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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Tysan Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.



TYSAN HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 687)

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,**

**RE-ELECTION OF DIRECTORS,
AMENDMENT TO THE BYE-LAWS**

AND

NOTICE OF ANNUAL GENERAL MEETING

The notice convening the Annual General Meeting of Tysan Holdings Limited to be held at Marina Room II, 2nd Floor, The Excelsior, 281 Gloucester Road, Causeway Bay, Hong Kong, at 4:00 p.m. on Wednesday, 30 August 2006 is set out on pages 12 to 16 of this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy not less than 48 hours before the time appointed for holding the Annual General Meeting in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude shareholders from attending and voting at the meeting if they so wish.

31 July 2006

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RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

EXPECTED TIMETABLE

2006

1. Latest time for lodging transfer in respect of Shares 4:30 p.m., Tuesday, 22 August

2. Latest time for lodging proxy forms for the
Annual General Meeting 4:00 p.m., Monday, 28 August

3. Register of members closed (both dates inclusive) From Wednesday, 23 August
to Wednesday, 30 August

4. Annual General Meeting 4:00 p.m., Wednesday, 30 August

DEFINITIONS

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

“Additional Mandate”	means the proposed general mandate to be granted to the Directors to extend the General Mandate by adding to it the aggregate nominal amount of Shares repurchased under the Shares Repurchased Mandate up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Annual General Meeting”	means the annual general meeting of the Company for the year 2006 to be held on Wednesday, 30 August 2006;
“Bye-laws”	means the Bye-laws of the Company;
“Company”	means Tysan Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on The Stock Exchange;
“Directors”	means the board of directors of the Company, including the independent non-executive directors, and “Director” means any one of the Directors;
“General Mandate”	means the proposed general mandate to be granted to the Directors to permit the allotment and issue of new Shares and other securities of the Company of up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of the relevant resolution granting such mandate;
“Group”	means the Company and the Subsidiaries;
“Latest Practicable Date”	means 28 July 2006, the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Notice”	means the notice of the Annual General Meeting as set out on pages 12 to 16 of this circular;
“Option”	means an option to subscribe for Shares on terms determined by the Directors pursuant to a share option scheme of the Company and for the time being subsisting;
“Option Holder”	means a person holding an Option;

DEFINITIONS

“PRC”	means the People’s Republic of China;
“Securities Repurchase Rules”	means the provisions governing the repurchase of securities by listed companies as set out in the Listing Rules;
“Share(s)”	means share(s) of HK\$0.10 each in the share capital of the Company in issue as at the Latest Practicable Date and all and any other shares in issue from time to time and for the time being ranking pari passu therewith;
“Shares Repurchase Mandate”	means the general mandate to be granted by the Shareholders to the Directors to repurchase Shares as more particularly set out in Resolution A in paragraph 4 of the Notice;
“Shareholder(s)”	means registered holder(s) of Share(s) of the Company;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Subsidiary”	means a subsidiary of the Company within the meaning of Section 2 of the Companies Ordinance (Cap. 32) of the Laws of Hong Kong or Section 86 of The Companies Act 1981 of Bermuda (as amended), whether incorporated in Hong Kong, Bermuda or elsewhere; and
“Takeover Code”	means the Hong Kong Code on Takeovers and Mergers.

LETTER FROM THE BOARD OF DIRECTORS



TYSAN HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code : 687)

Executive Directors:

Cheung Francis (*Chairman*)

Fung Chiu Chak, Victor

(Vice Chairman and Managing Director)

Chien David

Kwok Jennifer

Chiu Chin Hung

Wong Kay

Independent Non-Executive Directors:

Fan Chor Ho, Paul

Chau Cham Son

Tse Man Bun

Registered office:

Clarendon House

Church Street

Hamilton HM11

Bermuda

*Head office and principal place
of business in Hong Kong:*

6th Floor

Sun Hung Kai Centre,

30 Harbour Road,

Wanchai,

Hong Kong

31 July 2006

*To the Shareholders, and, for information only,
The Option Holders*

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
RE-ELECTION OF DIRECTORS,
AMENDMENT TO THE BYE-LAWS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

At the last annual general meeting of the Company held on 12 August 2005, an ordinary resolution was passed granting a general mandate to the Directors to exercise their powers to repurchase Shares in the share capital of the Company up to 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the resolution. A further ordinary resolution was passed authorizing the Directors to exercise the powers of the Company to issue, allot and deal

LETTER FROM THE BOARD OF DIRECTORS

with new Shares and other securities of the Company up to an amount representing 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution. Further and conditional upon the granting of the aforesaid mandates, an additional mandate was given to the Directors extending the general mandate to issue and allot new Shares and other securities of the Company by the addition thereto of an amount representing the aggregate nominal amount of Shares repurchased under the aforesaid general mandate up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the resolution.

The aforesaid mandates will lapse at the conclusion of the forthcoming Annual General Meeting of the Company to be held on Wednesday, 30 August 2006.

Accordingly the Directors propose to seek your approval at the Annual General Meeting to grant to the Directors similar mandates, details of which are set out in the Notice convening the Annual General Meeting.

The purpose of this circular is to provide you with information on the proposed ordinary resolutions concerning such mandates and the re-election of Directors as referred to hereinbelow.

2. GENERAL MANDATE TO REPURCHASE SHARES

At the Annual General Meeting, an ordinary resolution will be proposed that the Directors be given a general mandate, being the Shares Repurchase Mandate, to exercise the powers of the Company during the Relevant Period (as defined in the Notice) to repurchase Shares in the issued share capital of the Company up to a maximum amount of 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the Annual General Meeting.

3. GENERAL MANDATE TO ISSUE NEW SHARES

In addition to the above, in order to ensure flexibility and discretion to the Directors in the event that it becomes desirable to issue and allot any additional Shares and other securities of the Company, an ordinary resolution will also be proposed at the Annual General Meeting to give to the Directors a general mandate, being the General Mandate, to issue and allot new Shares and other securities of the Company, including warrants and debentures convertible into Shares up to a maximum amount of 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of the Annual General Meeting. In addition, a resolution will be proposed to extend the General Mandate by way of the Additional Mandate, by adding to it the aggregate nominal amount of Shares repurchased under the Shares Repurchase Mandate, subject to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the Annual General Meeting.

4. RE-ELECTION OF DIRECTORS

Pursuant to Bye-law 87 of the Bye-laws of the Company, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three, then the

LETTER FROM THE BOARD OF DIRECTORS

number nearest to but not greater than one-third) shall retire from office by rotation provided that a retiring Director shall be eligible for re-election. Accordingly, Mr. Chiu Chin Hung and Mr. Wong Kay shall retire from office and, being eligible, offer themselves for re-election at the Annual General Meeting.

5. AMENDMENT TO THE BYE-LAWS

A special resolution will be proposed at the Annual General Meeting by way of special business to amend Bye-law 86 of the Bye-laws to the effect that a director may be removed by an ordinary resolution in general meeting of the Company instead of a special resolution and to fill the vacancy so created by ordinary resolution. This proposed amendment to the Bye-laws is to comply with the recent amendments of the Listing Rules, which came into effect on 1 March 2006.

6. ANNUAL GENERAL MEETING

At the Annual General Meeting, ordinary resolutions will be proposed to approve the Shares Repurchase Mandate, the General Mandate, the Additional Mandate and the re-election of the aforesaid Directors. The procedure by which Shareholders may demand a poll pursuant to the Company's Bye-laws is set out in Appendix III hereto.

7. NOTICE OF ANNUAL GENERAL MEETING

The Notice convening the Annual General Meeting is set out on pages 12 to 16 of this circular. Shareholders are advised to read the Notice and to complete and return the accompanying form of proxy not less than 48 hours before the time appointed for holding the Annual General Meeting, in accordance with the instructions printed thereon, to the Company's principal office in Hong Kong at 6th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong. The lodging of a form of proxy will not preclude a Shareholder from attending the Annual General Meeting and voting in person should he so wish.

8. RECOMMENDATION

Your Directors consider that the Shares Repurchase Mandate, the General Mandate and the Additional Mandate and the re-election of the aforesaid Directors are in the best interests of the Company and the Shareholders as a whole, and recommend you to vote in favour of all such resolutions being proposed at the Annual General Meeting.

Yours faithfully,
By Order of the Board of Directors of
Tysan Holdings Limited
Chan Kit Yan
Company Secretary

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to you for your consideration of the proposed Shares Repurchase Mandate.

1. NUMBER OF SHARES PROPOSED TO BE REPURCHASED

As at the Latest Practicable Date, the aggregate nominal value of the issued share capital of the Company amounted to HK\$83,746,590.30 comprising 837,465,903 Shares. Subject to the passing of Ordinary Resolution A as set out in paragraph 4 of the Notice and on the basis of such figures and that no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Shares Repurchase Mandate to repurchase a maximum of 83,746,590 Shares. The aggregate nominal value of Shares which the Company is authorized to repurchase shall not exceed 10% of the aggregate nominal value of the share capital of the Company in issue at the date of passing of the relevant resolution.

2. REASONS FOR REPURCHASE

The Directors believe that the Shares Repurchase Mandate affords the Company the flexibility and ability in pursuing the best interests for the Company and its Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, be beneficial to the Shareholders by enhancing the net assets and/or earnings per Share and will only be made when the Directors believe that such a purchase will benefit the Company and its Shareholders.

3. SOURCE OF FUNDS

In repurchasing Shares of the Company, the Company may only apply funds legally available for such purpose in accordance with its Memorandum of Association and Bye-laws and the applicable laws of Bermuda and the Listing Rules.

The Directors propose that such Shares repurchases, if and when to be effected, would be appropriately financed by the Company's internal resources and/or available banking facilities.

4. EFFECT ON WORKING CAPITAL

The Directors note that there might be an adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the annual report of the Company for the year ended 31 March 2006) in the event that the Shares Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period. Accordingly, the Directors only propose to exercise the Shares Repurchase Mandate during the proposed repurchase period when and to such an extent that the Directors determine, taking into account all prevailing relevant factors, that such repurchases and the extent thereof are in the best interest of the Company.

5. PRESENT INTENTION OF THE DIRECTORS AND ASSOCIATES

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company under the Shares Repurchase Mandate if such mandate is approved by the Shareholders.

6. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases of Shares pursuant to Ordinary Resolution A as set out in paragraph 4 of the Notice in accordance with the Listing Rules and the applicable laws of Bermuda.

7. THE TAKEOVER CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases on exercise of the powers to repurchase Shares pursuant to the Shares Repurchase Mandate, such an increase will be treated as an acquisition for the purposes of the Takeover Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeover Code.

As at the Latest Practicable Date the group comprising of Mr. Francis Cheung, Power Link Investments Limited and their family members and associates (the "**Power Link Group**") was collectively interested in 326,420,465 Shares representing approximately 38.98% of the Shares issued by the Company. If the proposed Shares Repurchase Mandate were to be exercised in full at any time during the proposed repurchase period, the holdings of the Power Link Group in the Company would increase by more than 2% to 43.31% and therefore, the Power Link Group will be required under the Takeover Code to make an offer for all the issued Shares to the Company. The Directors have no present intention to exercise the Shares Repurchase Mandate to the extent that would increase the proportionate interest in the Company of the Power Link Group by more than 2%. Save as aforesaid, the Directors are not otherwise aware of any consequence which may arise under the Takeover Code as a result of any repurchase that would be made under the Shares Repurchase Mandate.

8. SHARES REPURCHASE MADE BY THE COMPANY

The Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the date of this circular.

The Directors have no present intention to repurchase any Shares pursuant to the Shares Repurchase Mandate.

9. CONNECTED PERSONS

No other connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so, in the event that the Shares Repurchase Mandate is approved by the Shareholders.

10. MARKET PRICES

The highest and lowest closing prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months were as follows:

	Shares	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
July 2005	0.240	0.190
August 2005	0.223	0.190
September 2005	0.200	0.160
October 2005	0.204	0.179
November 2005	0.210	0.190
December 2005	0.260	0.200
January 2006	0.400	0.250
February 2006	0.430	0.300
March 2006	0.410	0.350
April 2006	0.630	0.400
May 2006	0.540	0.420
June 2006	0.450	0.300
July 2006 (up to the Latest Practicable Date)	0.490	0.350

To enable the Shareholders to make an informed decision on the re-election of the following Directors proposed to be re-elected at the Annual General Meeting, the particulars of such Directors are set out hereinbelow for the Shareholders' information.

Mr. CHIU Chin Hung, aged 53, joined the Group in July 1994. Mr. Chiu is the Executive Director & General Manager of the Group's foundation division and is responsible for the business development and management of the Group's foundation business. He has over 28 years' experience in foundation design and construction works and represents the Group's foundation division as a Council Member of The Hong Kong Construction Association.

As at the Latest Practicable Date, Mr. Chiu has personal interest in 5,000,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Chiu does not have any relationship with any directors, senior management, substantial or controlling Shareholders. Mr. Chiu does not have a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation. For the year ended 31 March 2006, Mr. Chiu received salaries, allowances and benefits in kind in the total sum of HK\$1,641,000.00 from the Company. The Company also made contributions to a pension scheme of HK\$12,000.00 for Mr. Chiu for the year ended 31 March 2006. The emoluments paid to Mr. Chiu were determined by the Board of Directors pursuant to the authority granted by the Shareholders at the annual general meetings of the Company, with reference to his duties and contribution, the Group's performance and profitability, as well as the prevailing market conditions. Mr. Chiu has no fixed term of director's service with the Company but is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-laws. Save as aforesaid, Mr. Chiu did not hold other directorship in any listed public company in the past 3 years. Save as disclosed above, there is no other information which is discloseable nor is/was Mr. Chiu involved in any matter required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules. There is no other matter that needs to be brought to the attention of the Shareholders in relation to the re-election of Mr. Chiu.

Mr. WONG Kay, aged 43, joined the Group in October 1996. Mr. Wong is the General Manager of the Group's PRC division and the Director & General Manager of the Group's electrical and mechanical division. He is primarily responsible for organizing and managing the operations of the Group's PRC property business and its electrical and mechanical business in Hong Kong. He has over 21 years' experience in the construction industry with more than 13 years in project management in the PRC.

As at the Latest Practicable Date, Mr. Wong has personal interest in 10,765,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance. Mr. Wong does not have any relationship with any directors, senior management, substantial or controlling Shareholders. Mr. Wong does not have a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation. For the year ended 31 March 2006, Mr. Wong received salaries, allowances, bonus and benefits in kind in the total sum of HK\$1,415,000.00 from the Company. The Company also made contributions to a pension scheme of HK\$12,000.00 for Mr. Wong for the year ended 31 March 2006. The emoluments paid to Mr. Wong were determined by the Board of Directors pursuant to the authority granted by the Shareholders at the annual general meetings of the Company, with reference to his duties and contribution, the Group's performance and profitability, as well as the prevailing market conditions. Mr. Wong has no fixed term of director's service with the Company but is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-laws. Save as aforesaid, Mr. Wong did not hold other directorship in any listed public company in the past 3 years. Saved as disclosed above, there is no other information which is discloseable nor is/was Mr. Wong involved in any matter required to be disclosed pursuant to the requirements under Rule 13.51(2)(h) to Rule 13.51(2)(v) of the Listing Rules. There is no other matter that needs to be brought to the attention of the Shareholders in relation to the re-election of Mr. Wong.

Pursuant to Bye-law 66 of the Company's Bye-laws, a resolution put to the vote of a general meeting of the Company shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the Chairman; or
- (b) by at least three Shareholders present in person or by proxy for the time being entitled to vote at the meeting; or
- (c) by a Shareholder or Shareholders present in person or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (d) by a Shareholder or Shareholders present in person or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all Shares conferring that right.

A demand by a person as proxy for a Shareholder shall be deemed to be the same as a demand by the Shareholder.

NOTICE OF ANNUAL GENERAL MEETING



TYSAN HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code : 687)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at Marina Room II, 2nd Floor, The Excelsior, 281 Gloucester Road, Causeway Bay, Hong Kong at 4:00 p.m. on Wednesday, 30 August 2006 for the following purposes:

1. To receive and consider the audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 March 2006.
2. To re-elect Mr. Chiu Chin Hung and Mr. Wong Kay as Directors of the Company and to authorize the Board of Directors to fix the remuneration of the Directors.
3. To re-appoint Messrs. Ernst & Young as Auditors for the ensuing year and to authorize the Directors to fix their remuneration.
4. To consider and, if thought fit, pass with or without modification, the following proposed resolutions as Ordinary Resolutions by way of special business:

ORDINARY RESOLUTIONS

A. **“THAT**

- (1) subject to paragraph (2) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase fully paid up issued shares of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or on any other stock exchange on which shares of the Company may be listed and recognized by the Stock Exchange and the Securities and Futures Commission of Hong Kong for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange applicable to the Company, as amended from time to time, be and is hereby generally and unconditionally approved;
- (2) the amount of the shares of the Company which the Company is authorized to repurchase pursuant to the approval in paragraph (1) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this Resolution; and

NOTICE OF ANNUAL GENERAL MEETING

- (3) for the purposes of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; or
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting.”

B. “THAT

- (1) subject to paragraph (3) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue, grant and deal with additional shares in the capital of the Company, to allot, issue, grant and deal with other securities of the Company, including warrants and debentures convertible into shares of the Company, and to make or grant offers, agreements and options in connection therewith (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power, be and is hereby generally and unconditionally approved;
- (2) the approval in paragraph (1) above shall be in addition to (and shall not in any way prohibit or limit) any other authority or power of or given to the Directors of the Company, and shall authorize the Directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options in connection therewith (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such powers after the end of the Relevant Period;
- (3) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors of the Company pursuant to the approval or authority in paragraph (1) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); (b) an issue of shares upon the exercise of the subscription rights attaching to any warrant of the Company; (c) an issue of shares in lieu of the whole or part of a dividend on shares of the Company pursuant to the Bye-laws of the Company from time to time or any securities which are convertible into shares of the Company; or (d) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue to Directors or employees of the Company and/or any of its subsidiaries of shares or rights of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

(4) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; and
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to the holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong applicable to the Company).”

- C. “**THAT** subject to the passing of Ordinary Resolutions A and B set out in paragraph 4 of the notice convening this meeting, the general mandate to the Directors of the Company to allot, issue, grant and deal with additional shares and other securities of the Company pursuant to Resolution B set out in paragraph 4 of the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares of the Company repurchased by the Company pursuant to the authority granted under Resolution A set out in paragraph 4 of the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company at the date of passing the said Resolution A as set out in paragraph 4 of the notice convening this meeting.”

NOTICE OF ANNUAL GENERAL MEETING

5. To consider and, if thought fit, pass, with or without modification, the following proposed resolution as a Special Resolution by way of special business:-

SPECIAL RESOLUTION

“**THAT** the Bye-laws of the Company be amended by deleting paragraphs (4) and (5) of the existing Bye-law 86 and substituting therefor the following new paragraphs (4) and (5) of Bye-law 86:-

- “(4) The Members may, at any general meeting convened and held in accordance with these Bye-laws, by ordinary resolution remove a Director at any time before the expiration of his period of office notwithstanding anything in these Bye-laws or in any agreement between the Company and such Director (but without prejudice to any claim for damages under any such agreement) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention so to do and be served on such Director not less than fourteen (14) days before the meeting and at such meeting such Director shall be entitled to be heard on the motion for his removal.
- (5) A vacancy on the Board created by the removal of a Director under the provisions of paragraph (4) above may be filled by election by ordinary resolution of the Members at the meeting at which such Director is removed to hold office until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting but shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation at such meeting. In the absence or default of such election, the vacancy arising from the removal of a Director from office may be filled by way of appointment by the Directors as a casual vacancy.”

6. To transact any other business.

By Order of the Board
Chan Kit Yan
Company Secretary

Hong Kong, 31 July 2006

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any Shareholder entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a Shareholder of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy thereof, must be deposited at the Company's principal office in Hong Kong at 6th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting.
3. With respect to Resolutions 4A and 4C (being Resolutions A and C set out in paragraph 4 of the Notice), approval is being sought from Shareholders for general mandates to be given to the Directors to repurchase shares and to issue further shares not exceeding the aggregate number of shares so repurchased. In accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), an Explanatory Statement setting out the requisite information for your consideration of the proposed mandate to repurchase shares accompanies this notice and is contained in this circular.
4. With respect to the matters set out in Resolution 4B (being Resolution B in paragraph 4 of the Notice), a general mandate is being sought from Shareholders to authorize the allotment and issue of shares and other securities of the Company under the Listing Rules in order to provide flexibility to the Directors should it become desirable for the Company to exercise such powers. The Directors have no immediate plans to issue any new share or other securities under the general mandate.
5. The register of Shareholders will be closed from 23 August 2006 to 30 August 2006 (both dates inclusive), during which period no transfer of shares of the Company will be registered. All transfers and relevant share certificates must be lodged with the Company's Hong Kong branch share registrars, Tengis Limited, at 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong, by no later than 4:30 p.m. on 22 August 2006.



TYSAN HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code : 687)

FORM OF PROXY FOR ANNUAL GENERAL MEETING

I/We (Note 1) _____
of _____
being the registered holder(s) of (Note 2) _____ shares of HK\$0.10
each in the capital of Tysan Holdings Limited (the "Company"), HEREBY APPOINT (Note 3) the Chairman of the Meeting,
or _____
of _____
as my/our proxy to attend the Annual General Meeting (or any adjournment thereof) of the Company to be held at 4:00 p.m.
on Wednesday, 30 August 2006 and vote for me/us and on my/our behalf in respect of the undermentioned resolutions as
indicated, and if no such indication is given, as my/our proxy thinks fit.

	Resolutions	For (Note 4)	Against (Note 4)
1.	To receive and approve the Audited Financial Statements and the Reports of the Directors and Auditors for the year ended 31 March 2006.		
2.	To re-elect Mr. Chiu Chin Hung and Mr. Wong Kay as Directors, and to authorize the Board of Directors to fix the remuneration of the Directors.		
3.	To re-appoint Messrs. Ernst & Young as Auditors for the ensuing year, and to authorize the Directors to fix their remuneration.		
4A.	To give a general mandate to the Directors to repurchase fully paid up issued shares of the Company as set out in item 4A of the Notice of Annual General Meeting.		
4B.	To give a general mandate to the Directors to allot, issue, grant and deal with shares and other securities of the Company as set out in item 4B of the Notice of Annual General Meeting.		
4C.	Conditional upon the passing of Resolution 4A and without prejudice to the authority granted by Resolution 4B, to give a general mandate to the Directors to allot, issue, grant and deal with additional shares of the Company repurchased by the Company as set out in item 4C of the Notice of Annual General Meeting.		
5.	To amend the Company's Bye-laws to the effect that the Company in general meeting shall have the power to remove a director by ordinary resolution instead of special resolution and to fill the vacancy so created by ordinary resolution.		

Signature (Note 7): _____

Dated this _____ day of _____ 2006.

Notes:

1. Full name(s) and address(es) to be inserted in **BLOCK CAPITALS**.
2. Please insert the number of shares of HK\$0.10 each in the Company registered in your name(s) to which this proxy relates. If no number is inserted, this form of proxy will be deemed to relate to all the shares in the Company registered in your name(s).
3. If any proxy other than the Chairman of the Meeting is preferred, please delete the words "the Chairman of the Meeting" and insert the name and address of the proxy desired in the space provided. **ANY ALTERATION MADE TO THIS FORM OF PROXY MUST BE INITIALLED BY THE PERSON(S) WHO SIGN(S) IT.** A proxy need not be a member of the Company.
4. Please mark with a "✓" in the spaces opposite to each of the Resolutions under the column of "For" or "Against", as the case may be, to indicate how you wish the proxy to vote on your behalf. In the absence of any such indication the proxy may vote for or against the Resolutions or may abstain at his discretion. Your proxy will also be entitled to vote at his discretion on any resolution properly put to the Meeting other than those referred to in the Notice of Annual General Meeting.
5. You are requested to lodge this form, together with the power of attorney (if any) or other authority (if any) under which it is signed or a notorially certified copy thereof, at the Company's principal place of business in Hong Kong at 6th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting.
6. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other joint holder(s), and for this purpose seniority will be determined by the order in which the names stand in the register of members of the Company.
7. This form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either under its common seal or under the hand of any officer or attorney or other person duly authorized.
8. Completion and return of this form of proxy will not preclude you from personally attending and voting at the Annual General Meeting if you so wish. In the event that you do attend the Annual General Meeting, this form of proxy will automatically be deemed to have been revoked.