

**TIANJIN TIANLIAN PUBLIC UTILITIES COMPANY LTD:
TO THE RESCUE COMES THE PRC GOVERNMENT !**

With only about 158 institutional investors, holding about 33.17 percent of the Issued and Fully Paid-Up Share Capital of Tianjin Tianlian Public Utilities Company Ltd (Code: 8290, The Growth Enterprise Market [The GEM] of The Stock Exchange of Hongkong Ltd), it is hardly any wonder that incidences of trading in substantial numbers of shares of this Company are few and far between.

What is, perhaps, even more surprising is that the share price of Tianjin Tianlian Public Utilities is holding up as high as it is today – about 37 cents.

This is especially surprising in view of what, must surely have been considered, its poor showing in the 2003 Financial Year, ended December 31, 2003.

One would have supposed that, since the shares of this Company were Placed at 25 cents, each, on December 31, 2003, with the current share price, being about 37 cents, each, some, if not most, of those 158 institutional shareholders would have cashed in their chips, so to speak, taking a 48-percent profit in the process.

Tianjin Tianlian Public Utilities went public on The GEM on December 31, 2003, and, by simple arithmetic, it was clear that this supplier of natural gas in the north of the People's Republic of China (PRC), proper, was not doing very well at the time of its IPO (Initial Public Offering).

Within 3 months of the publication of the Company's Prospectus, Tianjin Tianlian Public Utilities produced its financial results for the Year, ended December 31, 2003, showing a drop of about 620,000 renminbi in its Bottom Line, or about 2.59 percent, Year-on-Year.

Taking into account the business of this Company, eyebrows might have been raised in certain quarters when viewing the 2003-Year's results, but one must bear in mind, of course, that the Government of the PRC cracks the whip on this Company, ultimately.

Tianjin Tianlian Public Utilities brought in about \$HK60 million, net of expenses, by Placing 330 million, 0.10-renminbi Shares at 25 cents (Hongkong) per Share.

Of the total number of Shares, being Placed, 300 million Shares were New Shares and 30 million Shares were those, formerly belonging to The National Social Security Fund of the PRC.

The money, raised in this flotation, is to be used for the following purposes, the Prospectus stated at Page 103:

1. \$HK30 million to be used to finance the expansion of the piped natural gas supply in Tianjin City;
2. \$HK15 million to be used to finance the development of a piped natural gas project in Jining City, the Inner Mongolian Autonomous Region of the PRC; and,
3. \$HK15 million to be used to finance the development of a piped LPG (Liquefied Petroleum Gas) supply project in Yulin City, the Guangxi Zhuang Autonomous Region of the PRC.

Tianjin Tianlian Public Utilities traces its history back to December 1998, Page 62 of the Prospectus states, 'when Tianlian Company (Tianjin Tianlian Gas Company Ltd) was established to engage principally in the supply of piped natural gas in Tianjin, the PRC. At the time of its establishment, Tianlian Company had a registered capital of RMB2,000,000 and was owned as to 51% by Liansheng Company (Tianjin Liansheng Gas Company Ltd), a domestic enterprise, and as to 49% by Tianjing Natural Gas Company ... [CLICK TO ORDER FULL ARTICLE](#)

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