

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



TYSAN HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 687)

DISCLOSEABLE TRANSACTION DISPOSAL OF PROPERTY

The Board announces that on 28 February 2005, the Vendor, a wholly-owned subsidiary of the Company, entered into a Provisional Agreement with the Purchaser to dispose the Property at a consideration of HK\$13,800,000. The consideration was determined after arm's length negotiation and was based on normal commercial terms.

As the consideration involved in the Disposal represents approximately 7.8% of the total market capitalization of the Company, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

A circular containing, amongst other things, details of the Provisional Agreement and the Disposal will be sent to the shareholders of the Company in accordance with the requirements of the Listing Rules as soon as practicable.

PROVISIONAL AGREEMENT

Date:

28 February 2005

Parties:

- (a) Vendor: Top Class Properties Limited, a wholly-owned subsidiary of the Company;
(b) Purchaser: 2 persons being Independent Third Parties.

Sale and Purchase:

Pursuant to the Provisional Agreement, the Vendor shall sell and the Purchaser shall purchase the Property upon the terms contained therein. It is intended that the Vendor and the Purchaser shall enter into the Formal Agreement on or before 14 March 2005 and that the Formal Agreement, which shall set out the terms of the Disposal in more detail, shall supersede the Provisional Agreement.

Property:

The address of the Property is Flat 1, 3rd Floor, Block A and carpark space No. 4 on C2 Floor, Elm Tree Towers, 8-10 Chun Fai Road, Hong Kong. The Property is sold on "as is" basis.

Consideration:

The total consideration of HK\$13,800,000 was agreed after arm's length negotiations between the Vendor and the Purchaser having taken into consideration the current market value of similar properties in the same or nearby area.

Terms of Payment:

An initial deposit of HK\$665,000 was paid upon signing of the Provisional Agreement and further deposit of HK\$715,000 shall be paid upon signing of the Formal Agreement on or before 14 March 2005. The remaining balance of the total consideration in the sum of HK\$12,420,000 shall be paid upon completion.

Completion:

Completion of the sale and purchase of the Property shall take place on or before 23 May 2005.

REASONS FOR THE DISPOSAL

Having regard to the recent improvement in the Hong Kong property market, the Board considers the Disposal will provide the occasion for the Company to realize part of its assets at reasonable market price where such opportunity arises. The Directors are of the view that the terms of the Disposal are fair and reasonable and in the interests of the shareholders of the Company as a whole. The net proceeds will be used for full repayment of existing loan of the Vendor of HK\$675,000 and the remaining balance will be deployed for general working capital purpose of the Company. The Property is being sold subject to vacant possession and, not being an asset used in the operations of the Company, the Directors do not foresee any adverse impact that would be caused by the Disposal on the operations of the Company.

OTHER INFORMATION

The Group is principally engaged in foundation piling, machinery hiring and trading and property investment and development.

Based on the consolidated balance sheet of the Vendor as at 31 March 2004, the carrying value of the Property as valued by an independent valuer was HK\$11,800,000, being the latest valuation carried out on the Property. The Property was acquired in January 1997 at a cost of approximately HK\$13,800,000. The net loss, both before and after taxation and extraordinary items and having taken into account the then current revaluation of the Property as valued by an independent valuer, attributable to the Property for the financial year ended 31 March 2003 was HK\$1,620,193 while the net profit, both before and after taxation and extraordinary items and having taken into account the then current revaluation of the Property as valued by an independent valuer, attributable to the Property for the financial year ended 31 March 2004 was HK\$1,853,176. Based on the carrying value of the Property of HK\$11,800,000 and after deducting all relevant expenses, the Company expects to recognize a gain of approximately HK\$1.85 million, subject to audit.

As the consideration of the Disposal represents approximately 7.8% of the total market capitalization of the Company, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

A circular containing, amongst other things, details of the Provisional Agreement and the Disposal will be sent to the shareholders of the Company in accordance with the requirements of the Listing Rules as soon as practicable.

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. Chau Cham Son and Mr. Tse Man Bun.

Definitions

"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
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the Property pursuant to the Provisional Agreement
"Formal Agreement"	The formal sale and purchase agreement to be entered into pursuant to the Provisional Agreement relating to the Disposal
"Group"	the Company and its subsidiaries
"Independent Third Parties"	Independent third parties not connected with the Directors, chief executives or substantial shareholders of the Company or any of its subsidiaries or their respective associates as defined in the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Property"	Flat 1, 3rd Floor, Block A and carpark space no.4 on C2 Floor of Elm Tree Towers, 8-10 Chun Fai Road, Hong Kong
"Provisional Agreement"	The provisional sale and purchase agreement dated 28 February 2005, entered into between the Vendor and the Purchaser in relation to the Disposal
"Purchaser"	Independent Third Parties
"Shareholders"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Vendor"	Top Class Properties Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

By Order of the Board
Tysan Holdings Limited
Francis Cheung
Chairman

Hong Kong 28 February, 2005