of the Shares
“Special Resolution(s)”	the proposed special resolution(s) as referred to in the Notice of AGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisors”	the supervisors of the Supervisory Committee of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Transfer of Listing”	means the proposed transfer of listing of the H Shares from GEM to the Main Board pursuant to Chapter 9A of the Main Board Listing Rules
“%”	per cent.

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LETTER FROM THE BOARD OF DIRECTORS

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上海棟華石油化工有限公司  
**SHANGHAI TONVA PETROCHEMICAL CO., LTD.\***

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

(Stock code: 8251)

*Executive Directors:*

Qian Wenhua (*Chairman*)  
Lu Yong  
Zhang Jinhua  
Jin Xiaohua  
Li Hongyuan  
Mo Luojiang

*Non-Executive Directors:*

Chan Cheuk Wing Andy  
Hsu Chun-min

*Independent Non-Executive Directors:*

Li Li  
Zhu Shengfu  
Ye Mingzhu

*Registered Office:*

706 Renhe Building  
2056 Pudong Road  
Pudong New Area Shanghai  
PRC 200135

*Principal Place of Business in*

*Hong Kong:*

Room 703  
Tai Yip Building  
No. 141 Thomson Road  
Wanchai  
Hong Kong

30 April 2012

*To the Shareholders*

Dear Sir or Madam,

**GENERAL MANDATE TO ISSUE NEW SHARES  
AND  
REDUCTION IN NUMBER OF DIRECTORS  
AND  
APPOINTMENT OF NEW DIRECTOR  
AND  
AMENDMENT OF ARTICLES  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**1. INTRODUCTION**

At the AGM to be held on, Friday, 15 June 2012 at 10:00 a.m., Ordinary Resolutions relating to the ordinary businesses of the Company, which include but not limited to the resignation of certain Directors and appointment of a new independent non-executive Director, together with two Special Resolutions granting the Directors the Share Issue Mandate, and adopting the Amendment of the Articles due to Reduction in number of Directors with the grant of authority to the Directors to execute the Amendment of Articles, will be proposed for consideration and, where appropriate, for approval by the Shareholders.

\* *For identification purposes only*

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## LETTER FROM THE BOARD OF DIRECTORS

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### 2. SHARE ISSUE MANDATE

At the AGM, a special resolution will be proposed to renew the unconditional general mandate given to the Directors to issue, allot and deal with additional H Shares and Domestic Shares respectively and to make or grant offers, agreements and options in respect thereof not exceeding 20% of the aggregate nominal amount of H Shares and Domestic Shares respectively in issue on the date of passing of the Special Resolution no. 10.

The Share Issue Mandate will be valid from the date of passing of the relevant Special Resolution approving the same up to the earliest of (a) the conclusion of the next annual general meeting of the Company following the passing of the relevant Special Resolution; (b) the expiration of the 12-month period following the passing of the relevant Special Resolution; or (c) the date on which such authority is revoked or varied by a special resolution of the Shareholders in a general meeting. The existing general mandate to issue Shares granted to the Directors pursuant to the special resolution passed by the Shareholders at the annual general meeting of the Company dated 31 May 2011 will expire on 15 June 2012.

As at the Latest Practicable Date, there were in issue in aggregate of 480,000,000 Domestic Shares and 456,190,000 H Shares. Assuming no additional H Shares and/or Domestic Shares will be allotted or issued and no existing H Shares and/or Domestic Shares are repurchased by the Company after the Latest Practicable Date but prior to the date of the AGM, if the Share Issue Mandate is fully exercised, the Company will be authorized to issue an additional of 96,000,000 Domestic Shares and 91,238,000 H Shares respectively. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to the general mandate. The Directors believe that it is in the best interests of the Company and the Shareholders to have a general authority from the Shareholders to enable the Directors to issue Shares at such time as the Directors think fit without the need to convene a general meeting to approve issue of Shares.

### 3. PROPOSED REDUCTION IN NUMBER OF DIRECTORS AND APPOINTMENT OF NEW DIRECTOR AND AMENDMENT OF ARTICLES

With the implementation of the requirement under Rule 5.05A of the GEM Listing Rules, the Company must appoint independent non-executive Directors representing at least one third of the total number of members of the Board, and the Company must comply with this requirement by 31st December 2012. Rule 5.05(1) also requires that the Board must include at least three independent non-executive Directors.

At present, the Board consists of eleven Directors, with six executive Directors, two non-executive Directors and three independent non-executive Directors, which complies with the requirement under Rule 5.05A of the GEM Listing Rules but which does not comply with the requirements under Rule 5.05A of the GEM Listing Rules.

To comply with the requirements under Rule 5.05A of the GEM Listing Rules, it is proposed that the number of Directors on the Board be reduced from eleven to eight, with the reduction of two executive Directors and one non-executive Director (“**Reduction in Number of Directors**”).

In addition, if the Transfer of Listing becomes effective, the Company shall be required to comply with the Main Board Listing Rules. Rule 19A.18(1) of the Main Board Listing Rules requires that at least one of the independent non-executive Directors must be ordinarily resident in Hong Kong. At present, none of the independent non-executive Directors is ordinarily resident in Hong Kong.

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## LETTER FROM THE BOARD OF DIRECTORS

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To comply with the requirements of Rule 19A.18(1) of the Main Board Listing Rules for the purpose of the Transfer of Listing, it is proposed that a new independent non-executive Director who is ordinarily resident in Hong Kong be appointed to replace one of the existing independent non-executive Director.

Each of Jin Xiaohua and Mo Luojiang will resign as executive Directors with effect from the conclusion of the AGM due to personal reasons and to facilitate the Company's compliance with Rule 5.05A(1) of the GEM Listing Rules. Each of Jin Xiaohua and Mo Luojiang will remain and continue to be employed by the Company and form part of the senior management of the Group. Their senior managerial functions (other than their functions as executive Directors) will remain unchanged after their resignation as executive Directors.

Hsu Chun-min will resign as non-executive Director with effect from the conclusion of the AGM so that he would be able to spend more time on his personal businesses and at the same time, to facilitate the Company's compliance with Rule 5.05A(1) of the GEM Listing Rules.

Li Li will resign as independent non-executive Director, and as the chairman of the Audit Committee of the Company, and as a member of each of the Remuneration Committee and Nomination Committee of the Company with effect from the conclusion of the AGM so that he would be able to spend more time on his own career development and at the same time, to facilitate the Company's compliance with Rule 19A.18(1) of the Main Board Listing Rules upon the Transfer of Listing becoming effective.

Each of Jin Xiaohua, Mo Luojiang, Hsu Chun-min and Li Li has also confirmed with the Company that he has no disagreement with the Board and there is nothing that need to be brought to the attention of the Shareholders and/or holders or securities of the Company.

### **Proposed appointment of new independent non-executive Director**

It is proposed that the vacancy created by the resignation of Li Li as independent non-executive Director, and as the chairman of the Audit Committee of the Company, and as a member of each of the Remuneration Committee and Nomination Committee of the Company, shall be filled by the appointment of Mr. Chung Cheuk Ming as the new independent non-executive Director, and as the new member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Company. The biography of Mr. Chung Cheuk Ming is set out below.

**Mr. Chung Cheuk Ming** (“**Mr. Chung**”), aged 49, is a Practising Certified Public Accountants in Hong Kong. Mr. Chung is a member of the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), a member of Society of Chinese Accountants and Auditors, and a member of the Hong Kong Institute of Bankers and a Registered Financial Planner of Hong Kong. Mr. Chung has been the principal of Alex Chung & Company, C.P.A. since 2006. Mr. Chung is a court appointed nominee and trustee in bankruptcy. He worked as a senior manager in a practising accounting firm in Hong Kong from 2003 to 2006. Mr. Chung graduated from the University of Hong Kong with a bachelor of arts degree. He also obtained a master of science degree in e-commerce from Hong Kong Polytechnic University and a master of science degree in corporate governance and directorship from Hong Kong Baptist University. In addition, Mr. Chung obtained a postgraduate diploma in information system development from the City University of Hong Kong and a postgraduate diploma in insolvency from HKICPA. In the last three years, Mr. Chung did not hold any directorship in any publicly listed company.

It is proposed that Mr. Chung will enter into a service contract with the Company for the period from the date of the AGM to the date of the next annual general meeting of the Company, and will



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## LETTER FROM THE BOARD OF DIRECTORS

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be subject to the retirement by rotation and re-election provisions in the Articles. It is proposed that Mr. Chung will be entitled to receive remuneration at a rate to be determined by the Remuneration Committee of the Company with reference to the prevailing market terms during the period, and whose recommendations will be put forward to the Board for approval. Save as disclosed herein, there are no other benefits provided to Mr. Chung in his capacity as an independent non-executive Director.

As at the Latest Practicable Date, Mr. Chung does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO. Mr. Chung is not related to any of the other Directors, senior management, substantial shareholders or controlling shareholders (both as defined in the GEM Listing Rules) of the Company. There are no other matters and information relating to Mr. Chung that need to be brought to the attention of the Shareholders and/or which are required to be disclosed pursuant to any of the requirements under Rule 17.50(2) of the GEM Listing Rules.

The Board is satisfied that Mr. Chung possesses the appropriate professional qualifications and accounting related experience to act as the new member of the Audit Committee of the Company and for compliance with Rule 5.05A(2) of the GEM Listing Rules, and upon the Transfer of Listing becoming effective, Rule 3.10(2) of the Main Board Listing Rules.

Upon the Reduction in Number of Directors and appointment of the new independent non-executive Director becoming effective, the number of executive Directors on the Board shall be reduced from six to four, the number of non-executive Director(s) on the Board shall be reduced from two to one, and there shall remain three independent non-executive Directors on the Board.

The Board also considers that the Reduction in Number of Directors would be in the best interest of the Company and the Shareholders as a whole, as it saves administrative and remuneration costs for the Company. With a reduced number of Directors, Board meetings may be convened more efficiently, which may consequently increase the Board's effectiveness and efficiency in dealing with major and urgent matters of the Group.

Ordinary Resolution will be proposed to the Shareholders at the AGM to appoint Mr. Chung as the new independent non-executive Director, and as soon as practicable after such Ordinary Resolution is passed at the AGM by the Shareholders, the Board will appoint Mr. Chung as the new member of the Audit Committee of the Company, and as a new member of each of the Remuneration Committee and Nomination Committee of the Company.

### **Amendment of Articles**

Article 94 of Chapter 10 (Board of Directors) of the Articles of the Company states that "the Company shall set up a board of directors, with eleven directors constituting the board of directors, and shall include more than three independent (meaning such director who is independent from the Company's shareholders and also not working in the Company) (non-executive) directors."

To implement this proposed Reduction in Number of Directors, a corresponding change to the Articles of the Company will be required ("**Amendment of Articles**"), and a Special Resolution will be proposed to the Shareholders at the AGM to implement a change to Article 94 of Chapter 10 (Board of Directors) of the Articles of the Company as follows:

"the Company shall set up a board of directors, with eight directors constituting the board of directors, and shall include more than three independent (meaning such director who is independent from the Company's shareholders and also not working in the Company) (non-executive) directors."

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## LETTER FROM THE BOARD OF DIRECTORS

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### 4. AGM

Pursuant to rule 17.47(4) of the GEM Listing Rules, any vote of shareholders must be taken by poll. Pursuant to Article 73 of the Articles, at any Shareholders' general meeting, a resolution shall be decided on a show of hands unless a poll is demanded before or after any vote by show of hands by:

- (a) the chairman of the meeting;
- (b) at least two Shareholders, who possess the right to vote, present in person or by proxy;  
or
- (c) one or more Shareholders (including proxies) representing, either calculated separately or in aggregate, one-tenth or more of all Shares carrying the right to vote at the meeting.

To comply with the GEM Listing Rules requirement, the chairman intends to demand a poll on each of the resolutions set out in the Notice of AGM.

### 5. ACTIONS TO BE TAKEN

A form of proxy for the AGM is enclosed in this circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the registrar of H Shares of the Company in Hong Kong, Computershare Hong Kong Investor Services Ltd. at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong in accordance with the instructions printed thereon by not less than 48 hours before the time fixed for the AGM or any adjourned meeting thereof. Completion and return of a form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof in person should you so wish.

### 6. RECOMMENDATIONS

The Board considers that the Share Issue Mandate, the proposed Reduction in Number of Directors, Amendment of Articles, resignation of certain Directors and appointment of a new independent non-executive Director, and all other resolutions set out in the Notice of AGM are all in the best interest of the Company and its Shareholders. Accordingly, the Directors recommend that you vote in favour of each of the Ordinary Resolutions and the Special Resolutions as set out in the Notice of AGM.

Yours faithfully,  
For and on behalf of  
**Shanghai Tonva Petrochemical Co., Ltd.**  
**Qian Wenhua**  
*Chairman*

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## NOTICE OF AGM

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# 上海棟華石油化工股份有限公司 SHANGHAI TONVA PETROCHEMICAL CO., LTD.\*

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

(Stock code: 8251)

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of Shanghai Tonva Petrochemical Co., Ltd. (the "Company") will be held at Room 2201, 22/F, BM Tower, 218 Wu Song Road, Hong Kou District, Shanghai, the People's Republic of China on Friday, 15 June 2012 at 10:00 a.m. for the purposes of considering, and if thought fit, pass the following resolutions:

### **AS ORDINARY RESOLUTIONS:**

1. To receive and approve the audited financial statements of the Company and its subsidiaries and the report of the auditors of the Company for the year ended 31 December 2011;
2. To receive and approve the report of the board of directors of the Company (the "Board") for the year ended 31 December 2011;
3. To receive and approve the report of the supervisory committee of the Company (the "Supervisory Committee") for the year ended 31 December 2011;
4. To approve the remuneration of the directors of the Company (the "Directors") and supervisors of the Company (the "Supervisors") for the year ended 31 December 2011;
5. To consider and approve the re-appointment of BDO Limited, as the international auditors for the Company and BDO China Shu Lun Pan Certified Public Accountants LLP, as the PRC auditors for the Company for the year ending 31 December 2012 and authorize the Board to fix their remuneration;
6. To consider and approve no final dividend for the year ended 31 December 2011 recommended by the Board;
7. To consider and approve the Board to determine the distribution of interim dividend and special dividend, if any, for the year ending 31 December 2012;
8. To authorize the Board to fix the remuneration of the Directors and Supervisors for the year ending 31 December 2012.

\* *For identification purposes only*

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## NOTICE OF AGM

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9. **“THAT:**

- (a) the resignation of Mr. Jin Xiaohua as executive Director be and is hereby approved;
- (b) the resignation of Mr. Mo Luojiang as executive Director be and is hereby approved;
- (c) the resignation of Mr. Hsu Chun-min as non-executive Director be and is hereby approved;
- (d) the resignation of Mr. Li Li as independent non-executive Director be and is hereby approved; and
- (e) the appointment of Mr. Chung Cheuk Ming as independent non-executive Director be and is hereby approved.

**AS SPECIAL RESOLUTIONS:**

10. **“THAT:**

- (a) the Board be and is hereby granted an unconditional general mandate to separately or concurrently issue, allot and deal with additional H Shares and Domestic Shares in the share capital of the Company respectively and to make or grant offers, agreements and options in respect thereof, subject to the following terms:
  - (i) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
  - (ii) the aggregate nominal amount of each of the Domestic Shares and the H Shares respectively allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board shall not exceed:
    - 1. 20 per cent. of the aggregate nominal amount of the Domestic Shares in issue; and
    - 2. 20 per cent. of the aggregate nominal amount of the H Shares in issue,respectively, in each case as at the date of this resolution; and

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## NOTICE OF AGM

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- (iii) the Board will only exercise its power under such mandate in accordance with the Company Law of the PRC and the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (as the same may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant PRC government authorities are obtained;
- (b) for the purposes of this resolution:
  - “Domestic Share(s)” mean ordinary domestic share(s) in the share capital of the Company which are subscribed and/or paid for in Renminbi;
  - “H Share(s)” mean overseas listed foreign invested shares (being ordinary shares) in the share capital of the Company which are subscribed and/or paid for in Hong Kong dollars or foreign currency other than Renminbi;
  - “Relevant Period” means the period from the passing of this resolution until the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company following the passing of this resolution;
    - (ii) the expiration of the 12-month period following the passing of this resolution; and
    - (iii) the date on which the authority set out in this resolution is revoked or varied by a special resolution of the shareholders of the Company in a general meeting;
- (c) contingent on the Directors resolving to issue shares pursuant to sub-paragraph (a) of this resolution, the Board be and is hereby authorised to approve, execute and do or procure to be executed and done, all such documents, deeds and things as it may consider necessary in connection with the issue of such new shares including, without limitation, determining the time and place of issue, making all necessary applications to the relevant authorities and entering into an underwriting agreement (or any other agreement), to determine the use of proceeds and to make all necessary filings and registrations with the relevant PRC, Hong Kong and other authorities, and to make such amendments to the articles of association of the Company as it thinks fit so as to reflect the increase in registered capital of the Company and to reflect the new share capital structure of the Company under the intended allotment and issue of the shares of the Company pursuant to the resolution under sub-paragraph (a) of this resolution.”

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## NOTICE OF AGM

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11. **“THAT:**

- (a) the following amendment to the corresponding Article within the Articles of the Company be and is hereby approved (**“Amendment of Articles”**):

From the existing Article 94 of Chapter 10 (Board of Directors) of the Articles of the Company which states that:

“the Company shall set up a board of directors, with eleven directors constituting the board of directors, and shall include more than three independent (meaning such director who is independent from the Company’s shareholders and also not working in the Company) non-executive directors.”

Now to be amended to state that:

“the Company shall set up a board of directors, with eight directors constituting the board of directors, and shall include more than three independent (meaning such director who is independent from the Company’s shareholders and also not working in the Company) non-executive directors.”; and

- (b) the number of executive Directors be and is hereby reduced from six to four, the number of non-executive Directors is hereby reduced from two to one, and the number of independent non-executive Directors shall remain three persons.
- (c) the Board be and is hereby authorised to do all such acts or things and to take all such steps and execute any documents (and where applicable, to affix the seal of the Company) as it considers necessary, desirable or expedient to effect and implement the Amendment of Articles, including but not limited to seeking approval for the Articles of the Company as amended by the Amendment of Articles and registering and filing the same with the relevant governmental authorities of the PRC and Hong Kong, and making further amendments as any governmental authority of the PRC may require.”.

By order of the Board  
**Shanghai Tonva Petrochemical Co., Ltd.**  
**Qian Wenhua**  
*Chairman*

Shanghai, PRC, 30 April 2012

*Principal place of business in Hong Kong:*

Room 703, Tai Yip Building, No. 141 Thomson Road, Wanchai, Hong Kong

*Registered Office in the PRC:*

706 Renhe Building, 2056 Pudong Road, Pudong New Area Shanghai, the PRC, 200135

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## NOTICE OF AGM

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*Notes:*

- (i) Any shareholder who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote at the meeting on his or her behalf. A proxy needs not be a member of the Company. A form of proxy for use at the meeting is hereby enclosed. In the case of joint holders of a share, any one of such joint holders may sign the form of proxy. If more than one of such joint holders attend the meeting either in person or by proxy, the vote of the joint holder whose name appears first in the register of members of the Company shall be accepted to the exclusion of the other joint holder(s).
- (ii) In order to be valid, the proxy form and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at the registrar of the H Shares in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (in respect of holders of the H Shares) and the Company's place of business in Shanghai at Room 2201, BM Tower, 218 Wusong Road, Hongkou District, Shanghai, the PRC 200080 (in respect of the Domestic Shares), not less than 24 hours before the time for holding the meeting or 24 hours before the time appointed for taking the poll.
- (iii) The register of members of the Company will be closed from 15 May 2012 (Tuesday) to 15 June 2012 (Friday) (both days inclusive). All properly completed H Shares transfer forms accompanied by the relevant share certificates must be lodged with the registrar of the H Shares in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on 14 May 2012 (Monday) for registration.
- (iv) Holders of the Domestic Shares and the H Shares whose names appear in the register of members on 15 May 2012 are entitled to attend and vote at the meeting.
- (v) Holders of the Domestic Shares and the H Shares who intend to attend the meeting shall complete and deposit or post or fax (fax no: (86) 21 63257855) the enclosed reply slip to the Company's place of business in Shanghai at Room 2201, BM Tower, 218 Wusong Road, Hongkou District, Shanghai, the PRC 200080 on or before 25 May 2012.
- (vi) Holders of the Shares or their proxies shall produce their identity documents when attending the meeting.
- (vii) Pursuant to Article 73 of the Articles, a poll may be demanded by the following persons:
  - (1) chairman of the meeting;
  - (2) at least two shareholders entitled to vote in person or by proxy; or
  - (3) one or more shareholders representing in aggregate 10% or more of all Shares carrying the right to vote at the meeting present in person or by proxy.

The chairman intends to demand a poll on each of the resolutions submitted for voting at the meeting.

- (viii) PRC is defined as The People's Republic of China. Hong Kong is defined as the Hong Kong Special Administrative Region of the PRC.

*As at the date of this notice, the Board comprises 6 executive Directors: Qian Wenhua, Lu Yong, Zhang Jinhua, Jin Xiaohua, Li Hongyuan and Mo Luojiang; 2 non-executive Directors: Chan Cheuk Wing Andy and Hsu Chun-min; and 3 independent non-executive Directors: Li Li, Ye Mingzhu, and Zhu Shengfu.*