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

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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)

**DEED OF SETTLEMENT IN RESPECT OF
DISPOSAL OF 50% INTEREST IN EACH OF TWO SUBSIDIARIES
AND
PROVISION OF LOAN BY A SUBSIDIARY
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the board of directors of the Company is set out on pages 6 to 16 of this circular.

A notice convening the extraordinary general meeting of the Company (the "FC EGM") to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 25th November, 2014 at 10:00 a.m. is set out on pages 17 to 19 of this circular. A form of proxy for use at the FC EGM is enclosed with this circular. Whether or not you are able to attend the FC EGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the FC EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude the shareholders of the Company from attending and voting in person at the FC EGM or any adjournment thereof if they so wish.

7th November, 2014

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DEFINITIONS

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

“ACE Result”	ACE Result Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“AH Agreement”	the sale and purchase agreement dated 9th May, 2013 entered into among ACE Result as vendor, Kata as purchaser and the Guarantor as Kata’s guarantor, relating to the disposal of 50% interest in and 50% of shareholder’s loan owed by All Happy at the consideration of RMB1,450,000,000 (equivalent to approximately HK\$1,835,443,000)
“AH Amount”	a sum of RMB490,493,548.39 (equivalent to approximately HK\$620,878,000) comprising a sum of RMB479,993,548.39 (equivalent to approximately HK\$607,587,000) paid by Kata to ACE Result under the AH Agreement and a loan in the sum of RMB10,500,000 (equivalent to approximately HK\$13,291,000) advanced by Kata to Shanghai Sheshan
“AH Announcement”	the announcement of the Company dated 9th May, 2013 in respect of the disposal of 50% interest in and 50% of shareholder’s loan owed by All Happy
“AH Circular”	the circular of the Company dated 18th June, 2013 in respect of the disposal of 50% interest in and 50% of shareholder’s loan owed by All Happy
“AH Disposal”	the disposal of one (1) ordinary share of US\$1 in the issued share capital, representing 50% of the entire issued share capital of All Happy and 50% of shareholder’s loan owed by All Happy to ACE Result as at the date of completion by ACE Result pursuant to the AH Agreement
“All Happy”	All Happy International Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company

DEFINITIONS

“Balance Payment”	a sum of RMB250,000,000 (equivalent to approximately HK\$316,456,000) payable by Kata to Full Choice on the terms and subject to the conditions set out in the FC Agreement
“Board”	the board of Directors
“Company”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the FC Agreement in accordance with the terms of the Deed of Settlement and the FC Agreement
“connected persons”	having the meaning ascribed to it under the Listing Rules
“Debenture (Kata)”	the debenture created by Kata as chargor in favour of the Lender as chargee charging by way of first fixed and floating charge over all Kata’s undertaking, property and assets delivered by Kata to the Lender
“Deed of Settlement”	the deed of settlement dated 10th October, 2014 entered into between Full Choice, ACE Result, Kata and the Guarantor, the major terms of which are set out in this circular
“Director(s)”	director(s) of the Company
“FC Agreement”	the sale and purchase agreement dated 21st March, 2013 entered into among Full Choice as vendor, Kata as purchaser and the Guarantor as Kata’s guarantor, relating to the disposal of 50% interest in and 50% of shareholder’s loan owed by the Target Company at the consideration of RMB1,050,000,000 (equivalent to approximately HK\$1,329,114,000)
“FC Announcement”	the announcement of the Company dated 21st March, 2013 in respect of the disposal of 50% interest in and 50% of shareholder’s loan owed by the Target Company
“FC Disposal”	the disposal of the Sale Share and the Loan by Full Choice pursuant to the FC Agreement

DEFINITIONS

“FC EGM”	the extraordinary general meeting of the Company to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 25th November, 2014 at 10:00 a.m. or any adjournment thereof, for the Shareholders to consider and, if thought fit, approve the resolution(s) in respect of the Deed of Settlement and the Kata Loan Agreement
“Fifth Payment”	a sum of RMB250,000,000 (equivalent to approximately HK\$316,456,000) payable by Kata to Full Choice on the terms and subject to the conditions set out in the FC Agreement
“Finance Documents”	the Kata Loan Agreement, the Debenture (Kata), the Share Mortgage (Target Company), the Share Mortgage (Kata), drawdown notice and any assurance documents referred to in the Kata Loan Agreement
“Full Choice”	Full Choice Resources Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Ou Qijin, the ultimate beneficial owner of the entire issued share capital of Kata and the guarantor to Kata under the FC Agreement and AH Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Kata”	Kata Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is beneficially owned by the Guarantor
“Kata Loan”	the loan of HK\$450,000,000 made available by the Lender to Kata on the terms and subject to the conditions set out in the Kata Loan Agreement
“Kata Loan Agreement”	the loan agreement dated 10th October, 2014 entered into among the Lender, Kata and the Guarantor

DEFINITIONS

“Latest Practicable Date”	5th November, 2014, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Lender”	Ace Mission Investments Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	50% of shareholder’s loan owed by the Target Company to Full Choice as at the date of completion of the FC Agreement
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Taiwan, Hong Kong and Macau Special Administrative Region of the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	one (1) ordinary share of US\$1 in the issued share capital of the Target Company, representing 50% of the entire issued share capital of the Target Company
“Security Documents”	the Debenture (Kata), the Share Mortgage (Target Company) and the Share Mortgage (Kata)
“Shanghai Sheshan”	上海佘山鄉村俱樂部有限公司 (Shanghai Sheshan Country Club Company Limited*), a wholly foreign owned enterprise established in the PRC and an indirect wholly-owned subsidiary of All Happy
“Shareholder(s)”	holder(s) of ordinary share(s) of the Company
“Share Mortgage (Kata)”	the share mortgage charging over all the shares of Kata owned by the Guarantor entered into between the Guarantor as the mortgagor and the Lender as the mortgagee delivered by Kata to the Lender

DEFINITIONS

“Share Mortgage (Target Company)”	the share mortgage charging over all the shares of the Target Company owned by Kata to be entered into between Kata as the mortgagor and the Lender as the mortgagee to be delivered by Kata to the Lender within ten business days after drawdown of the Kata Loan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Foo Chow Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Target Group”	the Target Company and its subsidiaries
“%”	per cent.

* *for identification purpose only*

For the purpose of this circular, translations of RMB into HK\$ or vice versa have been calculated by using an exchange rate of HK\$1.00 equal to RMB0.79. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.

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:

Song Zengbin (*Deputy Chairman*)

Patrick Lee Seng Wei (*Managing Director*)

Ma Sun (*Deputy Managing Director*)

Edwin Lo King Yau

Tao Tsan Sang

Registered Office:

22nd Floor

Allied Kajima Building

138 Gloucester Road

Wanchai

Hong Kong

Non-Executive Directors:

Lee Seng Hui (*Chairman*)

Moses Cheng Mo Chi

Lee Shu Yin

Independent Non-Executive Directors:

Francis J. Chang Chu Fai

Jin Hui Zhi

Ngai Wah Sang

Lisa Yang Lai Sum

7th November, 2014

To the Shareholders

Dear Sir or Madam,

**DEED OF SETTLEMENT IN RESPECT OF
DISPOSAL OF 50% INTEREST IN EACH OF TWO SUBSIDIARIES
AND
PROVISION OF LOAN BY A SUBSIDIARY**

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

Reference is made to (i) the FC Announcement in respect of the disposal of 50% interest in and 50% of shareholder's loan owed by the Target Company, which constituted a discloseable transaction of the Company under Chapter 14 of the Listing Rules; and (ii) the AH

LETTER FROM THE BOARD

Announcement and the AH Circular in respect of the disposal of 50% interest in and 50% of shareholder's loan owed by All Happy, which constituted a major transaction of the Company under Chapter 14 of the Listing Rules.

The AH Agreement and the transaction contemplated thereunder have been approved by the Shareholders at the extraordinary general meeting of the Company held on 4th July, 2013.

In view of the financial condition of Kata and the recent property market in the PRC, the Deed of Settlement was entered into on 10th October, 2014.

The purpose of this circular is to provide you with, among other things, further details of the Deed of Settlement and the Kata Loan Agreement and a notice of the FC EGM.

DEED OF SETTLEMENT

Date

10th October, 2014

Parties

Full Choice, a subsidiary of the Company and the vendor in the FC Agreement, ACE Result, a subsidiary of the Company and the vendor in the AH Agreement, Kata, the purchaser in the FC Agreement and the AH Agreement and Mr. Ou Qijin, the Guarantor to Kata in the FC Agreement and the AH Agreement.

As at the Latest Practicable Date, based on the information and confirmation provided by the Guarantor and to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, save for the entering into of the FC Agreement and AH Agreement, both of which have not been completed, and the Deed of Settlement and the Kata Loan Agreement, Kata and its ultimate beneficial owner being the Guarantor, who is a natural person, are independent third parties of the Company and its connected persons.

Major terms of the Deed of Settlement

Pursuant to the Deed of Settlement, subject to fulfilment of conditions precedent as set out below, the parties have agreed, among other things, that:

- (i) the AH Amount, being a sum of RMB490,493,548.39 (equivalent to approximately HK\$620,878,000 comprising a sum of RMB479,993,548.39 (equivalent to approximately HK\$607,587,000) paid by Kata to ACE Result under the AH Agreement and a loan advanced by Kata to Shanghai Sheshan in the amount of RMB10,500,000 (equivalent to approximately HK\$13,291,000), shall be transferred and assigned to Full Choice as settlement of part of the consideration and interest payable under the FC Agreement and such amount shall be deemed to be paid as part of the consideration and interest under the FC Agreement on the date on which such amount was paid by Kata under the AH Agreement;

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- (ii) as a result of the transfer of the AH Amount to Full Choice upon Completion, the aggregate sum paid by Kata to Full Choice under the FC Agreement as at Completion will be RMB791,239,784.95 (equivalent to approximately HK\$1,001,569,000), comprising RMB731,402,381.69 (equivalent to approximately HK\$925,826,000) as part payment of consideration and RMB59,837,403.26 (equivalent to approximately HK\$75,743,000) as part payment of interest. For information purposes, an aggregate sum of RMB300,746,236.56 (equivalent to approximately HK\$380,691,000) has been received by Full Choice from Kata under the FC Agreement as at the Latest Practicable Date. Given that consideration of the FC Disposal is RMB1,050,000,000 (equivalent to approximately HK\$1,329,114,000), taking into account the AH Amount and the amount already paid by Kata under the FC Agreement, the outstanding consideration under the FC Agreement is RMB318,597,618.31 (equivalent to approximately HK\$403,288,000);
- (iii) as at the date of the Deed of Settlement, an aggregate sum of RMB340,090,960.40 (equivalent to approximately HK\$430,495,000), comprising the remaining part of the Fifth Payment in the amount of RMB68,597,618.31 (equivalent to approximately HK\$86,832,000) and the Balance Payment in the amount of RMB250,000,000 (equivalent to approximately HK\$316,456,000) and interest in the amount of RMB21,493,342.09 (equivalent to approximately HK\$27,207,000), is outstanding and shall be paid by Kata to Full Choice on or before Completion;
- (iv) interest shall remain be payable on all outstanding amount under the FC Agreement at the rate of 1% per month and shall be paid to Full Choice on or before Completion;
- (v) upon Completion, the relevant provisions relating to default of payment and the compensation payable by Kata to Full Choice and ACE Result under the FC Agreement and AH Agreement respectively shall no longer be applicable; and
- (vi) on Completion, the AH Agreement shall be terminated and the parties thereto shall be released from their respective obligations.

It was agreed in the Deed of Settlement that the transactions contemplated under the Deed of Settlement (including but not limited to completion of the FC Disposal and the termination of the AH Agreement) shall be completed within seven business days after the conditions precedent as set out in the Deed of Settlement have been fulfilled, failing which, the Deed of Settlement shall be void and have no further effect, upon which the FC Agreement and the AH Agreement shall remain in full force and effect.

LETTER FROM THE BOARD

In addition, Full Choice has agreed to advance shareholder's loan of not more than RMB200,000,000 (equivalent to approximately HK\$253,165,000) to the Target Group at the floating rate of 140% of the Benchmark Loan Rate published by The People's Bank of China according to the needs of the development projects of the Target Group and which shall be repayable within three years after the signing of the Deed of Settlement. Upon Completion, the Group will retain 50% interest in the Target Company while 50% interest will be held by Kata, the Target Company will cease to be a subsidiary of the Group and will become a joint venture of the Group and Kata.

Conditions Precedent

The Deed of Settlement shall be effective upon fulfilment of the following conditions precedent:

1. the Shareholders passing at the FC EGM the relevant resolution(s) approving the Deed of Settlement and the transactions contemplated thereunder; and
2. all necessary consents and approvals in relation to the Deed of Settlement having been obtained by Full Choice and ACE Result.

If any of the above conditions has not been fulfilled on or before 31st January, 2015, the Deed of Settlement shall be void and have no further effect, upon which the FC Agreement and the AH Agreement shall remain in full force and effect and each of Full Choice and ACE Result shall be entitled to forfeit a sum of RMB100,000,000 (equivalent to approximately HK\$126,582,000) and the interest paid and payable by Kata pursuant to the terms of the FC Agreement and the AH Agreement respectively as liquidated damages and the excess to such amount paid by Kata shall be refunded to Kata.

As at the Latest Practicable Date, the directors of Full Choice and ACE Result have approved the Deed of Settlement, and to the best knowledge of the Directors, the Deed of Settlement shall not be subject to any other consents or approvals. As such, the Deed of Settlement will become effective upon the Shareholders' passing at the FC EGM the relevant resolutions approving the Deed of Settlement and the transactions contemplated thereunder.

Save and except the aforesaid amendments, all other provisions of the FC Agreement remain in full force and effect and the legal title of the Sale Share and the Loan will be transferred to Kata only at Completion with the consideration and interest payable pursuant to the FC Agreement (as amended and supplemented by the Deed of Settlement) fully settled.

Completion of the FC Agreement

Pursuant to the Deed of Settlement, Completion of the FC Agreement shall take place within seven business days after fulfillment of the conditions precedent as set out in the Deed of Settlement, and all outstanding amount under the FC Agreement shall be paid or settled on or before Completion. As stated above, upon Completion, the Group will retain 50% interest in the Target Group.

LETTER FROM THE BOARD

REASONS FOR ENTERING INTO OF THE DEED OF SETTLEMENT

To the best knowledge, belief of and information available to the Directors, the Guarantor is an investor in certain property development projects and has relevant experience and interests in a number of property development projects in the PRC, mainly in Fuzhou, Fujian Province, which is where the property interests of the Target Group are located. In deciding to proceed with the FC Disposal instead of the AH Disposal, the Directors have taken into consideration such experience and interests of the Guarantor, which would be more relevant to the property development project of the Target Group. Given the Guarantor's years of experience in property development and his relevant interests held within such development projects, the Directors consider Kata's and the Guarantor's participation in the property development project of the Target Group would be beneficial to the Company through the joint control and management of the Target Group.

The Directors noted that there have been downward adjustments of property prices in most cities of the PRC in the first half of 2014. While some local governments have relaxed the policy of restricting the number of homes that can be purchased in order to support the property market, the monetary policy was still tight in the first half of 2014. The Directors believe the property market sentiment in the PRC in the short term remains negative. As a property developer in the PRC, the financial condition of Kata and/or the Guarantor are/is adversely affected by the condition of the PRC property market.

In view of the financial condition of Kata and/or the Guarantor and taking into account the recent property market in the PRC, the Board is of the opinion that the entering into of the Deed of Settlement is more beneficial to the Company than terminating the AH Agreement and the FC Agreement at the same time, as Full Choice and ACE Result will have to refund the excess amount paid by Kata after forfeiture pursuant to the terms of the FC Agreement and the AH Agreement respectively.

As at the Latest Practicable Date, construction of a new phase of the development of low rise apartments on the parcels of land of the Target Group has begun and is expected to be completed by 2015. Given the large scale, the property development project will be divided into different phases and evaluated on an ongoing basis. As such, it would be impractical to give an estimation of costs at such early stage but it is expected that the project will be financed by way of loans from banks and internal resources.

Based on the above, the Directors believe that the terms of the Deed of Settlement are fair and reasonable and in the interests of the Company and its Shareholders taken as a whole.

LETTER FROM THE BOARD

KATA LOAN AGREEMENT

On 10th October, 2014, the Lender, an indirect wholly-owned subsidiary of the Company, as lender, entered into the Kata Loan Agreement with Kata as borrower and the Guarantor as guarantor to Kata, pursuant to which the Lender agreed to, among other things, make available to Kata the Kata Loan for the purpose of funding Kata's general working capital and/or investment.

Principal terms of the Kata Loan Agreement

The principal terms of the Kata Loan Agreement are as follows:

Loan amount:	HK\$450,000,000 (or an amount equivalent to HK\$450,000,000 in such alternative currency as acceptable to and agreed by the Lender)
Repayment date:	31st December, 2018 or such other date as agreed in writing between the Lender and Kata; Kata shall also be entitled to make early repayment by giving at least seven business days' prior written notice to the Lender
Purpose:	the Kata Loan shall be applied and used by Kata for its general working capital and/or investment
Interest rate:	12% per annum, payable on maturity
Securities for the Kata Loan:	the Debenture (Kata), the Share Mortgage (Target Company) and the Share Mortgage (Kata)

The drawdown of the Kata Loan is conditional upon, among other things, (i) the receipt by the Lender of an irrevocable drawdown notice from Kata at least three business days before the proposed drawdown date; (ii) if applicable, the Shareholders passing the relevant resolution(s) approving the Kata Loan Agreement and the transactions contemplated thereunder (including the Finance Documents); and (iii) the Company not having received any objection from the regulators in Hong Kong and/or the PRC including but not limited to the Stock Exchange and/or the Securities and Futures Commission of Hong Kong to proceed with the transactions contemplated under the Kata Loan Agreement and the Finance Documents. Kata shall also deliver all the Security Documents to the Lender pursuant to the terms of the Kata Loan Agreement.

LETTER FROM THE BOARD

Guarantee

The Guarantor has agreed to guarantee the full and proper performance of the obligations of Kata and himself under the Finance Documents.

Debenture (Kata)

Pursuant to the Debenture (Kata), Kata as the chargor shall charge by way of first fixed and floating charge to the Lender as the chargee over all its undertaking, property and assets of whatsoever nature, and wheresoever, both present and future as security for the due payment obligations by Kata and the Guarantor under the Finance Documents. The Debenture (Kata) shall become immediately enforceable upon the occurrence of an event of default as set out in the Debenture (Kata).

Share Mortgage (Target Company)

Pursuant to the Share Mortgage (Target Company), Kata as the mortgagor shall mortgage, charge and assign by way of first fixed mortgage to the Lender as the mortgagee all the rights, title and interest, present and future, of Kata, in and to the shares of the Target Company issued to or owned by Kata as a continuing security for the due and punctual payment obligations and other performance of all the obligations of Kata under the Kata Loan Agreement. If there occurs an event of default as set out in the Share Mortgage (Target Company), the Lender shall have the rights to, among other things, sell or dispose of or deliver the subject shares of the Target Company pursuant to the terms of the Share Mortgage (Target Company).

Share Mortgage (Kata)

Pursuant to the Share Mortgage (Kata), the Guarantor as the mortgagor shall mortgage, charge and assign by way of first fixed mortgage to the Lender as the mortgagee all the rights, title and interest, present and future, of the Guarantor, in and to the shares of Kata issued to or owned by the Guarantor as a continuing security for the due and punctual payment obligations and other performance of all the obligations of Kata under the Kata Loan Agreement. If there occurs an event of default as set out in the Share Mortgage (Kata), the Lender shall have the rights to, among other things, sell or dispose of or deliver the subject shares of Kata pursuant to the terms of the Share Mortgage (Kata).

Given that Kata shall deliver mortgage on the shares of the Target Company issued to or owned by it as well as a debenture charging over all its undertaking, property and assets, which cover the Sale Share and the Loan to be acquired by it at the consideration of RMB1,050,000,000 (equivalent to approximately HK\$1,329,114,000) upon completion of the FC Agreement, the value of the assets subject to security well exceeds the Kata Loan of HK\$450,000,000 and the interest accrued thereunder. As such, the Board considers that the securities are sufficient to cover the Kata Loan and the interest accrued thereunder.

As at the Latest Practicable Date, Kata has delivered Debenture (Kata) and Share Mortgage (Kata) to the Lender.

LETTER FROM THE BOARD

REASONS FOR ENTERING INTO OF THE KATA LOAN AGREEMENT

As advised and confirmed by the Lender, the terms of the Kata Loan Agreement were arrived at after arm's length negotiations among the Lender, Kata and the Guarantor. The Kata Loan Agreement was entered into by the Lender having regard to (i) the costs of borrowing in providing the Kata Loan to Kata by reference to the range of effective interest rates of 5% to 10% per annum on the Group's fixed rate borrowings during 2013; (ii) the interest income to be generated by the Kata Loan Agreement; (iii) the underlying securities; and (iv) the interest rates for loans which are comparable to the Kata Loan as available in the financial market such as from banks, that is the prime rate of 5% per annum, as compared to the deposit interest rate for the Group's depositing the money in similar amount as the Kata Loan in the bank for interest income, that is deposit rates in the range of 1% to 2% per annum.

The Directors believe that the terms of the Kata Loan Agreement are fair and reasonable and in the interests of the Company and its Shareholders taken as a whole.

INFORMATION RELATING TO THE PARTIES

(1) The Company

The Company is a company incorporated in Hong Kong with limited liability with its shares 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 and property management in the PRC.

(2) Full Choice

Full Choice is a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company.

The principal business activity of Full Choice is investment holding.

(3) ACE Result

ACE Result is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company.

The principal business activity of ACE Result is investment holding.

LETTER FROM THE BOARD

(4) **Kata**

Kata is a company incorporated in the British Virgin Islands with limited liability and its entire issued share capital is beneficially owned by the Guarantor.

The principal business activity of Kata is investment holding.

(5) **The Guarantor**

Mr. Ou Qijin, an individual who is the ultimate beneficial owner of Kata.

To the best knowledge, belief of and information available to the Directors, Kata is an investment holding company of the Guarantor who is an investor in property development projects in the PRC and has relevant experience and interests in a number of property development projects in the PRC, mainly in Fuzhou, Fujian Province, which is where the property interests of the Target Group are located.

As a property developer in the PRC, the financial condition of the Guarantor is adversely affected by the condition of the PRC property market. However, given his experience in property development and the relevant interests held within such development projects, the Directors consider Kata's and the Guarantor's participation in the property development project of the Target Group would be beneficial to the Company through the joint control and management of the Target Group. Any positive operating results of the Target Group subsequent to the Completion may also enhance the financial condition of Kata and in turn contribute to the repayment of the Kata Loan on its maturity.

(6) **The Lender**

The Lender is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company.

The principal business activity of the Lender is investment holding.

LISTING RULES IMPLICATIONS IN RESPECT OF THE DEED OF SETTLEMENT AND THE KATA LOAN AGREEMENT

The termination of the AH Agreement and the material variation of the terms of the FC Agreement are subject to the disclosure requirement under Rule 14.36 of the Listing Rules and the Board considers that it would be appropriate to convene the FC EGM for the Shareholders to consider and, if thought fit, approve the resolution(s) in respect of the Deed of Settlement and the transactions contemplated thereunder.

The transactions under the Kata Loan Agreement, on a stand-alone basis, constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules on the basis that the relevant Percentage Ratios for the Company exceed 5% but are less than 25%. However, as Kata may or may not apply the proceeds of the Kata Loan to repay the outstanding balance

LETTER FROM THE BOARD

under the FC Agreement, the Company considers that it would also be appropriate for the Shareholders to consider and, if thought fit, approve the Kata Loan Agreement and the transactions contemplated thereunder (including the Finance Documents) at the FC EGM.

As at the Latest Practicable Date, to the best knowledge of the Directors, as no Shareholder has any material interest in the AH Disposal, the FC Disposal, the Deed of Settlement and the Kata Loan Agreement, no Shareholder is required to abstain from voting at the FC EGM in respect of the Deed of Settlement and the transactions contemplated thereunder, and the Kata Loan Agreement and the transactions contemplated thereunder (including the Finance Documents).

FC EGM

A notice convening the FC EGM to be held at Plaza 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 25th November, 2014 at 10:00 a.m. is set out on pages 17 to 19 of this circular. Ordinary resolutions will be proposed to the Shareholders to consider and, if thought fit, to approve, inter alia, the Deed of Settlement and the transactions contemplated thereunder, and the Kata Loan Agreement and the transactions contemplated thereunder (including the Finance Documents).

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the resolution will be put to vote by way of poll at the FC EGM. Any announcement on the result of the vote by poll will be made by the Company after the FC EGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the FC EGM is enclosed with this circular. Whether or not you are able to attend the FC EGM in person, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible, but in any event not less than 48 hours before the time appointed for the holding of the FC EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the FC EGM or any adjournment thereof (if they so wish).

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Board considers that the terms of the Deed of Settlement, the Kata Loan Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolutions to approve the Deed of Settlement, the Kata Loan Agreement (and the transactions contemplated thereunder) at the FC EGM.

As transactions contemplated under the Deed of Settlement and the Kata Loan Agreement are subject to fulfillment of certain conditions precedent and may or may not proceed, Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

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

NOTICE OF THE 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 4, Lower Lobby, Novotel Century Hong Kong, 238 Jaffe Road, Wanchai, Hong Kong on Tuesday, 25th November, 2014 at 10:00 a.m. for the purpose of considering and, if thought fit, passing with or without modification, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the deed of settlement dated 10th October, 2014 (the “Deed of Settlement”) entered into among Full Choice Resources Limited, a direct wholly-owned subsidiary of the Company (“Full Choice”), ACE Result Limited, an indirect wholly-owned subsidiary of the Company (“ACE Result”), Kata Holdings Limited (“Kata”) and Mr. Ou Qijin (the “Guarantor”) relating to, among other things, (i) the sale and purchase agreement dated 21st March, 2013 (the “FC Agreement”) entered into among Full Choice as the vendor, Kata as the purchaser and the Guarantor as Kata’s guarantor for the sale and purchase of 50% of the entire issued share capital of Foo Chow Holdings Limited (“Foo Chow”) and 50% of shareholder’s loan owed by Foo Chow to Full Choice; and (ii) the sale and purchase agreement dated 9th May, 2013 (the “AH Agreement”) entered into among ACE Result as the vendor, Kata as the purchaser and the Guarantor as Kata’s guarantor for the sale and purchase of 50% of the entire issued share capital of All Happy International Limited (“All Happy”) and 50% of shareholder’s loan owed by All Happy to ACE Result (a copy of the Deed of Settlement marked “A” has been produced to the Meeting and signed by the chairman of the Meeting for the purpose of identification) and all the transactions contemplated thereunder (including but are not limited to (1) the amendments to and the early completion of the FC Agreement; (2) the receipt of an aggregate amount of RMB490,493,548.39, comprising a sum of RMB479,993,548.39 paid by Kata to ACE Result under the AH Agreement and a loan in the sum of RMB10,500,000 advanced by Kata to 上海佘山鄉村俱樂部有限公司 (Shanghai Sheshan Country Club Company Limited*), an indirect wholly-owned subsidiary of All Happy (“Shanghai Sheshan”), by Full Choice as settlement of part of the consideration and part of the interest payable under the FC Agreement, and treatment of the payment dates of all such payments to ACE Result (or its nominee(s)) under the AH Agreement and to Shanghai Sheshan, as the payment dates on which Kata paid Full Choice the part of the consideration and part of the interest under the FC Agreement; and (3) the termination of the AH Agreement upon completion of the FC Agreement) and all other matters of and incidental thereto or in connection therewith be and are hereby approved, ratified and confirmed; and

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

(b) any one director of the Company be and is hereby authorised for and on behalf of the Company, among other matters, to sign, seal, execute, perfect, deliver, do or to authorise signing, executing, perfecting and delivering and doing all such documents, deeds, acts, matters and things as he/she may in his/her discretion consider necessary, expedient or desirable to give effect to and implement the terms of the Deed of Settlement and to make and agree such variations of a minor or non-material nature in or to the terms of the Deed of Settlement as he/she may in his/her discretion consider to be desirable and in the interests of the Company.”

2. **“THAT:**

(a) the loan agreement dated 10th October, 2014 (the “Kata Loan Agreement”) entered into among Ace Mission Investments Limited, an indirect wholly-owned subsidiary of the Company (the “Lender”) as lender, Kata Holdings Limited (“Kata”) as borrower and Mr. Ou Qijin (the “Guarantor”) as Kata’s guarantor relating to the provision of a loan of HK\$450,000,000 (the “Kata Loan”) from the Lender to Kata (a copy of the Kata Loan Agreement marked “B” has been produced to the Meeting and signed by the chairman of the Meeting for the purpose of identification) and all the transactions contemplated thereunder (including but are not limited to (1) the debenture created by Kata as chargor in favour of the Lender as chargee charging by way of first fixed and floating charge over all Kata’s undertaking, property and assets delivered by Kata to the Lender; (2) the share mortgage charging over all the shares of Kata owned by the Guarantor entered into between the Guarantor as the mortgagor and the Lender as the mortgagee delivered by Kata to the Lender; (3) the share mortgage charging over all the shares of Foo Chow Holdings Limited owned by Kata to be entered into between Kata as the mortgagor and the Lender as the mortgagee to be delivered by Kata to the Lender within ten business days after drawdown of the Kata Loan; and (4) drawdown notice and any assurance documents referred to in the Kata Loan Agreement) and all other matters of and incidental thereto or in connection therewith be and are hereby approved, ratified and confirmed; and

(b) any one director of the Company be and is hereby authorised for and on behalf of the Company, among other matters, to sign, seal, execute, perfect, deliver, do or to authorise signing, executing, perfecting and delivering and doing all such documents, deeds, acts, matters and things as he/she may in his/her discretion consider necessary, expedient or desirable to give effect to and implement the terms of the Kata Loan Agreement and to make and agree such variations of a minor or non-material nature in or to the terms of the Kata Loan Agreement as he/she may in his/her discretion consider to be desirable and in the interests of the Company.”

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

Hong Kong, 7th November, 2014

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Registered Office:

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

* *for identification purpose only*

Notes:

1. All resolutions set out in this notice of the Meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and the results of the poll will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.
2. A member of the Company entitled to attend and vote at the Meeting will be entitled to appoint one or more proxies to attend and, on a poll, vote in his or her stead. A proxy need not be a member of the Company.
3. A form of proxy in respect of 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. Completion and return of the form of proxy will not preclude 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 lodged the form of proxy, it will be deemed to have been revoked.
4. 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 or authority, must be deposited at the Company’s share registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.
5. Where there are joint registered holders of any shares of the Company, any one of such joint holders may vote at the Meeting, either personally or by proxy in respect of such shares as if he or she was solely entitled thereto, but if more than one of such joint registered holders be present at the Meeting personally or by proxy, that one of such joint 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 shares.
6. For determining the entitlement to attend and vote at the Meeting, the register of members of the Company will be closed on Monday, 24th November, 2014 and Tuesday, 25th November, 2014, during which period no transfer of shares of the Company will be registered. In order for a member to be eligible to attend and vote at the Meeting, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration not later than 4:30 p.m. on Friday, 21st November, 2014.