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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)

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 2009 are expected to record a net profit considerably lower than that for the year ended 31 December 2008.

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 2009 (“FY2009”) are expected to record a net profit considerably lower than that for the year ended 31 December 2008 (“FY2008”).

Due to the global financial crisis, the Group’s long-haul shipping volume and freight rate of asphalt dropped significantly, resulting in a sizeable decline in revenue recorded from asphalt shipping compared to the same period of last year as well as an operating loss for the asphalt shipping section of the logistics division. In order to control the fixed operating costs of asphalt shipping, the Group disposed of one of its asphalt ocean carriers at the end of December 2009 and recorded a loss on the book value of approximately RMB10,572,000. Despite recording a loss on the book value for FY2009 from the disposal, the Board considers that disposing of one of the asphalt ocean carriers will help enhance the overall utilization rate and reduce the operation cash outflow.

* *For identification only*

The gross profit of the Group's asphalt trading also decreased as a result of the weakened overall market demand in the first half of FY2009. In spite of the lower overall profit of the Group for FY2009, benefiting from the enormous investment by the PRC government in infrastructure projects, including road and bridge construction, as well as the potentials from many large scale projects commenced construction in last year that will reach the asphalt covering stage this year, it is believed that the demand for asphalt from road and bridge infrastructure market will remain stable. In addition, the Group's road and bridge business has successfully won a number of large-scale construction projects during 2009. Accordingly, the Board remains optimistic about the prospects and overall financial position of the Group.

The information contained in this announcement is only based on the preliminary assessment by the management of the Company in accordance with the unaudited management accounts and available information, which have not been reviewed or audited by the Company's auditors. Further details of the Group's financial information will be disclosed in the Group's audited annual results for FY2009 to be announced as soon as practicable.

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, 5 February 2010

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 Chan Cheuk Wing Andy; and 3 independent non-executive directors: Zhu Shengfu, Li Li and Ye Mingzhu.

This announcement, for which the directors of Shanghai Tonva Petrochemical Co., Ltd. collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited 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 publication and on the website of the Company at <http://www.tonva.com>.