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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

Disposal of Changzhou Tian An Cyberpark Property Company Limited*

On 5th June, 2009, the Vendors entered into the SP Agreements with the Purchaser respectively, pursuant to which each of the Vendors agreed to sell and the Purchaser agreed to purchase from each of the Vendors 50% of the equity interest in Changzhou Tian An for the considerations of RMB181,956,793 (equivalent to HK\$206,769,083) under the First SP Agreement and RMB181,851,646 (equivalent to HK\$206,649,598) under the Second SP Agreement. Save as to the amount payable as considerations under each of the SP Agreements, the terms of each of the SP Agreements are substantially the same.

Since the Company is beneficially interested in 50% of the entire equity interest in the Purchaser, the Company will be interested in 50% of the entire equity interest in Changzhou Tian An through its equity interest in the Purchaser upon completion of the SP Agreements.

Each of the Transactions, on a stand alone basis, does not constitute a discloseable transaction for the Company. However, the Transactions, upon aggregation in accordance with Rule 14.22 of the Listing Rules, constitute a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules on the basis that the consideration ratio is more than 5% but less than 25%.

THE SP AGREEMENTS

Date of the SP Agreements: 5th June, 2009

Parties:

- (1) First SP Agreement the Company as vendor and Shenzhen Tian An Cyberpark as purchaser
- (2) Second SP Agreement Jeefo as vendor and Shenzhen Tian An Cyberpark as purchaser

The Company and Shenzhen's Shareholder each holds 50% of the equity interest in the Purchaser. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, Shenzhen's Shareholder does not have any shareholding interest in the Company or any connected persons of the Company. Accordingly, the Purchaser and its ultimate beneficial owner are third parties independent of the Company and its connected persons.

So far as the Directors are aware, there are no prior transactions among the Vendors, the Purchaser and its ultimate beneficial owner which would be required to be aggregated with the Transactions under Rule 14.22 of the Listing Rules.

Subject Matter of the Transactions

The entire equity interest in Changzhou Tian An and the rights to dividends and profits attached thereto. In particular:

- (1) in relation to the First SP Agreement, the Company has agreed to sell and the Purchaser has agreed to purchase 50% of the equity interest in Changzhou Tian An; and
- (2) in relation to the Second SP Agreement, Jeefo has agreed to sell and the Purchaser has agreed to purchase the remaining 50% of the equity interest in Changzhou Tian An.

Changzhou Tian An is a wholly foreign owned enterprise incorporated in the PRC. The asset held by Changzhou Tian An is the Project.

The Project involves a property development of the Changzhou Tian An Cyberpark, which is located at Wujin District, Changzhou City, Jiangsu Province, the PRC and comprises a site with an area of approximately 289,700 square metres. Under the Project, the site is planned to be developed into a comprehensive science and technology building, commercial and residential composite with a total gross floor area of approximately 830,100 square metres. Phase I of the Project is currently under construction with a gross floor area of approximately 54,800 square metres and the remaining portion of the site is vacant and is planned to be developed by phases.

Consideration

The aggregate consideration (the "Total Consideration") for the Transactions under the SP Agreements are RMB363,808,439 (equivalent to HK\$413,418,681), being the aggregate sum of the considerations payable under the First SP Agreement and the Second SP Agreement.

In respect of the First SP Agreement, the Purchaser shall satisfy the consideration of RMB181,956,793 (equivalent to HK\$206,769,083) in the following manner:

- (1) the Purchaser shall pay RMB50,000,000, in cash, to the Company within 15 business days from the date of the First SP Agreement; and
- (2) the Purchaser shall pay the balance of RMB131,956,793, in cash, to the Company on or before 31st December, 2009.

In respect of the Second SP Agreement, the Purchaser shall satisfy the consideration of RMB181,851,646 (equivalent to HK\$206,649,598) in the following manner:

- (1) the Purchaser shall pay RMB50,000,000, in cash, to Jeefo within 15 business days from the date of the Second SP Agreement; and
- (2) the Purchaser shall pay the balance of RMB131,851,646, in cash, to Jeefo on or before 31st December, 2009.

The Total Consideration was arrived at after arm's length negotiation and was determined with reference to the nominal value of the entire equity interest of Changzhou Tian An.

Completion

The Company and the Purchaser will proceed to register the First Transaction with the relevant PRC authorities upon payment in full by the Purchaser of the consideration in accordance with the First SP Agreement. Completion of the First SP Agreement will take place upon payment in full by the Purchaser.

Jeefo and the Purchaser will proceed to register the Second Transaction with the relevant PRC authorities upon payment in full by the Purchaser of the consideration in accordance with the Second SP Agreement. Completion of the Second SP Agreement will take place upon payment in full by the Purchaser.

Upon completion of the SP Agreements, the Purchaser will be interested in the entire equity interest in Changzhou Tian An and the Company will be interested in 50% of the entire equity interest in Changzhou Tian An through its equity interest in the Purchaser.

SUMMARY OF FINANCIAL INFORMATION OF CHANGZHOU TIAN AN

A summary of the audited results of Changzhou Tian An for the two years ended 31st December, 2007 and 31st December, 2008 are as follows:

	Year ended 31st December,	
	2008	2007
	RMB'000	RMB'000
Revenue	–	–
Loss before tax	(403)	(864)
Loss after tax	(403)	(864)

The audited net asset value of the entire equity interest in Changzhou Tian An as at 31st December, 2008 was approximately RMB361,847,000 (equivalent to approximately HK\$411,190,000).

The accounts as summarised above have been prepared in accordance with PRCGAAP.

INFORMATION OF THE COMPANY, JEEFO AND THE PURCHASER

(1) The Company

The Company is a company incorporated in Hong Kong with limited liability with its securities 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) Jeefo

Jeefo is a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company.

The principal business activity of Jeefo is investment holding.

(3) The Purchaser

The Purchaser is a jointly controlled entity incorporated in the PRC. As at the date of this announcement, the Company is the beneficial owner of 50% of the equity interest in the Purchaser.

The principal business activities of the Purchaser are cyberpark property development and property investment in the PRC.

FINANCIAL EFFECT OF THE TRANSACTIONS

It is estimated that, as a result of the Transactions, the Company will not recognise a gain or loss since the disposal of the entire equity interest in Changzhou Tian An has been made at cost. The proceeds generated from the Transactions will be applied as general working capital of the Group.

Since the Company is beneficially interested in 50% of the entire equity interest in the Purchaser, the Company will be interested in 50% of the entire equity interest in Changzhou Tian An through its equity interest in the Purchaser upon completion of the SP Agreements. Therefore, Changzhou Tian An will cease to be a subsidiary of the Company and the Company will adopt the equity accounting treatment in relation to the financial results of Changzhou Tian An.

REASONS FOR THE TRANSACTIONS

Upon completion of the SP Agreements, the Project will be managed by the Purchaser. Given that the Purchaser possesses the technical expertise in managing cyberpark property development projects in kind, the Directors believe that the Project will generate higher profits in the future under the management of the Purchaser.

Furthermore, the Total Consideration represents a premium of approximately RMB1,961,000 (equivalent to approximately HK\$2,228,000), over the audited net asset value of Changzhou Tian An as at 31st December, 2008.

Having regard to the nature of and benefits resulting from the Transactions, the Directors believe that the terms of the SP Agreements are fair and reasonable and in the interests of the Company and the Shareholders taken as a whole.

LISTING RULES IMPLICATIONS OF THE TRANSACTIONS

Each of the Transactions, on a stand alone basis, does not constitute a discloseable transaction for the Company. However, the Transactions, upon aggregation in accordance with Rule 14.22 of the Listing Rules, constitute a discloseable transaction for the Company pursuant to Rule 14.06(2) of the Listing Rules on the basis that the consideration ratio is more than 5% but less than 25%.

DEFINITIONS

“Changzhou Tian An” 常州天安數碼城置業有限公司 (Changzhou Tian An Cyberpark Property Company Limited*), a wholly foreign owned enterprise incorporated in the PRC;

“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;

“Directors”	the directors of the Company;
“First SP Agreement”	the sale and purchase agreement entered into between the Company and the Purchaser on 5th June, 2009 pursuant to which, the Company agreed to sell and the Purchaser agreed to purchase 50% of the entire equity interest in Changzhou Tian An on the terms and subject to the conditions set out therein;
“First Transaction”	the transactions contemplated under the First SP Agreement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Jeefo”	Jeefo Holdings (HK) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“PRC”	the People’s Republic of China, not including Taiwan, Hong Kong and Macau;
“PRCGAAP”	the PRC Generally Accepted Accounting Practice;
“Project”	the project of developing the Changzhou Tian An Cyberpark, which is located in Wujin District, Changzhou City, Jiangsu Province, the PRC, which is planned to be developed into a comprehensive science and technology building, commercial and residential composite with a total gross floor area of approximately 830,100 square metres;
“Purchaser”	Shenzhen Tian An Cyberpark, the purchaser of both SP Agreements;
“RMB”	Renminbi, the lawful currency of the PRC;
“Second SP Agreement”	the sale and purchase agreement entered into between Jeefo and the Purchaser on 5th June, 2009 pursuant to which, Jeefo agreed to sell and the Purchaser agreed to purchase the remaining 50% of the equity interest in Changzhou Tian An on the terms and subject to the conditions set out therein;
“Second Transaction”	the transactions contemplated under the Second SP Agreement;
“Shares”	ordinary shares of HK\$0.20 each in the issued share capital of the Company and a “Share” shall mean any of such Shares;

“Shareholder(s)”	holder(s) of Shares;
“Shenzhen’s Shareholder”	another shareholder of the Purchaser who is beneficially interested in 50% of the entire equity interest in the Purchaser;
“Shenzhen Tian An Cyberpark”	深圳天安數碼城有限公司 (Shenzhen Tian An Cyberpark Co., Ltd.*), a jointly controlled entity incorporated in the PRC, 50% of its equity interest is beneficially held by the Company and the remaining 50% of its equity interest is beneficially held by Shenzhen’s Shareholder;
“SP Agreements”	the First SP Agreement and the Second SP Agreement, and a “SP Agreement” shall mean either the First SP Agreement or the Second SP Agreement, as the case may be;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Transactions”	the First Transaction and the Second Transaction;
“Vendors”	the Company and Jeefo and a “Vendor” shall mean either the Company or Jeefo, as the case may be; and
“%”	per cent.

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

Hong Kong, 5th June, 2009

For the purpose of this announcement, translations of Renminbi into Hong Kong dollars or vice versa have been calculated by using an exchange rate of HK\$1.00 equal to RMB0.88. Such exchange rate has been used, where applicable, for the purpose of illustration only and do not constitute a representation that any amounts were or may have been exchanged at such rate or any other rates or at all.

As at the date of this announcement, the board of Directors comprises 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, Mr. Li Chi Kong and Mr. Yasushi Ichikawa being the Executive Directors; Mr. Lee Seng Hui (Chairman), Mr. Song Zengbin (Deputy Chairman) and Dr. Moses Cheng Mo Chi being the Non-Executive Directors; and Mr. Francis J. Chang Chu Fai, Mr. Ngai Wah Sang, Mr. Xu Su Jing and Ms. Lisa Yang Lai Sum being the Independent Non-Executive Directors.

* for identification purpose only