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**ALLIED GROUP LIMITED**  
**( 聯合集團有限公司 )**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 373)**



**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)**

## **(1) Subscription of New Tian An Shares**

### **Subscribers to the Subscription**

**Goldman Sachs 高盛**

**YORK**  
**CAPITAL**  
**MANAGEMENT**

**(2) Proposed Revised Open Offer to Qualifying Tian An Shareholders on the basis of one Revised Offer Share for every five Tian An Shares held as at the Record Date**

**(3) Proposed Issue of one Warrant for every one Revised Offer Share**

**(4) Change in the Expected Timetable of the Proposed Open Offer**

**(5) Change in the Closure of the Register of Members**

**and**

**(6) Resumption of Trading in Tian An Shares**

### **Underwriter to the Revised Open Offer**



**3V Capital Limited**

#### **Subscription of new Tian An Shares**

On 26th October, 2007, Goldman Sachs (through its affiliates Elevatech and Sky (Delaware)) and York Capital Management (through its funds, namely York Asia, York Capital, York Global, York Investment, York Select and York Select Trust) entered into the Subscription Agreement with Tian An in relation to the Subscription as principal of an aggregate of 130,000,000 new Tian An Shares at a price of HK\$9.10 per Subscription Share.

The Subscription Shares represent approximately 11.51 per cent. of the issued share capital of Tian An as at the date of this announcement and approximately 10.32 per cent. of the issued share capital of Tian An as enlarged by the allotment and issue of the Subscription Shares.

**The Subscription is conditional and may or may not proceed. Accordingly, Tian An Shareholders and prospective investors of Tian An are reminded to exercise extreme caution when trading in the Tian An Shares.**

Each of the Subscribers has undertaken that at any time within six months from completion of the Subscription, it will not dispose of any of the Subscription Shares, the Revised Offer Shares issued to it under the Revised Open Offer, any of the warrants issued to it under the Revised Open Offer and any shares issued to it upon conversion of any such warrants.

Each of the Subscribers has also undertaken to take up all their respective entitlements under the Revised Open Offer and to vote in favour of the resolutions to be proposed at the EGM in relation to the Revised Open Offer.

Net proceeds from the Subscription of approximately HK\$1,145 million are intended to be applied by Tian An as to approximately HK\$1,030 million for expanding its landbank in the PRC, and the balance as to approximately HK\$115 million for general working capital for daily operations in Hong Kong and the PRC.

The Subscription is arranged by 3V Capital by introducing the Subscribers to Tian An. An arrangement fee of 2.967 per cent. on the gross proceeds of the Subscription will be received by 3V Capital for such arrangement. Save for such arrangement fee, no other fees will be received by 3V Capital from Tian An in relation to the Subscription.

### **Proposed Revised Open Offer**

The Subscription is conditional upon the Open Offer being revised to the effect that the total number of the Revised Offer Shares will include the respective assured entitlements of the Subscribers as Tian An Shareholders after completion of the Subscription.

The Tian An Directors therefore propose to revise the Open Offer by offering 251,853,983 Revised Offer Shares by way of the Revised Open Offer to the Qualifying Tian An Shareholders, at the Subscription Price of HK\$6.00 per Revised Offer Share, on the basis of one Revised Offer Share for every five Tian An Shares held as at the Record Date under the Revised Open Offer. The subscription price under the Revised Open Offer is the same as the Subscription Price under the Open Offer.

Except for the change in the total number of the Offer Shares and the expected timetable of the Open Offer, other terms and conditions of the Open Offer will remain the same as disclosed in the joint announcement of Tian An and AGL dated 2nd October, 2007, the announcement of Tian An dated 18th October, 2007 and the circular of Tian An dated 22nd October, 2007 in relation to the Open Offer.

A revised circular containing details of, among other things, (i) the Revised Open Offer, (ii) the Warrant Issue, (iii) the proposal for the grant of specific mandate to issue new Tian An Shares and Warrants, (iv) the refreshment of general mandate to issue Tian An Shares and repurchase securities of Tian An, and (v) a notice to convene the EGM will be despatched to the Tian An Shareholders as soon as practicable.

The date of the EGM has been postponed from 9th November, 2007 to 19th December, 2007. The resolutions in relation to the Revised Open Offer will be proposed at the EGM for the approval of the Tian An Shareholders.

### **Supplemental Agreement to the Underwriting Agreement**

Pursuant to the Supplemental Agreement, 3V Capital has consented to the Subscription and conditionally agreed to continue to underwrite the Revised Offer Shares (other than those Revised Offer Shares agreed to be taken up by Penta pursuant to the Penta Irrevocable Undertaking, SHK pursuant to the SHK Irrevocable Undertaking and the Subscribers pursuant to the Subscription Agreement) not subscribed by the Tian An Shareholders on a fully underwritten basis.

3V Capital and Tian An have agreed to change all the relevant dates in accordance with the expected timetable of the Revised Open Offer as disclosed in this announcement.

### **Change in the Expected Timetable of the proposed Open Offer**

As a result of the Subscription, the expected timetable for the Open Offer has been revised.

### **Change in the closure of the register of members**

Pursuant to the circular of Tian An dated 22nd October, 2007, the register of member of Tian An was scheduled to be closed from 3rd November, 2007 to 9th November, 2007 (both days inclusive), to determine the eligibility for the Open Offer.

Due to the changes in the expected timetable of the Revised Open Offer, the register of members of Tian An will not be closed from 3rd November, 2007 to 9th November, 2007 but will be closed from 13th December, 2007 to 19th December, 2007 (both days inclusive) instead, to determine the eligibility for the Revised Open Offer. No transfer of Tian An Shares will be registered during this period.

### **Resumption of trading in the Tian An Shares**

Trading in the Tian An Shares on the Stock Exchange was suspended at the request of Tian An with effect from 10:00 a.m. on 25th October, 2007 pending the release of this announcement. Tian An has applied for the resumption of trading in the Tian An Shares with effect from 9:30 a.m. on 31st October, 2007.

References are made to the joint announcement of Tian An and AGL dated 2nd October, 2007, the announcement of Tian An dated 18th October, 2007 and the circular of Tian An dated 22nd October, 2007 in relation to the Open Offer. Unless otherwise indicated, terms defined in such joint announcement, announcement and circular have the same meanings when used in this announcement.

## **SUBSCRIPTION OF 130,000,000 NEW TIAN AN SHARES**

### **Subscription Agreement dated 26th October, 2007 made between Tian An and the Subscribers**

**Issuer:** Tian An.

**Number of Subscription Shares:** Elevatech, Sky (Delaware), York Asia, York Capital, York Global, York Investment, York Select and York Select Trust have agreed to subscribe for the Elevatech Subscription Shares, the Sky (Delaware) Subscription Shares, the York Asia Subscription Shares, the York Capital Subscription Shares, the York Global Subscription Shares, the York Investment Subscription Shares, the York Select Subscription Shares and the York Select Trust Subscription Shares, respectively. In aggregate, the Subscribers have agreed to subscribe for 130,000,000 new Tian An Shares, representing approximately 11.51 per cent. of the issued share capital of Tian An as at the date of this announcement and approximately 10.32 per cent. of the issued share capital of Tian An as enlarged by the allotment and issue of the Subscription Shares.

**Subscription Price:** HK\$9.10 per Subscription Share, which was agreed after arm's length negotiations by reference to historical performance of the prices of the Tian An Shares and represents:

- (i) a discount of approximately 9.36 per cent. to the closing price of HK\$10.04 per Share as quoted on the Stock Exchange on the last trading day of the Tian An Shares immediately before the date of this announcement;
- (ii) a discount of approximately 5.88 per cent. to the average closing price of HK\$9.668 per Share as quoted on the Stock Exchange for the last five trading days of the Tian An Shares immediately before the date of this announcement;
- (iii) a discount of approximately 6.90 per cent. to the average closing price of HK\$9.774 per Share as quoted on the Stock Exchange for the last ten trading days of the Tian An Shares immediately before the date of this announcement;
- (iv) a discount of approximately 7.14 per cent. to the average closing price of HK\$9.80 per Share as quoted on the Stock Exchange on the last one month of the Tian An Shares immediately before date of this announcement;
- (v) a premium of approximately 4.45 per cent. to the average closing price of HK\$8.712 per Share as quoted on the Stock Exchange on the last three months of the Tian An Shares immediately before the date of this announcement;

- (vi) a premium of approximately 24.66 per cent. over the average closing price of HK\$7.30 per Share as quoted on the Stock Exchange on the last six months of the Tian An Shares immediately before the date of this announcement; and
- (vii) a premium of approximately 71.70 per cent. over the net asset value of HK\$5.30 per Share as stated in the audited consolidated accounts of Tian An for the year ended 31st December, 2006.

The Tian An Directors believe that such subscription price is fair and reasonable and in the interests of Tian An and other shareholders as a whole.

The net price per Subscription Share will be HK\$8.808.

**Subscription:**

The Subscription Shares will be issued to the Subscribers or their respective nominees. The nominee of Elevatech and Sky (Delaware) is nominee Horsford Nominees Ltd. and the nominee of York Asia, York Capital, York Global, York Investment, York Select and York Select Trust is nominee Citi (Nominees) Limited.

To the best of the knowledge, information and belief of the Tian An Directors, the Subscribers and their ultimate beneficial owners are independent of Tian An, its subsidiaries and the connected persons of Tian An and its subsidiaries.

To the best of the knowledge, information and belief of the Tian An Directors, Goldman Sachs and York Capital Management are independent of each other.

None of the Subscribers is expected to become a substantial shareholder (within the meaning of the Listing Rules) of Tian An as a result of the Subscription.

The Subscription Shares will be issued and allotted as fully paid, whereupon such Subscription Shares will rank pari passu with all the existing Tian An Shares in all respects and in particular will rank in full for all dividends and other distributions declared made or paid at any time after the date of allotment, free from all liens, charges, security interests, encumbrances, adverse claims, options and third party rights.

**General Mandate:**

The Subscription Shares will be issued pursuant to the general mandate to allot, issue and deal with Shares granted to the Tian An Directors by resolution of the Tian An Shareholders passed at the annual general meeting held on 18th May, 2007. Tian An has not utilised the general mandate prior to entering into the Subscription Agreement.

**Undertakings:**

In consideration of the obligations of Tian An under the Subscription Agreement, each of the Subscribers has irrevocably undertaken that for the period of six months from completion of the Subscription, it will not and will procure that its nominee(s) which take up Subscription Shares will not (except with Tian An's prior written consent):

- (i) offer, lend, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any of the Subscription Shares, any of the Revised Offer Shares issued to it under the Revised Open Offer, any of the warrants issued to it under the Revised Open Offer, any shares issued to it upon conversion of any such warrants, or any interests in such Subscription Shares, such Revised Offer Shares, such warrants issued under the Revised Open Offer and such shares issued upon conversion of such warrants issued under the Revised Open Offer beneficially owned or held by them to any person who is not an affiliate of that Subscriber; or
- (ii) enter into any swap, derivatives or similar agreement that transfers, in whole or in part, the economic risk of ownership of such Subscription Shares, such Revised Offer Shares, such warrants issued under the Revised Open Offer or such shares issued upon conversion of such warrants issued under the Revised Open Offer to any person who is not an affiliate of that Subscriber, whether any such transaction described in (i) above is to be settled by delivery of Shares or such other securities, in cash or otherwise; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above, unless with the prior written consent of Tian An.

Subject to the fulfilment of the conditions set out in subparagraphs (ii) to (iv) in the paragraph headed "Conditions" below, each of the Subscribers has also undertaken to take up all their respective entitlements under the Revised Open Offer and to vote in favour of the resolutions to be proposed at the EGM in relation to the Revised Open Offer.

On the basis of the terms set out in the Subscription Agreement, Tian An has undertaken to each Subscriber that (except for (i) the Subscription Shares to be allotted and issued to the Subscribers and (ii) any Tian An Shares to be issued under the Revised Open Offer) from the date of the Subscription Agreement and on and prior to the date being six months after the date of the Subscription Agreement it will not (without the prior written consent of the relevant Subscriber):

- (i) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Tian An Shares or any interests in Tian An Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Tian An Shares or interest in Shares; or
- (ii) agree (conditionally or unconditionally) to enter into or effect any such transaction described in (i) above; or
- (iii) announce any intention to enter into or effect any such transaction described in (i) or (ii) above.

**Use of Proceeds:**

Net proceeds from the Subscription of approximately HK\$1,145 million are intended to be applied by Tian An as to approximately HK\$1,030 million for expanding its landbank in the PRC, and the balance as to approximately HK\$115 million for general working capital for daily operations in Hong Kong and the PRC.

**Conditions:**

The Subscription is conditional upon:

- (i) the Stock Exchange granting listing of and permission to deal in the Subscription Shares;
- (ii) compliance by Tian An of its disclosure obligations under the Listing Rules in relation to the Subscription and the Revised Open Offer (to the extent that such disclosure obligations are capable of being complied with as at the time of completion of the Subscription in accordance with the expected timetable of the Revised Open Offer);
- (iii) Tian An, by taking all appropriate and necessary steps including but not limited to do all acts and execute all relevant documents as they may consider necessary, desirable or expedient, revising the total number of shares to be offered under the Revised Open Offer to the effect that the total number of Revised Offer Shares shall include the respective assured entitlements of the relevant Subscribers as Tian An Shareholders after completion of the Subscription;

- (iv) the terms of the Revised Open Offer being the same as the terms of the Open Offer apart from the total number of Shares being offered changing to 251,853,983 and the timetable being delayed (but so that the date of completion of the Revised Open Offer will not be after 31st January, 2008);
- (v) no breach of any of the representations, warranties or undertakings of Tian An; and
- (vi) 3V Capital giving its consent to the entering into of the Subscription Agreement and the transactions contemplated under the Subscription Agreement by Tian An as required under the Underwriting Agreement in relation to the underwriting of the Open Offer.

If any of the conditions set out above is not fulfilled or waived by the relevant Subscribers (except that condition (i) above cannot be waived) on or prior to 31st January, 2008 or such later date as may be agreed by Tian An and the relevant Subscribers, the Subscription Agreement shall terminate as between Tian An and the relevant Subscribers, upon which neither party shall have any claim against the other for costs, damages, compensation or otherwise (save in respect of any antecedent breach and save for certain provisions of the Subscription Agreement, which shall remain in full force and effect).

As at the date of this announcement, conditions (ii)-(iv) and (vi) have been fulfilled.

If the Subscription by one or more of the Subscribers does not proceed to completion of the Subscription, the Subscription by the other Subscribers will not proceed.

**Completion:**

The fifth business day after the day on which the last of the conditions set out above is satisfied, provided that the date of completion of the Subscription will not be later than 31st January, 2008 or such later date as may be agreed by Tian An and the relevant Subscribers in writing. Completion of the Subscription is expected to take place before the new entitlement date of the Revised Open Offer, i.e. 11th December, 2007.

Application will be made to the Stock Exchange to grant the listing of and permission to deal in the Subscription Shares.

The Subscription is arranged by 3V Capital by introducing the Subscribers to Tian An. An arrangement fee of 2.967 per cent. on the gross proceeds of the Subscription will be received by 3V Capital for such arrangement. Save for such arrangement fee, no other fees will be received by 3V Capital from Tian An in relation to the Subscription.



**The Subscription is conditional and may or may not proceed. Accordingly, Tian An Shareholders and prospective investors of Tian An are reminded to exercise extreme caution when trading in the Tian An Shares.**

### **Costs and expenses**

Each party to the Subscription Agreement shall bear its own expenses in connection with the Subscription. The costs and expenses to be borne by Tian An are estimated to be not more than approximately HK\$38 million.

### **EFFECT OF THE SUBSCRIPTION**

The shareholding structure of Tian An immediately before completion of the Subscription and immediately after completion of the Subscription are and will be as follows:

<b>Name</b>	<b>Approximate shareholding percentage in Tian An (Note)</b>	
	<b>Immediately before completion of the Subscription</b>	<b>Immediately after completion of the Subscription</b>
Penta	20.95% (236,648,000 Tian An Shares)	18.79% (236,648,000 Tian An Shares)
SHK	39.58% (447,045,603 Tian An Shares)	35.50% (447,045,603 Tian An Shares)
The Subscribers	–	10.32% (130,000,000 Tian An Shares)
Public	39.47% (445,576,315 Tian An Shares)	35.39% (445,576,315 Tian An Shares)
Total	100.00% (1,129,269,918 Tian An Shares)	100.00% (1,259,269,918 Tian An Shares)

*Note:*

The figures assume that other than the Subscription Shares, no new Tian An Shares are issued or purchased by Tian An after the date of this announcement up to the date of completion of the Subscription.

### **INFORMATION ABOUT TIAN AN**

Tian An is a company incorporated in Hong Kong with limited liability. Its shares are listed on the Main Board of the Stock Exchange.

The principal business of Tian An is investment holding. The Tian An 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 China.

## **INFORMATION ABOUT THE SUBSCRIBERS**

### **Elevatech**

Elevatech is a private limited company incorporated in Hong Kong, and is ultimately wholly owned by Goldman Sachs.

### **Sky (Delaware)**

Sky (Delaware) is a company incorporated in Delaware, the United States of America with limited liability, and is an affiliate of Goldman Sachs.

### **York Capital Management**

York Capital Management is an international private investment fund group with over US\$13 billion of assets under management. York Capital Management was founded in 1991 by James G. Dinan and has offices in New York, London, Singapore and Hong Kong. York Capital Management specialises in high quality, value-oriented public and private equity investments as well as credit securities.

### **York Asia**

York Asia, a fund of York Capital Management, is a Cayman Islands limited partnership.

### **York Capital**

York Capital, a fund of York Capital Management, is a Delaware limited partnership.

### **York Global**

York Global, a fund of York Capital Management, is a Delaware limited partnership.

### **York Investment**

York Investment, a fund of York Capital Management, is a company incorporated in Bahama with limited liability.

### **York Select**

York Select, a fund of York Capital Management, is a Delaware limited partnership.

### **York Select Trust**

York Select Trust, a fund of York Capital Management, is a trust organised in the Cayman Islands with limited liability.

## **REASONS FOR AND BENEFITS OF THE SUBSCRIPTION**

In view of current market conditions, the Tian An Directors consider that the Subscription represents a good opportunity amid prevailing market conditions to raise further working capital for Tian An while at the same time broadening its shareholder and capital base.

Net proceeds from the Subscription of approximately HK\$1,145 million are intended to be applied by Tian An as to approximately HK\$1,030 million for expanding its landbank in the PRC, and the balance as to approximately HK\$115 million for general working capital for daily operations in Hong Kong and the PRC.

The Tian An Directors believe that the terms of the Subscription Agreement are fair and reasonable and are in the interests of Tian An and the Tian An Shareholders taken as a whole.

## **FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS**

Save for the Open Offer as disclosed in the joint announcement of Tian An and AGL dated 2nd October, 2007, there was no fund raising activity by Tian An on any issue of equity securities in the 12 months immediately preceding the date of this announcement.

## **PROPOSED REVISED OPEN OFFER**

The Tian An Directors believe that the participation of the Subscribers in the Open Offer will further enhance and broaden its shareholder and capital base and in the interests of Tian An and the Tian An Shareholders taken as a whole.

In order to facilitate the qualification of the Subscribers for the Open Offer, the Tian An Directors therefore propose to change the expected timetable of the Open Offer and to revise the Open Offer by offering 251,853,983 Revised Offer Shares by way of the Revised Open Offer to the Qualifying Tian An Shareholders, at the Subscription Price of HK\$6.00 per Revised Offer Share, on the basis of one Revised Offer Share for every five Tian An Shares held as at the Record Date under the Revised Open Offer.

The issued share capital of Tian An will be enlarged from 1,129,269,918 Tian An Shares to 1,259,269,918 Tian An Shares by the allotment and issue of the Subscription Shares under the Subscription. In this regard, the total number of the Offer Shares will be increased from 225,853,983 to 251,853,983.

Based on 251,853,983 Revised Offer Shares to be issued pursuant to the Revised Open Offer, the total number of Warrants to be issued will be 251,853,983 warrants, entitling the holders to subscribe for the same number of Tian An Shares.

The subscription price under the Revised Open Offer is the same as the Subscription Price under the Open Offer.

Except for the change in the total number of the Offer Shares and the expected timetable of the Open Offer, other terms and conditions of the Open Offer will remain the same as disclosed in the joint announcement of Tian An and AGL dated 2nd October, 2007, the announcement of Tian An dated 18th October, 2007 and the circular of Tian An dated 22nd October, 2007 in relation to the Open Offer.

The Subscription is conditional upon the Open Offer being revised to the effect that the total number of the Revised Offer Shares will include the respective assured entitlements of the relevant Subscribers as Tian An Shareholders after completion of the Subscription.

## **Use of Proceeds from the Revised Open Offer**

The estimated proceeds from the Revised Open Offer will be approximately HK\$1,511 million (before expenses and underwriting commission).

The net proceeds of approximately HK\$1,496 million are intended to be applied by Tian An as to approximately HK\$1,211 million for expanding its landbank in the PRC, as to approximately HK\$150 million to repay bank loans and the balance as to approximately HK\$135 million for general working capital for daily operation in Hong Kong and the PRC.

### Irrevocable Undertakings

The Offer Shares to be taken up by Penta and SHK under the Revised Open Offer remain at 47,329,600 and 89,409,119 respectively. Penta and SHK have also undertaken to continue to vote in favour of the resolutions to be proposed at the EGM to be held on 19th December, 2007 based on the expected timetable of the Revised Open Offer set out in this announcement.

A revised circular containing details of, amongst other things, (i) the Revised Open Offer, (ii) the Warrant Issue, (iii) the proposal for the grant of specific mandate to issue new Tian An Shares and Warrants, (iv) the refreshment of general mandate to issue Tian An Shares and repurchase securities of Tian An, and (v) a notice to convene the EGM will be despatched to the Tian An Shareholders as soon as practicable.

The date of the EGM has been postponed from 9th November, 2007 to 19th December, 2007. The resolutions in relation to the Revised Open Offer will be proposed at the EGM for the approval of the Tian An Shareholders.

### CHANGES IN THE SHAREHOLDING STRUCTURE OF TIAN AN

The following table sets out the changes in the shareholding structure of Tian An arising from the Subscription, the Revised Open Offer and the Warrant Issue:

	As at the date of this announcement		Immediately following completion of the Subscription, and completion of the Revised Open Offer assuming all the Tian An Shareholders take up all their entitlements		Immediately following completion of the Subscription, and completion of the Revised Open Offer assuming all the Tian An Shareholders take up all their entitlements and the Warrants exercised in full		Immediately following completion of the Subscription, and completion of the Revised Open Offer assuming none of the Qualifying Tian An Shareholders (except SHK, Penta and the Subscribers) take up their entitlements		Immediately following completion of the Subscription, and completion of the Revised Open Offer assuming none of the Qualifying Tian An Shareholders (except SHK, Penta and the Subscribers) take up their entitlements and the Warrants exercised in full	
	Number of Tian An Shares	Shareholding (%)	Number of Tian An Shares	Shareholding (%)	Number of Tian An Shares	Shareholding (%)	Number of Tian An Shares	Shareholding (%)	Number of Tian An Shares	Shareholding (%)
3V Capital	-	-	-	-	-	-	89,115,264	5.90	178,230,528	10.11
Penta	236,648,000	20.95	283,977,600	18.79	331,307,200	18.79	283,977,600	18.79	331,307,200	18.79
SHK	447,045,603	39.58	536,454,722	35.50	625,863,841	35.50	536,454,722	35.50	625,863,841	35.50
The Subscribers	-	-	156,000,000	10.32	182,000,000	10.32	156,000,000	10.32	182,000,000	10.32
Other Tian An Shareholders	445,576,315	39.47	534,691,579	35.39	623,806,843	35.39	445,576,315	29.49	445,576,315	25.28
<b>Total</b>	<b>1,129,269,918</b>	<b>100.00</b>	<b>1,511,123,901</b>	<b>100.00</b>	<b>1,762,977,884</b>	<b>100.00</b>	<b>1,511,123,901</b>	<b>100.00</b>	<b>1,762,977,884</b>	<b>100.00</b>

Following completion of the Subscription and the Revised Open Offer and assuming the Warrant Issue are exercised in full, 3V Capital will become a substantial shareholder of Tian An if none of the Qualifying Tian An Shareholders (except SHK, Penta and the Subscribers) is willing to take up his or her or its entitlements of such number of Offer Shares. 3V Capital will own approximately as to 5.90 per cent. of the issued share capital of Tian An as enlarged by the completion of the Subscription and the Revised Open Offer and 10.11 per cent. of the issued share capital of Tian An as enlarged by the completion of the Subscription and the Revised Open Offer and full exercise of the Warrants.

The Tian An Directors consider that the Revised Open Offer to be fair and reasonable and in the interests of Tian An and the Tian An Shareholders taken as a whole.

Save for the issued Tian An Shares, Tian An has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for or convert or exchange into Tian An Shares as at the date of this announcement.

### **SUPPLEMENTAL AGREEMENT TO THE UNDERWRITING AGREEMENT**

Pursuant to the Supplemental Agreement, 3V Capital has consented to the Subscription and conditionally agreed to continue to underwrite the Revised Offer Shares (other than those Revised Offer Shares agreed to be taken up by Penta pursuant to the Penta Irrevocable Undertaking, SHK pursuant to the SHK Irrevocable Undertaking and the Subscribers pursuant to the Subscription Agreement) not subscribed by the Tian An Shareholders on a fully underwritten basis.

For avoidance of doubt, the maximum number of Tian An Shares to be underwritten by 3V Capital under the Revised Open Offer will be the same as the maximum number of the Tian An Shares to be underwritten by 3V Capital under the Open Offer as each of the Subscribers has undertaken to take up all their respective entitlements under the Revised Open Offer.

3V Capital and Tian An have agreed to change all the relevant dates in accordance with the expected timetable of the Revised Open Offer as disclosed in this announcement.

### **WARNING OF THE RISKS OF DEALINGS IN THE TIAN AN SHARES AND REVISED OFFER SHARES**

**Pursuant to the expected timetable set out below in this announcement, the Tian An Shares will be dealt with on an ex-entitlement basis from 11th December, 2007. If 3V Capital terminates the Underwriting Agreement, or any of the conditions of the Underwriting Agreement is not fulfilled (or waived by 3V Capital), the Revised Open Offer will not proceed. Any person dealing in the Tian An Shares on an ex-entitlement basis will accordingly bear the risk that the Underwriting Agreement may not become unconditional and the Revised Open Offer may not proceed.**

**Any Tian An Shareholder or other person contemplating selling or purchasing the Tian An Shares from now up to the day on which the Underwriting Agreement becomes unconditional, who is in any doubt about his/her position, is recommended to consult his/her own professional advisers.**

**Tian An Shareholders and prospective investors are reminded to exercise extreme caution when dealing in the Tian An Shares.**

## **CHANGE IN THE EXPECTED TIMETABLE OF THE PROPOSED OPEN OFFER**

As a result of the Subscription, the expected timetable for the Open Offer has been revised. The expected timetable for the Revised Open Offer is set out below:

Last day of dealings in Tian An Shares on a cum-entitlement basis	10th December, 2007
First day of dealings in Tian An Shares on an ex-entitlement basis	11th December, 2007
Latest time for lodging transfers of Tian An Shares to qualify for the Revised Open Offer	4:30 p.m. on 12th December, 2007
Register of members closes (both days inclusive)	13th December, 2007 to 19th December, 2007
Record Date	19th December, 2007
Date of the EGM	19th December, 2007
Despatch of the Prospectus Documents	20th December, 2007
Register of members re-opens	20th December, 2007
Latest time for acceptance of, and payment for, the Revised Offer Shares	4:00 p.m. on 3rd January, 2008
Revised Open Offer expected to become unconditional on or before	4:00 p.m. on 7th January, 2008
Announcement of results of the Revised Open Offer to be posted on the website of the Stock Exchange on or before	10th January, 2008
Certificates for fully-paid Revised Offer Shares and the Warrants expected to be despatched on or before	11th January, 2008
Dealings in fully-paid Revised Offer Shares and the Warrants commence on or before	15th January, 2008

The above timetable is indicative only and may be extended or varied as may be agreed by Tian An and 3V Capital pursuant to the Underwriting Agreement. Any changes to the expected timetable will be published in further announcements or notified to the Tian An Shareholders.

### **Change in the closure of the register of members**

Pursuant to the circular of Tian An dated 22nd October, 2007, the register of member of Tian An was scheduled to be closed from 3rd November, 2007 to 9th November, 2007 (both days inclusive), to determine the eligibility for the Open Offer.

Due to the changes in the expected timetable of the Revised Open Offer, the register of members of Tian An will not be closed from 3rd November, 2007 to 9th November, 2007 but will be closed from 13th December, 2007 to 19th December, 2007 (both days inclusive) instead, to determine the eligibility for the Revised Open Offer. No transfer of Tian An Shares will be registered during this period.

AGL has issued a joint announcement with Tian An dated 2nd October, 2007 in relation to the Open Offer and therefore voluntarily issue this announcement jointly with Tian An so as to inform its shareholders the changes to the timetable in relation to the Revised Open Offer.

## **RESUMPTION OF TRADING**

Trading in the Tian An Shares on the Stock Exchange was suspended at its request with effect from 10:00 a.m. on 25th October, 2007 pending the release of this announcement. Tian An has applied for a resumption of trading in the Tian An Shares with effect from 9:30 a.m. on 31st October, 2007.

## **DIRECTORS**

### **AGL Directors**

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

#### *Executive Directors:*

Mr. Lee Seng Hui (Chief Executive), Mr. Edwin Lo King Yau and Mr. Mak Pak Hung

#### *Non-Executive Directors:*

Mr. Arthur George Dew (Chairman) and Ms. Lee Su Hwei

#### *Independent Non-Executive Directors:*

Mr. Wong Po Yan, Mr. David Craig Bartlett, Mr. John Douglas Mackie and Mr. Alan Stephen Jones

### **Tian An Directors**

As at the date of this announcement, the Tian An 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. Moses Cheng Mo Chi and Mr. Yuki Oshima

*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**

“affiliate”	in relation to a particular company or entity, any company or other entity which is its holding company or subsidiary, or any subsidiary of its holding company or which directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under the common control with, the company or entity specified, provided that for the purposes of this definition and elsewhere in the Subscription Agreement and in this announcement, the term “control” (including the terms “controlling”, “controlled by” and “under common control with”) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities by contract, or otherwise
“EGM”	the extraordinary general meeting of the Tian An Shareholders of Tian An to be convened on or about 19th December, 2007 for the purposes of considering and, if thought fit, approving, among other things, the Revised Open Offer, the Warrant Issue and the grant of the specific mandate and the refreshment of the grant of general mandate
“Elevatech”	Elevatech Limited, a private limited company incorporated in Hong Kong
“Elevatech Subscription Shares”	26,000,000 new Tian An Shares
“PRC”	the People’s Republic of China
“Record Date”	19th December, 2007, being the date for the determination of entitlements of the Tian An Shareholders under the Revised Open Offer
“Revised Offer Shares”	the 251,853,983 Tian An Shares to be issued and allotted under the Revised Open Offer
“Revised Open Offer”	the proposed arrangement to be undertaken by Tian An to offer 251,853,983 Tian An Shares, by way of an open offer, on the basis of one Revised Offer Share for every five Tian An Shares held by the qualifying Tian An Shareholders as at the Record Date



“Sky (Delaware)”	Sky (Delaware) LLC, a company incorporated in Delaware, the United States of America with limited liability
“Sky (Delaware) Subscription Shares”	60,667,000 new Tian An Shares
“Subscribers”	Elevatech, Sky (Delaware), York Asia, York Capital, York Global, York Investment and York Select and York Select Trust
“Subscription”	the subscription of the Subscription Shares pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 26th October, 2007 made between Tian An and the Subscribers in relation to the Subscription
“Subscription Shares”	130,000,000 new Tian An Shares, being the Elevatech Subscription Shares, Sky (Delaware) Subscription Shares, York Asia Subscription Shares, York Capital Subscription Shares, York Global Subscription Shares, York Investment Subscription Shares, York Select Subscription Shares and York Select Trust Subscription Shares
“Supplemental Agreement”	the supplemental agreement dated 30th October, 2007 entered into between Tian An and 3V Capital in relation to the underwriting of the Revised Open Offer
“Tian An”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, with its shares listed on the Main Board of the Stock Exchange
“Tian An Directors”	directors of Tian An
“Tian An Shares”	ordinary shares of nominal value of HK\$0.20 each in the issued share capital of Tian An
“Tian An Shareholders”	holders of the Tian An Shares
“York Asia”	York Asian Opportunities Master Fund, L.P., a Cayman Islands limited partnership
“York Asia Subscription Shares”	17,333,000 new Tian An Shares
“York Capital”	York Capital Management, L.P., a Delaware limited partnership

“York Capital Management”	York Capital Management is an international private investment fund group with over US\$13 billion of assets under management. York Capital Management was founded in 1991 by James G. Dinan and has offices in New York, London, Singapore and Hong Kong. York Capital Management specialises in high quality, value-oriented public and private equity investments as well as credit securities
“York Capital Subscription Shares”	3,774,000 new Tian An Shares
“York Global”	York Global Value Partners, L.P., a Delaware limited partnership
“York Global Subscription Shares”	2,375,000 new Tian An Shares
“York Investment”	York Investment Limited, a company incorporated in Bahama with limited liability
“York Investment Subscription Shares”	11,964,000 new Tian An Shares
“York Select”	York Select, L.P., a Delaware limited partnership
“York Select Subscription Shares”	3,597,000 new Tian An Shares
“York Select Trust”	York Select Unit Trust, a trust organised in the Cayman Islands
“York Select Trust Subscription Shares”	4,290,000 new Tian An Shares

On behalf of the Board  
**Allied Group Limited**  
**Edwin Lo King Yau**  
*Executive Director*

On behalf of the Board  
**Tian An China Investments Company Limited**  
**Li Chi Kong**  
*Executive Director*

Hong Kong, 30th October, 2007

“Please also refer to the published version of this announcement in The Standard”