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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, you should at once hand this circular with the accompanying form of election 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.

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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)

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*)

Song Zengbin (*Deputy Chairman*)

Moses Cheng Mo Chi

Independent Non-Executive Directors:

Francis J. Chang Chu Fai

Ngai Wah Sang

Xu Su Jing

Lisa Yang Lai Sum

6th June, 2008

*To the Shareholders and, for information only,
the holders of the Warrants*

Dear Sir or Madam,

**SCRIP DIVIDEND SCHEME
IN RELATION TO THE FINAL DIVIDEND
FOR THE YEAR ENDED 31ST DECEMBER, 2007**

INTRODUCTION

On 27th March, 2008, it was announced that the directors (the “Directors”) of Tian An China Investments Company Limited (the “Company”) recommended the payment of a final dividend (the “Final Dividend”) of HK10 cents per share of HK\$0.20 each in the issued share capital of the Company (the “Shares”) for the year ended 31st December, 2007, by way of scrip (the “Scrip Shares”) with an option to elect cash, payable to shareholders of the Company (the “Shareholders”) whose names were recorded on the register of members of the Company (the “Scrip Dividend Scheme”) as at 23rd May, 2008 (the “Record Date”).

At the annual general meeting of the Company held on 23rd May, 2008, the recommended Final Dividend was approved and the Scrip Dividend Scheme was confirmed by the Directors immediately thereafter. Brief details of the Scrip Dividend Scheme were announced on 23rd May, 2008.

The purpose of this circular is to set out the procedures and conditions which apply in relation to the Scrip Dividend Scheme and the action which should be taken by Shareholders if they wish to participate in the Scrip Dividend Scheme.

DETAILS OF THE SCRIP DIVIDEND SCHEME

Shareholders may elect to receive the Final Dividend in one of the following ways:

- (a) a cash dividend of HK10 cents per Share; or
- (b) an allotment of such number of Scrip Shares credited as fully paid and having an aggregate market value (as determined below), save for adjustment for fractions, equal to the total amount of the Final Dividend which such Shareholder would otherwise be entitled to receive in cash; or
- (c) partly in cash and partly in Scrip Shares.

The Scrip Shares to be issued will rank *pari passu* in all respects with the Shares, except that they will not rank for the Final Dividend.

BASIS OF ALLOTMENT OF THE SCRIP SHARES

For the purpose of calculating the number of Scrip Shares to be allotted pursuant to the Scrip Dividend Scheme, the market value is HK\$5.76 per Share, which was the average of the closing prices of the Shares on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) for the five (5) consecutive trading days ended on 23rd May, 2008. Accordingly, the number of Scrip Shares which Shareholders will receive in respect of their shareholdings as at the Record Date under the Scrip Dividend Scheme is calculated as follows:

$$\begin{array}{l} \text{Number of Scrip Shares} \\ \text{to be allotted} \end{array} = \begin{array}{l} \text{Number of existing Shares} \\ \text{held on 23rd May, 2008} \end{array} \times \frac{\text{HK\$0.10}}{\text{HK\$5.76}}$$

The number of Scrip Shares to be allotted to each Shareholder will be rounded down to the nearest whole number. Fractional entitlements to the Scrip Shares in respect of alternatives (b) and (c) above will not be allotted but will be aggregated and sold for the benefit of the Company.

ADVANTAGES OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme will give Shareholders an opportunity to increase their investment in the Company at market value without incurring brokerage fees, stamp duty and related dealing costs. The Scrip Dividend Scheme will also benefit the Company to the extent that such cash which would otherwise have been paid to Shareholders who elect to receive the Scrip Shares, in whole or in part in lieu of a cash dividend, will be retained for use as working capital by the Company.

FORM OF ELECTION

A form of election (the “Cash Election Form”) for Shareholders to elect to receive the Final Dividend in cash is enclosed with this circular.

Any Shareholder who wishes to receive only Shares in respect of his/her Final Dividend need not complete the Cash Election Form. Any Shareholder who wishes to elect to receive cash in lieu of Shares in respect of his/her Final Dividend, either in whole or in part, must complete the enclosed Cash Election Form and return it to the registrars of the Company, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen’s Road East, Hong Kong not later than 4:00 p.m. on Monday, 30th June, 2008. No acknowledgement of receipt of the Cash Election Form will be issued. If any Shareholder signs the Cash Election Form but does not specify the number of Shares in respect of which he/she wishes to receive his/her Final Dividend in cash or, if he/she elects to receive his/her Final Dividend in cash in respect of a greater number of Shares than his/her registered holding, then in either case he/she will be deemed to have exercised his/her election of cash in respect of all the Shares registered in his/her name. For the avoidance of doubt, the Scrip Shares are not offered to the public (other than the Shareholders) and the Cash Election Forms are non-transferable.

OVERSEAS SHAREHOLDERS

On the basis of the information made available to the Directors, as at the Record Date, Shareholders who are residents in jurisdictions outside Hong Kong (the “Overseas Shareholders”) whose address as shown on the register of members of the Company were in Canada, China, Denmark, Germany, Japan, Macau, Malaysia, the Philippines, Singapore, Spain, United Kingdom and the United States of America (the “United States”).

The Directors have made enquiries on the legal restrictions and regulatory requirements in relation to the Scrip Dividend Scheme to the Overseas Shareholders in the above jurisdictions and on the compliance with the relevant restrictions and formalities. Based on the legal opinions obtained, the Directors considered that it would not be cost-effective or expedient for the Company to comply with the registration requirements and/or other formalities under the laws of the Philippines and the United States. As such, they have decided to exclude the Shareholders with registered address in the Philippines and the United States from the Scrip Dividend Scheme (the “Excluded Shareholders”). Accordingly, the Excluded Shareholders will receive the Final Dividend wholly in cash. No Cash Election Form is being sent to the Excluded Shareholders.

Save as disclosed, none of this circular, the Cash Election Form nor the Scrip Shares will be registered or filed under the securities laws or equivalent legislation of any jurisdiction outside Hong Kong. The participation in the Scrip Dividend Scheme by the Overseas Shareholders may be restricted by laws of their relevant jurisdictions. No Shareholders receiving a copy of this circular and the Cash Election Form in any territory outside Hong

Kong may treat the same as an invitation to elect for the Scrip Shares unless in the relevant territory such invitation could lawfully be made to him/her without having to comply with any unfulfilled registration or other legal requirements. Shareholders with registered address outside Hong Kong should consult their own professional advisers as to whether or not they are permitted to receive the Final Dividend in the form of an issue of Scrip Shares or if any governmental or other consent is required or other formalities which need to be observed and whether there are any other restrictions in relation to the future sale of any Scrip Shares so acquired. Overseas Shareholders residing in jurisdiction where it would be illegal for them to participate in the Scrip Dividend Scheme will be deemed to have received this circular and the Cash Election Form for their information only.

For the avoidance of doubt, the Excluded Shareholders will be sent a copy of this circular for their information only.

STOCK EXCHANGE LISTING AND DESPATCH OF DIVIDEND WARRANTS AND/OR SHARE CERTIFICATES FOR THE SCRIP SHARES

The Scrip Dividend Scheme is conditional upon listing approval being granted by the Stock Exchange in respect of the Scrip Shares to be issued pursuant thereto. Application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Scrip Shares.

The relevant dividend warrants and/or share certificates for the Scrip Shares are expected to be despatched at the risk of those entitled thereto on or about Tuesday, 15th July, 2008 and dealings of the Scrip Shares will commence on Thursday, 17th July, 2008.

The Shares are only listed on the Stock Exchange. No part of the share capital of the Company is listed or dealt in on any other stock exchange and the Company is not currently seeking to list its Shares on any other stock exchange.

Subject to the granting of the listing of, and permission to deal in, the Scrip Shares issued pursuant to the Scrip Dividend Scheme on the Stock Exchange, such Scrip Shares will be accepted as eligible securities by the Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in Central Clearing and Settlement System. You should seek the advice of your stockbroker or other professional adviser for details of these settlement arrangements and how such settlement arrangements will affect your rights and interests.

RECOMMENDATION AND ADVICE

Whether or not it is to your advantage to elect to receive cash in lieu of Scrip Shares will depend upon your own individual circumstances and the decision in this regard, and all effects resulting therefrom, must be solely the responsibility of each Shareholder.

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

Yours faithfully,
On behalf of the Board
Tian An China Investments Company Limited
Lee Seng Hui
Chairman