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SINOPEC KANTONS HOLDINGS LIMITED

(中 石 化 冠 德 控 股 有 限 公 司) *

(incorporated in Bermuda with limited liability)

(Stock Code: 934)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting (“Meeting”) of the shareholders (“Shareholders”) of Sinopec Kantons Holdings Limited (the “Company”) will be held at Boardroom 3-4, Mezzanine Floor, Renaissance Harbour View Hotel, 1 Harbour Road, Wanchai, Hong Kong on Saturday, 31 December 2011 at 10:00 a.m. and at any adjournment thereof to consider and, if thought fit, pass (with or without amendments) the following resolutions:

ORDINARY RESOLUTIONS

1. **“THAT** each of the five acquisition agreements dated 3 December 2011 entered into between (i) Sinopec Corp., the controlling shareholder of the Company, as vendor, and (ii) Sinomart KTS Development Limited, a wholly-owned subsidiary of the Company as purchaser in relation to the sale and purchase of (1) 50% of equity interest in 寧波實華原油碼頭有限公司 (Ningbo Shihua Crude Oil Terminal Company Limited*) at the consideration of RMB173,284,700 (approximately HK\$212,619,264 (*Note 1*)); (2) 50% of equity interest in 青島實華原油碼頭有限公司 (Qingdao Shihua Crude Oil Terminal Company Limited*) at the consideration of RMB585,797,600 (approximately HK\$718,770,061 (*Note 1*)); (3) 50% of equity interest in 天津港實華原油碼頭有限公司 (Tianjin Port Shihua Crude Oil Terminal Company Limited*) at the consideration of RMB349,546,800 (approximately HK\$428,891,779 (*Note 1*)); (4) 50% of equity interest in 日照實華原油碼頭有限公司 (Rizhao Shihua Crude Oil Terminal Company Limited*) at the consideration of RMB427,809,300 (approximately HK\$524,993,006 (*Note 1*)); and (5) 90% of equity interest in 唐山曹妃甸實華原油碼頭有限公司 (Tangshan Caofeidian Shihua acts and execute such other documents with or without amendments and affix the common seal of the Company thereto (if required) as he may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with or in relation to the Acquisition.” Crude Oil Terminal Company Limited*) at a consideration of RMB273,308,900 (approximately HK\$335,348,344 (*Note 1*)) (collectively the “Acquisition” or “Acquisition Agreements”) at the total consideration of RMB1,809,807,300 (approximately HK\$2,220,622,454), copies of which have been produced at the Meeting marked

“A” and signed by the chairman of the Meeting for identification purpose, with particulars described in the Circular dated 14 December 2011 (the “Circular”) despatched by the Company to the Shareholders (a copy of which has been produced at the Meeting marked “B” and signed by the chairman of the Meeting for the purpose of identification) be and is hereby approved, confirmed and ratified, and **THAT** all the transactions contemplated under the Acquisition Agreements be and are hereby approved, confirmed and ratified, and **THAT** any director of the Company (the “Directors”) be and is hereby authorised to do such

2. “**That** subject to the fulfillment of the conditions in respect of the proposed Rights Issue as set out in the Circular, the issue by way of rights of the ordinary shares of HK\$0.10 each in the capital of the Company (the “Rights Shares”), on the following structure and terms, be and is hereby approved:

- (i) Type and nominal value of the Rights Shares (*Note 2*)
- (ii) Proportion and number of the Rights Shares to be issued (*Note 3*)
- (iii) Subscription Price for the Rights Shares (*Note 4*)
- (iv) Target subscribers for the proposed Rights Issue (*Note 5*)
- (v) Use of proceeds (*Note 6*)
- (vi) Authorisation for the proposed Rights Issue (*Note 7*).”

“3. **THAT**

(A) subject to the completion of the proposed Rights Issue (as set out in Resolution 2 above), and the following provisions of this Resolution 3, the exercise by the Directors during the Relevant Period (as defined below) of all the powers of the Company to allot, issue, grant, distribute or otherwise deal with additional shares of the Company, and to make, issue or grant offers, agreements or options (including warrants, bonds, debentures, or any other securities which carry rights to subscribe for or are convertible into Shares) which will or might require Shares to be allotted, issued, granted, distributed or otherwise dealt with subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;

(B) the approval in sub-paragraph (A) of this Resolution 3 shall authorise the Directors during the Relevant Period to make, issue or grant offers, agreements, or options (including warrants, bonds, debentures, or any other securities which carry rights to subscribe for or are convertible into Shares) which will or might require the exercise of such powers after the end of the Relevant Period;

(C) the aggregate nominal amount of share capital allotted, issued, granted, distributed or otherwise dealt with or agreed conditionally or unconditionally to be allotted, issued, granted, distributed or otherwise dealt with (whether pursuant to an option, conversion or otherwise) by the Directors pursuant to the approval in this Resolution 3, otherwise than pursuant to:

(i) a rights issue; or

(ii) any issue of Shares as scrip dividends or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares pursuant to the memorandum of association and bye-laws of the Company from time to time,

shall not exceed the aggregate of:

(a) twenty per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of completion of the proposed Rights Issue (as set out in Resolution 2 above); and

(b) (as if the Directors are so authorised by a separate resolution of the shareholders of the Company) the aggregate nominal amount of share capital of the Company purchased by the Company subsequent to the passing of this Resolution 3 (up to a maximum equivalent to ten per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of completion of the proposed Rights Issue (as set out in Resolution 2 above)), and the said approval shall be limited accordingly;

(D) subject to the said passing of this Resolution 3, any prior approvals of the kind referred to in this Resolution 3 which had been granted to the Directors and which are still in effect be and are hereby revoked; and

(E) for the purposes of this Resolution 3:

(i) “Relevant Period” means the period from (and including) the date of completion of the Rights Issue (as set out in Resolution 2 above) until the earlier of:

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the period within which the next annual general meeting of the Company is required by Bermuda law or the Company’s bye-laws to be held;

(c) the date on which the authority given under this Resolution 3 is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting; and

(ii) “rights issue” means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any legal or practical restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any jurisdiction or territory applicable to the Company); and

(iii) “Shares” means shares of all classes in the capital of the Company and warrants and other securities which carry a right to subscribe or purchase shares in the Company.”

“4. **THAT** (a) the authorised share capital of the Company be increased from HK\$300,000,000 (divided into 3,000,000,000 ordinary shares of HK\$0.10 each) to HK\$1,000,000,000 (divided into 10,000,000,000 ordinary shares of HK\$0.10 each) by the creation of 7,000,000,000 new ordinary shares of HK\$0.10 each (the “Increase in Authorised Share Capital”) ; and (b) **THAT** any Director be and is hereby authorised for and on behalf of the Company to do all such acts and execute all such documents with or without amendments as they may consider necessary, desirable or expedient to carry out or give effect to or otherwise in connection with the matters contemplated in and for completion of the Increase in Authorised Share Capital.”

By order of the Board of
Sinopec Kantons Holdings Limited
Dai Zhao Ming
Chairman

Hong Kong, 14 December 2011

Principal office in Hong Kong:
20th Floor, Office Tower
Convention Plaza
1 Harbour Road, Wanchai
Hong Kong

Notes:

1. In this notice, unless otherwise stated amounts in RMB have been converted into Hong Kong dollars at the rate of HK\$1: RMB\$0.815 for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be converted.
2. For further details, please refer to the Circular. Type and nominal value of the Rights Shares to be issued will be the Shares (as defined in the Circular).
3. For further details, please refer to the Circular. Proportion and number of the Rights Shares to be issued will be up to one (1) Rights Share for one (1) existing Share of the Company in issue as at the Record Date (as defined in the Circular). The number of Rights Shares will be subject to final determination by the Board or any other person(s) authorized by the Board in consultation with the Underwriter(s), having regard to the market conditions and pursuant to the authorization of the Meeting.
4. For further details, please refer to the Circular. The Subscription Price (as defined in the Circular) shall be determined by the Board or any other person(s) authorised by the Board in consultation with the underwriter(s) (with reference to the market trading price, having regard to the prevailing market conditions, including but not limited to, the trading price of the Shares before the publication of a further announcement regarding the proposed Rights Issue and pursuant to the authorisation of the Meeting). As at the Latest Practicable Date (as defined in the Circular), the closing price of the Shares is HK\$4.78.
5. For further details, please refer to the Circular. The target subscribers of the Shares to be offered in the proposed Rights Issue (as defined in the Circular) shall be the Qualifying Shareholders (as defined in the Circular) whose names appear on the register of members of the Company on the Record Date (as defined in the Circular).
6. For further details, please refer to paragraph headed “III. The Proposed Rights Issue” as set out in the Circular.
7. The resolution approving the proposed Rights Issue will be valid until 30 April 2012 (i.e. the proposed Rights Issue will need to be completed on or before 30 April 2012). To ensure the smooth implementation of the proposed Rights Issue, the Board shall be authorised, and will designate a board committee set up for this purpose, to handle matters with full discretion regarding the proposed Rights Issue in accordance with the framework and principles approved at the Meeting. The scope of and matters covered under such authorisation include but are not limited to the following:
 - (i) to complete such procedures as examination and approval, registration, filing, obtaining clearance and consents with or from the relevant regulatory authorities in connection with the proposed Rights Issue;
 - (ii) to execute, perform, amend, supplement, complete, deliver and send out to the relevant regulatory bodies, institutions, stock exchanges, organisations or individuals the relevant agreements, contracts and documents relating to the proposed Rights Issue (including but not limited to announcements, circulars or underwriting agreements);
 - (iii) to formulate and implement a concrete plan for the proposed Rights Issue, including but not limited to the definitive basis on which the Rights Shares are to be offered, the number of Rights Shares to be issued, the Subscription Price, the period of closure of the register of members, trading arrangements of the Rights Shares, trading arrangements of the rights to subscribe for the Rights Shares in nil-paid form, the arrangement for excess Rights Shares, the underwriting arrangement, details of the Underwriter and the Underwriting Agreement and the expected timetable of the proposed Rights Issue, based on the actual situation of the implementation, market conditions changes in policies and opinions of regulatory authorities;

- (iv) upon the completion of the proposed Rights Issue, to handle matters relating to the listing of, and permission to deal in the Rights Shares (as defined in the Circular), in both nil-paid and fully-paid forms, on the Stock Exchange (as defined in the Circular); and
 - (v) to the extent permitted by the relevant laws and regulations, to handle all such other matters as may be necessary, desirable or appropriate for the proposed Rights Issue.
8. Resolutions 1 and 2 are subject to the approval by the Independent Shareholders (as defined in the Circular) on a vote by way of poll. Resolutions 3 and 4 are subject to approval by the Shareholders (as defined in the Circular) on a vote by way of poll.
 9. A form of proxy for use at the meeting is enclosed herewith.
 10. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer or attorney authorised to sign the same.
 11. Any member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, on a poll, vote on its/his/her behalf. A proxy need not be a shareholder of the Company. Results of the poll voting will be published on the Company's website at www.sinopec.com.hk and the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk after the Meeting.
 12. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarised copy of such power of attorney or authority, must be lodged at the office of the Company's Hong Kong branch share registrar and transfer office, Tricor Secretaries Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, not less than 48 hours before the time appointed for holding the Meeting or any adjourned meeting thereof (as the case may be).
 13. Completion and return of the form of proxy will not preclude a shareholder from attending and voting in person at the Meeting or at any adjourned meeting thereof (as the case may be) should it/he/she so wish, and in such event, the form of proxy shall be deemed to be revoked.
 14. Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if it/he/she was solely entitled thereto, but if more than one of such joint holders are present at the Meeting, whether in person or by proxy, the joint registered holder present whose name stands on the register of members in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.

As at the date of this notice, the Board comprises six executive Directors: Mr. Dai Zhao Ming, Mr. Zhu Zeng Qing, Mr. Zhu Jian Min, Mr. Tan Ke Fei, Mr. Zhou Feng, Mr. Ye Zhi Jun and three independent non-executive Directors: Mr. Wong Po Yan, Ms. Tam Wai Chu, Maria and Mr. Fong Chung, Mark.

* For identification purpose only