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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
AND
CONNECTED TRANSACTION**

(1) Disposal of a Wholly-owned Subsidiary

(2) Resumption of Trading

On 8th July, 2008, the Company as the vendor entered into a conditional Agreement with TAHK as the purchaser, Mr. Fong Ting as the purchaser's guarantor and Guo Wei, pursuant to which, the Company agreed to sell and TAHK agreed to purchase the entire equity interests in Guangzhou Tian An and hence the entire interests of the Company in the Project, which includes an interest in 30% of the profits generated by the Project and the unsettled amount of RMB79,564,000 for an aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$170,455,000) comprising RMB79,564,000 (equivalent to approximately HK\$90,414,000) being the sum unsettled under the Co-operation Agreement (as supplemented by the Kang Shun Replacement Agreement and the Guo Wei Replacement Deed); and RMB70,436,000 (equivalent to approximately HK\$80,041,000) being the paid up registered capital of Guangzhou Tian An.

It is estimated that, as a result of the transaction contemplated under the Agreement, the Company will recognise a gain of approximately RMB70,436,000 (equivalent to approximately HK\$80,041,000) which will be reflected in the consolidated income statement of the Company for the year ending 31st December, 2008. The transaction will generate proceeds of RMB150,000,000 (equivalent to approximately HK\$170,455,000) for the Company which will be applied as working capital of the Group. The estimated gain represents the aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$170,455,000) less the unrecovered portion of the costs of acquiring the Land and the development costs incurred thereon by the Company prior to the commencement of the Project pursuant to the Co-operation Agreement in August, 2000 of approximately RMB79,564,000 (equivalent to approximately HK\$90,414,000). As a direct result of the gain from the transaction, the earnings and the assets of the Group will increase by the same amount, whereas the liability of the Group will not be affected by the transaction contemplated under the Agreement. The one-off gain will be recognised as an income from a property development project in the financial statements of the Company which will be disclosed in the annual report for the year ending 31st December, 2008.

The transaction contemplated under the Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules on the basis that the revenue ratio is more than 5% but less than 25%.

The transaction contemplated under the Agreement also constitutes a connected transaction for the Company on the basis that Mr. Fong Ting is the sole beneficial owner of TAHK and holds 90% equity interests in Guo Wei. He is also a director and substantial shareholder of Asia Coast, an indirect non-wholly owned subsidiary of the Company, in which the Company is the owner of approximately 84.85% of its entire issued share capital. Hence, Mr. Fong Ting is a connected person to the Company. Pursuant to Rule 14A.17 of the Listing Rules, since the calculation of the relevant percentage ratios are more than 2.5% but less than 25% and the aggregate consideration is more than HK\$10,000,000, the transaction contemplated under the Agreement is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. The Company will convene an EGM for the purpose of approving the Agreement and the transactions contemplated therein by poll in accordance with Rule 14A.52 of the Listing Rules. As at the date of the announcement, and to the best knowledge, belief and information of the Directors, and having made all reasonable inquiries, no Shareholders or their associates have material interests in the transactions contemplated under the Agreement and are required under, Rule 14A.18 of the Listing Rules, to abstain from voting at the EGM.

An independent board committee of the Company has been constituted to consider the terms of the Agreement and to make recommendations to its Independent Shareholders. An independent financial adviser will be appointed to advise the independent board committee of the Company and the Independent Shareholders on the fairness and reasonableness of the transaction contemplated under the Agreement.

The Company will despatch a circular to its Shareholders and warrant holders as soon as practicable. The circular to be despatched by the Company will contain, inter alia, details of the terms of the Agreement, a letter from its independent board committee, a letter from the independent financial adviser and a notice to convene an EGM.

Trading in the securities of the Company on the Stock Exchange was suspended at the request of the Company with effect from 8th July, 2008 pending the release of this announcement. The Company has applied for a resumption of trading in the securities of the Company with effect from 17th July, 2008.

In August, 2000, the Company entered into a Co-operation Agreement with Guo Wei and Kang Shun, pursuant to which, Guo Wei and Kang Shun agreed to provide funding for the Project, and the Company agreed to transfer the right to use the Land to the Project and to allow Guo Wai and Kang Shun to conduct such developments under the name of Guangzhou Tian An.

In November, 2003, Guo Wei and Kang Shun entered into the Kang Shun Replacement Agreement, pursuant to which, Guo Wei and Kang Shun agreed that from the date of the Kang Shun Replacement Agreement:

1. Kang Shun shall not be a party to the development of the Project; and
2. Guo Wei shall be entitled to all the rights of Kang Shun and shall be responsible for all the obligations of Kang Shun under the Co-operation Agreement and Kang Shun shall neither be entitled to any rights nor responsible for any obligations under the Co-operation Agreement.

To the best knowledge, belief and information of the Directors, and having made all reasonable inquiries, Kang Shun is a third party independent of the Company and its connected person and has no other relationship with the Company, save and except the relationship disclosed in this announcement.

On 8th July, 2008, the Company, Guo Wei and TAHK entered into the Guo Wei Replacement Deed pursuant to which, the Company, Guo Wei and TAHK agreed that from the date of the Guo Wei Replacement Deed:

1. TAHK shall be entitled to all the rights of Guo Wei under the Co-operation Agreement;
2. TAHK shall be responsible for all the obligations of Guo Wei under the Co-operation Agreement;
3. Guo Wei shall neither be entitled to any rights nor be responsible for any obligations under the Co-operation Agreement; and
4. the Co-operation Agreement shall be construed subject to the Guo Wei Replacement Deed.

THE AGREEMENT

1. Date

8th July, 2008

2. Parties to the Agreement

- | | | |
|---------------------------------------|---|---------------|
| (a) the vendor | : | the Company |
| (b) the purchaser | : | TAHK |
| (c) the purchaser's guarantor | : | Mr. Fong Ting |
| (d) party acknowledging the Agreement | : | Guo Wei |

3. Disposal of the entire equity interests of Guangzhou Tian An

Pursuant to the Agreement, the Company has agreed to sell and TAHK has agreed to purchase the entire equity interests in Guangzhou Tian An, and hence the entire interests of the Company in the Project, which includes an interest in 30% of the profits generated by the Project.

Since Phase I and Phase II of the Project has been completed and sold to ultimate property purchasers, the only asset held by Guangzhou Tian An is the remaining portion of the Land. However, (i) since the right to use the whole portion of the Land was effectively transferred by the Company to the Project in August, 2000, and (ii) since the Company does not have management, financial and operational control over the Project and hence the assets and liabilities attributable to the Project due to its minority interest in the Project (as reflected by its entitlement to only 30% of the profits generated by the Project), the financial statements of Guangzhou Tian An have not been consolidated into the Company's financial statements since the commencement of the Project in 2000. Therefore, the sole interest of the Company in the Project is its entitlement to 30% of the profits generated by the Project, save and except the Unsettled Amount, pursuant to the Co-operation Agreement.

The Land has an area of approximately 529,700 square metres located on Hong Ji Main Road* in Songgang Town of Nanhai District in Foshan City with a total gross floor area of approximately 180,000 square metres for the development of the Project. The permitted use in respect of the Land is residential usage and the leasing period of the Land will expire by year 2063.

The Project involves the development of the Land into a residential development and is expected to complete by the end of the fourth phase of construction. Phases I and II of the Project have been developed into villa houses, residential apartments and comprehensive ancillary facilities with total gross floor area of approximately 102,600 square metres and have been sold to the ultimate property purchasers. Phase III is currently under construction, having 158 villas, with a proposed gross floor area of approximately 54,700 square metres and the remaining portion is vacant. Phase III is expected to complete by the fourth quarter of 2008.

Pursuant to the Co-operation Agreement (as supplemented by the Kang Shun Replacement Agreement and the Guo Wei Replacement Deed), in consideration of the Company agreeing to transfer the right to use the Land to the Project, TAHK agreed to distribute 30% of all the profits generated by the Project to the Company and to pay RMB140,000,000 (equivalent to approximately HK\$159,091,000) in accordance with the progress of the Project, the whole sum of which shall be settled on completion of the Project. As at the date of this announcement, RMB79,564,000 (equivalent to approximately HK\$90,414,000) (the “Unsettled Amount”) out of the RMB140,000,000 remains unsettled.

There will be no restrictions in place for the subsequent sale of the equity interests in Guangzhou Tian An.

4. Consideration

Pursuant to the Agreement, the aggregate consideration for the transaction contemplated under the Agreement shall be RMB150,000,000 (equivalent to approximately HK\$170,455,000) (subject to adjustment in accordance with the formulae below) comprising RMB70,436,000 (equivalent to approximately HK\$80,041,000) being the paid up registered capital of Guangzhou Tian An and RMB79,564,000 (equivalent to approximately HK\$90,414,000) being the sum that remains unsettled under the Co-operation Agreement. Since the Project is still under construction, the payment of the aggregate consideration represents an early repayment by TAHK of the Unsettled Amount pursuant to the Co-operation Agreement. The aggregate consideration was arrived at after arm’s length negotiation between the Company and TAHK, having regard to the actual amount that remains unsettled pursuant to the Co-operation Agreement and the actual amount of the paid up registered capital of Guangzhou Tian An.

An initial deposit of RMB15,000,000 (equivalent to approximately HK\$17,045,000) (the “Initial Deposit”) has been paid in cash by TAHK to the Company within 3 days from the signing of the Agreement. The balance of the aggregate consideration in the sum of RMB135,000,000 (equivalent to approximately HK\$153,410,000) (the “Balance”) will be settled in cash on or before 31st December, 2008.

If TAHK pays the Balance before 31st December, 2008, TAHK is entitled to a reduction on the Balance in an amount to be calculated according to the following formulae pursuant to the Agreement:

$$\text{the amount to be deducted from the Balance} = \frac{\text{RMB135,000,000} \times 5\% \text{ (calculated annually on 365 day basis) } \times \text{number of days between the date of actual payment of the Balance and 31st December, 2008 (excluding the date of payment)}}{365}$$

The 5% is determined after negotiation between the Company and TAHK with reference to the RMB benchmark interest rates* (基準利率) announced by the People's Bank of China effective from 21st December, 2007.

5. Condition Precedent

Completion is conditional upon the approval by the Independent Shareholders of the Agreement and the transaction contemplated thereunder at the EGM on or before 30th September, 2008 or such later date as shall be agreed between the Company and TAHK in writing.

6. Completion

Subject to the fulfilment of the Condition Precedent, Completion shall take place upon the payment by TAHK of the Balance which in any event shall not be later than 31st December, 2008.

On Completion, Guangzhou Tian An will cease to be a subsidiary of the Company, and the Company will neither be entitled to all the rights and benefits nor be responsible for any obligations under the Co-operation Agreement, including its entitlement to 30% of the profits generated by the Project. Since the commencement of the Project in August, 2000, the financial statements of Guangzhou Tian An have not been consolidated into the Company's financial statements, and will not be so consolidated upon Completion.

On Completion, TAHK will be the sole beneficial owner of Guangzhou Tian An, its assets, rights and properties.

After Completion, if TAHK fails to obtain the approval from the relevant government departments in the PRC for the transfer and registration of the entire equity interests of Guangzhou Tian An under its name or the name of its nominees within 90 days or such later date as agreed between the Company and TAHK in writing, through no fault on its part, the Agreement shall be terminated and the Company shall return the Initial Deposit and the Balance back to TAHK and TAHK shall return to the Company any profit to which the Company is entitled to pursuant to the Co-operation Agreement.

7. Termination

The Agreement may be terminated:

- (a) by the Company if TAHK fails to pay the Balance to the Company pursuant to the Agreement, in which case, the Company may:
 - (i) by written notice terminate the Agreement and forfeit the Initial Deposit as liquidated damages; or
 - (ii) apply for mandatory performance of the Agreement from the courts in Hong Kong.
- (b) by TAHK if the Company fails to fulfil its completion obligations for reasons other than the fulfilment of the Condition Precedent, in which case, TAHK may:
 - (i) by written notice terminate the Agreement and the Company shall return to TAHK the Initial Deposit together with an amount equal to the Initial Deposit as liquidated damages; or
 - (ii) apply for mandatory performance of the Agreement from the courts in Hong Kong;

Provided that if the Condition Precedent fails to be fulfilled on or before 30th September, 2008 or such later date as shall be agreed between the Company and TAHK, the Agreement shall be terminated and the Company shall return the Initial Deposit to TAHK.

INFORMATION OF THE COMPANY, TAHK, MR. FONG TING, GUO WEI AND GUANGZHOU TIAN AN

1. The Company

The Company is a company incorporated in Hong Kong with limited liability. Its securities 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 in the PRC.

2. TAHK

TAHK is a company incorporated in Hong Kong with limited liability. To the best knowledge, belief and information of the Directors, and having made all reasonable inquiries, TAHK is a connected person to the Company. Save and except the relationship disclosed in this announcement, TAHK has no other relationship with the Company.

The principal business activity of TAHK is investment holding.

3. Mr. Fong Ting

Mr. Fong Ting is currently the sole beneficial owner and director of TAHK and the beneficial owner of 90% equity interests in Guo Wei.

4. Guo Wei

Guo Wei is a company incorporated and validly existing under the laws of the PRC. To the best knowledge, belief and information of the Directors, and having made all reasonable inquiries, Guo Wei is a connected person to the Company. Save and except the relationship disclosed in this announcement, TAHK has no other relationship with the Company.

The principal business activities of Guo Wei are property development, downstream oil industry and transportation in the PRC.

5. Guangzhou Tian An

Guangzhou Tian An is a wholly foreign owned enterprise incorporated and validly existing under the laws of the PRC. Guangzhou Tian An is a direct wholly-owned subsidiary of the Company.

The principal business activity of Guangzhou Tian An is property development in the PRC.

SUMMARY OF FINANCIAL INFORMATION OF GUANGZHOU TIAN AN

A summary of the audited results of Guangzhou Tian An for the two years ended 31st December, 2006 and 31st December, 2007 are as follows:

	Year ended 31st December, 2006 <i>RMB'000</i>	Year ended 31st December, 2007 <i>RMB'000</i>
Revenue	168,388	285,338
Profit before tax	8,419	96,680
Profit after tax	5,641	64,304

The audited net asset value of Guangzhou Tian An, being the audited net asset value of the Land, as at 31st December, 2007 was approximately RMB216,522,000.

The summary above has been prepared in accordance with the relevant accounting practice of the PRC.

Since the real and ultimate subject of sale in the transaction contemplated under the Agreement is the Company's entitlement of 30% profit generated by the Project, the summary above is for information only.

Guangzhou Tian An is a wholly-owned subsidiary of the Company solely by virtue of its 100% equity interests in Guangzhou Tian An. However, Guangzhou Tian An is not a subsidiary of the Company from an accounting point of view since the commencement of the Co-operation Agreement in August, 2000 as the financial statements of Guangzhou Tian An have not been consolidated into the financial statements of the Company since August, 2000.

The financial statements of Guangzhou Tian An are not consolidated into the financial statements of the Company because the Company does not have management, financial and operational control (“Control”) over the Project.

The Company does not have Control over the Project because TAHK is solely responsible for the funding of the Project, and in comparison, the Company is responsible for providing the Land and in consideration of which, the Company would be paid RMB140,000,000 and 30% of the profit generated by the Project pursuant to the Co-operation Agreement, reflecting its minority interests in the Project. Therefore, TAHK has Control over the Project.

Since the Company has no Control over the Project, it does not have Control over the assets and liabilities of the Project. As the Project is the only business activity in which Guangzhou Tian An is allowed to engage into pursuant to the Co-operation Agreement, the assets and liabilities of Guangzhou Tian An are equal to those of the Project. Accordingly, since the Company does not have Control over the Project and hence its assets and liabilities, it does not have Control over the assets and liabilities of Guangzhou Tian An.

Therefore, the financial statements of Guangzhou Tian An are not consolidated into the financial statements of the Company. The Company is only interested in a share of the profits generated by the Project pursuant to the Co-operation Agreement. Pursuant to the Co-operation Agreement, only profits distributed to the Company would be recognised in the financial statements of the Company, whereas the Company would not take up any loss suffered by the Project.

The profit generated by Phase I of the Project which was recognised in the audited financial statements of the Company as other income, in accordance with the Company’s accounting policies, for the year ending 31st December, 2006 is HK\$23,068,000. The Company did not recognise any profit for the year ended 31st December, 2007, as the construction work for Phase II of the Project was still in progress. The Company’s treatment of the profit generated by the Project is in accordance with HKGAAP.

The costs of acquiring the Land and development costs thereon have been treated by the Company as an instalment receivable in its audited balance sheet. As at the date of this announcement, the unrecovered portion of the costs of acquiring the Land and development costs thereon is RMB79,564,000.

REASONS FOR AND THE BENEFITS OF THE DISPOSAL OF THE ENTIRE REGISTERED CAPITAL OF GUANGZHOU TIAN AN

Since TAHK is solely responsible for the funding of the Project, and in comparison, the Company is only responsible for transferring the right to use the Land to the Project and in consideration of which, the Company would be paid RMB140,000,000 and 30% of the profit generated by the Project pursuant to the Co-operation Agreement. The Company does not have management, financial and operational control over the Project and has a minority interest in the Project (as reflected by its entitlement to only 30% of the profits generated by the Project). Moreover, since the payment of the aggregate consideration by TAHK constitutes an early repayment of the Unsettled Amount and an early realisation of the 30% profits generated by the Project, the Directors consider that the sale of the entire equity interests in Guangzhou Tian An will allow the Company to reallocate its resources to other projects managed by the Company at an earlier opportunity. Therefore, the Directors consider the present is an appropriate time for the sale of the entire equity interests in Guangzhou Tian An.

It is estimated that, as a result of the transaction contemplated under the Agreement, the Company will recognise a gain of approximately RMB70,436,000 (equivalent to approximately HK\$80,041,000) which will be reflected in the consolidated income statement of the Company for the year ending 31st December, 2008. The transaction will generate proceeds of RMB150,000,000 (equivalent to approximately HK\$170,455,000) for the Company which will be applied as working capital of the Group. The estimated gain represents the aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$170,455,000) less the unrecovered portion of the costs of acquiring the Land and the development costs incurred thereon by the Company prior to the commencement of the Project pursuant to the Co-operation Agreement in August, 2000 of approximately RMB79,564,000 (equivalent to approximately HK\$90,414,000). As a direct result of the gain from the transaction, the earnings and the assets of the Group will increase by the same amount, whereas the liability of the Group will not be affected by the transaction contemplated under the Agreement. The one-off gain will be recognised as an income from a property development project in the financial statements of the Company which will be disclosed in the annual report for the year ending 31st December, 2008.

The Directors have also considered the estimated gain of disposing of the Company's entitlement to the 30% profits generated by the Project and based on the existing uncertain property market environment in that area, the remaining gross floor area available for development, the selling price and the construction costs, the Directors consider that the terms of the Agreement are fair and reasonable and in the interests of the Shareholders taken as a whole.

Having regard to the nature of and benefits resulting from the sale of the entire equity interests in Guangzhou Tian An, the Directors believe that the terms of the Agreement are fair and reasonable and in the interests of the Shareholders taken as a whole.

LISTING RULES IMPLICATION OF THE AGREEMENT

The transaction contemplated under the Agreement constitutes a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules on the basis that the revenue ratio is more than 5% but less than 25%.

The transaction contemplated under the Agreement also constitutes a connected transaction for the Company on the basis that Mr. Fong Ting is the sole beneficial owner of TAHK and holds 90% equity interests in Guo Wei. He is also a director and substantial shareholder of Asia Coast, an indirect non-wholly owned subsidiary of the Company, in which the Company is the owner of approximately 84.85% of its entire issued share capital. Hence, Mr. Fong Ting is a connected person to the Company. Pursuant to Rule 14A.17 of the Listing Rules, since the calculation of the relevant percentage ratios are more than 2.5% but less than 25% and the aggregate consideration is more than HK\$10,000,000, the transaction contemplated under the Agreement is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. The Company will convene an EGM for the purpose of approving the Agreement and the transactions contemplated therein by poll in accordance with Rule 14A.52 of the Listing Rules. As at the date of the announcement, and to the best knowledge, belief and information of the Directors, and having made all reasonable inquiries, no Shareholders or their associates have material interests in the transactions contemplated under the Agreement and are required, under Rule 14A.18 of the Listing Rules, to abstain from voting at the EGM.

An independent board committee of the Company has been constituted to consider the terms of the Agreement and to make recommendations to its Independent Shareholders. An independent financial adviser will be appointed to advise the independent board committee of the Company and the Independent Shareholders on the fairness and reasonableness of the transaction contemplated under the Agreement.

The Company will despatch a circular to its Shareholders and warrant holders as soon as practicable. The circular to be despatched by the Company will contain, inter alia, details of the terms of the Agreement, a letter from its independent board committee, a letter from the independent financial adviser and a notice to convene an EGM.

RESUMPTION OF TRADING

Trading in the securities of the Company on the Stock Exchange was suspended at the request of the Company with effect from 8th July, 2008 pending the release of this announcement. The Company has applied for a resumption of trading in the securities of the Company with effect from 17th July, 2008.

GENERAL INFORMATION

As at the date of this announcement, the Directors are:

Executive Directors:

Mr. Patrick Lee Seng Wei (Managing Director), Mr. Ng Qing Hai (Deputy Managing Director), Mr. Ma Sun, Mr. Edwin Lo King Yau, Mr. Li Chi Kong and Mr. Yasushi Ichikawa

Non-Executive Directors:

Mr. Lee Seng Hui (Chairman), Mr. Song Zengbin (Deputy Chairman) and Dr. Moses Cheng Mo Chi

Independent Non-Executive Directors:

Mr. Francis J. Chang Chu Fai, Mr. Ngai Wah Sang, Mr. Xu Su Jing and Ms. Lisa Yang Lai Sum

DEFINITIONS

“Agreement”	the contract dated 8th July, 2008 entered into between the Company, TAHK, Mr. Fong Ting and Guo Wei for the conditional sale and purchase of the entire equity interests in Guangzhou Tian An;
“Asia Coast”	Asia Coast Investments Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and an indirect subsidiary of the Company;
“Board”	the board of Directors;
“Company”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Main Board of the Stock Exchange;
“Completion”	completion of the sale and purchase of the entire equity interests in Guangzhou Tian An pursuant to the Agreement;
“Condition Precedent”	the approval by the Independent Shareholders of the Agreement and the transaction contemplated thereunder on or before 30th September, 2008;
“connected person”	having the meaning ascribed to it under the Listing Rules;

“Co-operation Agreement”	the agreement signed in August, 2000 between the Company, Guo Wei and Kang Shun in relation to the Project;
“Directors”	the directors of the Company;
“EGM”	extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Agreement and the transactions contemplated therein;
“Group”	the Company and its subsidiaries;
“Guangzhou Tian An”	Tian An (Guang Zhou) Investments Co., Ltd.* (天安(廣州)投資有限公司), a wholly foreign owned enterprise incorporated and validly existing under the laws of the PRC and a direct wholly-owned subsidiary of the Company;
“Guo Wei”	Guo Wei International Trading and Investment Company Limited* (國威國際商企合作投資有限公司), a company incorporated and validly existing under the laws of the PRC and has ceased to be a party to the Co-operation Agreement pursuant to the Guo Wei Replacement Deed;
“Guo Wei Replacement Deed”	the deed dated 8th July, 2008 entered into between the Company, Guo Wei and TAHK in relation to TAHK replacing Guo Wei as a party to the Co-operation Agreement;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“HKGAAP”	the Hong Kong Generally Accepted Accounting Practice;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Independent Shareholders”	shareholders who are not required under the Listing Rules to abstain from voting at the EGM to approve the transactions contemplated under the Agreement;
“Kang Shun”	Kang Shun Development Company Limited* (康順發展有限公司), a legal person in the PRC whose interest in the Co-operation Agreement was replaced by TAHK pursuant to the Kang Shun Replacement Agreement and the Guo Wei Replacement Deed;
“Kang Shun Replacement Agreement”	the agreement entered into between Guo Wei and Kang Shun in November, 2003, pursuant to which, Guo Wei shall be entitled to all the rights of Kang Shun and be responsible for all the obligations of Kang Shun under the Co-operation Agreement, and Kang Shun shall cease to be a party to the Co-operation Agreement;

“Land”	a piece of land with an area of approximately 529,698.2 square metres located in Foshan City Nanhai District Songgang Town Hong Ji Main Road* (佛山市南海區松崗鎮鴻基大道) (南府國用(2003)第特100173號; 南府國用(2003)第特100172號; 南府國用(2001)第特100024號) with a total gross floor area of approximately 180,100 square metres for the development of the Project;
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Project”	the project of the development of the Land into a residential development pursuant to the Co-operation Agreement as approved by Nanhai City Committee of Property Name* (南海市地名委員會) as Tian An Hung Kai Garden* (天安鴻基花園) (南地 [2000] 05號);
“PRC”	the People’s Republic of China, not including Taiwan, Hong Kong and Macau;
“RMB”	Renminbi, the lawful currency of the PRC;
“Shares”	shares of HK\$0.20 each in the issued share capital of the Company and “Share” means any of such Shares;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“TAHK”	Tian An Hung Kai Group Company Limited* (天安鴻基集團有限公司), a company incorporated in Hong Kong with limited liability; and
“%”	per cent.

* *for identification purpose only*

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

Hong Kong, 16th July, 2008

For the purpose of this announcement, amounts denominated in RMB have been converted to HK\$ at an exchange rate of RMB0.88: HK\$1.00.