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In connection with the Global Offering, BNP Paribas Capital, as Global Coordinator and stabilising manager, or any person acting for it, may over-allocate or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period. Any stabilising activity will be effected in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price stabilising) Rules made under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). However, there is no obligation on BNP Paribas Capital or any person acting for it to conduct any such stabilising activity, which if taken, will be done at the absolute discretion of BNP Paribas Capital and may be discontinued at any time. Any primary stabilising activity is required to be brought to an end within 30 days of the last day for the lodging of applications under the Hong Kong Public Offering.

The number of Shares being offered in the International Placing may be increased by up to an aggregate of 19,500,000 additional Shares through the exercise of the Over-allotment Option expected to be granted to the Global Coordinator, by the Company subject to and upon the execution of the International Underwriting Agreement and is exercisable by the Global Coordinator (on behalf of the International Underwriters) to cover over-allocations in the International Placing up to 30 days from the last day for the lodging of applications under the Hong Kong Public Offering. In the event that the Over-allotment Option is exercised, a press announcement will be made.

Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the prospectus dated 13 July 2007 (the “Prospectus”) issued by Tiangong International Company Limited (the “Company”).



Tiangong International Company Limited

天工國際有限公司*

(incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares : 130,000,000 Shares comprising 100,000,000 new Shares and 30,000,000 Sale Shares (subject to the Over-allotment Option)

Number of Hong Kong Offer Shares : 13,000,000 Shares (subject to adjustment)

Number of International Placing Shares : 117,000,000 Shares (subject to adjustment and the Over-allotment Option)

Offer Price : Not more than HK\$6.36 per Offer Share and expected to be not less than HK\$5.40 per Offer Share (payable in full on application plus a 1.0% brokerage, a SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005% and subject to refund)

Nominal value : US\$0.01 per Share

Stock code : 826

Global Coordinator, Sponsor, Bookrunner and Lead Manager



BNP PARIBAS
CORPORATE & INVESTMENT BANKING

Application has been made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Shares to be issued as described in the Prospectus and/or to be offered in the Global Offering. Dealings in the Shares on the Stock Exchange are expected to commence at 9:30 a.m. on 26 July 2007. Subject to the granting of the listing of, and permission to deal in, the Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Shares on the Stock Exchange or such other date as determined by HKSCC. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Global Offering comprises the Hong Kong Public Offering of initially 13,000,000 Shares and the International Placing of initially 117,000,000 Shares. The Company is initially offering 13,000,000 Hong Kong Offer Shares, representing 10% of the total number of Shares initially being offered in the Global Offering, for subscription by way of a public offer in Hong Kong. The Hong Kong Offer Shares are being offered at the Offer Price. The allocation of the Shares between the Hong Kong Public Offering and the International Placing is subject to adjustment as stated in the paragraph headed "The Hong Kong Public Offering" under the section headed "Structure of the Global Offering" in the Prospectus.

The Offer Price is expected to be fixed by agreement between the Global Coordinator (on behalf of the Underwriters), the Selling Shareholders and the Company on or before 20 July 2007. The Offer Price will be not more than HK\$6.36 per Share and is expected to be not less than HK\$5.40 per Share. Applicants for Hong Kong Offer Shares are required to pay 1% brokerage, 0.004% SFC transaction levy, and 0.005% Stock Exchange trading fee. The Global Coordinator (on behalf of the Underwriters and with the consent of the Company) may reduce the indicative offer price range stated above and in the Prospectus at any time

prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, a notice of the reduction in the indicative offer price range will be published in South China Morning Post (in English) and Hong Kong Economic Times (in Chinese) not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Applicants should note that if applications for Hong Kong Offer Shares have been submitted, then even if the indicative offer price range is so reduced, such applications cannot be subsequently withdrawn. If, for any reason, the Global Coordinator (on behalf of the Underwriters), the Selling Shareholders and the Company are unable to reach an agreement on the Offer Price on or before 20 July 2007, the Global Offering will not become unconditional and will lapse.

The Global Offering is conditional on the fulfillment of the conditions as stated in the paragraph headed “Conditions” in the section headed “Structure of the Global Offering” in the Prospectus. If the Global Offering does not become unconditional, all application monies received from applicants under the Hong Kong Public Offering will be refunded, and in the event that the Offer Price is less than the initial price per Share actually paid, the appropriate portion of the application monies will be refunded, in each case without interest and on the terms set out under the paragraph headed “Refund of your money” on the relevant Application Forms or in the section headed “Terms and conditions of the Hong Kong Public Offering” in the Prospectus. Refund payments will also be made in respect of wholly or partially unsuccessful applications. Refund monies for applicants applying by giving electronic application instructions to HKSCC is expected to be credited to the designated bank accounts of the relevant CCASS Investor Participants on 25 July 2007 or, under certain contingent situations, on any other date as shall be determined by HKSCC or HKSCC Nominees. Applicants for 1,000,000 Shares or more and have indicated in their Application Forms that they wish to collect Share certificates (where applicable) and/or refund cheques (where applicable) personally, may collect Share certificates (where applicable) and/or refund cheques (where applicable) from the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at 1712–1716, 17th Floor, Hopewell Center, 183 Queen’s Road East, Wanchai from 9:00 a.m. to 1:00 p.m. on 25 July 2007 or any other date notified by the Company in the newspapers as the date of despatch of Share certificates and refund cheques. Applicants being individuals who opt for personal collection cannot authorise any other person to make collection on their behalf. Applicants being corporations which opt for personal collection must attend by their authorised representatives bearing letters of authorisation from their respective corporations stamped with the respective corporations’ chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to Computershare Hong Kong Investor Services Limited. Uncollected Share certificates and refund cheques (where applicable) will be despatched by ordinary post at the applicants’ own risk to the addresses specified in the relevant Application Forms.

In connection with the Global Offering, BNP Paribas Capital, as Global Coordinator and stabilising manager, or any person acting for it, may over-allocate or effect transactions with a view to supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period. Any stabilising activity will be effected in compliance with all applicable laws and regulatory requirements, including the Securities and Futures (Price stabilising) Rules made under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). However, there is no obligation on BNP Paribas Capital or any person acting for it to conduct any such stabilising activity, which if taken, will be done at the absolute discretion of BNP Paribas Capital and may be discontinued at any time. Any primary stabilising activity is required to be brought to an end within 30 days of the last day for the lodging of applications under the Hong Kong Public Offering.

The number of Shares being offered in the International Placing may be increased by up to an aggregate of 19,500,000 additional Shares through the exercise of the Over-allotment Option expected to be granted to the Global Coordinator, by the Company subject to and upon the execution of the International Underwriting Agreement and is exercisable by the Global Coordinator (on behalf of the International

Underwriters) to cover over-allocations in the International Placing up to 30 days from the last day for the lodging of applications under the Hong Kong Public Offering. In the event that the Over-allotment Option is exercised, a press announcement will be made.

In relation to applicants on Application Forms for 1,000,000 Shares or more who did not opt for personal collection and applicants for less than 1,000,000 Shares, their Share certificates (where applicable) and/or refund cheques (where applicable) will be despatched by ordinary post at the applicants' own risk to the addresses specified in the relevant Application Forms on 25 July 2007.

Share certificates will only become valid certificates of title if the Global Offering has become unconditional and neither of the Underwriting Agreements has been terminated in accordance with its terms, which is expected to occur no later than 8:00 a.m. on 26 July 2007.

Applications for the Shares will only be considered on the basis set out in the Prospectus and the **WHITE** and **YELLOW** Application Forms. It should be noted that **multiple or suspected multiple applications or any application for more than 6,500,000 Shares, being the total number of the Hong Kong Offer Shares initially allocated to each pool under the Hong Kong Public Offering, are liable to be rejected** or not be accepted. Only one application on a **WHITE** or **YELLOW** Application Form or by way of giving **electronic application instructions** to HKSCC may be made for the benefit of any person. Applicants for Hong Kong Offer Shares are required to undertake and confirm that they or the relevant beneficial owner(s) have not indicated an interest for, applied for or taken up and will not indicate an interest for, apply for or take up Shares under the International Placing.

Applicants who would like to be allotted Shares in their own names should complete and sign the **WHITE** Application Forms. Applicants who would like to have the allotted Shares issued in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should (i) complete and sign the **YELLOW** Application Forms, copies of which, together with the Prospectus, may be obtained during normal business hours from 9:00 a.m. on 13 July 2007 until 12:00 noon on 18 July 2007 at the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong; or (ii) give electronic application instructions to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during business hours in the same period from:

any participant of the Stock Exchange;

BNP Paribas Capital (Asia Pacific) Limited, 61st Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong;

Daiwa Securities SMBC Hong Kong Limited, Level 26, One Pacific Place, 88 Queensway, Hong Kong;

Goldbond Securities Limited, 39/F, Tower 1, Lippo Centre, 89 Queensway, Hong Kong;

Guotai Junan Securities (Hong Kong) Limited, 27/F, Low Block, Grand Millennium Plaza, 181 Queen's Road, Central, Hong Kong;

Shenyin Wanguo Capital (H.K.) Limited, 28/F, Citibank Tower, Citibank Plaza, 3 Garden Road, Hong Kong;

or any of the following branches of Standard Chartered Bank (Hong Kong) Limited (“SCB”) or Bank of Communications Co., Ltd. Hong Kong Branch (“BOCOM”):

For SCB:

Hong Kong Island

Des Voeux Road Branch	Standard Chartered Bank Building, 4–4A, Des Voeux Road Central, Central
88 Des Voeux Road Branch	88 Des Voeux Road Central, Central
Central Branch	Shop No. 16, G/F and Lower G/F, New World Tower, 16–18 Queen’s Road Central, Central
Hennessy Road Branch	399 Hennessy Road, Wanchai
Quarry Bay Branch	G/F, Westlands Gardens, 1027 King’s Road, Quarry Bay
North Point Centre Branch	North Point Centre, 284 King’s Road, North Point

Kowloon

Mongkok Branch	Shop B, G/F, 1/F & 2/F, 617-623 Nathan Road, Mongkok
Tsimshatsui Branch	G/F, 10 Granville Road, Tsimshatsui
Cheung Sha Wan Branch	828 Cheung Sha Wan Road, Cheung Sha Wan
Kwun Tong Branch	1A Yue Man Square, Kwun Tong
Telford Gardens Branch	Shop P9-12, Telford Centre, Telford Gardens, Tai Yip Street, Kwun Tong

New Territories

Tsuen Wan Branch	Shop C, G/F & 1/F, Jade Plaza, no. 298 Sha Tsui Road, Tsuen Wan
Shatin Centre Branch	Shop 32C, Level 3, Shatin Shopping Arcade, Shatin Centre, 2–16 Wang Pok Street, Shatin
Metroplaza Branch	Shop Nos. 186–188, Level 1, Metroplaza, 223 Hing Fong Road, Kwai Chung
Yuen Long Branch	140, Yuen Long Main Road, Yuen Long

For BOCOM:

Hong Kong Island

Hong Kong Branch	20 Pedder Street, Central, Hong Kong
Central District Sub-Branch	G/F., 123–125A Des Voeux Road, Central
North Point Sub-Branch	442–448 King’s Road, North Point
Wanchai Sub-Branch	32–34 Johnston Road, Wanchai

Kowloon

Mongkok Sub-Branch	Shops A&B, G/F., Hua Chiao Commercial Centre, 678 Nathan Road, Mongkok
Ngau Tau Kok Sub-Branch	Shop G1, G/F., Phase I, Amoy Plaza, 77 Ngau Tau Kok Road
Wong Tai Sin Sub-Branch	Shops 127–129, 1/F Lung Cheung Mall, 136 Lung Cheung Road, Wong Tai Sin

New Territories

Tsuen Wan Sub-Branch	Shop G10–11, Pacific Commercial Plaza, Bo Shek Mansion, 328 Sha Tsui Road
Tseung Kwan O Sub-Branch	Shops 253–255, Metro City Shopping Arcade, Phase I, Tseung Kwan O
Sheung Shui Sub-Branch	Shops 1010–1014, G/F., Sheung Shui Centre Shopping Arcade, Sheung Shui
Shatin Sub-Branch	Shop No. 193, Level 3, Lucky Plaza, 1–15 Wang Pok Street, Shatin

Both **WHITE** and **YELLOW** Application Forms completed in all respects (to which one cheque or banker's cashier order should be securely attached and made payable to "Horsford Nominees Limited — Tiangong International Public Offer") should be deposited in the special collection boxes provided at any of the branches of Standard Chartered Bank (Hong Kong) Limited or Bank of Communications Co., Ltd. Hong Kong Branch referred to above at the following times on the following dates:

Friday, 13 July 2007 — 9:00 a.m. to 4:30 p.m.
Saturday, 14 July 2007 — 9:00 a.m. to 1:00 p.m.
Monday, 16 July 2007 — 9:00 a.m. to 4:30 p.m.
Tuesday, 17 July 2007 — 9:00 a.m. to 4:30 p.m.
Wednesday, 18 July 2007 — 9:00 a.m. to 12:00 noon

APPLICATIONS BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC

Investors can apply for Shares by giving **electronic application instructions** to HKSCC as follows:

1. CCASS Investor Participants can give **electronic application instructions** to HKSCC through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System (<https://ip.ccass.com>) (using the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). HKSCC can also input **electronic application instructions** for CCASS Investor Participants on their behalf if they go to the Customer Service Centre of HKSCC at 2/F, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong and complete an input request form. Prospectuses are also available for collection at the Customer Service Centre of HKSCC; and
2. those who are not CCASS Investor Participants can instruct their brokers or custodians who are CCASS Broker Participants or CCASS Custodian Participants to give **electronic application instructions** to HKSCC via CCASS terminals to apply for Hong Kong Offer Shares on their behalf.

CCASS Broker/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Friday, 13 July 2007 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Saturday, 14 July 2007 — 8:00 a.m. to 1:00 p.m.⁽¹⁾
Monday, 16 July 2007 — 8:00 a.m. to 8:30 p.m.⁽¹⁾
Tuesday, 17 July 2007 — 8:00 a.m. to 8:30 p.m.⁽¹⁾
Wednesday, 18 July 2007 — 8:00 a.m.⁽¹⁾ to 12:00 noon

(1) These times are subject to changes as HKSCC may determine from time to time with prior notification to CCASS Broker/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on 13 July 2007 until 12:00 noon on 18 July 2007 (24 hours daily, except the last application day).

Subject to the terms and conditions set out in the Prospectus and the Application Forms relating thereto, applications made on **WHITE** or **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC must be received no later than 12:00 noon on 18 July 2007 (or if the application lists are not open on that day, then by 12:00 noon on the next Business Day on which the lists are open). Please see the section headed "How to apply for the Hong Kong Offer Shares" in the Prospectus for further details. The Company will not issue temporary documents of title. No receipt will be issued for application monies received.

The application lists will open from 11:45 a.m. to 12:00 noon on 18 July 2007 (or such later date as may apply in case of a tropical cyclone warning signal No.8 or above or a “black” rainstorm warning signal being in force as described in the section headed “How to apply for Hong Kong Offer Shares” in the Prospectus).

The Shares available for subscription by the public under the Hong Kong Public Offering will be divided equally into two pools for allocation purposes: pool A and pool B. The Shares in pool A will be allocated on an equitable basis to applicants who have applied for Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, the SFC transaction levy and the Stock Exchange trading fee payable) or less. The Shares in pool B will be allocated on an equitable basis to applicants who have applied for Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, the SFC transaction levy and the Stock Exchange trading fee payable). Investors should be aware that applications in pool A and applications in pool B may receive different allocation ratios. If the Shares in one (but not both) of the pools are undersubscribed, the surplus Shares will be transferred to the other pool to satisfy demand in the pool and be allocated accordingly. For the purpose of this paragraph only, the “subscription price” for the Shares means the price payable on application therefor (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Shares from either pool A or pool B but not from both pools.

The Company expects to publish the announcement on the level of applications in the Hong Kong Public Offering, the level of indications of interest in the International Placing, the basis of allotment of the Hong Kong Offer Shares and the Offer Price in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) on Wednesday, 25 July 2007. Results of allocation in the Hong Kong Public Offering, including the Hong Kong identity card numbers, passport numbers or Hong Kong business registration numbers of successful applicants (where supplied) and the number of Hong Kong Offer Shares successfully applied for under **WHITE** or **YELLOW Application Forms** or by giving **electronic application instructions** to HKSCC via CCASS will be made available at the times and dates and in the manner specified below:

- results of allocations will be available from the Hong Kong Public Offering allocation results telephone enquiry line. Applicants may find out whether or not their applications have been successful and the number of Hong Kong Offer Shares allocated to them, if any, by calling 2862 8669 between 9:00 a.m. and 10:00 p.m. from Wednesday, 25 July 2007 to Saturday, 28 July 2007;
- results of allocation will be available from the Hong Kong Public Offering website at www.iporesults.com.hk on a 24-hour basis from 8:00 a.m. Wednesday, 25 July 2007 to 12:00 midnight on Tuesday, 31 July 2007. The user will be required to key in the Hong Kong identity card/passport/Hong Kong business registration number provided in his/her/its application form to search for his/her/its own allocation result;
- special allocation results booklets setting out the results of allocations will be available for inspection during opening hours of individual branches and sub-branches from Wednesday, 25 July 2007 to Friday, 27 July 2007 at all the receiving bank branches and sub-branches and the Hong Kong Underwriters at the addresses set out in the section headed “How to Apply for The Hong Kong Offer Shares — Where to Collect the Application Forms” in the Prospectus.

Share certificates for wholly or partially successful applications on **YELLOW** application forms and by giving **electronic application instructions** to HKSCC will be issued in the name of HKSCC Nominees Limited and deposited into CCASS for the credit of the relevant CCASS Investor Participant stock accounts or the stock accounts of the relevant designated CCASS Participants at the close of business on 25 July 2007 or under contingent situation, on any other date as HKSCC or HKSCC Nominees may choose. Such applicants should refer to the section headed “How to apply for Hong Kong Offer Shares” in the Prospectus for further details.

If you are applying through a designated CCASS Participant (other than a CCASS Investor Participant), you can check the number of Hong Kong Offer Shares allocated to you with that CCASS Participant. If you are applying as a CCASS Investor Participant, you should check the announcement published by the Company and report any discrepancies to HKSCC before 5:00 p.m. on 25 July 2007 or such other date as shall be determined by HKSCC or HKSCC Nominees. For CCASS Investor Participants, immediately after the credit of the Hong Kong Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System or the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time). HKSCC will also make available to you an activity statement showing the number of Hong Kong Offer Shares credited to your stock account. For further details, please refer to the section entitled "How to apply for Hong Kong Offer Shares" in the Prospectus.

By order of the Board
Tiangong International Company Limited
ZHU XIAOKUN
Chairman

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

Executive Directors: ZHU Xiaokun, ZHU Zhihe,
ZHU Mingyao and YAN Ronghua

Non-executive Directors: LIN John Sian-zu and
THONG Kwee Chee

Independent non-executive Directors: LI Zhengbang,
GAO Xiang and LAU Siu Fai

Hong Kong, 13 July 2007

* *For identification purpose*

*Please also refer to the published version of this announcement in **South China Morning Post**.*