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TIME INFRASTRUCTURE HOLDINGS LIMITED

太益控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 686)

MAJOR TRANSACTION

GRANT OF A LOAN BY THE GROUP

The Company wishes to announce that on 11 September 2009, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender has conditionally agree to lend the Loan of HK\$28,200,000 (equivalent to the Refundable Deposit of RMB25 million) to the Borrower for a period of 6 months from the Drawdown Date. The Borrower shall pay interest to the Lender on the Loan at the rate of 5% per annum. The Loan is secured by the Share Charge and the Personal Guarantee.

As the relevant Percentage Ratio for the grant of the Loan under Rule 14.07 exceeds 25%, the grant of the Loan by the Group under the Loan Agreement constitutes a major transaction for the Company under Rule 14.06(3) of the Listing Rules and is subject to the notification, publication and shareholders' approval requirements. As no Shareholder has an interest in the Loan Agreement, the Security Documents and the transactions contemplated thereunder (including the grant of the Loan by the Group), no Shareholder is required to abstain from voting on the resolution to be proposed at the SGM to approve the Loan Agreement, the Security Documents and the transactions contemplated thereunder.

A circular containing, among other things, further information on the Loan Agreement, the Security Documents and the transactions contemplated thereunder, together with the notice of the SGM, will be despatched to the Shareholders as soon as practicable.

THE LOAN AGREEMENT

Date 11 September 2009.

Parties (i) Yield Long, as Lender; and
(ii) Universal Summit, as the Borrower.

* *For identification purpose only*

The Borrower is an investment holding company incorporated on 10 April 2008 under the laws of the BVI with limited liability and is solely owned by the Guarantor.

To the best knowledge of the Directors, and having made all reasonable enquiries, the Borrower and its ultimate beneficial owner are Independent Third Parties.

Purpose of the Loan

The Loan shall be used exclusively for the repayment of the Refundable Deposit, which is due and payable by the Borrower and Equity Realty HK to the Lender under the Option Agreement upon expiration of the Option Period (please refer to the Company's announcement dated 31 July 2009 for relevant details).

Principal terms

Amount of the Loan: HK\$28,200,000 (equivalent to the Refundable Deposit of RMB25 million).

Interest rate: Interest shall accrue on the Loan at the rate of 5% per annum. Interest shall accrue from day to day, shall be calculated on the basis of the actual number of days elapsed and a 365 day year, commencing from the Drawdown Date.

The interest rate was determined by making reference to the best lending interest rate of the Hong Kong and Shanghai Banking Corporation Limited.

Term: Six (6) calendar months from the Drawdown Date or such other day that the Lender and the Borrower may agree in writing (the "Repayment Date").

Repayment: The total outstanding principal together with any interest accrued thereon and any other sums payable to the Lender under the Loan shall be fully repaid and discharged on or before the Repayment Date.

Early or partial repayment: The Borrower may repay/prepay all or part of the Loan before the Repayment Date by giving seven business days' advance notice in writing to the Lender, provided that all other sums then due and payable (including interest accrued on the amount to be repaid/prepaid) under the Loan Agreement shall have been paid. Subject to the aforesaid, no repayment/prepayment of the Loan or any part thereof before the Repayment Date is allowed.

Security: (i) The Share Charge; and
(ii) the Personal Guarantee.

Details of the Share Charge and the Personal Guarantee

The Loan is secured by (a) the Share Charge to be executed by the Chargor and (b) the Personal Guarantee to be executed by the Guarantor in favour of the Lender as a continuing security and continuing obligation for (i) the due, full and punctual payment of the Loan; interest accrued thereon; fee and all other amounts from time to time payable by the Borrower pursuant to the Loan Agreement and the Security Documents; and (ii) the due, full and punctual performance and observance by the Borrower of all its other obligations contained in the Loan Agreement and the Security Documents.

Conditions precedent: The making of the Loan under the Loan Agreement shall be conditional upon the following conditions precedent being fulfilled (or being waived by the Lender) (as the case may be) on or before 5:00 pm on 31 December 2009:

- (i) the obtaining of the necessary approval of the Shareholders regarding the Loan Agreement, the Security Documents and the transactions contemplated thereunder in accordance with the Listing Rules (if required); and
- (ii) the Lender having received:
 - (a) the Personal Guarantee duly executed by the Guarantor under seal;
 - (b) the Share Charge duly executed by the Chargor under seal together with all documents required pursuant thereto;

- (c) evidence to the satisfaction of the Lender that all authorisations have been obtained and all necessary filings, registrations and other formalities have been or will be completed in order to ensure that the Loan Agreement and the Security Documents are valid and enforceable;
 - (d) in relation to each of the Borrower and corporate parties to any of the Security Documents, resolutions of its board of directors approving the borrowing and the giving of security on the terms of the Loan Agreement and the Security Documents to which it is a party and authorising a person or persons to execute the Loan Agreement, the relevant Security Documents and any other notices or documents required in connection with the Loan Agreement or the relevant Security Documents;
 - (e) such other documents relating to any of the matters contemplated in the Loan Agreement or in any Security Documents as the Lender may reasonably request; and
- (iii) no event of default or prospective event of default as defined under the Loan Agreement shall have occurred (or would be likely to occur as a result of the Loan being made) and all representations and warranties made by the Borrower in or in connection with the Loan Agreement shall be true and correct as at the date the Loan is to be made with reference to the facts and circumstances then subsisting.

The Lender shall have the absolute discretion to allow the making of the Loan even if any of the conditions precedent specified in (ii) and (iii) above shall not have been fully satisfied. The Borrower undertakes with the Lender to deliver to the Lender such documents or information and do such acts or deeds as are necessary to fulfil such conditions precedent as are outstanding after the Drawdown Date as soon as possible thereafter and agrees to indemnify the Lender against all losses, damages, costs, charges and expenses incurred or suffered by the Lender arising from or in connection with a breach by the Borrower of its obligations and undertaking under the Loan Agreement.

As at the date of this announcement, other than condition precedent specified in (i) above, all conditions precedent to the Loan Agreement have not been fulfilled.

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Company and the Borrower. The Directors (including independent non-executive Directors) consider that the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

REASONS FOR AND THE BENEFIT OF THE TRANSACTION

The Group is principally engaged in fashion apparel and retail business.

On 26 September 2008, the Company announced that the Group and others had entered into the Option Agreement, pursuant to which (i) the Group should have the right, but not obligation, to exercise the Purchase Option to purchase indirect interests in two highways in the PRC, and (ii) Refundable Deposit had been paid by the Group to the Borrower and Equity Realty HK in the capacity of the grantors of the Purchase Option (please refer to the Company's announcement and circular dated 26 September 2008 and 31 October 2008 respectively for further details of the Option Agreement). On 31 July 2009, the Company announced that the Directors had decided not to exercise the Purchase Option before expiry of the Option Period on 31 July 2009. During the process of arranging for repayment of the Refundable Deposit to the Group, the Company was informed by the Borrower that as the Refundable Deposit has been applied to finance the construction of the two target highways (being the subject of the Option Agreement) which has been deferred (please refer to the Company's announcement dated 31 July 2009 for further details) and the Group had determined not to exercise the Purchase Option before the expiry of the Option Period, the Borrower needs a reasonable period of time to rearrange the cash flows for repayment of the Refundable Deposit. The Borrower therefore has requested the Company to provide them with a grace period of 6 months for repayment of the Refundable Deposit. After arm's length negotiations between the Company and the Borrower, the parties had determined and entered into the Loan Agreement on 11 September 2009 to the effect that the Refundable Deposit shall be repaid by the interest bearing Loan, secured by the Share Charge and the Personal Guarantee, and repayable in 6 months. Although the Company could seek for possible legal proceedings against the Borrower, the Guarantor and Equity Realty HK under the Option Agreement for the immediate recovery of the Refundable Deposit (the "Recovery"), extra legal cost could be incurred for the Recovery and the relevant legal proceedings could be time consuming for the Company. Furthermore, as the Directors consider that the Company has no immediate plan to apply the Refundable Deposit for any specific purpose for the time being, the acceptance of the arrangement in granting the Loan to the Borrower for a relatively short term of six months will generate a relatively high interest income of 5% per annum (comparing to the annual interest rate of 0.15% currently quoted for a six-month Hong Kong dollars fixed deposit by the Hong Kong and Shanghai Banking Corporation Limited) to the Company during the period. Pursuant to the Share Charge, the Chargor has pledged the said 75% shares in Equity Realty HK (which wholly owns Equity Pinghong and Equity Airui) to the Company to secure the performance by the Borrower of its obligations under the Loan Agreement. As disclosed in the circular of the Company dated 31 October 2008, the total net assets of Equity Pinghong as at 30 June 2008 amounted to RMB222,036,000 while the total net liabilities of Equity Airui amounted to RMB2,237,000 as at 30 June 2008 (Equity Airui was newly incorporated on 31 December 2007 and has not commenced operations at the material

time) as disclosed in the respective accountants' reports on Equity Pinghong and Equity Airui set out in the Company's circular dated 31 October 2008. On that basis, the Directors consider that the Share Charge and the Personal Guarantee will provide the Company with security and an alternate means of repayment of the Loan in case the Borrower fails to properly repay the Loan when it is due.

Having considered (i) the terms of the Loan, including the interest rate; (ii) the reasons and background for entering into the Loan Agreement as mentioned above; and (iii) the Share Charge and the Personal Guarantee to be executed in favour of the Group, the Directors (including independent non-executive Directors) consider that the Loan is on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant Percentage Ratio for the grant of the Loan under Rule 14.07 exceeds 25%, the grant of the Loan by the Group under the Loan Agreement constitutes a major transaction for the Company under Rule 14.06(3) of the Listing Rules and is subject to the notification, publication and shareholders' approval requirements. As no Shareholder has an interest in the Loan Agreement, the Security Documents and the transactions contemplated thereunder (including the grant of the Loan by the Group), no Shareholder is required to abstain from voting on the resolution to be proposed at the SGM to approve the Loan Agreement, the Security Documents and the transactions contemplated thereunder.

A circular containing, among other things, further information on the Loan Agreement, the Security Documents and the transactions contemplated thereunder, together with the notice of the SGM, will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrower” or “Universal Summit”	Universal Summit Investment Limited, a company incorporated in the BVI with limited liability, which is beneficially and solely owned by the Guarantor and was one of the grantors of the Purchase Option under the Option Agreement
“BVI”	British Virgin Islands
“Chargor”	New Alliance International Limited, a company incorporated in the BVI with limited liability, which is solely owned by Universal Summit and is the legal and beneficial owner of 75% of the issued share capital in Equity Realty HK
“Company”	Time Infrastructure Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“Drawdown Date”	the date on which the conditions precedent set out in the Loan Agreement being satisfied (or being waived by the Lender)
“Equity Airui”	大益隘瑞高速公路發展(江西)有限公司 (Equity Airui Highway Development (Jiangxi) Co., Ltd.), a company established in the PRC which is wholly owned by Equity Realty HK
“Equity Pinghong”	大益萍洪高速公路發展(江西)有限公司 (Equity Pinghong Highway Development (Jiangxi) Co., Ltd.), a company established in the PRC which is wholly owned by Equity Realty HK
“Equity Realty HK”	Equity Realty Development Company Limited, a company incorporated in Hong Kong with limited liability, which is indirectly held as to 75% by Universal Summit and was one of the grantors of the Purchase Option under the Option Agreement
“Group”	the Company and its subsidiaries

“Guarantor” or “Mr. Huang”	Mr. Huang Guo Dong, the direct shareholder of Universal Summit and is an Independent Third Party, and the guarantor in relation to the due performance of the Borrower under the Loan Agreement and the Security Documents under the Personal Guarantee
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	an independent third party(ies) which, to the best knowledge and belief of the Directors having made all reasonable enquiries, is/are third parties independent of and not connected with the Company and its connected person (as defined in the Listing Rules)
“Lender” or “Yield Long”	Yield Long Limited, a wholly-owned subsidiary of the Company incorporated in the BVI
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the amount of HK\$ 28,200,000 granted by the Lender to the Borrower subject to and upon the terms of the Loan Agreement
“Loan Agreement”	the loan agreement dated 11 September 2009 entered into between the Lender and the Borrower in relation to the Loan
“Option Agreement”	the deed of call option dated 26 September 2008 entered into by the Company, Yield Long Limited (a wholly-owned subsidiary of the Company) as the grantee, Equity Realty HK and Universal Summit as the grantors, and Mr. Huang as the guarantor for the purpose of granting the Purchase Option by Equity Realty HK and Universal Summit to Yield Long (and the Purchase Option was not exercised by the Group upon the expiry of the Option Period on 31 July 2009)
“Option Period”	the period commenced from the date of the Option Agreement and ended on 31 July 2009
“Percentage Ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“Personal Guarantee”	the guarantee to be provided by the Guarantor in favour of the Company to guarantee the due performance of the Borrower under the Loan Agreement and the Security Documents

“PRC”	the Peoples’ Republic of China, for the purpose of this announcement, not include Hong Kong, the Macau Special Administrative Region of the PRC, and Taiwan
“Purchase Option”	the option granted by Equity Realty HK and Universal Summit to Yield Long Limited (a wholly-owned subsidiary of the Company) under the Option Agreement, pursuant to which Yield Long Limited has the right at its absolute discretion, but is not obliged, to acquire the interests in two highways in the PRC pursuant to the terms of the Option Agreement. The Purchase Option was not exercised by the Group upon the expiry of the Option Period on 31 July 2009
“Refundable Deposit”	a total of RMB25 million (equivalent to HK\$28,200,000) which has been paid by the Group to the Borrower in cash as refundable deposit and part payment of the total consideration upon signing of the Option Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Security Documents”	the Share Charge, the Personal Guarantee and any other document executed from time to time by whatever person as a further guarantee of or security for all or any part of the Borrower’s obligations under the Loan Agreement
“SGM”	a special general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving, among other things, the Loan Agreement, the Security Documents and the transactions contemplated thereunder
“Share(s)”	share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Share Charge”	the share charge to be executed by the Chargor in favour of the Lender by way of a legal charge over 3,000 ordinary shares of HK\$100 each in the issued share capital of Equity Realty HK legally and beneficially owned by the Chargor, representing 75% of the issued share capital of Equity Realty HK as security for due performance of the Borrower under the Loan Agreement and the Security Documents

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

In this announcement, unless otherwise specified, amounts in RMB are converted to HK\$ at the conversion rate of RMB1.00 = HK\$1.128 for illustration only. No representation is made that any amounts in RMB or HK\$ could have been or could be converted at such rate or any other rates.

On behalf of the Board

TIME INFRASTRUCTURE HOLDINGS LIMITED

Wong Pak Lam, Louis

Chairman

Hong Kong, 11 September 2009

As at the date of this announcement, the executive Directors are Mr. Wong Pak Lam, Louis (Chairman), Ms. Lin Xia Yang (Chief Executive Officer), Mr. Wong Kwong Lung, Terence, Mr. Lam Ho Fai, Mr. Gu Zhi Hao and the independent non-executive Directors are Mr. Chan Ka Ling, Edmond, Mr. Lo Wa Kei, Roy and Mr. Ching Kwok Ho, Samuel.