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天安中國投資有限公司

TIAN AN CHINA INVESTMENTS COMPANY LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 28)

DISCLOSEABLE TRANSACTION

ACQUISITION OF PROPERTIES

On 14th October, 2010, SHGT, an indirect wholly-owned subsidiary of the Company, as purchaser and MH (Shanghai) as vendor entered into the Pre-Sale Agreements in relation to the acquisition of the Properties at the total consideration of RMB458,347,000 (equivalent to approximately HK\$532,962,000), subject to adjustment (if any).

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules, on the basis that the calculation of the relevant Percentage Ratio(s) exceeds 5% but is less than 25%.

PRE-SALE AGREEMENTS

Date: 14th October, 2010

Parties:

- (1) SHGT as purchaser; and
- (2) MH (Shanghai) as vendor.

Based on the confirmation and representation of MH (Shanghai), and to the best knowledge, information and belief of the Directors having made all reasonable enquiries, MH (Shanghai) and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons as at the date of this announcement.

Properties to be acquired

The Properties being acquired are eleven (11) units of Xijiao Elegant Garden Phase III* (西郊明苑別墅III期), a residential villa complex, situate at No. 189 Longxi Road, Changning District, Shanghai* (上海市長寧區龍溪路189號). The estimated construction area of the Properties is approximately 4,583.47 square metres. The construction of the Properties has not yet been completed as at the date of the Pre-Sale Agreements.

Consideration and payment terms

The total Consideration payable by SHGT to MH (Shanghai) under the Pre-Sale Agreements is RMB458,347,000 (equivalent to approximately HK\$532,962,000), subject to adjustment (if any), which shall be satisfied in cash in the following manner:

- (1) RMB45,834,700 (equivalent to approximately HK\$53,296,200) shall be paid on the date of signing the Pre-Sale Agreements;
- (2) RMB45,834,700 (equivalent to approximately HK\$53,296,200) shall be paid on or before 14th December, 2010;
- (3) RMB45,834,700 (equivalent to approximately HK\$53,296,200) shall be paid on or before 14th January, 2011; and
- (4) RMB320,842,900 (equivalent to approximately HK\$373,073,400) shall be paid on or before 14th February, 2011.

The Consideration was determined based on the construction area of the Properties with reference to the price of comparable properties located in the same area after arm's length negotiation between the parties.

The market value of the Properties is valued at HK\$550,000,000 on 30th September, 2010 by Norton Appraisals Limited, an independent professional valuer with 17 years of experience in the valuation of land in the PRC.

Norton Appraisals Limited adopted the "Market Value" assumptions in conducting the valuation, which is defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably prudently and without compulsion. The Consideration represents a purchase at the market value with a 3% discount, which equals to an amount of approximately HK\$17,038,000.

Adjustment of Consideration

The Consideration is subject to the following adjustment, if, at Completion:

- (1) the actual construction area exceeds the estimated construction area by more than 3% to 5% (the "Excess Area"), SHGT shall pay MH (Shanghai) an amount equivalent to the multiple of the Excess Area and the Price;
- (2) the estimated construction area exceeds the actual construction area by more than 3% to 5% (the "Reduced Area"), MH (Shanghai) shall pay SHGT an amount equivalent to the multiple of the Reduced Area and the Price; and
- (3) the difference between the actual construction area and the estimated construction area or vice versa (the "Difference"), as the case may be, exceeds 5%, then SHGT shall be entitled to terminate the Pre-Sale Agreement unilaterally, and MH (Shanghai) shall within one hundred and twenty (120) days upon receipt of termination notice refund to SHGT all consideration which has been paid by SHGT, together with interest accrued thereon at the fixed-asset lending rate quoted by the People's Bank of China.

The Consideration shall not be adjusted if the Difference does not exceed 3%.

Conditions Precedent to Completion

Completion shall be conditional upon MH (Shanghai), in relation to each Property, having:

- (1) obtained the New Residence Permit* (住宅交付使用許可證);
- (2) discharged all mortgage, charge or other encumbrance, if any, against the Property; and
- (3) contributed to the Property Maintenance Fund* (物業維修基金) in accordance with the rules and regulations of the PRC.

Completion

Subject to the fulfilment of the conditions precedent, Completion shall take place when the relevant Property is handed over to SHGT, which in any event shall not be later than 30th June, 2011.

Also, MH (Shanghai) has undertaken to complete the relevant registration procedures under the rules and regulations of the PRC and obtain the Newly-Built Commercial Housing Real Estate Certificates* (新建商品房房地產權證) with respect to the Properties in favour of SHGT before 31st December, 2012.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition is in line with the principal business activities of the Group and can increase the land bank of the Company. Based on the long-term growth prospects of the PRC economy, the Directors expect that property development in the PRC, particularly, major cities in the PRC such as Shanghai will continue to enjoy growth. The Directors also expect that demand for quality residential properties will remain strong. As such, the increase in land bank in such cities is strategically important to the long-term development of the Group. The Acquisition will be funded by internal resources of the Company.

In view of the above, the Directors are of the view that the Acquisition and the terms of the Pre-Sale Agreements are fair and reasonable and in the interests of the Company and its Shareholders taken as a whole.

INFORMATION RELATING TO THE COMPANY, SHGT AND MH (SHANGHAI)

(1) The Company

The Company is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange.

The principal business activity of the Company is investment holding. The Group is engaged principally in the development of high-end apartments, villas, office buildings and commercial properties, property investment, property management and hotel operation, as well as the manufacture and sale of construction materials in the PRC.

(2) SHGT

SHGT is a company incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company.

The principal business activity of SHGT is property development.

(3) MH (Shanghai)

MH (Shanghai) is a company incorporated in the PRC with limited liability.

Based on the information provided by MH (Shanghai), the principal business activity of MH (Shanghai) is property development.

LISTING RULES IMPLICATIONS OF THE ACQUISITION

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules, on the basis that the calculation of the relevant Percentage Ratio(s) exceeds 5% but is less than 25%.

DEFINITIONS

“Acquisition”	SHGT’s acquisition of the Properties from MH (Shanghai);
“Board”	the board of Directors;
“Company”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Completion”	completion of a Pre-Sale Agreement;
“connected person(s)”	having the meaning ascribed to it under the Listing Rules;
“Consideration”	the total consideration of RMB458,347,000 (equivalent to approximately HK\$532,962,000), subject to adjustment (if any), for the Acquisition;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“MH (Shanghai)”	上海明鴻房地產發展有限公司 (Shanghai Min Hoong Real Estate Development Co., Ltd.*), a company incorporated in the PRC with limited liability;

“Percentage Ratio(s)”	percentage ratio(s) as defined in Rule 14.04(9) of the Listing Rules;
“PRC”	the People’s Republic of China, not including Taiwan, Hong Kong and Macau for the purpose of this announcement;
“Pre-Sale Agreements”	eleven (11) agreements all dated 14th October, 2010 entered into between SHGT and MH (Shanghai) in relation to the sale and purchase of the Properties on materially identical terms, and each a “Pre-Sale Agreement”;
“Price”	RMB100,000 (equivalent to approximately HK\$116,279) per square metre;
“Properties”	eleven (11) units of 西郊明苑別墅III期 (Xijiao Elegant Garden Phase III*), a residential villa complex, situate at 上海市長寧區龍溪路189號 (No. 189 Longxi Road, Changning District, Shanghai*), and a “Property” shall be construed accordingly;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	holder(s) of the ordinary share(s) of HK\$0.20 each in the issued share capital of the Company;
“SHGT”	上海凱恒置業有限公司 (Shanghai Greentree I Company Ltd.*), a company incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

On behalf of the Board
Tian An China Investments Company Limited
Edwin Lo King Yau
Executive Director

Hong Kong, 15th October, 2010

For the purpose of this announcement, translations of Renminbi into Hong Kong dollars or vice versa have been calculated by using exchange rate of HK\$1.00 equal to RMB0.86. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.

As at the date of this announcement, the Board comprises Mr. Hu Aimin (Deputy Chairman), Mr. Song Zengbin (Deputy Chairman), Mr. Patrick Lee Seng Wei (Managing Director), Mr. Ng Qing Hai (Deputy Managing Director), Mr. Ma Sun (Deputy Managing Director), Mr. Edwin Lo King Yau and Mr. Tao Tsan Sang being the Executive Directors; Mr. Lee Seng Hui (Chairman) and Dr. Moses Cheng Mo Chi being the Non-Executive Directors; and Mr. Francis J. Chang Chu Fai, Mr. Jin Hui Zhi, Mr. Ngai Wah Sang and Ms. Lisa Yang Lai Sum being the Independent Non-Executive Directors.

* for identification purpose only