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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 on GEM: 8251)

(Stock code on Main Board: 1103)

**TRANSFER OF LISTING
FROM THE GROWTH ENTERPRISE MARKET
TO THE MAIN BOARD OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
AND
CHANGE IN BOARD LOT SIZE**

Financial adviser to Shanghai Tonva Petrochemical Co., Ltd.



Shenyin Wanguo Capital (H.K.) Limited

TRANSFER OF LISTING

Reference is made to the announcements of the Company made on 1 March 2011, 21 April 2011, 30 March 2012 and 20 April 2012 respectively and the circular issued by the Company dated 7 March 2011 in relation to the Transfer of Listing pursuant to Chapter 9A of the Listing Rules.

On 20 April 2012, a formal application was made by the Company to the Stock Exchange for the Transfer of Listing. The Company has applied for the listing of, and permission to deal in, the entire 456,190,000 H Shares in issue on the Main Board by way of transfer of listing from GEM to the Main Board.

The Board is pleased to announce that the Stock Exchange has granted its approval-in-principal on 5 July 2012 for the H Shares to be listed on the Main Board and delisted from GEM according to Rule 9A.09(6) of the Listing Rules. The Company has also received a letter dated 27 March 2012 from the China Securities Regulatory Commission that approved the Company's application for the Transfer of Listing on 30 March 2012.

The Board confirms that all pre-conditions for the Transfer of Listing as set out in Rule 9A.02 of the Listing Rules have been fulfilled in relation to the Company and its H Shares as of the date of this announcement.

The last day of dealings in the H Shares on GEM will be Friday, 13 July 2012. Dealings in the H Shares on the Main Board will commence at 9:00 a.m. on Monday, 16 July 2012. The H Shares will be traded on the Main Board under the new stock code “1103”.

CHANGE IN BOARD LOT SIZE

The Board also proposes the Change in Board Lot Size, where the board lot size for trading on the Stock Exchange will be changed from 4,000 H Shares to 8,000 H Shares with effect from 9:00 a.m. on Monday, 30 July 2012. The Company has appointed Shenyin Wanguo Securities (H.K.) Limited as its agent to provide matching services to those Shareholders who wish to top up or sell their holdings of odd lots of H Shares during the period from Monday, 30 July 2012 to Monday, 20 August 2012 (both dates inclusive).

The Transfer of Listing and Change in Board Lot Size will have no effect on the existing share certificates in respect of the H Shares which will continue to be good evidence of legal title and be valid for trading, settlement and registration purposes, and will not involve any transfer or exchange of the existing share certificates. No change will be made to the existing share certificates, the stock short name of the Company in English and Chinese, the trading currency and the share registrar of the H Shares in Hong Kong in connection with the Transfer of Listing and Change in Board Lot Size.

TRANSFER OF THE LISTING OF THE H SHARES FROM GEM TO THE MAIN BOARD

Reference is made to the announcements of the Company made on 1 March 2011, 21 April 2011, 30 March 2012 and 20 April 2012 respectively and the circular issued by the Company dated 7 March 2011 in relation to the Transfer of Listing pursuant to Chapter 9A of the Listing Rules.

On 20 April 2012, a formal application was made by the Company to the Stock Exchange for the Transfer of Listing. The Company has applied for the listing of, and permission to deal in, the entire 456,190,000 H Shares in issue on the Main Board by way of transfer of listing from GEM to the Main Board.

The Board is pleased to announce that the Stock Exchange has granted its approval-in-principal on 5 July 2012 for the H Shares to be listed on the Main Board and delisted from GEM according to Rule 9A.09(6) of the Listing Rules. The Company has also received a letter dated 27 March 2012 from the China Securities Regulatory Commission that approved the Company’s application for the Transfer of Listing on 30 March 2012.

The Board confirms that all pre-conditions for the Transfer of Listing as set out in Rule 9A.02 of the Listing Rules have been fulfilled in relation to the Company and its H Shares as of the date of this announcement.

REASONS FOR THE TRANSFER OF LISTING

The Group is a conglomerate incorporating the road and bridge construction and the petrochemical product supply chain services. The Board is of the view that a listing of the H Shares on the Main Board will further enhance the trading liquidity of the H Shares and the corporate profile of the Group, as well as recognition from the investing public, including the institutional investors, which will be beneficial to the future growth and development of the Group.

The Transfer of Listing will not involve any issue of new H Shares by the Company. As at the date of this announcement, the Board does not contemplate any material change in the nature of the business activities of the Group following the Transfer of Listing.

CHANGE IN BOARD LOT SIZE

The H Shares are currently traded in board lots of 4,000 H Shares and are traded in Hong Kong dollars. Based on the closing price of HK\$0.43 per Share as quoted on GEM on the date of this announcement, the market value per board lot of the H Shares is HK\$1,720, which is below the minimum value of HK\$2,000 per board lot as a trading practice.

In order to increase the value of each board lot of the H Shares so that the value of each board lot of the H Shares will not be less than HK\$2,000, the Board proposes the Change in Board Lot Size, where the board lot size of the H Shares for trading on the Stock Exchange will be changed from 4,000 H Shares to 8,000 H Shares with effect from 9:00 a.m. on Monday, 30 July 2012. Based on the closing price of HK\$0.43 as quoted on GEM on the date of this announcement, the estimated market value per board lot of 8,000 H Shares would become HK\$3,440. The Change in Board Lot Size will not affect any of the relative rights of the Shareholders. The Board is of the opinion that the Change in Board Lot Size is in the interest of the Company and its Shareholders as a whole.

To alleviate the difficulties in trading odd lots of the H Shares arising from the Change in Board Lot Size, the Company has appointed Shenyin Wanguo Securities (H.K.) Limited as its agent to provide matching services to those Shareholders who wish to top up or sell their holdings of odd lots of the H Shares during the period from Monday, 30 July 2012 to Monday, 20 August 2012 (both dates inclusive). Holders of the H Shares in odd lots who wish to take advantage of this facility either to dispose of their odd lots of the H Shares or to top up their odd lots to a full new board lot may directly or through their broker contact Mr. Freddie Kwan of Shenyin Wanguo Securities (H.K.) Limited at Room 3101, 31/F., Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong (telephone: (852) 2509 8340 and facsimile: (852) 3525 8378) during the period stated above.

Holders of the H Shares in odd lots should note that successful matching of the sale and purchase of odd lots of the H Shares is not guaranteed. Shareholders are recommended to consult their professional advisers if they are in doubt about the above arrangement.

EXPECTED TIMETABLE FOR CHANGE IN BOARD LOT SIZE

2012

Last day for trading with old board lot size of 4,000 H Shares	Friday, 27 July
Effective date of Change in Board Lot Size from 4,000 H Shares to 8,000 H Shares	Monday, 30 July
Designated broker starts to stand in the market to provide matching services for odd lots of H Shares	Monday, 30 July
Last day for the designated broker to stand in the market to provide matching services for odd lots of H Shares	Monday, 20 August

DEALINGS IN THE H SHARES ON THE MAIN BOARD

The H Shares have been accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from 13 July 2005, the date on which the H Shares were listed on GEM. Subject to the continued compliance with the stock admission requirements of HKSCC, the H Shares will continue to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS once dealings in the H Shares on the Main Board commence, and that all activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The last day of dealings in the H Shares on GEM will be Friday, 13 July 2012. Dealings in the H Shares on the Main Board will commence at 9:00 a.m. on Monday, 16 July 2012. The H Shares will be traded on the Main Board under the new stock code “1103” in board lot size of 4,000 H Shares each following the Transfer of Listing up until the effective date of Change in Board Lot Size, being Monday, 30 July 2012, where the board lot size will increase to 8,000 H Shares.

The Transfer of Listing and Change in Board Lot Size will have no effect on the existing share certificates in respect of the H Shares which will continue to be good evidence of legal title and be valid for delivery, trading, settlement and registration purposes, and will not involve any transfer or exchange of the existing share certificates. The H Share registrar of the Company in Hong Kong is Computershare Hong Kong Investor Services Limited. No change will be made to the existing share certificates, the stock short name of the Company in English and Chinese, the trading currency and the share registrar of the H Shares in Hong Kong in connection with the Transfer of Listing and Change in Board Lot Size.

COMPETING INTERESTS

As at the date of this announcement, none of the Directors or their respective associates has any interest in any business which competes or potentially competes, either directly or indirectly, with the business of the Group.

REGULAR PUBLICATION OF RESULTS

Upon the Transfer of Listing, the Company will cease the practice of quarterly reporting of financial results and will follow the relevant requirements of the Listing Rules which include publishing its interim results and annual results within two months and three months from the end of the relevant periods or financial year ends, respectively. The Board is of the view that the investors and Shareholders will continue to have access to relevant information on the Company following the reporting requirements under the Listing Rules.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for viewing on the Stock Exchange's website at <http://www.hkexnews.hk> and the Company's website at <http://www.tonva.com>:

- (a) the Directors' report and the annual report of the Company for the financial year ended 31 December 2011;
- (b) the interim report of the Company for the six months ended 30 June 2011;
- (c) the first quarterly report of the Company for the three months ended 31 March 2012;
- (d) the Articles;
- (e) the circular of the Company dated 7 March 2011 in respect of proposed Transfer of Listing from the GEM to the Main Board and proposed amendments to the Articles;
- (f) the circular of the Company dated 31 March 2011 in respect of the renewal of general mandate and notice of 2010 annual general meeting;
- (g) the circular of the Company dated 30 April 2012 in respect of the renewal of general mandate, reduction in number of Directors, appointment of Director, amendment of Articles and notice of 2011 annual general meeting;
- (h) the circular of the Company dated 7 May 2012 in respect of the proposed change of use of proceeds, proposed guarantee for credit facilities of subsidiaries and notices of the extraordinary general meeting and the class meetings; and
- (i) a copy of each of the announcements and other corporate communications made by the Company as required under the GEM Listing Rules and the Listing Rules.

BIOGRAPHICAL DETAILS OF THE DIRECTORS AND SUPERVISORS

The Company discloses below the biographical information of each current Director or Supervisor:

Executive Directors

Mr. Qian Wenhua (錢文華), aged 55, graduated from Shanghai Television University* (上海電視大學) in July 1986 with a professional diploma in industrial enterprise management. Mr. Qian has over 20 years' experience in the asphalt industry. Mr. Qian was recognised as an economist by Shanghai Building Materials Authority* (上海市建材局) in 1992. From 1975 to 1996, he worked in the sales team of a subsidiary of Shanghai Building Materials Supply General Corporation* (上海市建築材料供應總公司) and was promoted to the position of manager, responsible for asphalt sales. From 1996 to 1997, Mr. Qian was the general manager of Shanghai Construction Materials Tax Free Trading Enterprise* (上海建築材料保稅貿易行). From 1997 to 2003, he became the chairman and general manager, and an executive director of Donghua Limited. He became an executive Director effective on 30 December 2003. Mr. Qian is currently the chairman and the chief executive officer of the Company.

As of the date of this announcement, Mr. Qian is directly interested in 225,706,000 Domestic Shares and indirectly interested in 35,854,000 Domestic Shares which are held by his wife, Liu Huiping, and such shares are deemed to be family interests held by Mr. Qian. Mr. Qian is the single largest Shareholder holding in aggregate approximately 27.94% of shareholding in the registered capital of the Company. Save as disclosed above, Mr. Qian does not hold any other interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO.

The term of office of Mr. Qian as an executive Director is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Salary and allowances will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Qian is entitled to RMB601,000 basic salaries and allowances per year. Bonus will be paid at the absolute discretion of the Board after taking into account the operating results of the Group and the performance of the Directors.

Mr. Lu Yong (陸勇), aged 57, was appointed as vice general manager of Donghua Limited in 1999 and became an executive Director effective on 30 December 2003. He was also appointed as vice chairman of the Company in December 2003. He is responsible for the Group's market development. From June 2004 to August 2007, Mr. Lu has been appointed as general manager of the Company. Mr. Lu is currently the vice chairman and an executive Director. Mr. Lu was recognised as an assistant economist by Shanghai Building Materials Supply General Corporation* (上海市建築材料供應總公司) in 1993.

As of the date of this announcement, Mr. Lu is directly interested in 62,618,000 Domestic Shares which in aggregate represent approximately 6.69% of shareholding in the registered capital of the Company. Save as disclosed above, Mr. Lu does not hold any other interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO.

The term of office of Mr. Lu as an executive Director is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Salary and allowances will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Lu is entitled to RMB280,000 basic salaries and allowances per year. Bonus will be paid at the absolute discretion of the Board after taking into account the operating results of the Group and the performance of the Directors.

Mr. Zhang Jinhua (張金華), aged 47, graduated from Yangzhou Education College (揚州師範學院) with a bachelor degree in economics in June 1988. Prior to joining the Group, Mr. Zhang was the secretary in the Nantong City Commercial Bureau* (南通市商業局) from 1988 to 1995. He joined the Company in December 2003 as vice general manager and became an executive Director effective on 30 December 2003. He is responsible for the Group's road and bridge construction business. Mr. Zhang is currently an executive Director and the vice president of the Company. Mr. Zhang also serves as a director of Nantong Road and Bridge Engineering Co. Limited (南通路橋工程有限公司), a non-wholly owned subsidiary of the Company.

As of the date of this announcement, Mr. Zhang is directly interested in 15,152,000 Domestic Shares which in aggregate represent approximately 1.62% of shareholding in the registered capital of the Company. Save as disclosed above, Mr. Zhang does not hold any other interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO.

The term of office of Mr. Zhang as an executive Director is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Salary and allowances will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Zhang is entitled to RMB253,000 basic salaries and allowances per year. Bonus will be paid at the absolute discretion of the Board after taking into account the operating results of the Group and the performance of the Directors.

Mr. Li Hongyuan (李鴻源), aged 55, graduated from Shanghai Television University* (上海電視大學) in July 1986 with a diploma in industrial enterprise management. Mr. Li was recognised as an economist by Shanghai Building Materials Authority* (上海市建材局) in 1993. Mr. Li has over 10 years' experience in the construction materials industry. From 1991 to 2001, he worked in Shanghai Fosroc Expandite Construction and Engineering Products Company Ltd (上海富斯樂士本泰建築工程產品有限公司) as general manager. He joined Donghua Limited in 2001 and was the supervisor of

Donghua Limited from 2001 to 2003. Mr. Li was appointed as vice general manager of the Company from December 2003 to August 2007 and became an executive Director effective on 30 December 2003. He is currently an executive Director and the vice president of the Company, and responsible for the Group's fuel oil trading business. Mr. Li also serves as a director of Shanghai Taihua Petrochemical Co., Ltd. (上海泰華石油化工有限公司), a wholly owned subsidiary of the Company.

As of the date of this announcement, Mr. Li is directly interested in 50,254,000 Domestic Shares which in aggregate represent approximately 5.37% of shareholding in the registered capital of the Company. Save as disclosed above, Mr. Li does not hold any other interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO.

The term of office of Mr. Li as an executive Director is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Salary and allowances will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Li is entitled to RMB252,000 basic salaries and allowances per year. Bonus will be paid at the absolute discretion of the Board after taking into account the operating results of the Group and the performance of the Directors.

Non-executive Director

Mr. Chan Cheuk Wing Andy (陳焯榮), aged 36, was appointed as a non-executive Director on 3 December 2009. Mr. Chan has extensive experience in private equity in pan-Asia region and strategic management consulting. Currently, Mr. Chan is the vice president of CLSA Capital Partner (HK) Limited. Prior to joining CLSA Group, Mr. Chan was with CITIC International Assets Management Ltd, a company specialised in direct investment in China where Mr. Chan was responsible for deal evaluation and execution as well as fund formation. Mr. Chan was formerly the investment manager of PAMA Group and EMP-Daiwa Capital Asia Ltd, both are pan-Asia private equity funds, responsible for direct investment in pan-Asia region. He also worked for strategic management consulting companies, A.T. Kearney and IF Consulting, in New York, Boston and London as a management consultant. Mr. Chan holds an MBA from Duke University and a bachelor's degree in business from the University of Michigan in the United States of America.

As of the date of this announcement, Mr. Chan does not hold any interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO.

The term of office of Mr. Chan as a non-executive Director is 3 years commencing from 20 May, 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Director's fee will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Chan is entitled to RMB120,000 Director's fee per year.

Independent non-executive Directors

Mr. Chung Cheuk Ming (鍾卓明), aged 49, was appointed as an independent non-executive Director on 15 June 2012 and is a practising Certified Public Accountant in Hong Kong. Mr. Chung is a member of the 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 Louie Wu & Co. Certified Public Accountants, 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.

As of the date of this announcement, Mr. Chung does not have any interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO. He is also not connected with the Directors, senior management or substantial shareholders of the Company.

The term of office of Mr. Chung as an independent non-executive Director is 3 years commencing from 15 June 2012 and will be subject to the retirement by rotation and re-election provisions in the Articles. Director's fee will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Chung is entitled to HK\$84,000 Director's fee per year.

Ms. Ye Mingzhu (葉明珠), aged 66, was appointed as an independent non-executive Director on 9 August 2004. Ms. Ye is a member of the Chinese Institute of Certified Public Accountants since 2000. She has over 40 years' experience in respect of auditing, finance and accounting.

As of the date of this announcement, Ms. Ye does not hold any interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO. She is also not connected with the Directors, senior management or substantial shareholders of the Company.

The term of office of Ms. Ye as an independent non-executive Director is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Director's fee will be determined by the Board with reference to her contribution in terms of time, effort, experience and her expertise. Pursuant to the terms of her service agreement, Ms. Ye is entitled to RMB30,000 Director's fee per year.

Mr. Zhu Shengfu (朱生富), aged 62, was appointed as an independent non-executive Director on 9 August 2004. Mr. Zhu is a senior business operator (高級經營師). He obtained a diploma in industrial enterprise management at the Shanghai Television University* (上海電視大學) in July 1986. He also obtained a degree in economics through distance learning from the China Central Distance-Learning

College (中共中央黨校函授學院) in December 1993 and the qualification of senior business operator (高級經營師) from the Occupational Skill Testing and Instruction Centre of China* (中國商業職業技能鑒定指導中心) and State Senior Business Operator Assessment Committee* (全國高級經營師評審委員會) in 2003. From 1979 to 1993, he worked for Shanghai City Resources Bureau Officer School (上海市建材局幹部學校) as the head of teaching and research department. From 1993 onwards, he has served Shanghai Building Materials Supply General Corporation* (上海市建築材料供應總公司) as the head of the administration office.

As of the date of this announcement, Mr. Zhu does not hold any interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO. He is also not connected with the Directors, senior management or substantial shareholders of the Company.

The term of office of Mr. Zhu as an independent non-executive Director is 3 years commencing from 20 May 2010. Director's fee will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Zhu is entitled to RMB30,000 Director's fee per year.

Supervisors

Mr. Ge Jiaqi (葛家齊), aged 58, was appointed as a Supervisor on 22 May 2008. Mr. Ge worked in Shanghai Construction Materials Supplies Trading Company from 1971 to 2002 as the head of transportation and facility department. Mr. Ge completed a two and a half years' course in materials management (物資管理) at Shanghai School of Building Materials* (上海市建築材料學校) in 1988. Mr. Ge has become a director of Shanghai Shenhua Logistics Company Limited (上海神華物流有限公司), a wholly owned subsidiary of the Company effective on 12 October 2005. Since November 2010, he has been appointed as general manager of Shanghai Shenhua Logistics Company Limited. Mr. Ge also serves as a director of Jiangsu Suzhong Oil Shipping Company Limited (東台市蘇中油運有限公司), a non-wholly owned subsidiary of the Company.

As of the date of this announcement, Mr. Ge does not hold any interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO. He is also not connected with the Directors, senior management or substantial shareholders of the Company.

The term of office of Mr. Ge as a Supervisor is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Salary and allowances will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Ge is entitled to RMB84,000 basic salaries and allowances per year. Bonus will be paid at the absolute discretion of the Board after taking into account the operating results of the Group and the performance of the Supervisors.

Mr. Cai Ying (蔡盈), aged 30, was appointed as a Supervisor on 21 May 2009. Mr. Cai graduated from Huaqiao University, and worked in the market department of COSCO International Air Freight (Shanghai) Co., Ltd in 2005. Mr. Cai Ying was appointed the general manager assistant of Shanghai Shenhua Logistics Company Limited in 2007.

As of the date of this announcement, Mr. Cai does not hold any interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO. He is also not connected with the Directors, senior management or substantial shareholders of the Company.

The term of office of Mr. Cai as a Supervisor is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Salary and allowances will be determined by the Board with reference to his contribution in terms of time, effort, experience and his expertise. Pursuant to the terms of his service agreement, Mr. Cai is entitled to RMB120,000 basic salaries and allowances per year. Bonus will be paid at the absolute discretion of the Board after taking into account the operating results of the Group and the performance of the Supervisors.

Ms. Zhu Yinghua (朱穎華), aged 31, was appointed as a Supervisor on 21 May 2010. Ms. Zhu graduated from East China University of Political Science and Law, and has been working in the Group since 2002.

As of the date of this announcement, Ms. Zhu does not hold any interests or short position in the Shares, underlying shares or debentures of the Company or its associate corporations within the meaning of Part XV of the SFO. She is also not connected with the Directors, senior management or substantial shareholders of the Company.

The term of office of Ms. Zhu as a Supervisor is 3 years commencing from 20 May 2010 and will be subject to the retirement by rotation and re-election provisions in the Articles. Salary and allowances will be determined by the Board with reference to her contribution in terms of time, effort, experience and her expertise. Pursuant to the terms of her service agreement, Ms. Zhu is entitled to RMB28,000 basic salaries and allowances per year. Bonus will be paid at the absolute discretion of the Board after taking into account the operating results of the Group and the performance of the Supervisors.

Save as disclosed above, there is no other information relating to the Directors and Supervisors which needs to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

WAIVER FROM STRICT COMPLIANCE WITH THE LISTING RULES

Pursuant to Rules 8.12 and 19A.15 of the Listing Rules, the Company must have a sufficient management presence in Hong Kong. This will normally mean that at least two of its executive Directors must be ordinarily resident in Hong Kong except as otherwise permitted by the Stock Exchange.

As the business and operation of the Group are primarily located, managed and conducted in the PRC through the Company's major operating subsidiaries, the executive Directors and senior management of the Group are and will therefore be expected to continue to be based in the PRC. The Company will not, and does not contemplate in the foreseeable future that it will have sufficient management presence in Hong Kong for the purpose of satisfying the requirements under Rules 8.12 and 19A.15 of the Listing Rules.

Therefore, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with the requirement to have a sufficient management presence in Hong Kong under Rules 8.12 and 19A.15 of the Listing Rules subject to the following conditions:

- (a) The Company has appointed two authorised representatives pursuant to Rule 3.05 of the Listing Rules, who will act as the Company’s principal channel of communication with the Stock Exchange. The two authorised representatives appointed are Mr. Li Hongyuan (an executive Director) and Mr. Tsui Kan Chun (the company secretary of the Company). Mr. Tsui is ordinarily resident in Hong Kong. Each of the authorised representatives will be available to meet with the Stock Exchange within a reasonable period upon request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. Each of the two authorised representatives is authorised to communicate on behalf of the Company with the Stock Exchange.
- (b) Each of the authorised representatives has means to contact all members of the Board (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact any of the Directors on any matters. To enhance the communication between the Stock Exchange or the authorised representatives and the Directors, the Company will implement a policy that (i) each Director will have to provide his/her mobile and office phone numbers, residential phone number, fax number and email address, if applicable, to the authorised representatives; (ii) in the event that a Director expects to travel, he/she will have to provide a valid phone number or means of communication to the authorised representatives; and (iii) each Director and authorised representative will provide his/her respective mobile phone numbers, residential phone numbers, office phone numbers, fax numbers and email addresses, if applicable, to the Stock Exchange.
- (c) In addition, those Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and meet with the Stock Exchange within a reasonable period.

DEFINITIONS

In this announcement, the following terms shall have the following meanings unless the context otherwise requires:

“Articles”	the articles of association of the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	means the board of Directors
“CCASS”	means the Central Clearing and Settlement System established and operated by HKSCC

“Change in Board Lot Size”	the change in board lot size of the H Shares for trading on the Stock Exchange from 4,000 H Shares to 8,000 H Shares with effect from 9:00 a.m. on Monday, 30 July 2012
“Company”	means 上海棟華石油化工股份有限公司 (Shanghai Tonva Petrochemical Co., Ltd.*), a joint stock limited company established in the PRC with limited liability
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	means domestic shares with a nominal value of RMB0.10 each in the share capital of the Company which are subscribed for or credited as fully paid in RMB
“Donghua Limited”	上海棟華國際貿易有限公司 (Shanghai Donghua International Trade Company Limited), an entity established in the PRC and converted into a limited liability company on 12 June 1997, with a registered capital of RMB6.6 million immediately before its conversion into the Company on 30 December 2003. It was the predecessor of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM
“Group”	the Company together with its subsidiaries
“H Share(s)”	overseas-listed foreign invested share(s) of the Company with a nominal value of RMB0.10 each, which are listed on GEM
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKICPA”	Hong Kong Institute of Certified Public Accountants
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange

“Main Board”	the stock market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) 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
“PRC” or “China”	the People’s Republic of China, which for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	Domestic Share(s) and H Share(s)
“Shareholder(s)”	holder(s) of the H Shares and holder(s) of the Domestic Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Supervisor(s)”	supervisor(s) of the Company
“Transfer of Listing”	the transfer of listing of the H Shares from GEM to the Main Board pursuant to Chapter 9A of the Listing Rules
“%”	per cent.

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

Shanghai, the PRC, 6 July 2012

As at the date of this announcement, the Board comprises 4 executive Directors: Qian Wenhua, Lu Yong, Zhang Jinhua and Li Hongyuan; 1 non-executive Director: Chan Cheuk Wing Andy; and 3 independent non-executive Directors: Chung Cheuk Ming, Ye Mingzhu and Zhu Shengfu.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules and the GEM Listing Rules 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its publication and will also be published on the “Listing Company Information” page of the Stock Exchange’s website at <http://www.hkexnews.hk> and on the Company’s website at <http://www.tonva.com>.

** For identification purposes only*