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TYSAN HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock code: 687)

CONTINUING CONNECTED TRANSACTION

The Board announces that on 29 October, 2007, Great Regent, a wholly-owned subsidiary of the Company, renewed the tenancy agreement in respect of the Property.

Land Smart is an associate of a Director, Mr. Chien, and is therefore a connected person of the Company as defined under rule 14A.11 of the Listing Rules. Accordingly, the Agreement constitutes a continuing connected transaction for the Company under the Listing Rules and is subject to the disclosure requirements pursuant to rule 14A.32 of the Listing Rules.

On 29 October 2007, Great Regent renewed the Tenancy Agreement with Land Smart and the terms of the Agreement are set out below.

THE AGREEMENT

Parties to the Agreement

- (a) Tenant: Great Regent, a wholly-owned subsidiary of the Company
- (b) Landlord: Land Smart, a private property investment company incorporated in Hong Kong, which is owned as to 50% by Mr. Chien and 50% by an Independent Third Party. The Company has not entered into any transaction with Land Smart or its ultimate beneficial owners in the 12 months prior to the date of the Agreement

Terms of the Agreement

Landlord: Land Smart

Tenant: Great Regent

Property: the whole of Level 21, Super Ocean Finance Centre, No. 2067 Yan'an Xi Road, Changning District, Shanghai, PRC with about 1,160 square metres

Term: 2 years (from 1 August 2007 to 31 July 2009, both dates inclusive)

Payment: payable in cash in advance on a monthly basis

Rent: US\$20,308 per month (equivalent to about HK\$158,402), exclusive of telecommunication charges, facility charges, management fees and electricity

Annual Caps: The annual caps to be received by Land Smart in the next financial years will be as follows:

	US\$D	HK\$
From 1 August 2007 to 31 March 2008	162,464	1.27 million
From 1 April 2008 to 31 March 2009	243,696	1.91 million
From 1 April 2009 to 31 July 2009	81,232	0.64 million

REASONS FOR THE AGREEMENT

The Group is principally engaged in foundation piling, building construction, electrical and mechanical engineering, machinery hiring and trading and property investment and development.

Reference is made to an announcement of the Company dated 12 July 2004 relating to, inter alia, the Tenancy Agreement. Pursuant to the Tenancy Agreement dated 8 July 2004, Great Regent agreed to lease the Property from Land Smart for a term of 3 years and with an option to renew a further term of 2 years. The Tenancy Agreement expired on 31 July 2007 and both Land Smart and Great Regent have been in discussion with a view to renewing the Tenancy Agreement.

The Board has decided to renew the Tenancy Agreement, after arm's length negotiations with Land Smart. The terms of the Agreement have been arrived at after taking into consideration the current market rental for similar properties of similar size and grade in the vicinity (near Changning District in Shanghai, PRC) and based on normal commercial terms.

The Directors, including the independent non-executive Directors, are of the view that (i) the Agreement is on normal commercial terms and such terms are fair and reasonable; (ii) the signing of the Agreement is in the ordinary and usual course of business of the Group, and (iii) the entering into the Agreement and the relevant maximum annual caps thereunder are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

Land Smart is owned as to 50 per cent by Mr. Chien, a Director, and is therefore a connected person of the Company as defined under rule 14A.11 of the Listing Rules. Accordingly, the Agreement constitutes a continuing connected transaction for the Company under the Listing Rules and is subject to the disclosure requirements pursuant to rule 14A.32 of the Listing Rules. Since the total rental payable by Great Regent under the Agreement represents less than 25 per cent. of the applicable percentage ratios of the Company and is less than HK\$10 million, no independent Shareholders' approval is required. Pursuant to rule 14A.45 of the Listing Rules, details of the Agreement will be included in the published annual reports and accounts of the Company of the relevant financial years.

The rental payable by Great Regent under the Agreement in respect of the period from 1 August 2007 up to and including the date of this announcement amounts to US\$20,308 per month and the total sum payable for the said period is about US\$60,000 (equivalent to about HK\$465,000). Such rental payable for the said period represents less than 0.1 per cent. of the applicable percentage ratios of the Company and is not subject to the reporting, announcement and independent shareholders' approval requirements pursuant to rule 14A.33 of the Listing Rules.

GENERAL

As at the date of this announcement, the executive Directors are Mr. Francis Cheung; Mr. Fung Chiu Chak, Victor; Mr. David Chien; Miss Jennifer Kwok; Mr. Chiu Chin Hung and Mr. Wong Kay; and the independent non-executive Directors are Mr. Fan Chor Ho, Paul; Mr. Tse Man Bun and Mr. Lung Chee Ming George.

DEFINITIONS

“Agreement”	the agreement dated 29 October 2007 entered between Land Smart as landlord and Great Regent as tenant in respect of the lease of the Property
“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 of Hong Kong Limited
“Director(s)”	the director(s) of the Company
“Great Regent”	Great Regent Investments Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong Special Administrative Region
“Independent Third Party(ies)”	a party who is, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of the Company and its connected persons (as defined in the Listing Rules)
“Land Smart”	Land Smart Development Limited, a company incorporated in Hong Kong with limited liability and which is owned as to 50 per cent. by Mr. Chien and 50 per cent. by an Independent Third Party
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Mr. Chien”	Mr. David Chien, an executive Director
“PRC”	the People’s Republic of China
“Property”	the whole of Level 21, Super Ocean Finance Centre, No. 2067 Yan’an Xi Road, Changning District, Shanghai, PRC with about 1,160 square metres
“Shareholders”	shareholders of the Company

“Tenancy Agreement” the tenancy agreement dated 8 July 2004 entered between Land Smart as landlord and Great Regent as tenant, in respect of the lease of the Property

“US\$” the lawful currency of the United States

By Order of the Board
Tysan Holdings Limited
Francis Cheung
Chairman

Hong Kong, 29 October 2007