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Anhui Tianda Oil Pipe Company Limited **安徽天大石油管材股份有限公司**

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 8241)

ANNOUNCEMENT **EXERCISE OF THE OVER-ALLOTMENT OPTION**

- The Company announces that the Over-allotment Option referred to in the Prospectus was exercised in full by Cazenove on behalf of the Placing Underwriters on 7 December 2006 in respect of 21,856,000 additional H Shares, solely to cover over-allocations in the International Placing.
- Additional H Shares will be issued and allotted by the Company at HK\$3.0 per H Share (excluding brokerage fee of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the Placing Price per H Share in connection with the International Placing.

The Company announces that the Over-allotment Option referred to in the Prospectus was exercised in full by Cazenove on behalf of the Placing Underwriters on 7 December 2006 in respect of 21,856,000 additional H Shares (the “Over-allotment Shares”), comprising 21,856,000 new H Shares issued by the Company, (representing approximately 15% of the Placing Shares initially offered under the International Placing), solely to cover over-allocations in the International Placing. An aggregate of 21,856,000 H Shares will be issued and allotted by the Company at HK\$3.0 per H Share (excluding brokerage fee of 1%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005%), being the Placing Price per H Share in connection with the International Placing.

The GEM Listing Committee has already granted the listing of and permission to deal in the Over-allotment Shares.

The shareholding structure of the Company immediately before and after the issue and allotment of the Over-allotment Shares, are as follows:

Shareholders	<i>Nature of Shares held</i>	Before the issue and allotment of the Over-allotment Shares		After the issue and allotment of the Over-allotment Shares	
		<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Tianda Holding	Domestic	272,000,000	56	272,000,000	53.6
Tianda Investment	Domestic	68,000,000	14	68,000,000	13.4
Public Shareholders	H Shares	145,714,000	30	167,570,000	33
		<u>485,714,000</u>	<u>100.00</u>	<u>507,570,000</u>	<u>100.00</u>

Immediately after the issue of the Over-allotment Shares, the total number of Shares in issue will be 507,570,000, of which an aggregate of 167,570,000 H Shares will be held by public Shareholders, representing approximately 33% of the total number of Shares in issue as enlarged by the Over-allotment Shares.

The additional net proceeds of approximately HK\$62 million from the issue of the Over-allotment Shares by the Company will primarily be used for the implementation of phase II of the Company's project within the 861 Action Plan if that project is approved by the relevant regulatory authorities or if that project is not so approved, shall be applied to merger and acquisition opportunities, both of which aim at increasing production capacity of the Company as stated in the section headed "Statement of Business Objectives" in the Prospectus.

By order of the Board
Anhui Tianda Oil Pipe Company Limited
Ye Shi Qu
Chairman

Hong Kong, 7 December 2006

As at the date of this announcement, the Directors of the Company are:

Executive Directors:

Ye Shi Qu
Zhang Hu Ming
Xie Yong Yang

Non-executive Directors:

Zhang Jian Huai
Liu Peng

Independent Non-executive Directors:

Wu Chang Qi
Wang Xiu Zhi
Zhao Bin

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM 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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

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