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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your securities in Tian An China Investments Company Limited (the “Company”), you should at once hand this circular with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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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)**

**PROPOSALS FOR RE-ELECTION OF DIRECTORS**

**AND**

**GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES**

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A notice convening the annual general meeting of the Company (the “AGM”) is set out on pages 16 to 19 of this circular. Whether or not you are able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the registrars of the Company, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof if you so wish.

24th April, 2008

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## DEFINITIONS

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*In this circular (other than in the notice of AGM), unless the context otherwise requires, the following expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 23rd May, 2008 at 10:00 a.m.
“Articles of Association”	the articles of association 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
“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	18th April, 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.20 each in the capital of the Company
“Shareholder(s)”	registered holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

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## DEFINITIONS

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“Warrants”	warrants of the Company carrying rights to subscribe for fully paid Shares in cash at an initial subscription price of HK\$10.00 per Share (subject to adjustments) at any time during the period from 2nd January, 2008 to 2nd January, 2010 (both days inclusive) (Warrant Code: 843)
“Warrantholder(s)”	holder(s) of the Warrants
“%”	per cent.



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)

*Executive Directors:*

Patrick Lee Seng Wei (*Managing Director*)

Ng Qing Hai (*Deputy Managing Director*)

Ma Sun

Edwin Lo King Yau

Li Chi Kong

Yasushi Ichikawa

*Registered Office:*

22nd Floor, Allied Kajima Building

138 Gloucester Road

Wanchai

Hong Kong

*Non-Executive Directors:*

Lee Seng Hui (*Chairman*)

Moses Cheng Mo Chi

Yuki Oshima

*Independent Non-Executive Directors:*

Francis J. Chang Chu Fai

Ngai Wah Sang

Xu Su Jing

Lisa Yang Lai Sum

24th April, 2008

*To the Shareholders and, for information only,  
the Warrantholders*

Dear Sir or Madam,

**PROPOSALS FOR RE-ELECTION OF DIRECTORS**

**AND**

**GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES**

**INTRODUCTION**

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the AGM relating to (i) the re-election of Directors; and (ii) the granting to the Directors of general mandates for the issue and repurchase of securities of the Company up to 20% and 10% respectively of the aggregate number of the relevant securities of the Company in issue as at the date of the passing of such resolutions.

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## LETTER FROM THE BOARD

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### RE-ELECTION OF DIRECTORS

The Board currently consists of thirteen Directors, namely Mr. Lee Seng Hui, Mr. Patrick Lee Seng Wei, Mr. Ng Qing Hai, Mr. Ma Sun, Mr. Edwin Lo King Yau, Mr. Li Chi Kong, Mr. Yasushi Ichikawa, Dr. Moses Cheng Mo Chi, Mr. Yuki Oshima, Mr. Francis J. Chang Chu Fai, Mr. Ngai Wah Sang, Mr. Xu Su Jing and Ms. Lisa Yang Lai Sum.

Pursuant to Article 105(A) of the Articles of Association, at each annual general meeting of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office such that each Director (including those appointed for a specific term) will be subject to retirement by rotation at least once every three years at the annual general meeting, provided always that any Director appointed pursuant to Article 96 of the Articles of Association shall not be taken into account in determining the Directors who are to retire by rotation at such meeting. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. Pursuant to Article 96 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the Board), and shall then be eligible for re-election.

Pursuant to Article 105(A) of the Articles of Association, Mr. Ng Qing Hai, Mr. Li Chi Kong, Mr. Ngai Wah Sang, Mr. Xu Su Jing and Ms. Lisa Yang Lai Sum shall retire by rotation and, being eligible, offer themselves for re-election at the AGM. All the retiring Directors are eligible for re-election.

Article 109 of the Articles of Association provides that no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his willingness to be elected shall have been given to the Company during the period commencing no earlier than the day after the despatch of the notice of the general meeting appointed for such election and ending no later than seven days prior to the date of such general meeting.

Accordingly, if a Shareholder wishes to nominate a person to stand for election as a Director at the AGM, notice of his intention to propose such person for election as a Director and the notice executed by the nominee of his willingness to be elected must be validly served at the registered office of the Company at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong on or before 15th May, 2008.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any directors proposed to be re-elected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders' approval at that relevant general meeting.

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## LETTER FROM THE BOARD

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Brief biographical details of the retiring Directors who are proposed to be re-elected at the AGM are set out in Appendix I to this circular. If a valid notice from a Shareholder to propose a person to stand for election as a Director at the AGM is received after the printing of this circular, the Company will issue a supplementary circular to inform Shareholders of the details of the additional candidate proposed.

### **GENERAL MANDATES TO ISSUE AND REPURCHASE SECURITIES**

At the annual general meeting of the Company held on 18th May, 2007, ordinary resolutions were passed granting general mandates authorising the Directors, inter alia, (i) to allot, issue or otherwise deal with additional securities of the Company not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at that date (the “2007 Issue Mandate”), being 225,853,983 Shares; and (ii) to repurchase Shares representing up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at that date, being 112,926,991 Shares.

Pursuant to a subscription agreement dated 26th October, 2007 entered into between the Company and the Subscribers (as defined in the Company’s announcement dated 30th October, 2007) in relation to the subscription of 130,000,000 new Shares (the “Subscription Shares”), the Company had utilised approximately 57.56% of the 2007 Issue Mandate by allotting and issuing the Subscription Shares to the Subscribers upon the completion of the subscription on 16th November, 2007.

According to the Company’s circular dated 19th November, 2007 (the “Circular”), 251,853,983 new Shares (the “Offer Shares”) (together with 251,853,983 Warrants, entitling the holders to subscribe for the same number of Shares, i.e. 251,853,983 new Shares) would fall to be issued and/or allotted by way of an open offer to the Qualifying Shareholders (as defined in the Circular) upon completion of the Revised Open Offer (as defined in the Circular).

In order to facilitate the issuance of the Offer Shares and the Warrants, the Company had sought the Shareholders’ approval on, among other things, (i) ordinary resolution for the granting to the Directors of a specific mandate to allot and issue up to a maximum of not more than 251,853,983 Offer Shares and 251,853,983 Warrants; and (ii) ordinary resolution for the granting to the Directors of general mandates as refreshment to (a) issue new Shares not exceeding 20% of the Company’s issued share capital as enlarged by the Revised Open Offer, being 271,024,779 new Shares (the “Refreshed Issue Mandate”); and (b) repurchase securities of the Company not exceeding 10% of the Company’s issued share capital as enlarged by the Revised Open Offer, being 151,112,390 Shares and Warrants not exceeding 10% of the aggregate nominal amount of subscription rights attaching to all outstanding Warrants of the Company (the “Refreshed Repurchase Mandate”) as at the date of passing of such resolution at the extraordinary general meeting of the Company held on 6th December, 2007 (the “EGM”). The Refreshed Issue Mandate and the Refreshed Repurchase Mandate will lapse upon the conclusion of the AGM. Pursuant to the aforesaid resolutions duly passed at the EGM, the Offer Shares and the Warrants had been issued and/or allotted to the Qualifying Shareholders on 28th December, 2007.

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## LETTER FROM THE BOARD

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The Directors consider that the Refreshed Issue Mandate and the Refreshed Repurchase Mandate increase the flexibility in dealing of the Company's affairs and are in the interests of both the Company and the Shareholders, and that the same shall continue to be adopted by the Company.

New general mandate to allot, issue or otherwise deal with additional securities of the Company up to 20% of the aggregate number of Shares in issue as at the date of passing the resolution as set out in Resolution No. 5(A) of the AGM notice will be proposed at the AGM. Subject to the passing of the resolution granting the proposed mandate to issue securities of the Company and on the basis that no further securities are issued or repurchased before the AGM, the Company will be allowed under such mandate to issue a maximum of 302,209,861 Shares, representing 20% of the issued share capital of the Company as at the Latest Practicable Date. In addition, new general mandate to repurchase securities of the Company up to 10% of the aggregate number of Shares in issue and 10% of the Warrants as at the date of passing the resolution (the "Securities Repurchase Mandate") as set out in Resolution No. 5(B) of the AGM notice will also be proposed at the AGM. Resolution authorising the extension of the general mandate to the Directors to issue securities to include the aggregate number of such Shares repurchased (if any) under the Securities Repurchase Mandate is to be proposed as Resolution No. 5(C) of the AGM notice at the AGM.

With reference to the proposed new general mandates, the Directors, as at the date hereof, wish to state that they have no immediate plans to issue any new securities of the Company pursuant to the relevant mandates.

An explanatory statement containing the particulars required by the Listing Rules to enable the Shareholders to make an informed view on whether to vote for or against the Resolution No. 5(B) to be proposed at the AGM in relation to the proposed Securities Repurchase Mandate is set out in Appendix II to this circular.

### **AGM**

The notice for convening the AGM is set out on pages 16 to 19 of this circular. Ordinary resolutions in respect of the re-election of the Directors and the general mandates to issue and repurchase securities of the Company as referred to above will be proposed at the AGM.

A form of proxy for the AGM is enclosed with this circular. Whether or not you are able to attend the AGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return the same to the registrars of the Company, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjourned meeting thereof if you so wish.



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## LETTER FROM THE BOARD

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### RIGHT TO DEMAND A POLL

Pursuant to Article 75 of the Articles of Association, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) demanded: (i) by the chairman of the meeting; or (ii) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or (iii) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or (iv) by a Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

### RECOMMENDATION

The Directors consider that the proposed ordinary resolutions for approval of the re-election of the retiring Directors, the grant of general mandates to issue and repurchase securities of the Company, and to add the aggregate number of Shares that may be repurchased to the aggregate number of the Shares that may be allotted pursuant to the general mandate to issue securities of the Company are each in the best interests of the Company and the Shareholders as a whole, and accordingly, recommend all Shareholders to vote in favour of the resolutions to be proposed at the AGM.

### GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text of this circular shall prevail over the Chinese text.

Yours faithfully,  
For and on behalf of the Board  
**Tian An China Investments Company Limited**  
**Lee Seng Hui**  
*Chairman*

*The biographical details of the Directors proposed to be re-elected at the AGM are set out as follows:*

**Ng Qing Hai**, aged 51, was appointed an Executive Director of the Company in April 2003 and became the Managing Director of the Company in October 2003. He was re-designated as the Deputy Managing Director of the Company in December 2005. Mr. Ng graduated from the Accounting Department of Shanghai Institute of Building Materials in 1983 and became a member of the Association of Registered Accountants of the PRC in 1994. He was admitted as Management Consultant by Group ESSEC of France in 1988. He became the vice chairman of China Building Materials Enterprises Management Association in 2004 and a fellow of Asian Knowledge Management Association in 2006. Mr. Ng has extensive experience in managing enterprises. He is also the president and chief executive officer of Shanghai Allied Cement Limited (“SAC”), a former non-wholly owned subsidiary of the Company, and the shares of which are listed on the Stock Exchange. Save as disclosed above, Mr. Ng did not hold any other directorships in listed public companies during the past three years.

Mr. Ng has not been appointed for a specific term but shall be subject to the relevant provisions of retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws whereby he shall vacate his office. There is no service contract between the Company and Mr. Ng. His Director’s fee is determined by the Board and shall be subject to the approval by the Shareholders and a sum of HK\$10,000 was received as his Director’s fee for 2007. The remuneration of Mr. Ng was determined with reference to the prevailing market conditions based on the performance and contribution of Mr. Ng in the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Ng did not have any relationship with any other Director, senior management, substantial or controlling shareholder of the Company and he had no interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. Ng was also not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

**Li Chi Kong**, aged 54, a member of the Institute of Chartered Accountants of Scotland and a fellow of the Hong Kong Institute of Certified Public Accountants, was appointed an Executive Director of the Company in February 2004. He has broad experience in the finance and accounting field, having worked in two major audit firms and as group financial controller for several sizeable listed companies in Hong Kong. He is also an executive director of Allied Properties (H.K.) Limited (“APL”), a substantial shareholder of the Company, and the group financial controller of Allied Group Limited (“AGL”), another substantial shareholder of the Company. Both APL and AGL are companies listed on the Stock Exchange. Mr. Li was previously the vice-president and an executive director of SAC. Save as disclosed above, Mr. Li did not hold any other directorships in listed public companies during the past three years.

Mr. Li has not been appointed for a specific term but shall be subject to the relevant provisions of retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws whereby he shall vacate his office. There is no service contract between the Company and Mr. Li. His Director's fee is determined by the Board and shall be subject to the approval by the Shareholders and a sum of HK\$10,000 was received as his Director's fee for 2007. Mr. Li is an employee of AGL which charges management services fee to the Company according to a specified percentage of his remuneration in AGL and such percentage is determined by reference to the percentage of time devoted by him on the affairs of the Company. The remuneration of Mr. Li was determined with reference to the prevailing market conditions based on performance and contribution of Mr. Li in the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Li did not have any relationship with any other Director, senior management, substantial or controlling shareholder of the Company and he had no interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. Li was also not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

**Ngai Wah Sang**, aged 49, was appointed an Independent Non-Executive Director of the Company in September 2004. He is currently the deputy chairman of the board and the chief executive officer of Earnest Investments Holdings Limited. Mr. Ngai was previously a non-executive director of QMASTOR Limited, the shares of which are listed on the Australian Stock Exchange. He has broad experience in auditing, accounting, financial management and dealing with business development and investments and previously worked for international accounting firms and listed companies in Hong Kong and overseas. Mr. Ngai holds a Bachelor's Degree in Science from the University of London in United Kingdom. He is a fellow of The Institute of Chartered Accountants in Australia and also a fellow of the Hong Kong Institute of Certified Public Accountants in Hong Kong. Save as disclosed above, Mr. Ngai did not hold any other directorships in listed public companies during the past three years.

If re-elected at the AGM, the term of Mr. Ngai's appointment shall continue until 31st December, 2008, but subject to the relevant provisions of retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws whereby he shall vacate his office. Based on the letter of appointment between the Company and Mr. Ngai, he is entitled to (i) a Director's fee of HK\$10,000 per annum; and (ii) a service fee of HK\$90,000 per annum from the year 2007 onwards, which were agreed by the Remuneration Committee of the Company and the Board. The Director's fee shall be subject to the approval of the Shareholders. The remuneration of Mr. Ngai was determined with reference to the prevailing market conditions based on the time commitment and the responsibilities to be taken by Mr. Ngai in the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Ngai did not have any relationship with any other Director, senior management, substantial or controlling shareholder of the Company and he had no interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. Ngai was also not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

**Xu Su Jing**, aged 63, was appointed an Independent Non-Executive Director of the Company in September 2004. He was the director of the Department of Enterprise Reform of Sinopec Group Company and has retired since June 2005. He has extensive experience in the macro-management of petrochemical enterprises. Mr. Xu graduated from the Beijing Research Institute of Labor Safety in 1983 majoring in safety technology engineering and holds a Master of Engineering and the title of a senior economist of professor level. Save as disclosed above, Mr. Xu did not hold any other directorships in listed public companies during the past three years.

If re-elected at the AGM, the term of Mr. Xu's appointment shall continue until 31st December, 2008, but subject to the relevant provisions of retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws whereby he shall vacate his office. Based on the letter of appointment between the Company and Mr. Xu, he is entitled to (i) a Director's fee of HK\$10,000 per annum; and (ii) a service fee of HK\$70,000 per annum from the year 2007 onwards, which were agreed by the Remuneration Committee of the Company and the Board. The Director's fee shall be subject to the approval of the Shareholders. The remuneration of Mr. Xu was determined with reference to the prevailing market conditions based on the time commitment and the responsibilities to be taken by Mr. Xu in the Company.

Save as disclosed above, as at the Latest Practicable Date, Mr. Xu did not have any relationship with any other Director, senior management, substantial or controlling shareholder of the Company and he had no interests in the shares of the Company within the meaning of Part XV of the SFO. Mr. Xu was also not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

**Lisa Yang Lai Sum**, aged 41, was appointed an Independent Non-Executive Director of the Company in November 1999 and was re-designated as Non-Executive Director of the Company in September 2004. She was re-designated from a Non-Executive Director to an Independent Non-Executive Director of the Company in July 2007. She is a practicing solicitor in Hong Kong and is a consultant of Maurice Lee, Tsang, Ng-Quinn & Tang. Ms. Yang graduated from the University of Sydney with a Bachelor's Degree in Law and Economics and is also qualified as a solicitor in Australia and England. Save as disclosed above, Ms. Yang did not hold any other directorships in listed public companies during the past three years.

If re-elected at the AGM, the term of Ms. Yang's appointment shall continue until 31st December, 2008, but subject to the relevant provisions of retirement and re-election at the annual general meetings of the Company in accordance with the Articles of Association or any other applicable laws whereby she shall vacate her office. Based on the letter of appointment between the Company and Ms. Yang, she is entitled to (i) a Director's fee of HK\$10,000 per annum; and (ii) a service fee of HK\$70,000 per annum from 1st July, 2007 onwards, which were agreed by the Remuneration Committee of the Company and the Board. The Director's fee shall be subject to the approval of the Shareholders. The remuneration of Ms. Yang was determined with reference to the prevailing market conditions based on the time commitment and the responsibilities to be taken by Ms. Yang in the Company.

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**APPENDIX I    DETAILS OF RETIRING DIRECTORS PROPOSED FOR RE-ELECTION**

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Save as disclosed above, as at the Latest Practicable Date, Ms. Yang did not have any relationship with any other Director, senior management, substantial or controlling shareholder of the Company and she had no interests in the shares of the Company within the meaning of Part XV of the SFO. Ms. Yang was also not aware of any matters that are required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders.

*This Appendix contains the particulars that are required by the Listing Rules to be included in an explanatory statement to enable the Shareholders to make an informed view on whether to vote for or against the resolution to be proposed at the AGM in relation to the proposed Securities Repurchase Mandate.*

## **SHARE CAPITAL AND WARRANTS**

As at the Latest Practicable Date, the issued share capital of the Company was HK\$302,209,861.80 divided into 1,511,049,309 fully paid Shares. There were also 251,853,575 outstanding Warrants in an aggregate amount of HK\$2,518,535,750.00, carrying the rights to subscribe up to 251,853,575 new Shares at an initial subscription price of HK\$10.00 per Share (subject to adjustments).

Subject to the passing of the resolution granting the proposed mandate to repurchase securities of the Company and on the basis that no further securities are issued or repurchased before the AGM, the Company will be allowed to repurchase a maximum of 151,104,930 Shares and a maximum of 25,185,357 Warrants during the period ending on the earlier of the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required to be held by the Articles of Association or any applicable laws or the date upon which such authority is revoked or varied by a resolution of the Shareholders in general meeting.

## **REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase its securities on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

The Directors would exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interests of the Company and in circumstances where they consider that the securities can be repurchased on terms favourable to the Company. On the basis of the consolidated financial position of the Company as at 31st December, 2007, being the date to which the latest published audited financial statements of the Company were made up, the Directors consider that if the general mandate to repurchase securities of the Company were to be exercised in full at the currently prevailing market value, it may have an adverse impact on the working capital and gearing level of the Company.

The Directors do not propose to exercise the mandate to repurchase securities of the Company to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company as compared with the position disclosed in the latest published audited financial statements or the gearing level which, in the opinion of the Directors, are from time to time appropriate for the Company.

**FUNDING OF REPURCHASES**

Any repurchase of securities of the Company pursuant to the proposed Securities Repurchase Mandate would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association of the Company and the applicable laws of Hong Kong and the Listing Rules. Such funds include, but are not limited to, profits available for distribution.

**EFFECT OF THE TAKEOVERS CODE**

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of Rule 32 of the Takeovers Code. Accordingly, a Shareholder, or group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and may become obliged to make a mandatory general offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Sun Hung Kai & Co. Limited ("SHK") was interested in an aggregate of 537,038,722 Shares according to the register maintained under section 336(1) of the SFO, representing approximately 35.54% of the issued share capital of the Company. Based on such interest and assuming that no further Shares are issued (whether pursuant to the exercise of the Warrants or otherwise) or repurchased prior to the AGM and in the event that the Directors exercise in full the power to repurchase Shares under the Securities Repurchase Mandate, the interest of SHK will be increased to approximately 39.49% of the issued share capital of the Company. To the best of the knowledge and belief of the Directors, the increase in the interest of SHK will give rise to an obligation to make a mandatory general offer under Rule 26 of the Takeovers Code. The Directors have no present intention to repurchase Shares to the extent that it will trigger the obligations under the Takeovers Code for SHK to make a mandatory general offer.

In the event that the Securities Repurchase Mandate is exercised in full, the number of Shares held by the public will not fall below 25% of the total number of Shares in issue in compliance with the public float requirement stated by the Listing Rules.

## SHARE AND WARRANT PRICE

The following table shows the highest and lowest prices at which the Shares and Warrants have been traded on the Stock Exchange in each of the last twelve months:

	Shares		Warrants <i>(Note)</i>	
	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>	Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
<b>2007</b>				
April	6.000	5.583	–	–
May	5.958	5.567	–	–
June	5.925	5.292	–	–
July	7.525	5.383	–	–
August	10.167	6.108	–	–
September	9.667	8.492	–	–
October	11.583	8.833	–	–
November	12.833	9.317	–	–
December	12.000	9.370	–	–
<b>2008</b>				
January	10.700	5.580	3.100	0.300
February	8.480	7.200	0.950	0.690
March	7.700	4.710	0.650	0.300
April (up to the Latest Practicable Date)	7.300	5.710	0.550	0.250

*Note:* Dealings in the Warrants on the Stock Exchange commenced on 2nd January, 2008.

## REPURCHASE OF SECURITIES

The Company has purchased a total of 75,000 Shares on the Stock Exchange during the six months immediately preceding the Latest Practicable Date (i.e. from 19th October, 2007 to 18th April, 2008) and details of which are as follows:

Date of Repurchase	Number of Shares Repurchased	Price per Share	
		Highest <i>(HK\$)</i>	Lowest <i>(HK\$)</i>
15th April, 2008	75,000	5.86	5.71



**GENERAL**

To the best of their knowledge and having made all reasonable enquiries, none of the Directors nor any of their associates (as defined in the Listing Rules) have any present intention to sell any securities of the Company to the Company or its subsidiaries.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any securities of the Company held by them to the Company, or have undertaken not to do so in the event that the Company is authorised to make repurchases of the securities.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Securities Repurchase Mandate to repurchase any securities of the Company in accordance with the Listing Rules and applicable laws of Hong Kong.

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## NOTICE OF AGM

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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)

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “Meeting”) of Tian An China Investments Company Limited (the “Company”) will be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Friday, 23rd May, 2008 at 10:00 a.m. for the following purposes:

1. To receive and adopt the Audited Financial Statements and the Reports of the Directors and Auditors of the Company for the year ended 31st December, 2007.
2. To declare a final dividend.
3. To re-elect Directors and to fix their Directors’ fees.
4. To re-appoint Auditors and to authorise the Board of Directors to fix their remuneration.
5. By way of special business, to consider and, if thought fit, to pass each of the following resolutions, with or without modification, as an ordinary resolution:

### ORDINARY RESOLUTIONS

(A) “**THAT:**

- (a) subject to paragraph (c) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or otherwise deal with additional shares of the Company (the “Shares”) or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares, and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the approval given in paragraph (a) of this Resolution shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;

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## NOTICE OF AGM

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- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval given in paragraph (a) of this Resolution, otherwise than pursuant to:
- (i) a Rights Issue (as hereinafter defined);
  - (ii) the exercise of the rights of subscription or conversion attaching to any warrants issued by the Company or any securities which are convertible into Shares;
  - (iii) the exercise of any options granted under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of any options to subscribe for, or rights to acquire Shares; or
  - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company from time to time;

shall not exceed 20% of the aggregate number of Shares in issue at the date of passing this Resolution and the said approval shall be limited accordingly;

- (d) subject to the passing of each of the paragraphs (a), (b) and (c) of this Resolution, any prior approvals of the kind referred to in paragraphs (a), (b) and (c) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (e) for the purpose of this Resolution:

‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting; and

‘Rights Issue’ means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares at that date (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

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## NOTICE OF AGM

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(B) **“THAT:**

- (a) subject to paragraph (b) of this Resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase Shares and outstanding warrants of the Company (the “Warrants”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the Shares and Warrants may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Share Repurchases, subject to and in accordance with all applicable laws and regulations, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares and Warrants which may be repurchased by the Company pursuant to paragraph (a) of this Resolution during the Relevant Period shall not exceed 10% of the aggregate number of Shares in issue at the date of the passing of this Resolution and 10% of the Warrants at the date of the passing of this Resolution respectively, and the approval granted under paragraph (a) of this Resolution shall be limited accordingly;
- (c) subject to the passing of each of the paragraphs (a) and (b) of this Resolution, any prior approval of the kind referred to in paragraphs (a) and (b) of this Resolution which had been granted to the Directors and which are still in effect be and are hereby revoked; and
- (d) for the purpose of this Resolution:

‘Relevant Period’ means the period from the passing of this Resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

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## NOTICE OF AGM

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- (C) “**THAT** conditional upon the passing of Resolutions 5(A) and 5(B) as set out in the notice convening the Meeting, the general mandate granted to the Directors to exercise the powers of the Company to allot, issue or otherwise deal with additional securities of the Company pursuant to Resolution 5(A) as set out in the notice convening the Meeting be and is hereby extended by the addition thereto the number of such Shares repurchased by the Company under the authority granted pursuant to Resolution 5(B) as set out in the notice convening the Meeting, provided that such number shall not exceed 10% of the aggregate number of Shares in issue at the date of the passing of this Resolution.”

By Order of the Board  
**Tian An China Investments Company Limited**  
**Cindy Yung Yee Mei**  
*Company Secretary*

Hong Kong, 24th April, 2008

*Registered Office:*

22nd Floor, Allied Kajima Building  
138 Gloucester Road  
Wanchai  
Hong Kong

*Notes:*

1. The register of members and the register of warrant holders of the Company will be closed from Tuesday, 20th May, 2008 to Friday, 23rd May, 2008 (both days inclusive), during which period no transfer of Shares and Warrants will be registered. In order to qualify for the final dividend, all transfer forms accompanied by the relevant share certificates or in the case of warrant holders, all subscription forms accompanied by the relevant warrant certificates and exercise money, must be lodged with the Company's registrars, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Monday, 19th May, 2008. The final dividend will be paid in the form of scrip, with the shareholders of the Company being given an option to elect cash in respect of part or all of such dividend, and is expected to be paid to the shareholders of the Company by post on or around Tuesday, 15th July, 2008.
2. A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and, on a poll, vote in his stead. A proxy need not be a member of the Company.
3. Where there are joint registered holders of any Share, any one of such holders may vote at the Meeting, either personally or by proxy, in respect of such Share as if he was solely entitled thereto; but if more than one of such holders are present at the Meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect of such Share.
4. To be valid, the form of proxy, duly completed and signed in accordance with the instructions printed thereon together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power of attorney, must be deposited at the registrars of the Company, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof. The completion and delivery of the form of proxy will not preclude you from attending and voting at the Meeting if you so wish.
5. Concerning Resolution 5(A) above, the Directors wish to state that they have no immediate plans to issue any new securities of the Company under this mandate. Approval is being sought from members as a general mandate, in compliance with the Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue any securities of the Company up to 20% of the issued share capital at the date of the passing of the resolution.
6. The general purpose of the authority to be conferred on the Directors by Resolution 5(B) above is to increase flexibility and to provide discretion to the Directors in the event that it becomes desirable to repurchase securities representing up to a maximum of 10% of the relevant securities of the Company in issue at the date of the passing of the resolution on the Stock Exchange.