
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, 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 and the accompanying forms of proxy, if any, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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TYSAN HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 687)

DISCLOSEABLE TRANSACTION

ACQUISITION OF PROPERTY

DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Provisional Agreement
“associate(s)”	bears the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Company”	Tysan Holdings Limited, a company incorporated in Bermuda with limited liability, the securities of which are listed on the Stock Exchange (Stock Code: 687)
“Completion”	completion of the Acquisition, which, pursuant to the Provisional Agreement, is to take place on or before 31st October, 2007
“Consideration”	the total consideration of HK\$131,892,120 payable by the Purchaser to the Vendor for the Acquisition in accordance with the Provisional Agreement
“Director(s)”	the director(s) of the Company, including the non-executive directors, and “Director” means any one of the Directors
“Formal Agreement”	the formal sale and purchase agreement in respect of the Acquisition to be entered into between the Vendor and the Purchaser pursuant to the Provisional Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	an independent third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“Latest Practicable Date”	20 July 2007, the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the premises being the whole of 11th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong

DEFINITIONS

“Provisional Agreement”	the provisional agreement for sale and purchase dated 5 July 2007 entered into between the Vendor and the Purchaser in relation to the Acquisition
“Purchaser”	Classic Wealth Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Shareholders”	Registered holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	the vendor of the Property, which and its ultimate beneficial owners, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, are Independent Third Parties

LETTER FROM THE BOARD



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 HM 11

Bermuda

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

6th Floor, Sun Hung Kai Centre

30 Harbour Road

Wanchai

Hong Kong

24 July 2007

To the Shareholders

Dear Sir/Madam,

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

INTRODUCTION

The Company announced on 5 July 2007 that the Vendor and the Purchaser had entered into the Provisional Agreement, pursuant to which the Purchaser would purchase the Property for a total consideration of HK\$131,892,120 in cash.

The Acquisition constitutes a discloseable transaction for the Company under the Listing Rules.

The purpose of this circular is to provide you with further information in relation to the Acquisition and other information in compliance with the requirements of the Listing Rules.

LETTER FROM THE BOARD

THE PROVISIONAL AGREEMENT

- Date: 5 July 2007
- Purchaser: Classic Wealth Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company.
- Vendor: A private property holding and investment company incorporated in Hong Kong, which and its ultimate beneficial owners, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, are Independent Third Parties. The Company has not entered into any transaction with the Vendor or its related persons in the twelve months prior to the date of the Provisional Agreement.
- Consideration: HK\$131,892,120, which is payable by the Purchaser in the following manner:
- (a) HK\$6,594,606 upon signing of the Provisional Agreement as initial deposit;
 - (b) HK\$6,594,606 on or before 19th July, 2007 as further deposit; and
 - (c) HK\$118,702,908, being the balance of the Consideration, upon completion of the sale and purchase on or before 31st October, 2007.
- The Consideration has been arrived at after arm's length negotiations between the Vendor and the Purchaser, taking into consideration the current market value and actual transaction records within the last twelve calendar months of similar properties of similar size in the same building or in the vicinity and based on normal commercial terms.
- Property: The address of the Property is 11th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong. The Property is being sold on an "as is" basis.
- Completion Date: The sale and purchase of the Property is to be completed on or before 31st October 2007 when vacant possession of the Property will be delivered to the Purchaser.

THE FORMAL AGREEMENT

Pursuant to the terms of the Provisional Agreement, which is considered to be a legally binding contract between the parties, the Vendor shall sell and the Purchaser shall purchase the Property upon the terms and conditions contained in the Provisional Agreement. Pursuant to the Provisional Agreement, the Vendor and the Purchaser entered into a Formal Agreement on 19th July, 2007 in the form and contents agreed between the parties, which incorporated the terms of the Provisional Agreement and also set out the terms of the Acquisition in greater details and which, upon its execution by the parties, superseded the Provisional Agreement.

LETTER FROM THE BOARD

INFORMATION ABOUT THE COMPANY

The Company is a listed company on the Stock Exchange. The Group is principally engaged in foundation piling, building construction, electrical and mechanical engineering, machinery hiring and trading and property investment and development.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE PROPERTY

It is the Company's intention to use the Property as the Group's head office to enable the Company to conduct the Group's business on a long term basis with security of tenure and a stable working environment for its staff. At present, the Group is occupying its office premises located at 6th Floor, Sun Hung Kai Centre, in the vicinity of the Property as a tenant. The Board (including the independent non-executive Directors) considers the Acquisition can also enhance the property portfolio of the Group and can hedge against inflation and therefore will be beneficial to the Company and its Shareholders as a whole. The Directors (including the independent non-executive Directors) are of the view that the terms of the Acquisition are on normal commercial terms, which are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The purchase price will be financed partly by internal resources and partly by way of banking facilities, the exact proportions of which are yet to be ascertained depending on the exact amount of banking facilities desired by and available to the Company and the terms thereof. There will be no significant financial impact on the assets, liabilities and earning of the Company due to the Acquisition.

GENERAL

The Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and this circular is sent to you in compliance with the requirements of the Listing Rules in the connection. In the event of any material variation of the terms of the Acquisition or material delay in the completion thereof, the Company will as soon as practicable announce this fact by means of an announcement or notification pursuant to the Listing Rules.

Your attention is drawn to the general information as set out in this circular.

Yours faithfully,
For and on behalf of the Board of
Tysan Holdings Limited
Francis Cheung
Chairman

GENERAL INFORMATION

1. 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.

2. DISCLOSURE OF INTERESTS

(a) Interests and short positions of the Directors and chief executives in the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company and their respective associates in the equity or debt securities of the Company or its associated corporations (within the meaning of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were deemed or taken to have under the provisions of the SFO); (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers had been notified to the Company and the Stock Exchange were as follows:

(i) *Interests in Shares:*

Name	Number of Shares and nature of interest			
	Personal interests	Corporate interests	Other interests	Total interests
Mr. Francis Cheung	11,180,600	256,325,000 ⁽¹⁾	54,247,200 ⁽²⁾	321,752,800
Mr. Fung Chiu Chak, Victor	59,237,600	—	—	59,237,600
Mr. David Chien	98,021,020	—	—	98,021,020
Miss Jennifer Kwok	16,500,000	—	—	16,500,000
Mr. Chiu Chin Hung	5,000,000	—	—	5,000,000
Mr. Wong Kay	10,765,000	—	—	10,765,000
Mr. Tse Man Bun	442,000	—	—	442,000

GENERAL INFORMATION

(ii) *Interests in ordinary shares of associated corporations of the Company:*

Name	Name of associated corporations	Number of ordinary shares and nature of interest		
		Personal interests	Corporate interests	Total interests
Mr. Fung Chiu Chak, Victor	Tysan Building Construction Company Limited	—	5,100,000 ⁽³⁾	5,100,000
	Tysan Engineering Company Limited	800	—	800
	Tysan Trading Company Limited	20	—	20
Miss Jennifer Kwok	Tysan Trading Company Limited	20	—	20
Mr. Wong Kay	Tysan Engineering Company Limited	2,200	—	2,200

Notes:

1. 171,237,000 Shares were held by Power Link Investments Limited and 85,088,000 Shares were held by Long Billion International Limited. Both of these companies were controlled by Mr. Francis Cheung.
2. Such Shares were held by a discretionary trust, the founder of which is Mr. Francis Cheung.
3. These Shares were held by Victor Create Limited which was controlled by Mr. Fung Chiu Chak, Victor.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange.

GENERAL INFORMATION

(b) Disclosure of interests of substantial Shareholders

As at the Latest Practicable Date, according to the register kept by the Company pursuant to Section 336 of the SFO and, so far as is known to the Directors, the persons or entities who had an interest or a short position in the Shares or the underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were, directly or indirectly, interested in 5 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or of any other company which is a member of the Group, or in any options in respect of such share capital were as follows:

Interests in Shares

Name	Number of Shares held	Percentage of the issued share capital
Power Link Investments Limited ⁽¹⁾	171,237,000	20.45
Eastern Glory Development Limited ⁽²⁾	171,237,000	20.45
Goldcrest Enterprises Limited ⁽²⁾	171,237,000	20.45
Bofield Holdings Limited ⁽²⁾	171,237,000	20.45
Long Billion International Limited	85,088,000	10.16

Notes:

- (1) The above interest of Power Link Investments Limited has also been disclosed as corporate interest of Mr. Francis Cheung in the section headed "Interests and short positions of the Directors in the Company and its associated corporations" above.
- (2) These parties were deemed to have interests in 171,237,000 Shares by virtue of their equity interests in Power Link Investments Limited.

Save as disclosed herein, so far as is known to the Directors, as at the Latest Practicable Date, no person had an interest or a short position in the Shares or the underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were, directly or indirectly, interested in 5 per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or of any other company which is a member of the Group, or in any options in respect of such share capital.

(c) Directors' interests in material contracts

Save as disclosed herein above, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group subsisting at the date of this circular which is significant in relation to the business of the Group.

GENERAL INFORMATION

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Group.

4. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened by or against any member of the Group.

5. GENERAL

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The head office and principal place of business of the Company in Hong Kong is at 6th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong.
- (c) The qualified accountant and the Company Secretary of the Company is Mr. Chan Kit Yan. He is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants.
- (d) The branch share registrar of the Company in Hong Kong is Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (e) The English text of this circular shall prevail over the Chinese text in the case of inconsistency.