
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 licensed securities dealer, 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 and the accompanying form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer 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)

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION

Disposal of a Wholly-owned Subsidiary

Independent Financial Adviser to the Independent Board Committee



REXCAPITAL (Hong Kong) Limited

A letter from the Board is set out on pages 5 to 17 of this circular and a letter from the Independent Board Committee containing its recommendation in respect of the transactions is set out on pages 18 and 19 of this circular. A letter from REXCAPITAL (Hong Kong) Limited containing its advice and recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 20 to 27 of this circular.

A notice convening an extraordinary general meeting of the Company (“EGM”) to be held at Plaza V, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong, on Friday, 5th September, 2008 at 10:00 a.m. is set out on pages 38 and 39 of this circular. A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the share 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 holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not prevent shareholders of the Company from attending and voting in person at the EGM or any adjournment thereof if they so wish.

6th August, 2008

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
1. Introduction	5
2. The Agreement	8
3. Information of the Company, TAHK, Mr. Fong Ting, Guo Wei and Guangzhou Tian An	11
4. Summary of Financial Information of Guangzhou Tian An	13
5. Reasons for and the Benefits of the Disposal of the Entire Registered Capital of Guangzhou Tian An	14
6. Listing Rules Implication of the Agreement	15
7. Procedures for Demanding a Poll	16
8. EGM	16
9. Recommendation	17
10. Additional Information	17
Letter from the Independent Board Committee	18
Letter of Advice from REXCAPITAL	20
Appendix – General Information	28
Notice of Extraordinary General Meeting	38

DEFINITIONS

In this circular (other than in the notice of the EGM and the accompanying form of proxy), the following expressions have the meanings correspondingly ascribed below unless the context otherwise requires:

“Agreement”	the contract dated 8th July, 2008 entered into between the Company, TAHK, Mr. Fong Ting and Guo Wei for the conditional sale and purchase of the entire equity interests in Guangzhou Tian An;
“Asia Coast”	Asia Coast Investments Limited, a company incorporated under the laws of the British Virgin Islands with limited liability and an indirect subsidiary of the Company;
“Board”	the board of Directors;
“Company”	Tian An China Investments Company Limited, a company incorporated under the laws of Hong Kong with limited liability, the securities of which are listed on the Main Board of the Stock Exchange;
“Completion”	completion of the sale and purchase of the entire equity interests in Guangzhou Tian An pursuant to the Agreement;
“Condition Precedent”	the approval by the Independent Shareholders of the Agreement and the transactions contemplated thereunder on or before 30th September, 2008;
“connected person”	has the meaning ascribed to it under the Listing Rules;
“Co-operation Agreement”	the agreement signed in August, 2000 between the Company, Guo Wei and Kang Shun in relation to the Project;
“Directors”	the directors of the Company;
“EGM”	the extraordinary general meeting of the Company to be held on 5th September, 2008, for the purpose of considering and, if thought fit, approving (<i>inter alia</i>) the terms of the Agreement and the transactions contemplated thereunder by way of a poll by the Independent Shareholders, notice of which is set out on pages 38 and 39 of this circular, and any adjournment thereof;

DEFINITIONS

“Group”	the Company and its subsidiaries;
“Guangzhou Tian An”	Tian An (Guang Zhou) Investments Co., Ltd.* (天安(廣州)投資有限公司), a wholly foreign owned enterprise incorporated and validly existing under the laws of the PRC and a direct wholly-owned subsidiary of the Company;
“Guo Wei”	Guo Wei International Trading and Investment Company Limited* (國威國際商企合作投資有限公司), a company incorporated and validly existing under the laws of the PRC and has ceased to be a party to the Co-operation Agreement pursuant to the Guo Wei Replacement Deed;
“Guo Wei Replacement Deed”	the deed dated 8th July, 2008 entered into between the Company, Guo Wei and TAHK in relation to TAHK replacing Guo Wei as a party to the Co-operation Agreement;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“HKGAAP”	the Hong Kong Generally Accepted Accounting Practice;
“Hong Kong”	Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	the independent board committee comprising all the Independent Non-Executive Directors, namely Mr. Francis J. Chang Chu Fai, Mr. Ngai Wah Sang, Mr. Xu Su Jing and Ms. Lisa Yang Lai Sum appointed for the purpose of advising the Independent Shareholders in respect of the Agreement and the transactions contemplated thereunder;
“Independent Financial Adviser” or “REXCAPITAL”	REXCAPITAL (Hong Kong) Limited, a licensed corporation permitted to engage in type 6 of the regulated activity as stipulated in the SFO, being appointed as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Agreement;
“Independent Shareholders”	shareholders who are not required under the Listing Rules to abstain from voting at the EGM to approve the transactions contemplated under the Agreement;

DEFINITIONS

“Kang Shun”	Kang Shun Development Company Limited* (康順發展有限公司), a legal person in the PRC whose interest in the Co-operation Agreement was replaced by TAHK pursuant to the Kang Shun Replacement Agreement and the Guo Wei Replacement Deed;
“Kang Shun Replacement Agreement”	the agreement entered into between Guo Wei and Kang Shun in November, 2003, pursuant to which, Guo Wei shall be entitled to all the rights of Kang Shun and be responsible for all the obligations of Kang Shun under the Co-operation Agreement, and Kang Shun shall cease to be a party to the Co-operation Agreement;
“Land”	a piece of land with an area of approximately 529,698.2 square metres located in Foshan City Nanhai District Songgang Town Hong Ji Main Road* (佛山市南海區松崗鎮鴻基大道) (南府國用(2003)第特100173號; 南府國用(2003)第特100172號; 南府國用(2001)第特100024號) with a total gross floor area of approximately 180,100 square metres for the development of the Project;
“Latest Practicable Date”	31st July, 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular;
“Listing Rules”	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;
“Project”	the project of the development of the Land into a residential development pursuant to the Co-operation Agreement as approved by Nanhai City Committee of Property Name* (南海市地名委員會) as Tian An Hung Kai Garden* (天安鴻基花園) (南地 [2000] 05號);
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Shareholders”	holders of Shares;

DEFINITIONS

“Shares”	shares of HK\$0.20 each in the issued share capital of the Company and “Share” means any of such Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“TAHK”	Tian An Hung Kai Group Company Limited* (天安鴻基集團有限公司), a company incorporated under the laws of Hong Kong with limited liability; and
“%”	per cent.

* *for identification purpose only*

LETTER FROM THE BOARD



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 August, 2008

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

Dear Sir or Madam,

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION

Disposal of a Wholly-owned Subsidiary

1. INTRODUCTION

On 16th July, 2008, the Company announced that a conditional Agreement dated 8th July, 2008 was entered into between the Company as the vendor, TAHK as the purchaser, Mr. Fong Ting as the purchaser's guarantor and Guo Wei, pursuant to which, the Company agreed to sell and TAHK agreed to purchase the entire equity interests in Guangzhou Tian An and hence the entire interests of the Company in the Project, which includes an interest in 30% of the profits

LETTER FROM THE BOARD

generated by the Project and the unsettled amount of RMB79,564,000 for an aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$170,455,000) comprising RMB79,564,000 (equivalent to approximately HK\$90,414,000) being the sum unsettled under the Co-operation Agreement (as supplemented by the Kang Shun Replacement Agreement and the Guo Wei Replacement Deed); and RMB70,436,000 (equivalent to approximately HK\$80,041,000) being the paid up registered capital of Guangzhou Tian An.

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

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

The transaction contemplated under the Agreement also constitutes a connected transaction for the Company on the basis that Mr. Fong Ting is the sole beneficial owner of TAHK and holds 90% equity interests in Guo Wei. He is also a director and substantial shareholder of Asia Coast, an indirect non-wholly owned subsidiary of the Company, in which the Company is the owner of approximately 84.85% of its entire issued share capital. Hence, Mr. Fong Ting is a connected person to the Company. Pursuant to Rule 14A.17 of the Listing Rules, since the calculation of the relevant percentage ratios are more than 2.5% but less than 25% and the aggregate consideration is more than HK\$10,000,000, the transaction contemplated under the Agreement is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. The Company will convene an EGM for the purpose of approving the Agreement and the transactions contemplated therein by poll in accordance with Rule 14A.52 of the Listing Rules. As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors, and having made all reasonable enquiries, no Shareholders or their associates have material interests in the transactions contemplated under the Agreement nor are they required under, Rule 14A.18 of the Listing Rules, to abstain from voting at the EGM.

LETTER FROM THE BOARD

An Independent Board Committee has been constituted to consider the terms of the Agreement and to make recommendations to its Independent Shareholders. REXCAPITAL has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the transaction contemplated under the Agreement.

(a) The Co-operation Agreement

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

(b) The Kang Shun Replacement Agreement

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

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

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

(c) The Guo Wei Replacement Deed

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

- (i) TAHK shall be entitled to all the rights of Guo Wei under the Co-operation Agreement;
- (ii) TAHK shall be responsible for all the obligations of Guo Wei under the Co-operation Agreement;
- (iii) Guo Wei shall neither be entitled to any rights nor be responsible for any obligations under the Co-operation Agreement; and
- (iv) the Co-operation Agreement shall be construed subject to the Guo Wei Replacement Deed.

LETTER FROM THE BOARD

The purposes of this circular are:

- (a) to provide you with further details of the Agreement;
- (b) to set out the recommendations from the Independent Board Committee and the advice of REXCAPITAL to the Independent Board Committee and the Independent Shareholders on the terms of the Agreement; and
- (c) to give the Shareholders notice of the EGM to be convened for the purpose of considering and, if thought fit, approving (*inter alia*) the terms of the Agreement.

2. THE AGREEMENT

Date

8th July, 2008

Parties

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

Disposal of the entire equity interests of Guangzhou Tian An

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

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

LETTER FROM THE BOARD

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

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

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

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

Consideration

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

LETTER FROM THE BOARD

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

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

$$\begin{array}{rcl} \text{the amount to be} & & \text{RMB 135,000,000 x 5\% (calculated} \\ \text{deducted from the} & & \text{annually on 365 day basis) x number of} \\ \text{Balance} & = & \text{days between the date of actual payment} \\ & & \text{of the Balance and 31st December, 2008} \\ & & \text{(excluding the date of payment)} \\ & & \hline & & 365 \end{array}$$

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

Condition Precedent

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

Completion

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

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

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

LETTER FROM THE BOARD

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

Termination

The Agreement may be terminated:

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

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

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

(a) The Company

The Company is a company incorporated in Hong Kong with limited liability. Its securities are listed on the Main Board of the Stock Exchange.

The principal business activity of the Company is investment holding. The Group is engaged principally in the development of high-end apartments, villas, office buildings and commercial properties, property investment, property management and hotel operation in the PRC.

LETTER FROM THE BOARD

(b) TAHK

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

The principal business activity of TAHK is investment holding.

(c) Mr. Fong Ting

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

(d) Guo Wei

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

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

(e) Guangzhou Tian An

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

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

LETTER FROM THE BOARD

4. SUMMARY OF FINANCIAL INFORMATION OF GUANGZHOU TIAN AN

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

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

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

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

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

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

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

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

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

LETTER FROM THE BOARD

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

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

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

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

Since TAHK is solely responsible for the funding of the Project, and in comparison, the Company is only responsible for transferring the right to use the Land to the Project and in consideration of which, the Company would be paid RMB140,000,000 and 30% of the profit generated by the Project pursuant to the Co-operation Agreement. The Company does not have management, financial and operational control over the Project and has a minority interest in the Project (as reflected by its entitlement to only 30% of the profits generated by the Project). Moreover, since the payment of the aggregate consideration by TAHK constitutes an early repayment of the Unsettled Amount and an early realisation of the 30% profits generated by the Project, the Directors consider that the sale of the entire equity interests in Guangzhou Tian An will allow the Company to reallocate its resources to other projects managed by the Company at an earlier opportunity. Therefore, the Directors consider the present is an appropriate time for the sale of the entire equity interests in Guangzhou Tian An. Whilst the Group has entered into preliminary discussions on some projects, it has not reached any binding and conclusive agreement and therefore, there is no urgent need to utilize the proceed arising from the Agreement as at the Latest Practicable Date.

It is estimated that, as a result of the transaction contemplated under the Agreement, the Company will recognise a gain of approximately RMB70,436,000 (equivalent to approximately HK\$80,041,000) which will be reflected in the consolidated income statement of the Company for the year ending 31st December, 2008. The transaction will generate proceeds of RMB150,000,000 (equivalent to approximately HK\$170,455,000) for the Company which will be applied as working capital of the Group. The estimated gain represents the aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$170,455,000) less the

LETTER FROM THE BOARD

unrecovered portion of the costs of acquiring the Land and the development costs incurred thereon by the Company prior to the commencement of the Project pursuant to the Co-operation Agreement in August, 2000 of approximately RMB79,564,000 (equivalent to approximately HK\$90,414,000). As a direct result of the gain from the transaction, the earnings and the assets of the Group will increase by the same amount, whereas the liability of the Group will not be affected by the transaction contemplated under the Agreement. The one-off gain will be recognised as an income from a property development project in the financial statements of the Company which will be disclosed in the annual report for the year ending 31st December, 2008.

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

6. LISTING RULES IMPLICATION OF THE AGREEMENT

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

The transaction contemplated under the Agreement also constitutes a connected transaction for the Company on the basis that Mr. Fong Ting is the sole beneficial owner of TAHK and holds 90% equity interests in Guo Wei. He is also a director and substantial shareholder of Asia Coast, an indirect non-wholly owned subsidiary of the Company, in which the Company is the owner of approximately 84.85% of its entire issued share capital. Hence, Mr. Fong Ting is a connected person to the Company. Pursuant to Rule 14A.17 of the Listing Rules, since the calculation of the relevant percentage ratios are more than 2.5% but less than 25% and the aggregate consideration is more than HK\$10,000,000, the transaction contemplated under the Agreement is subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. The Company will convene an EGM for the purpose of approving the Agreement and the transactions contemplated therein by poll in accordance with Rule 14A.52 of the Listing Rules. As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors, and having made all reasonable enquiries, no Shareholders or their associates have material interests in the transactions contemplated under the Agreement nor are they required, under Rule 14A.18 of the Listing Rules, to abstain from voting at the EGM.

An Independent Board Committee has been constituted to consider the terms of the Agreement and to make recommendations to its Independent Shareholders. REXCAPITAL has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the transaction contemplated under the Agreement.

LETTER FROM THE BOARD

7. PROCEDURES FOR DEMANDING A POLL

Pursuant to Article 75 of the Articles of Association of the Company, 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) 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 the Shares conferring that right.

8. EGM

A notice convening the EGM is set out on pages 38 and 39 of this circular. An ordinary resolution will be proposed to the Independent Shareholders to consider and, if thought fit, to approve (*inter alia*) the terms of the Agreement. The vote of the Independent Shareholders at the EGM will be taken by poll pursuant to the Listing Rules. An announcement will be made in respect of the results of the poll.

As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors, and having made all reasonable enquiries, no Shareholders or their associates have material interests in the transactions contemplated under the Agreement nor are they required, under Rule 14A.18 of the Listing Rules, to abstain from voting on the resolutions regarding the Agreement at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the share 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 holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not prevent Shareholders from attending and voting in person at the EGM or any adjournment thereof if they so wish.

LETTER FROM THE BOARD

9. RECOMMENDATION

The Board considers the terms of the Agreement are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Independent Shareholders to vote in favour of the ordinary resolution to be proposed at the EGM to approve the transactions contemplated under the Agreement.

10. ADDITIONAL INFORMATION

Your attention is drawn to the letters from the Independent Board Committee and REXCAPITAL in this circular. As set out in the letter from the Independent Board Committee, the Independent Board Committee considers that the entering into of the Agreement is in the interests of the Company and the Shareholders and concurs with the views of REXCAPITAL that the terms of the Agreement are fair and reasonable so far as the Shareholders as a whole are concerned and therefore, recommends the Independent Shareholders to vote in favour of the ordinary resolution to approve the terms of the Agreement.

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

* *for identification purpose only*



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)

Registered Office:
22nd Floor
Allied Kajima Building
138 Gloucester Road
Wanchai
Hong Kong

6th August, 2008

To the Independent Shareholders

Dear Sir or Madam,

**DISCLOSEABLE TRANSACTION
AND
CONNECTED TRANSACTION**

Disposal of a Wholly-owned Subsidiary

We refer to the circular (the “Circular”) of Tian An China Investments Company Limited dated 6th August, 2008, of which this letter forms part. The terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

As Independent Non-Executive Directors who are independent of the parties to the Agreement, we have been appointed to form this Independent Board Committee to advise you as to whether, in our opinion, the terms of the Agreement are fair and reasonable so far as the Shareholders as a whole are concerned.

REXCAPITAL has been appointed as the Independent Financial Adviser to advise this Independent Board Committee on the fairness and reasonableness of the terms of the Agreement.

We wish to draw your attention to the letter from the Board, as set out on pages 5 to 17 of the Circular, and the letter of advice from REXCAPITAL, as set out on pages 20 to 27 of the Circular, both of which provide details of the Agreement. Having considered the advice rendered by REXCAPITAL and the principal factors and reasons taken into consideration by

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

it in arriving its advice, we are of the opinion that the terms of the Agreement are in the interests of the Company and the Shareholders as a whole and the terms of the Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolution which will be proposed at the EGM to approve the terms of the Agreement.

Yours faithfully,

For and on behalf of the

**Independent Board Committee of
Tian An China Investments Company Limited**
Francis J. Chang Chu Fai, Ngai Wah Sang
Xu Su Jing and Lisa Yang Lai Sum
Independent Non-Executive Directors

LETTER OF ADVICE FROM REXCAPITAL

The following is the text of a letter of advice from REXCAPITAL to the Independent Board Committee and the Independent Shareholders in respect of the Agreement, and is prepared for inclusion in this circular.



REXCAPITAL (Hong Kong) Limited
34th Floor, COSCO Tower
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

6th August, 2008

*The Independent Board Committee and
the Independent Shareholders*

Tian An China Investments Company Limited
22nd Floor, Allied Kajima Building
138 Gloucester Road
Wanchai
Hog Kong

Dear Sirs,

DISCLOSEABLE TRANSACTION AND CONNECTED TRANSACTION

Disposal of a Wholly-owned Subsidiary

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the fairness and the reasonableness of the terms of the Agreement, details of which are set out in the circular to the Shareholders and holders of the warrants dated 6th August, 2008 (the "Circular"), of which this letter forms a part. Terms used in this letter have the same meanings as defined in the Circular unless the context requires otherwise.

On 8th July, 2008, the Company as the vendor entered into a conditional Agreement with TAHK as the purchaser, Mr. Fong Ting as the purchaser's guarantor and Guo Wei, pursuant to which, the Company agreed to sell and TAHK agreed to purchase the entire equity interests in Guangzhou Tian An and hence the entire interests of the Company in the Project, which includes an interest in 30% of the profits generated by the Project and the Unsettled Amount of RMB79,564,000 for an aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$170,455,000).

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

LETTER OF ADVICE FROM REXCAPITAL

As set out in the Letter from the Board (the “Letter”), Mr. Fong Ting (i) is the sole beneficial owner of TAHK and holds 90% equity interests in Guo Wei; and (ii) is a director and substantial shareholder of Asia Coast, an indirect non-wholly owned subsidiary of the Company, in which the Company is the owner of approximately 84.85% of its entire issued share capital. Hence, Mr. Fong Ting is a connected person to the Company and the transaction contemplated under the Agreement also constitutes a connected transaction for the Company. Pursuant to Rule 14A.17 of the Listing Rules, the transaction contemplated under the Agreement is subject to the reporting, announcement and independent shareholders’ approval requirements under the Listing Rules. The Company will convene an EGM for the purpose of approving the Agreement and the transactions contemplated therein by poll in accordance with Rule 14A.52 of the Listing Rules. As at the Latest Practicable Date, and to the best knowledge, belief and information of the Directors, and having made all reasonable enquiries, no Shareholders or their associates have material interests in the transactions contemplated under the Agreement nor are they required under, Rule 14A.18 of the Listing Rules, to abstain from voting at the EGM.

The Independent Board Committee, comprising Mr. Francis J. Chang Chu Fai, Mr. Ngai Wah Sang, Mr. Xu Su Jing and Ms. Lisa Yang Lai Sum, has been established to advise the Independent Shareholders as to whether the terms of the Agreement are (i) on normal commercial terms; (ii) fair and reasonable so far as the Independent Shareholders are concerned; and (iii) in the interest of the Company and the Shareholders as a whole.

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Company and the Directors. We have no reason to believe that any information and representations relied on by us in forming our opinion is untrue, inaccurate or misleading, nor are we aware of any material facts the omission of which would render the information provided and the representations made to us untrue, inaccurate or misleading. We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company and the Directors and for which they are solely and wholly responsible, were true and accurate at the time they were made and continue to be true at the date hereof.

The Directors collectively and severally accept full responsibility for the accuracy of the information contained in the Circular. The Directors have confirmed, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts or representations the omission of which would make any statement in the Circular, including this letter, misleading. We consider that we have reviewed sufficient information to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to form a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information provided, nor have we carried out any in-depth investigation into the business, affairs and prospects of the Group and its respective associates or the markets in which they respectively operate.

LETTER OF ADVICE FROM REXCAPITAL

We have not studied, investigated nor verified the validity of all legal aspects of, and procedural aspects for, the Agreement. We have further assumed that all material governmental, regulatory or other consents, rights, waivers, authorisations, licenses, clearances and approvals necessary for the effectiveness and implementation of the Agreement have been or will be obtained and will not be withdrawn without any adverse effect on the Group, the assets and liabilities of the Group or the contemplated benefits to the Group as derived from the Agreement.

Our opinion is necessarily based upon the financial, economic (including exchange rates and interest rates), market, regulatory and other conditions as they exist on, and the facts, information, representations and opinions made available to us as of the Latest Practicable Date. Our opinion does not in any manner address the Company's own decision to proceed with the Agreement. We disclaim any undertaking or obligation to advise any person of any change in any fact or matter affecting the opinion expressed herein, which may come or be brought to our attention after the Latest Practicable Date.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In giving our recommendation to the Independent Board Committee and the Independent Shareholders in relation to the Agreement, we have taken into consideration the following factors and reasons:

Backgrounds and Reasons for the Agreement

The principal business activity of the Company is investment holding. The Group is principally engaged in the development of high-end apartments, villas, office buildings and commercial properties, property investment, property management and hotel operation in the PRC.

Guangzhou Tian An, a direct wholly-owned subsidiary of the Company, is a wholly foreign owned enterprise incorporated and validly existing under the laws of the PRC. Guangzhou Tian An is principally engaged in property development in the PRC. As set out in the Letter, the Project is the only business activity in which Guangzhou Tian An is allowed to engage into pursuant to the Co-operation Agreement, and accordingly the assets and liabilities of Guangzhou Tian An are equal to those of the Project.

As set out in the Letter, the Company does not have Control over the Project because TAHK is solely responsible for the funding of the Project, and the Company is responsible for providing the Land and in consideration of which, the Company would be paid RMB140,000,000 and 30% of the profit generated by the Project pursuant to the Co-operation Agreement.

LETTER OF ADVICE FROM REXCAPITAL

Set out below are the audited results of Guangzhou Tian An, prepared in accordance with the relevant accounting practice of the PRC, for the two years ended 31st December, 2006 and 31st December, 2007 extracted from the Letter.

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

The audited net asset value of Guangzhou Tian An, being the audited net asset value of the Land, as at 31st December, 2007, was approximately RMB216,522,000. As advised by the Company, since the Company has no Control over the Project, and therefore the financial statements of Guangzhou Tian An were not consolidated into the financial statements of the Company since August, 2000.

As advised by the Company, given (i) the Company does not have the Control over the Project and only has a minority interest in the Project (as reflected by its entitlement to only 30% of the profits generated by the Project); and (ii) the payment of the aggregate consideration by TAHK constitutes an early repayment of the Unsettled Amount and an early realisation of the 30% profits generated by the Project, the Directors consider that the sale of the entire equity interests in Guangzhou Tian An will allow the Company to reallocate its resources to other projects managed by the Company at an earlier opportunity. Therefore, the Directors consider that the present is an appropriate time for the sale of the entire equity interests in Guangzhou Tian An.

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

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

In view of that:

- (i) the Group has no Control over the Project;
- (ii) uncertain completion time for the development of the whole Project and therefore the time for settlement of the Unsettled Amount to the Company;
- (iii) the sale of Guangzhou Tian An represents an early repayment of the Unsettled Amount and therefore enables the Group to reallocate resources and focus on its core projects/businesses;

LETTER OF ADVICE FROM REXCAPITAL

- (iv) as advised by the Company, the Group will identify potential property projects from time to time and the disposal of the Project will allow the Group to have a better cash position and flexibility for potential property projects arising in the future which is in line with the principal business of the Group. Whilst the Group has entered into preliminary discussions on some property projects, it has not reached any binding and conclusive agreement and therefore there is no urgent need to utilize the proceeds arising from the Agreement as at the Latest Practicable Date. As stated in the Letter, the proceeds from this transaction will be used as general working capital of the Group; and

- (v) after searched and reviewed from Internet and press articles on information published in the first seven months in the year 2008 in relation to, among others, property market in PRC, we note that the property market in PRC is surrounded by uncertain factors as a result of the increase of lending benchmark interest rates* (基準利率), increase in China banks' reserve requirement ratio as a result of a change in regulatory policy in the PRC and accordingly tightening of general commercial lendings by banks, and increase of the prices of raw materials such as cement for property development in the PRC.

we consider the entering into of the Agreement to dispose the Project which are out of the control of the Company and reallocate the Company's resources on core project/business or other potential projects is commercially justifiable and concur with the Directors that the Agreement is in the interests of the Company and the Shareholders as a whole.

Principal terms of the Agreement

Consideration

As advised by the Company, pursuant to the Agreement, the aggregate consideration for the transaction contemplated under the Agreement shall be RMB150,000,000 (equivalent to approximately HK\$170,455,000) (subject to adjustment in accordance with the formulae below) comprising RMB70,436,000 (equivalent to approximately HK\$80,041,000) being the consideration for the Group's entitlement to the 30% profits generated from the Project and equivalent to the paid up registered capital of Guangzhou Tian An and RMB79,564,000 (equivalent to approximately HK\$90,414,000) being the Unsettled Amount. Since the Project is still under construction, the payment of the aggregate consideration represents an early repayment by TAHK of the Unsettled Amount pursuant to the Co-operation Agreement. The aggregate consideration was arrived at after arm's length negotiation between the Company and TAHK, having regard to the actual amount that remains unsettled pursuant to the Co-operation Agreement and the Group's entitlement to the 30% profit generated from the Project.

In order to assess the fairness and reasonableness of the consideration for the transaction contemplated under the Agreement, we have requested the Company to engage an independent professional valuer to assess the market value of Phase III and Phase IV (the "Valuation"). We

LETTER OF ADVICE FROM REXCAPITAL

have discussed with the valuer and were confirmed that, save for the engagement of conducting valuations on the Company's properties from time to time, the valuer is independent of the Company and its connected persons. We have also reviewed the engagement letter between the valuer and the Company and consider the scope of work is appropriate to the opinion required to be given and no limitations on the scope of work might adversely impact on the degree of assurance given by the valuer. We are not aware the Company or another party to the Agreement has made formal and informal representations to the valuer. According to the Valuation, the market value (the "Market Value") of Phase III and Phase IV as at 30th June, 2008 was assessed at approximately HK\$725 million (equivalent to RMB638 million) under direct comparison approach. Also stated in the Valuation, the Valuation is the valuer's opinion of value of the property on the basis of "Market Value" which was defined as intended to mean "the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties has each acted knowledgeably prudently and without compulsion". We have discussed with the valuer and was advised that (i) the above definition of Market Value was extracted from The HKIS Valuation Standards on Properties (1st Edition 2005) published by The Hong Kong Institute of Surveyors; (ii) the valuation has been prepared in accordance with The HKIS Valuation Standards on Properties (1st Edition 2005) published by The Hong Kong Institute of Surveyors; and (iii) direct comparison approach is a common market approach for property valuation.

We have discussed with the Company and reviewed (i) the Valuation assessed, at our request by a valuer who is independent of the Company and its connected persons; (ii) the latest unaudited management account of Guangzhou Tian An as at 30th June, 2008; and (iii) the reconciliation (the "Reconciliation") prepared by the Company on its entitlement on the 30% profit generated from the Project with reference to the Valuation and such management account. As advised by the Company, the Reconciliation in respect of the Assessed Value includes (i) 30% of the undistributed profit based on the unaudited management account of Guangzhou Tian An as at 30th June, 2008 after adjustment for certain taxation charges; and (ii) 30% of the net profit of Phase III and Phase IV of the Project deriving by deducting all the project costs of Phase III and Phase IV up to 30th June, 2008 from the Market Value after adjustment for certain taxation charges thereon.

Based on the Reconciliation and information provided by the Company, 30% interest of (i) undistributed profit of Guangzhou Tian An; and (ii) the appreciation profit after tax of Phase III and Phase IV in aggregate amounted to approximately RMB70.42 million (the "Assessed Value"). We note that, apart from the Unsettled Amount, the remaining balance of the consideration of RMB70,436,000 represents a premium of approximately 0.02% over the Assessed Value. Having consider the consideration of the Agreement represents (i) the repayment of the Unsettled Amount; and (ii) after deduction of the Unsettled Amount, a slight premium of the Assessed Value, we consider the consideration of the Agreement is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LETTER OF ADVICE FROM REXCAPITAL

Also set out in the Letter, pursuant to the Agreement, if TAHK pays the Balance of RMB135,000,000 (equivalent to approximately HK\$153,410,000) before 31st December, 2008, TAHK is entitled to a reduction on the Balance (the “Discount”) in an amount to be calculated according to the following formulae:

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

As advised by the Company, the 5% discount rate has been determined after negotiation between the Company and TAHK with reference to the RMB benchmark interest rates* (基準利率) announced by the People’s Bank of China effective from 21st December, 2007. We note from the website of the People’s Bank of China, effective from 21st December, 2007, the RMB saving benchmark interest rates* (基準利率) and lending benchmark interest rates* (基準利率) are 4.14% and 7.47% respectively.

In view that (i) the discount rate of 5% has been determined after negotiation between the Company and TAHK with reference to the RMB benchmark interest rates* (基準利率) announced by the People’s Bank of China effective from 21st December, 2007; (ii) the discount rate of 5% is within the range of the RMB saving benchmark interest rates* (基準利率) and lending benchmark interest rates* (基準利率); and (iii) the Discount may encourage TAHK to complete its payment at an earlier time and therefore complete the transaction more efficiently, we consider the discount rate of 5% is acceptable.

Termination

As set out in the Letter, the Agreement may be terminated:

- (a) by the Company if TAHK fails to pay the Balance to the Company pursuant to the Agreement, in which case, the Company may:
 - (i) by written notice terminate the Agreement and forfeit the Initial Deposit as liquidated damages; or
 - (ii) apply for mandatory performance of the Agreement from the courts in Hong Kong.

LETTER OF ADVICE FROM REXCAPITAL

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

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

Given the compensation amount for the liquidated damages to either party in the case that the counter party fails to complete the Agreement are the same, being the Initial Deposit, we consider the termination clause of the Agreement is fair and reasonable and in the interest of the Company and the Shareholders as whole.

RECOMMENDATION

Having considered the background information and the principal factors and reasons mentioned above, we consider that the terms of the Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders and advise the Independent Board Committee to recommend the Independent Shareholders to vote in favour of the relevant resolution to be proposed at the EGM in respect of the Agreement and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
REXCAPITAL (Hong Kong) Limited
Sam Lum
Director

* *for identification purpose only*

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in this circular have been arrived at after due and careful consideration and there are no other facts the omission of which would make any statement in this circular misleading.

2. DIRECTORS' INTEREST

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executive of the Company had any interests or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of SFO); or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Listing Rules, to be notified to the Company and the Stock Exchange:

Name of Directors	Nature of interests	Number of Shares and underlying shares held	Percentage to the issued share capital
Lee Seng Hui	Other interests	652,602,215 (Notes 1&3)	42.77%
Ma Sun	Personal interests (held as beneficial owner)	72,975 (Notes 2&3)	0.005%

Notes:

- Mr. Lee Seng Hui together with Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of the Lee and Lee Trust ("LL Trust"), being a discretionary trust. They together, through the LL Trust, own approximately 43.64% interest in the issued share capital of Allied Group Limited ("AGL") and were therefore deemed to have an interest in the Shares and underlying shares in which AGL was interested. The interest includes the holding of (i) 563,193,096 Shares; and (ii) 89,409,119 units of warrants of the Company (the "Warrants") giving rise to an interest in 89,409,119 underlying shares of the Company.
- The interest includes the holding of (i) 62,550 Shares; and (ii) 10,425 units of Warrants giving rise to an interest in 10,425 underlying shares of the Company.
- The Warrants entitle the holders thereof to subscribe at any time during the period from 2nd January, 2008 to 2nd January, 2010 (both days inclusive) for fully paid Shares at an initial subscription price of HK\$10 per Share (subject to adjustments).

All the interests stated above represent long positions. As at the Latest Practicable Date, no short positions were recorded in the register required to be kept under section 352 of the SFO.

Save as disclosed above, none of the Directors or proposed directors of the Company (if any) had any interest or short position in the Shares or underlying shares of the Company which would fall to be disclosed pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

Save as disclosed below, as at the Latest Practicable Date and so far as was known to the Directors and chief executive of the Company, there were no other persons other than the Directors or chief executive of the Company, who has an interest or short position in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

(a) Interests in Shares and underlying shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO

Name of Shareholders	Number of Shares and underlying shares held			Total interests	Percentage of total interests to the relevant issued share capital
	Personal interests (held as beneficial owner)	Corporate interests (interest of controlled corporation)	Other interests		
Sun Hung Kai & Co. Limited ("SHK")	652,602,215 (Note 1)	–	–	652,602,215	42.77%
Allied Properties (H.K.) Limited ("APL")	–	652,602,215 (Note 2)	–	652,602,215 (Note 3)	42.77%
AGL	–	652,602,215 (Note 4)	–	652,602,215 (Note 3)	42.77%
Lee and Lee Trust ("LL Trust")	–	652,602,215 (Note 5)	–	652,602,215 (Note 3)	42.77%

Name of Shareholders	Number of Shares and underlying shares held				Percentage of total interests to the relevant issued share capital
	Personal interests (held as beneficial owner)	Corporate interests (interest of controlled corporation)	Other interests	Total interests	
Penta Investment Advisers Limited (“Penta”)	–	–	396,646,876 (held as investment manager)	396,646,876	26.00%
John Zwaanstra	–	396,646,876 (Note 6)	–	396,646,876 (Note 7)	26.00%
Penta Asia Fund, Ltd. (“Penta Asia”)	–	144,995,775 (Note 8)	–	144,995,775 (Note 9)	9.50%
Todd Zwaanstra	–	144,995,775 (Note 8)	–	144,995,775 (Note 9)	9.50%
Mercurius GP LLC (“Mercurius”)	–	–	–	144,995,775 (Note 10)	9.50%
The Goldman Sachs Group Inc. (“Goldman Sachs”)	–	157,959,800	–	157,959,800 (Note 11)	10.45%
ORIX Corporation	122,500,000	–	–	122,500,000 (Note 12)	8.11%
UBS AG	–	188,110	92,064,400	92,252,510 (Note 13)	6.11%

Notes:

1. The interest includes the holding of (i) 563,193,096 Shares; and (ii) 89,409,119 units of Warrants giving rise to an interest in 89,409,119 underlying shares of the Company.
2. Through AP Jade Limited and AP Emerald Limited, direct and indirect wholly-owned subsidiaries of APL respectively, APL owned approximately 59.62% interest in the issued share capital of SHK and was therefore deemed to have an interest in the Shares and underlying shares in which SHK was interested.
3. The figure refers to the same interest of SHK in 563,193,096 Shares and 89,409,119 units of Warrants giving rise to an interest in 89,409,119 underlying shares of the Company.
4. AGL owned approximately 73.77% interest in the issued share capital of APL and was therefore deemed to have an interest in the Shares and underlying shares in which APL was interested.

5. Mr. Lee Seng Hui, a Director, together with Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of the LL Trust, being a discretionary trust. They together owned approximately 43.64% interest in the issued share capital of AGL and were therefore deemed to have an interest in the Shares and underlying shares in which AGL was interested.
6. The figure refers to the same interest in 347,795,476 Shares and 48,851,400 units of Warrants giving rise to an interest in 48,851,400 underlying shares held by Penta.
7. Mr. John Zwaanstra was deemed to have interests in the Shares and underlying shares through his 100% interest in Penta. Mr. John Zwaanstra was also deemed to have interests in the Shares and underlying shares in which Penta Asia and Mercurius were interested through his control of more than one-third of the voting power of Penta Asia and Mercurius.
8. These duplicated parts of the interests of Penta and Mr. John Zwaanstra and include (i) an interest in 127,071,918 Shares; and (ii) an interest in 17,923,857 units of Warrants giving rise to an interest in 17,923,857 underlying shares of the Company.
9. The interests were held by Penta Master Fund, Ltd. (“Penta Master”), a wholly-owned subsidiary of Penta Asia. Mr. Todd Zwaanstra was deemed to have interests in the Shares and underlying shares in which Penta Master was interested pursuant to his control of more than one-third of the voting power of Penta Asia as trustee of the Mercurius Partners Trust (“Mercurius Trust”), being a discretionary trust.
10. Mercurius was the founder of the Mercurius Trust and was therefore deemed to have interests in the Shares and underlying shares in which Mr. Todd Zwaanstra and Mercurius Trust were interested.
11. Goldman Sachs (through various of its affiliates including Sky (Delaware) LLC, Sky (Cayman) Ltd. and Elevatech Limited) was deemed to be economically interested in (i) 104,208,400 Shares; (ii) unlisted cash settled derivatives of the Company equivalent to 36,400,000 Shares; and (iii) 17,351,400 units of Warrants giving rise to an interest in 17,351,400 underlying shares of the Company.
12. The interest includes the holding of (i) 105,000,000 Shares; and (ii) 17,500,000 units of Warrants giving rise to an interest in 17,500,000 underlying shares of the Company.
13. The interest includes the holding of (i) 80,177,310 Shares; and (ii) 12,075,200 units of Warrants giving rise to an interest in 12,075,200 underlying shares of the Company.

All the interests stated above represent long positions. As at the Latest Practicable Date, no short positions were recorded in the register required to be kept under section 336 of the SFO.

(b) Interests in other members of the Group*Companies incorporated in Hong Kong*

Name of non-wholly owned subsidiaries of the Company	Name of Substantial Shareholders	Number of shares	Percentage
Jack Rock Development Limited	World Happy Limited	25,428,948 A shares and 295,690,440 B shares	25.08% [#]
	Golden Run Investments Limited	11,738,947 A shares and 129,442,871 B Shares	11.02% [#]
Tian An (Guangzhou) Investment Company Limited	China Century Oriental Hotel & Tourism Holdings (BVI) Co. Ltd.	3,500	35%

[#] interest in voting rights

Companies incorporated in the British Virgin Islands

Name of non-wholly owned subsidiaries of the Company	Name of Substantial Shareholders	Number of shares	Percentage
Strait Investments (Shanghai) Limited	Fabulous Assets Limited	1,985	19.85%
Asia Coast	Lead Step Holdings Limited	2,121,212	15.15%

Companies incorporated in the PRC

Name of non-wholly owned subsidiaries of the Company	Name of Substantial Shareholders	Number of shares	Percentage
大連天安房地產開發有限公司 Dalian Tian An Property Development Co., Ltd.	大連德泰控股有限公司	N/A	40%
廣州市天穗房地產開發建設有限公司 Guangzhou Tian Sui Realty Development Co., Ltd.	廣州市建築置業公司	N/A	10%
上海天洋房地產有限公司 Shanghai Tianyang Real Estate Co., Ltd.	上海聯洋集團有限公司	N/A	20%
武漢長福房地產開發有限公司 Wuhan Changfu Property Development Co., Ltd.	武漢長福新型建築材料房屋聯合開發公司	N/A	10%
Zhao Qing Golf and Development Co., Ltd.	肇慶市七星發展公司	N/A	12%

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Save as disclosed below, as at the Latest Practicable Date, none of the Directors (not being the Independent Non-Executive Directors) or their respective associates (as defined in the Listing Rules) was considered to have interests in any competing businesses of the Group pursuant to the Listing Rules:

- (a) Mr. Patrick Lee Seng Wei is a director of SHK which, through certain of its subsidiaries, is partly engaged in the businesses of money lending and property investment in Mainland China;

- (b) Messrs. Patrick Lee Seng Wei and Li Chi Kong are directors of APL which, through certain of its subsidiaries, is partly engaged in the businesses of money lending, property investment and development in Hong Kong;
- (c) Messrs. Lee Seng Hui and Edwin Lo King Yau are directors of AGL which, through certain of its subsidiaries, is partly engaged in the business of money lending. Both Messrs. Edwin Lo King Yau and Li Chi Kong are directors of AG Capital Limited, a subsidiary of AGL, which is partly engaged in the business of money lending; and
- (d) Mr. Lee Seng Hui is one of the trustees of the LL Trust which is a deemed substantial shareholder of each of AGL, APL and SHK which, through their subsidiaries, are partly engaged in the businesses of money lending and property investment in Mainland China.

Although the businesses of APL also consist of property development in Hong Kong, Messrs. Lee Seng Hui, Patrick Lee Seng Wei and Li Chi Kong are not regarded in this respect as being interested in a competing business to the Group, as the Group does not have property development in locations other than in Mainland China.

As the board of Directors is independent from the boards of the abovementioned companies, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

6. LITIGATION

Save as disclosed below, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or claims of material importance nor was any litigation or claims of material importance known to the Directors to be pending or threatened against any member of the Group:

- (a) China Travel Properties Hong Kong Limited ("China Travel") who previously purchased a property in Shenzhen initiated legal proceedings against Tian An (Shenzhen) Enterprise Development Ltd., a wholly owned subsidiary of the Company, to rescind the sale contract and claim for sales proceeds paid of approximately HK\$59,466,000 together with compensation. Inventories of completed properties with carrying value of HK\$42,613,000 are held in custody of the court. The Group had appealed and the Supreme Court had ordered rehearing to the case. China Travel initiated another legal proceeding claiming for sales proceeds of another storey of the same shopping arcade and the underground car parks with compensation amounting to approximately HK\$71,248,000. As at the Latest Practicable Date, both cases are still pending trial. In December, 2007, a conditional settlement agreement was reached between the parties. In April, 2008, the parties agreed to modify the conditional settlement agreement whereby China Travel agreed to settle the case for a total compensation of approximately HK\$34,091,000, which is fully accrued and partially paid by Tian An (Shenzhen) Enterprise Development

Ltd., on the conditions that the Group has to arrange the issue of ownership certificates of the subject properties under the name of China Travel and hand over the subject properties to China Travel. It is expected that the properties held in custody of the court will be released to the Group following completion of the settlement.

- (b) 北京清尚建築裝飾工程有限公司 (Beijing Tsing Shang Construction and Decoration Company Limited*) and China Construction Fifth Engineering Bureau Dalian Company have sued Beijing Nanhu Huayuan Apartment Co., Ltd. and Dalian Tian An Tower Co., Ltd., all being subsidiaries of the Company for outstanding construction costs and compensations of totally approximately HK\$34,723,000 which are in dispute. The cases are under trial by the courts in the PRC. The Group has assessed the claims and obtained legal advices, and considers that the final outcome of the claims will not have material effect on the financial position of the Group.
- (c) A sub-contractor has applied for arbitration against Shanghai Tian An Centre Building Co., Ltd., a subsidiary of the Group, claiming for outstanding construction costs of approximately HK\$28,784,000 which are being disputed. The arbitration is still in progress, but based on legal opinion, the Group has assessed the claim and considers that the final outcome of the claim will not have material effect on the financial position of the Group.
- (d) In 1998, the Company acquired a subsidiary that held a land site in the PRC with the consideration partially satisfied by disposing of its interest in a jointly controlled entity to the vendor. A person who was the beneficial owner of the vendor has initiated legal proceeding against the Company, for which proceedings a writ was received by the Company in March, 2008, claiming the transfer of the interest in the jointly controlled entity and losses in Renminbi of HK\$21,636,000 equivalent plus interest and other costs (the "Claim Amount") on the grounds that the Company had not effectively transferred the legal title to the interest in that jointly controlled entity to the vendor. The Company is investigating the matter and intends to defend the case vigorously. At this stage, the Company does not consider that it is appropriate to make any provision in the circumstances. Further, the Directors are of the view that the Claim Amount is insignificant to the total assets and revenue of the Company and hence, the claim will not have material effect on the financial position of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31st December, 2007, being the date to which the latest published audited financial statements of the Group were made up.

8. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to the business of the Group.

As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any assets which have been, since 31st December, 2007 (being the date to which the latest published audited financial statements of the Group were made up), (i) acquired or disposed of by; or (ii) leased to; or (iii) proposed to be acquired or disposed of by; or (iv) proposed to be leased to, any member of the Group.

9. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice which are contained in this circular:

Name	Qualification
REXCAPITAL	Licensed corporation for type 6 (advising in corporate finance) regulated activity under the SFO and the independent financial adviser to the Independent Board Committee and the Independent Shareholders

As at the Latest Practicable Date, REXCAPITAL:

- (a) did not have any direct or indirect interest in any assets which have since 31st December, 2007 (being the date to which the latest published audited financial statements of the Group were made up) been acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group; and
- (b) did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

REXCAPITAL has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its report or letter, as the case may be, and reference to its name in the form and context in which it appears.

10. GENERAL

- (a) Dr. Moses Cheng Mo Chi, a Non-Executive Director of the Company, is a senior partner of Messrs. P. C. Woo & Co., the law firm which has been advising the Company in respect of the Agreement for normal professional fees. Accordingly, Dr. Moses Cheng Mo Chi has abstained from voting at the board resolutions approving the entering into of the Agreement. Other than disclosed hereinabove, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement which is subsisting as at the Latest Practicable Date and which is significant in relation to the business of the Group.
- (b) The registered office of the Company is 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

- (c) The share registrars of the Company is Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong.
- (d) The company secretary of the Company is Miss Cindy Yung Yee Mei, who is an associate member of The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators.
- (e) The qualified accountant of the Company appointed pursuant to Rule 3.24 of the Listing Rules is Mr. Sunny Tao Tsan Sang, who is an associate of the Hong Kong Institute of Certified Public Accountants and The Chartered Institute of Management Accountants.
- (f) The English text of this circular shall prevail over the Chinese text in the event of inconsistency.

11. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the office of P. C. Woo & Co. at 12th Floor, Prince's Building, 10 Chater Road, Central, Hong Kong during normal business hours on any business day from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) the Agreement;
- (c) the consent letter from REXCAPITAL referred to in the paragraph headed "Expert and Consent" in this appendix;
- (d) the letter dated 6th August, 2008 from the Independent Board Committee, the text of which is set out in pages 18 and 19 of this circular; and
- (e) this circular.

* *for identification purpose only*

NOTICE OF EXTRAORDINARY GENERAL MEETING



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 an extraordinary 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, 5th September, 2008 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modification, the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT:**

- (a) the conditional contract dated 8th July, 2008 (the “Agreement”) entered into between the Company as the vendor, Tian An Hung Kai Group Company Limited* (天安鴻基集團有限公司) as the purchaser, Mr. Fong Ting as the purchaser’s guarantor and Guo Wei International Trading and Investment Company Limited* (國威國際商企合作投資有限公司), for (i) the sale and purchase of the entire equity interests in Tian An (Guang Zhou) Investments Co., Ltd.* (天安(廣州)投資有限公司) at an aggregate consideration of RMB150,000,000 (equivalent to approximately HK\$170,455,000) (subject to adjustments); and (ii) all other transactions contemplated in the Agreement (a copy of which has been produced to the Meeting marked “A” and signed by the Chairman of the Meeting for the purpose of identification), be and are hereby approved, ratified and confirmed; and
- (b) any director of the Company be and is hereby authorised for and on behalf of the Company, amongst other matters, to sign, execute, perfect, deliver or to authorise signing, executing, perfecting and delivering all such documents and deeds, and to do or authorise doing all such acts, matters and things as he may in his discretion consider necessary, expedient or desirable to give effect to and implement the terms of the Agreement.”

By Order of the Board

Tian An China Investments Company Limited

Cindy Yung Yee Mei

Company Secretary

Hong Kong, 6th August, 2008

NOTICE OF EXTRAORDINARY GENERAL MEETING

Registered Office:

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

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint more than one proxy to attend and, on poll, vote on his behalf. A proxy need not be a member of the Company.
2. A form of proxy for use at the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are urged to complete and return the form of proxy in accordance with the instructions printed thereon as soon as possible. Completion and return of the form of proxy will not prevent you from attending and voting in person at the Meeting or any adjourned meeting thereof if you so wish. In the event that you attend the Meeting after having returned the completed form of proxy, your form of proxy will be deemed to have been revoked.
3. To be valid, the form of proxy, 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 Company's share registrars, 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 the Meeting or any adjournment thereof.
4. Where there are joint holders of a share of the Company, any one of such holders may vote at the Meeting, either personally or by proxy, in respect of such share as if he/she 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 shall alone be entitled to vote in respect of such share.

* *for identification purpose only*