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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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

The Board of the Company would like to inform the shareholders of the Company and potential investors that the consolidated results of the Group for the year ended 31 December 2008 is expected to record a net profit considerably lower than that for the year ended 31 December 2007.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Shanghai Tonva Petrochemical Co., Ltd. (the "Company", and together with its subsidiaries, the "Group") pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules").

The board of directors (the "Board") of the Company would like to inform the shareholders of the Company and potential investors that the consolidated results of the Group for the year ended 31 December 2008 ("FY2008") is expected to record a net profit considerably lower than that for the year ended 31 December 2007("FY2007").

* For identification only

The Board considers that the decrease in net profit for FY2008 is primarily attributable to (a) lower margin recorded than anticipated due to the macroeconomic austerity measures implemented by the government of the People's Republic of China and global economic recession for the year of 2008; (b) increase in impairment of trade receivables as a consequence of deteriorating economic environment; (c) decrease in trading volume of the logistic business which was severely affected by the snowstorm and flooding in the year of 2008; and (d) significant decrease in dividend income by approximately RMB11,550,000 from unlisted investments as compared with FY2007.

This profit warning announcement is only based on the preliminary assessment by the management of the Company in accordance with the unaudited management accounts of the Company, which have not been reviewed or audited by the Company's auditors. Further details of the Group's financial data will be disclosed in the Group's audited annual results for FY2008 to be announced as soon as practicable.

The Board considers that the overall operation of the Group as a whole remains sound and intact, and the financial position of the Group remains solid.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

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

Shanghai, 20 January 2009

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement 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 posting and on the website of the Company at <http://www.tonva.com>.