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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 incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 1103)**

**DISCLOSEABLE TRANSACTION**  
**IN RELATION TO**  
**THE ACQUISITION OF 53% EQUITY INTEREST IN**  
**RUIYING XINRONG (SHENZHEN) FINANCE LEASE CO., LIMITED \***

**THE ACQUISITION**

The Board is pleased to announce that on 1 September 2015 (after trading hours of the Stock Exchange), the Purchaser, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Target Equity Interest at the Consideration.

**LISTING RULES IMPLICATIONS**

**Discloseable Transaction**

As one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules.

**As the Completion is subject to the satisfaction and/or waiver, where applicable, of the Conditions set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed to Completion. Shareholders and potential investors of the Company should exercise caution when dealing in the shares or any securities of the Company.**

\* For identification purposes only

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## **SALE AND PURCHASE AGREEMENT**

Date : 1 September 2015

Parties : (i) 深圳市大生金融控股有限公司 (Shenzhen Dasheng Financial Holding Company Limited\*) being the Purchaser, a wholly-owned subsidiary of the Company

(ii) 河北奧威實業集團有限公司 (Hebei Aowei Industrial Group Co., Limited\*) being the Vendor

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its beneficial owner(s) is Independent Third Party not connected with the Company or any of its connected persons.

### **Assets to be acquired**

The Target Equity Interest, being the 53% equity interest of the Target Company, is currently owned by the Vendor. As advised by the Vendor, at the date of this announcement, the Target Company holds 100% equity interest of Ruiying Factoring and 55% equity interest of Ruiying Maoshuo.

As of the date of this announcement, the Target Company is owned by the Vendor, the Existing Shareholder A and the Existing Shareholder B as to 53%, 25% and 22% equity interest of the Target Company, respectively. Pursuant to the Sale and Purchase Agreement, as one of the Conditions, the Existing Shareholder A will transfer its 25% equity interest of the Target Company to the Investor A or any entity authorised by the Investor A prior to the Completion.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Existing Shareholder A, the Existing Shareholder B, the Investor A and their respective beneficial owners is Independent Third Party not connected with the Company or any of its connected persons.

## **Consideration**

The Consideration of the Acquisition is RMB53,000,000 (equivalent to approximately HK\$64,130,000). Pursuant to the Sale and Purchase Agreement, the Consideration shall be paid by the Purchaser to the Vendor in the following manners:—

1. a deposit in the sum of RMB3,000,000 (equivalent to approximately HK\$3,630,000) within 15 Business Days from the date of the Sale and Purchase Agreement; and
2. the balance of the Consideration in the sum of RMB50,000,000 (equivalent to approximately HK\$60,500,000) within 15 Business Days from the date that all Conditions have been satisfied prior to the Conditions Fulfillment Date.

It is expected that the Consideration will be financed by the internal resources and/or the bank facilities of the Group.

The Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendor taking into account of unaudited financial statements of Target Company for the year ended 31 December 2014 and for the six months ended 30 June 2015 and the reasons and benefit of the Acquisition as described under the paragraph headed "REASONS AND BENEFITS OF THE ACQUISITION" below.

Having considered the above, the Directors are of the view that the Consideration are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Conditions Precedent**

Completion of the Acquisition is conditional upon the following Conditions being satisfied (or, where applicable, waived by the Purchaser) on or before the Conditions Fulfillment Date:

- (1) the transfer of the 25% equity interest of the Target Company by the Existing Shareholder A to the Investor A or any entity authorised by the Investor A shall be completed and the Target Company has received the new business licence issued by the Administrative Bureau for Industry and Commerce (工商部門) after the change of shareholder of the Target Company;

- (2) all legal procedure in relation to the transfer of the Target Equity Interest from the Vendor to the Purchaser has been completed;
- (3) the Vendor has provided the Purchaser the board resolution(s) (or shareholders' resolution(s) as required by the Vendor's articles of association) approving the sale of the Target Equity Interest;
- (4) Each of the Exiting Shareholder A and Exiting Shareholder B has issued written statement declaring that they waive their respective pre-emptive rights in respect of the Target Equity Interest in accordance with the requirement of the articles of association of the Target Company;
- (5) the Vendor has executed an undertaking letter to ensure the Purchaser free from any liabilities of any debts incurred before the Completion or any tax penalty which may be incurred for the transfer of Target Equity Interest; and
- (6) the Vendor has completed all procedure and registration as required by the relevant administrations of the PRC in relation to the transfer of the Target Equity Interest.

The Purchaser shall have the right to waive any of the Conditions above at its discretion.

If any of the Conditions have not been fulfilled or waived (as the case may be) by the Conditions Fulfillment Date, the Sale and Purchase Agreement shall lapse and have no further effect. The Vendor shall refund the deposit in the sum of RMB3,000,000 (equivalent to approximately HK\$3,630,000) previously received from the Purchaser together with all interest accrued to the Purchaser within 14 Business Day from the date that the Sale and Purchase Agreement lapses.

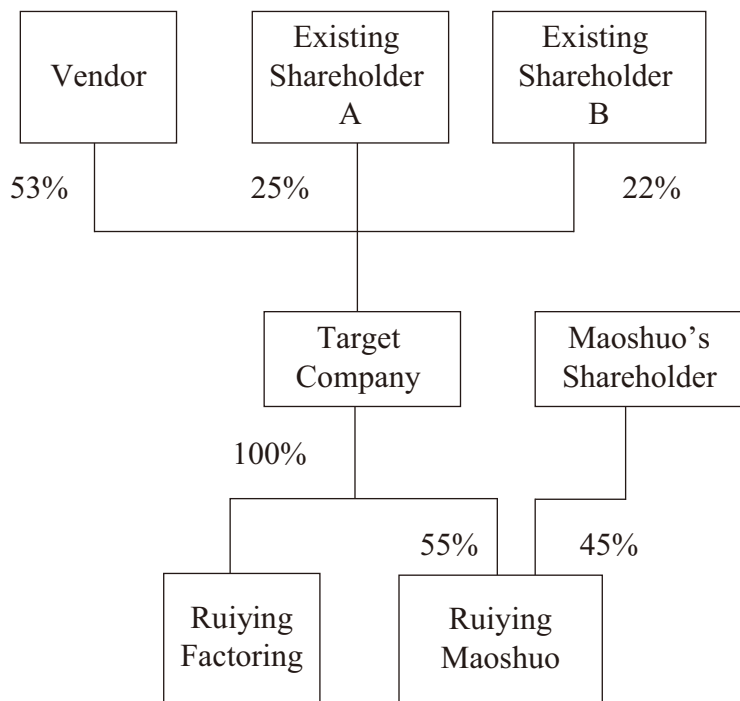
### **Completion**

Completion shall take place on the date on which all the Conditions have been fulfilled or waived (as the case may be) prior to the Conditions Fulfillment Date and the Consideration has been actually paid in full by the Purchaser to the Vendor.

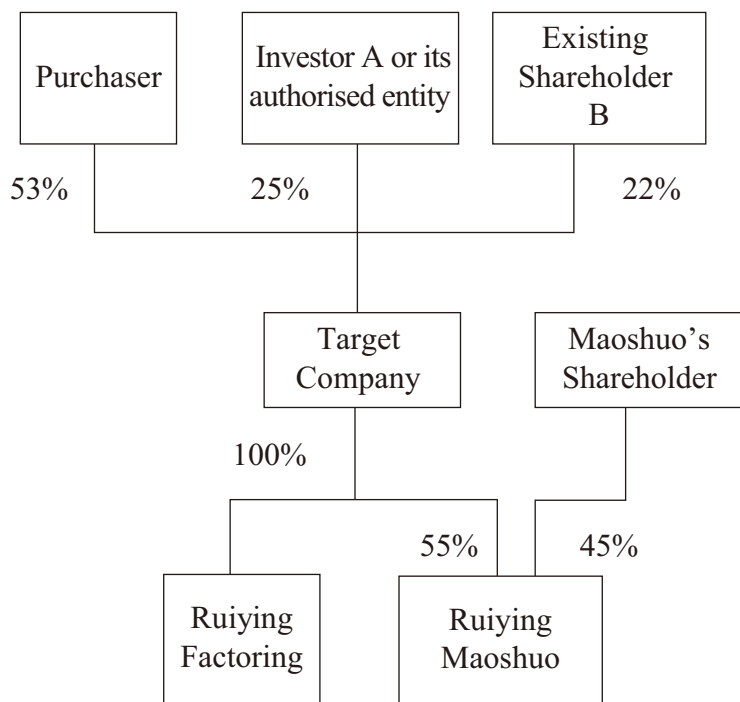
Upon Completion, the Target Company and Ruiying Factoring will become non-wholly owned subsidiaries of the Company and the Company will effectively hold 29.15% equity interest of Ruiying Maoshuo.

**INFORMATION OF THE VENDOR, THE TARGET GROUP, EXISTING SHAREHOLDERS, INVESTOR A AND MAOSHUO'S SHAREHOLDER**

The following chart illustrates the shareholding and corporate structure of Target Group as at the date of this announcement:



The following chart illustrates the shareholding and corporate structure of Target Group upon Completion:



As advised by the Vendor:

- (i) the Vendor is a limited liability company established in the PRC and is principally engaged in, among other things, mining and steel refining business.
- (ii) the Target Company is a sino-foreign equity joint venture established in the PRC and is principally engaged in the financial leasing, leasing, purchase of leased property inside or outside of the PRC, salvage treatment and maintenance of leased property, provision of advisory and guarantees for lease transactions and other businesses approved by the approving authorities in the PRC.
- (iii) Ruiying Factoring is a limited liability company established in the PRC on 3 July 2015 with a registered share capital of RMB50,000,000 (equivalent to approximately HK\$60,500,000), of which RMB45,000,000 (equivalent to approximately HK\$54,450,000) has not been paid up by the Target Company as its sole shareholder. Ruiying Factoring is principally engaged in, among other things, the commercial factoring (not in the category of bank facilities), equity interest investment, investment management, finance consultation and corporate management consultation.
- (iv) Ruiying Maoshuo is a sino-foreign equity joint venture established in the PRC on 10 August 2015 with a registered share capital of RMB200,000,000 (equivalent to approximately HK\$242,000,000), which has not been paid up by the Target Company as its shareholder as to 55% equity interest. Ruiying Maoshuo is principally engaged in, among other things, financial leasing, leasing, purchase of leased property inside or outside of the PRC, salvage treatment and maintenance of leased property and consultation for lease transactions.
- (v) the Existing Shareholder A is a resident of Hong Kong.
- (vi) the Existing Shareholder B is a limited liability company incorporated in the PRC.
- (vii) the Investor A is a limited liability company incorporated in Bermuda.
- (viii) Maoshuo's Shareholder is a limited liability company incorporated in Hong Kong.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendor, the Existing Shareholders, the Investor A, the Maoshuo's Shareholder and their respective beneficial owners is Independent Third Party not connected with the Company or any of its connected persons.

## FINANCIAL INFORMATION OF THE TARGET GROUP

As informed by the Vendor, the unaudited financial information of the Target Company for the period from 13 May 2014 (its date of establishment) to 31 December 2014 and for the period from 1 January 2015 to 30 June 2015 is summarized as follows (for illustration purposes only):

	<b>For the year ended 31 December 2014 (RMB') (unaudited)</b>	<b>For the six months ended 30 June 2015 (RMB') (unaudited)</b>
Profit before taxation	205,498	52,484
Profit after taxation	154,124	39,363
Net assets	83,091,624	83,112,980

Due to the short operational history of Ruiying Factoring and Ruiying Maoshuo, since their incorporations on 3 July 2015 and 10 August 2015 respectively, the financial performance of Ruiying Factoring and Ruiying Maoshuo is insignificant.

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The principal business activity of the Company is investment holding. The Group is principally engaged in trading of petrochemical products and the road and bridge construction business.

The Board, to its best knowledge, is optimistic about the future development and prospect of financial leasing, commercial factoring and related businesses engaged by the Target Group, and is of the view that the Target Group will enrich the Group's portfolio in the area of financial business. Therefore, the Board believes that the Acquisition is in line with the finance service businesses in the agriculture sector that the Group is strategically expanding to, and further provides a new source of income for the Group.

In view of the above, the Directors consider that the terms of the Acquisition and the Sale and Purchase Agreement are on normal commercial terms and are fair and reasonable and the Acquisition is in the interests of the Company and the Shareholders of the Company as a whole.

## LISTING RULES IMPLICATIONS

### Discloseable Acquisition

As one or more applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements under the Listing Rules.

**As the Completion is subject to the satisfaction and/or waiver, where applicable, of the Conditions set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed to Completion. Shareholders and potential investors of the Company should exercise caution when dealing in the shares or any securities of the Company.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings.

“Acquisition”	the acquisition of the Target Equity Interest by the Purchaser pursuant the Sale and Purchase Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday or general holiday) on which licensed banks in the PRC are open for general banking business throughout their normal business hours
“Company”	Shanghai Tonva Petrochemical Co. Ltd.* (上海棟華石油化工股份有限公司), a joint stock company incorporated in the PRC with limited liability, whose H shares are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the Acquisition pursuant to the terms and conditions of the Sale and Purchase Agreement
“Conditions”	the conditions precedent of the Completion, details of which are set out in the paragraph headed “Conditions precedent” of this announcement



“Conditions Fulfillment Date”	three (3) month(s) from the date of the Sale and Purchase Agreement
“connected person”	has the meaning ascribed to it in the Listing Rules
“Consideration”	RMB53,000,000 (equivalent to approximately HK\$64,130,000) being the consideration for the acquisition of the Target Equity Interest by the Purchaser
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the ordinary domestic share(s) of the Company with a nominal value of RMB0.10 each in the share capital of the Company
“Existing Shareholders”	collectively, Existing Shareholder A and Existing Shareholder B
“Existing Shareholder A”	as advised by the Vendor, a resident of Hong Kong, who currently holds 25% equity interest of the Target Company, which will be sold to the Investor A or its authorised entity
“Existing Shareholder B”	as advised by the Vendor, a limited liability company incorporated in the PRC, which currently holds 22% equity interest of the Target Company
“Group”	the Company and its subsidiaries
“H Share (s)”	the overseas listed foreign share(s) with a nominal value of RMB0.10 each in the share capital of the Company which are listed on the Stock Exchange and are traded in Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of the Company and its connected persons (as defined under the Listing Rules)
“Investor A”	as advised by the Vendor, a limited liability company incorporated in Bermuda, which, or any entity authorised by the Investor A, will hold 25% equity interest of the Target Company upon the completion of the purchase of the 25% equity interest from the Existing Shareholder A and is an Independent Third Party

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maoshuo’s Shareholder”	as advised by the Vendor, a limited liability company incorporated in Hong Kong, which holds 45% equity interest of the Ruiying Maoshuo and is an Independent Third Party
“PRC”	the People’s Republic of China, for the purpose of this announcement only, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Purchaser”	深圳市大生金融控股有限公司 (Shenzhen Dasheng Financial Holding Company Limited*), a limited liability company established in the PRC and a wholly-owned subsidiary of the Company
“Ruiying Factoring”	瑞盈信融(深圳)商業保理有限公司 (Ruiying Xinrong (Shenzhen) Commercial Factoring Co., Limited*), a limited liability company established in the PRC, which is wholly-owned by the Target Company
“Ruiying Maoshuo”	瑞盈茂碩融資租賃(深圳)有限公司 (Ruiying Maoshuo Finance Lease (Shenzhen) Co., Limited*), a sino-foreign equity joint venture with limited liability established in the PRC which is held as to 55% and 45% by the Target Company and Maoshuo’s Shareholder respectively
“Sale and Purchase Agreement”	the sale and purchase agreement dated 1 September 2015 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Share(s)”	collectively, the Domestic Shares and H Shares
“Shareholder(s)”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	瑞盈信融(深圳)融資租賃有限公司 (Ever Fortune Financial Leasing Co., Ltd.*), a sino-foreign equity joint venture established in the PRC

“Target Equity Interest”	53% equity interest of the Target Company, as advised by the Vendor, out of which RMB53,000,000 (equivalent to approximately HK\$64,130,000) has been paid up by the Vendor whereas the remaining balance of the said equity interest, being RMB53,000,000 (equivalent to approximately HK\$64,130,000) has not been paid up by the Vendor
“Target Group”	the Target Company, Ruiying Factoring and Ruiying Maoshuo
“Vendor”	河北奧威實業集團有限公司 (Hebei Aowei Industrial Group Co., Ltd.*), a limited liability company established in the PRC and, as advised by Vendor, the Vendor holds 53% of the equity interest of the Target Company, which holds 100% of equity interest of Ruiying Factoring and 55% of Ruiying Maoshuo
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

\* *The English translation in this announcement is for reference only. The official names are in Chinese.*

By Order of the Board  
**Shanghai Tonva Petrochemical Co., Ltd.**  
**Lan Huasheng**  
*Chairman*

Shanghai, PRC, 1 September 2015

*As at the date of this announcement, the Board comprises three executive directors: Mr. Lan Huasheng, Mr. Mo Luojiang and Mr. Wang Liguo; one non-executive director: Mr. Zhu Tianxiang; and three independent non-executive directors: Mr. Chung Cheuk Ming, Ms. Pan Min and Mr. Zhou Jianhao.*

*Unless otherwise stated, translation of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.21 for information purpose only. Such translation should not be construed as a representation that the relevant amounts have been, could have been, or could be converted at that or any other rate or at all.*