TYSAN HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 687)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2009

The Board of Directors (the "Board") of Tysan Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2009 together with the comparative figures for the year ended 31 March 2008 as follows:

Consolidated Income Statement

	Notes	2009 HK$'000	2008 HK$'000
REVENUE	2	2,784,090	1,895,049
Cost of sales		(1,980,220)	(1,608,529)
Gross profit		803,870	286,520
Other income and gains	3	23,195	21,091
Selling expenses		(15,250)	(16,232)
Administrative expenses		(53,191)	(56,009)
Changes in fair value of investment properties		(28,646)	89
Other expenses, net		(17,688)	(5,134)
Finance costs	4	(25,434)	(19,598)
PROFIT BEFORE TAX	5	686,856	210,727
Tax	6	(266,092)	(60,696)
PROFIT FOR THE YEAR		420,764	150,031
Attributable to:			
Equity holders of the Company		346,675	107,411
Minority interests		74,089	42,620
		420,764	150,031
DIVIDENDS	7		
Interim		8,382	8,375
Proposed final		12,573	12,562
		20,955	20,937
EARNINGS PER SHARE	8		
Basic		HK41.37 cents	HK12.83 cents
Diluted		N/A	HK12.80 cents

Consolidated Balance Sheet

	Notes	2009 HK$'000	2008 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		176,339	194,376
Investment properties		1,206,160	1,210,660
Prepaid land lease payments		103,566	106,347
Properties under development		309,862	254,512
Deposit paid for land acquisition		348,835	177,536
Interests in associates		—	—
Other assets		1,000	1,020
Deferred tax assets		29,051	—
Total non-current assets		2,174,813	1,944,451
CURRENT ASSETS			
Properties under development		270,374	529,966
Equity investments at fair value through profit or loss		2,501	14,452
Inventories		31,283	18,006
Properties held for sale		473,876	303,521
Amounts due from customers for contract works		53,818	78,703
Trade receivables	9	300,165	284,000
Other receivables, prepayments and deposits		33,739	238,677
Tax prepaid		7,035	40,157
Time deposits		96,477	28,768
Restricted cash		56,675	3,537
Cash and bank balances		125,416	214,225
Total current assets		1,451,359	1,754,012
CURRENT LIABILITIES			
Trade payables and accruals	10	406,904	221,967
Other payables, deposits received and receipts in advance		55,304	70,883
Amounts due to customers for contract works		132,106	166,399
Deposits received		34,853	927,714
Interest-bearing bank borrowings		396,851	255,075
Tax payable		144,464	43,566
Total current liabilities		1,170,482	1,685,604
NET CURRENT ASSETS		280,877	68,408
TOTAL ASSETS LESS CURRENT LIABILITIES		2,455,690	2,012,859

	Notes	2009 HK$'000	2008 HK$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		2,455,690	2,012,859
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		242,579	268,399
Deferred tax liabilities		278,419	251,076
Total non-current liabilities		520,998	519,475
Net assets		1,934,692	1,493,384
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		83,821	83,746
Reserves		1,127,257	775,123
		1,211,078	858,869
Minority interests		723,614	634,515
Total equity		1,934,692	1,493,384

Notes:

1. IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

a) The Group has adopted the following new interpretations and amendments to HKFRSs for the first time for the current year's financial statements.

HKAS 39 and HKFRS 7 Amendments	Amendments to HKAS 39 Financial Instruments: Recognition and Measurement and HKFRS 7 Financial Instruments: Disclosures – Reclassification of Financial Assets
HK(IFRIC)-Int 11	HKFRS 2 – Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements
HK(IFRIC)-Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new interpretations and amendments has had no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

b) The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 First-time Adoption of HKFRSs and HKAS 27 Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [1]
HKFRS 1 (Revised)	First-time Adoption of HKFRSs [3]
HKFRS 2 Amendments	Amendments to HKFRS 2 Share-based Payment -Vesting Conditions and Cancellations [1]
HKFRS 3 (Revised)	Business Combinations [3]
HKFRS 7 Amendments	Amendments to HKFRS 7 Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments [1]
HKFRS 8	Operating Segments [1]
HKAS 1 (Revised)	Presentation of Financial Statements [1]
HKAS 23 (Revised)	Borrowing Costs [1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements [3]
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 Financial Instruments: Presentation and HKAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation [1]
HKAS 39 Amendment	Amendment to HKAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items [3]
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 Reassessment of Embedded Derivatives and HKAS 39 Financial Instruments: Recognition and Measurement - Embedded Derivatives [2]
HK(IFRIC)-Int 13	Customer Loyalty Programmes [4]
HK(IFRIC)-Int 15	Agreements for the Construction of Real Estate [1]
HK(IFRIC)-Int 16	Hedges of a Net Investment in a Foreign Operation [5]
HK(IFRIC)-Int 17	Distribution of Non-cash Assets to Owners [3]
HK(IFRIC)-Int 18	Transfers of Assets from Customers [3]

Apart from the above, the HKICPA has issued Improvements to HKFRSs* which sets out amendments to a number of HKFRSs primarily with a view to removing inconsistencies and clarifying wording. Except for the amendment to HKFRS 5 which is effective for annual periods beginning on or after 1 July 2009, other amendments are effective for annual periods beginning on or after 1 January 2009 although there are separate transitional provisions for each standard.

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods ending on or after 30 June 2009
[3] Effective for annual periods beginning on or after 1 July 2009
[4] Effective for annual periods beginning on or after 1 July 2008
[5] Effective for annual periods beginning on or after 1 October 2008
* Improvements to HKFRSs contains amendments to HKFRS 5, HKFRS 7, HKAS 1, HKAS 8, HKAS 10, HKAS 16, HKAS 18, HKAS 19, HKAS 20, HKAS 23, HKAS 27, HKAS 28, HKAS 29, HKAS 31, HKAS 34, HKAS 36, HKAS 38, HKAS 39, HKAS 40 and HKAS 41.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that while the adoption of HKAS 27 (Revised) may result in changes in accounting policies and HKFRS 8 and HKAS 1 (Revised) may result in new or amended disclosures, these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

2. SEGMENT INFORMATION

(a) Business segments

	Foundation piling	E&M engineering and building construction	Machinery leasing and trading	Property investment and management	Property development	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2009							
Segment revenue	1,346,515	134,505	15,954	104,969	1,182,147	—	2,784,090
Segment results	172,712	9,056	6,292	11,683	570,298	(59,716)	710,325
Interest income							1,631
Dividend income from listed investments							334
Finance costs							(25,434)
Profit before tax							686,856
Tax							(266,092)
Profit for the year							420,764

	Foundation piling	E&M engineering and building construction	Machinery leasing and trading	Property investment and management	Property development	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2008							
Segment revenue	1,079,387	190,724	26,081	100,999	497,858	—	1,895,049
Segment results	92,544	9,665	(1,547)	54,703	130,434	(57,845)	227,954
Interest income							2,343
Dividend income from listed investments							28
Finance costs							(19,598)
Profit before tax							210,727
Tax							(60,696)
Profit for the year							150,031

(b) Geographical segments

	Hong Kong		Macau		Elsewhere in the PRC		Consolidated	
	2009	**2008**	**2009**	**2008**	**2009**	**2008**	**2009**	**2008**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	1,366,587	859,292	128,698	437,421	1,288,805	598,336	2,784,090	1,895,049

3. OTHER INCOME AND GAINS

	2009	2008
	HK$'000	*HK$'000*
Interest income	1,631	2,343
Insurance claims	7,306	811
Gain on disposal of items of property, plant and equipment	1,283	6,088
Gain on disposal of an investment property	897	4,164
Gain on prepaid land lease payments resumed	—	3,183
Gain on disposal of partial interest in a subsidiary	410	—
Subsidy income*	7,681	—
Foreign exchange gains, net	53	1,814
Others	3,934	2,688
	23,195	21,091

* There are no unfulfilled conditions or contingencies relating to this income.

4. FINANCE COSTS

	2009	2008
	HK$'000	*HK$'000*
Interest on bank borrowings and overdrafts wholly repayable within five years	28,294	33,623
Less: Interest capitalised in properties under development	(2,860)	(14,025)
	25,434	19,598

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2009	2008
	HK$'000	*HK$'000*
Depreciation	49,428	40,828
Recognition of prepaid land lease payments	2,780	1,190
Impairment/(write-back of impairment) of trade receivables	1,220	(88)
Write-down of inventories to net realisable value	8,963	67
Gain on disposal and write-off of items of property, plant and equipment	(1,283)	(6,088)
Gain on disposal of an investment property	(897)	(4,164)
Gain on prepaid land lease payments resumed	—	(3,183)
Gain on disposal of partial interest in a subsidiary	(410)	—
Fair value losses on equity investments at fair value through profit or loss, net	4,294	3,380
Provision for impairment of an amount due from an associate	10	15
Dividend income from listed investments	(334)	(28)

6. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. The lower Hong Kong profits tax rate is effective from the year of assessment 2008/2009, and so is applicable to the assessable profits arising in Hong Kong for the whole year ended 31 March 2009. Taxes on profits assessable elsewhere in the PRC have been calculated at the applicable tax rates prevailing in the areas in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2009	**2008**
	HK$'000	*HK$'000*
Provision for tax in respect of profit for the year:		
PRC:		
Hong Kong	6,046	1,879
Elsewhere	267,522	59,218
	273,568	61,097
Underprovision/(overprovision) in the prior year:		
PRC:		
Hong Kong	(132)	—
Elsewhere	428	459
	296	459
Deferred tax	(7,772)	(860)
Total tax charge for the year	266,092	60,696

7. DIVIDENDS

	2009	**2008**
	HK$'000	*HK$'000*
Interim - HK1 cent (2008: HK1 cent) per ordinary share	8,382	8,375
Proposed final - HK1.5 cents (2008: HK1.5 cents) per ordinary share	12,573	12,562
	20,955	20,937

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK$346,675,000 (2008: HK$107,411,000), and the weighted average number of 837,930,287 (2008: 837,465,903) ordinary shares in issue during the year.

No diluted earnings per ordinary share is presented for the year ended 31 March 2009 since the exercise price of the share options of the company outstanding during the year is higher than the average market price of the Company's ordinary shares and, accordingly, they have no dilutive effect on the basic earnings per ordinary share.

The calculation of the diluted earnings per share amount for the year ended 31 March 2008 is based on the profit for the year attributable to ordinary equity holders of the Company of HK$107,411,000. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during that year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options into ordinary shares during that year of 1,951,145.

9. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date and net of provision, is as follows:

	2009	**2008**
	HK$'000	*HK$'000*
Trade receivables:		
Within 90 days	173,752	187,933
91 to 180 days	245	411
181 to 360 days	2,077	690
Over 360 days	117	419
	176,191	189,453
Retention receivables	123,974	94,547
	300,165	284,000

The Group has established credit policies that follow local industry standards. The average normal credit periods offered to trade customers other than for retention receivables are within 90 days, and are subject to periodic review by management.

10. TRADE PAYABLES AND ACCRUALS

An aged analysis of the trade payables as at the balance sheet date, based on the invoice date is as follows:

	2009	2008
	HK$'000	*HK$'000*
Trade payables:		
Within 30 days	205,260	82,236
31 to 90 days	1,398	12,212
91 to 180 days	8,071	4,609
Over 180 days	4,550	1,826
	219,279	100,883
Retention payables	90,728	22,894
Accruals	96,897	98,190
	406,904	221,967

11. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

	2009	2008
	HK$'000	*HK$'000*
Guarantees in respect of performance bonds	154,041	135,760

As at 31 March 2008, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for purchases of certain properties developed by a subsidiary of the Group and the outstanding mortgage loans under these guarantees amounted to HK$281,409,000.

DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK1.5 cents (2007/08: HK1.5 cents) per share to shareholders whose names appear on the Company's register of members on 4 August, 2009. An interim dividend of HK1 cent per share was paid for the six months ended 30 September 2008 (2007/08: HK1 cent per share). Subject to shareholders' approval at the forthcoming annual general meeting, the proposed final dividend will be paid on or before 20 August, 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 31 July 2009 to 4 August 2009 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to qualify for attending the forthcoming annual general meeting and for entitlement to the proposed final dividend for the year ended 31 March 2009, all transfer of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's Branch Registrars in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 30 July 2009.

BUSINESS REVIEW

Hong Kong Market

2008 was a bewildered year. Early in the year, oil prices hit US$150 per barrel, gold prices soared to US$1,000 per ounce and local steel prices jumped to over HK$10,000 per ton. Then, with the failure of Lehman Brothers which marked the formal commencement of the global financial crisis, the world's confidence suddenly collapsed. As a result, Hong Kong's economy experienced a downturn with GDP declined by 7.8% in the first quarter of 2009.

Foundation Piling

Despite such economic background, the Group's foundation division achieved remarkable results during the year under review with a turnover of HK$1,347 million and net contribution of HK$173 million, an increase of 25% and 87% respectively as compared to last year. Majority of the Group's contracts were from the private sector. The Group's major contracts on hand include, inter alia, K. Wah's joint venture project at Welfare Road, Hong Kong Housing Authority's project in Shatin ex-police married quarters and Chinese University's student hostel site B. With established leadership position in the industry, the Group is confident in its ability to secure a healthy order book in the coming year.

Other Construction Related Sectors

During the year under review, the turnover and operating profit of the Group's electrical and mechanical engineering division and building construction division was HK$135 million and HK$9 million respectively. The Group expects the building construction division will continue to contribute positive return to the Group.

The machinery hiring and trading division recorded a turnover of HK$16 million with an operating profit of HK$6 million during the year under review. With the gradual pickup of the machinery leasing and trading market, the Group expects the division to remain stable.

China Market

Shanghai, Tianjin and Shenyang, the three cities where the Group's property projects are located, continue to rank among the highest growth cities in China. In 2008, China's GDP grew 9.0% to over Rmb30,067 billion with a per capita GDP of Rmb22,640. Shanghai recorded a GDP growth of 9.7% to Rmb1,370 billion with a per capita GDP of Rmb72,536. Tianjin experienced a GDP growth of 16.5% to Rmb635 billion with a per capita GDP of Rmb55,473 while Shenyang achieved a GDP growth of 16.3% to Rmb386 billion with a per capita GDP of Rmb54,106 in 2008.

Property Investment and Management

The Group's investment properties in Shanghai and Tianjin continue to enjoy steady recurrent income and satisfactory occupancy rates. Turnover of the property investment division during the year under review amounted to HK$105 million.

With timely upgrading and renovation works, Tianjin International Building, continued to command the highest rental in Tianjin. With the Beijing-Tianjin 30 minutes high-speed rail being put into service since August 2008, the distance between the two major centers has become closer which in turn benefit the overall economic development of Tianjin.

The Group's property management division plays a vital role as it provides quality services to both our service apartments' tenants and development projects' residents. It is the Group's belief and experience that a distinctive property management team will benefit both the sales and amplify the value of the property projects.

Property Development

The Group continues to enjoy the sales derived from its property development project in Shanghai. With the strategic planning of our upcoming projects' schedules, the Group expects this division to bring in substantial and stable profit in the coming financial years.

The Waterfront

The Waterfront, a residential development situated along the Suzhou river in Shanghai, comprises 9 towers of 993 units with a total GFA of about 147,000 sqm. The Group has so far launched 6 towers of The Waterfront. For the year under review, a total of HK$1.2 billion was recognized as revenues while contribution to profit amounted to HK$570 million. Based on the latest selling price of about Rmb30,000 per sqm, the remaining unsold area of the development is worth over HK$2 billion. With the recent central government's stimulus package, buyers have regained confidence as signified by our recent increase in sales. Depending on market condition, pre-sale of the remaining 3 towers of low rise may commence later in the year.

The Riverside

The Riverside, a downtown residential development along the Haihe river in Tianjin, comprises 6 blocks of 30-storey towers with a total GFA of approximately 75,000 sqm. Foundation work was completed and the construction of 2 residential towers had been completed to roof level while the other 4 towers were up to about 20th floor. Subject to market conditions and demand, the Group has scheduled to launch the pre-sale in the coming financial year.

Shenyang Project

The site in Shenyang is located at Huanggu District with an area of about 41,340 sqm and a GFA of approximately 165,000 sqm. The project is currently in the planning stage and is intended to be developed into quality residential and commercial development. With strong execution capability and experience acquired, the Group is confident of its ability to replicate its successful business model in Shenyang.

PROSPECTS

Over the past few months, global concerted efforts were made to salvage the financial crisis but the remaining distance to reach smooth sailing is yet to be seen. However, the Group believes the outlook of the Hong Kong economy should not be worse than 2008. A vital component for Hong Kong's recovery is its long term relevance to China's economy which is in a strong position in regaining its momentum. With the local government's determination to implement massive infrastructure projects, the prospect of the construction industry is promising. Foundation piling, being the earliest stage of construction, is thus expected to be the first to benefit in the sector. With proven track records and as a leader in the industry, the Group is confident in its ability to capture the coming opportunities.

With 30 years of reform, China has accrued a certain level of national reserves and established a relatively stable system of its own in governing its financial institutions. Thus, despite the impact of the global financial tsunami, China is likely to be the first to recover or even come out as a winner from this crisis. The central government's stimulus package of expansionary monetary and fiscal policies appeared to cast positive response on the property market. So far, the central government policy has been successful in stabilizing the performance of the property market and boosted transaction volume. However, the Group remains cautious as the recent rebound is indeed a policy driven market which is prone to big fluctuations should there be drastic policy changes. Regardless of the above observations, we remain confident in the longer term prospect of China's property market.

Looking ahead, the Group will continue to place its emphasis in China with assets located in prime cities and locations. With solid asset location and prudent cashflow management, the Group is confident that it can withstand any sudden inflation or recession which may hit the market and will be able to come out of the storm in better and stronger position. In addition, the Group will continue to strengthen its project management, human resources management and cultivate its corporate culture which are all crucial elements for the Group's long term growth.

FINANCIAL REVIEW

The Group continues to adopt a prudent financing policy and sustain a sound capital structure with healthy cashflow. As at 31 March 2009, the Group's cash on hand was approximately HK$279 million (31 March 2008: HK$247 million) while total assets and net assets (after deducting minority interests) were approximately HK$3,626 million (31 March 2008: HK$3,698 million) and HK$1,211 million (31 March 2008: HK$859 million) respectively. As at 31 March 2009, the Group's working capital amounted to HK$281 million.

The Group's net borrowings were HK$361 million as compared to HK$277 million in the previous period. Net debt to equity (includes minority interests) gearing ratio was the same as last year at 19 per cent. As at 31 March 2009, contingent liabilities increased from HK$136 million to HK$154 million in relation to guarantees of performance bonds while guarantees for end user mortgage loans had all been released. Certain of the Group's assets with a book value of approximately HK$696 million have been pledged to secure certain banking facilities of the Group. The Group's bank borrowings were mostly denominated in Hong Kong dollars but Renminbi loan facilities have also been arranged for its China subsidiaries. Currency exposure in the Renminbi borrowings has been hedged by the Group's Renminbi assets and revenue generated by its China properties.

EMPLOYMENT AND REMUNERATION POLICIES

The Group, including its subsidiaries and joint ventures in Hong Kong and China, employed approximately 1,300 employees as at 31 March 2009. The Group's remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Fringe benefits include provident fund, medical insurance and training. In addition, share options may also be granted in accordance to the terms of the Group's approved share option scheme.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICE

In the opinion of the directors, the Company has complied with the code provisions set out in the Code of Corporate Governance Practices (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities of the Stock Exchange (the "Listing Rules") throughout the year ended 31 March 2009 except for the following deviations:

Code Provision A4.1 stipulates that non-executive directors should be appointed for a specific term subject to re-election

The independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-laws of the Company. As such, the Board is of the view that the non-executive directors of the Company need not be appointed for a specific term.

Code Provision A4.2 stipulates every director should be subject to retirement by rotation at least once every three years

According to the Bye-laws of the Company, at each annual general meeting, one third of the directors shall retire from office by rotation provided that notwithstanding anything therein. The chairman of the Board and the managing director of the Company shall not be subject to retirement by rotation or taken into account in determining the number of directors to retire. As continuity is a key factor to the successful long term implementation of business plans, the Board believes that the roles of the chairman and the managing director provide the Group with strong and consistent leadership and allow more effective planning and execution of long-term business strategy. As such, the Board is of the view that the chairman of the Board and the managing director of the Company should not be subject to retirement by rotation.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of the Company's directors, all directors confirmed that they have complied with the required standard set out in the Model Code during the year ended 31 March 2009.

Audit Committee

The Group's Audit Committee has adopted its terms of reference on 20 September 2005 in order to comply with the requirements of the code provisions of the Code. The Group's Audit Committee comprises three members, namely, Mr. Fan Chor Ho Paul, Mr. Tse Man Bun and Mr. Lung Chee Ming George, who are independent non-executive directors of the Company. The Group's Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters including the review of the Group's audited results for the year ended 31 March 2009.

APPRECIATION

I would also like to express our sincere gratitude to our former Financial Controller and Company Secretary, Mr. Chan Kit Yan who resigned in June 2009 to pursue his personal goals. I would like to take this opportunity to thank him for his invaluable contribution to the Company during the tenure of his office. With the departure of Mr. Chan, I am pleased to announce and extend my warm welcome to Miss Mo Wai Ling who took over the position of Financial Controller and Miss Wong Suk Han Kitty, Associate Director of Corporate Affairs, who took over the position of Company Secretary.

On behalf of the Board, I would like to express my sincere gratitude to all our staff for their dedication, hard work and contribution especially during such challenging period. In addition, I would also like to thank all our shareholders for their support of the Group.

On behalf of the Board
FRANCIS CHEUNG
Chairman

Hong Kong, 26 June 2009

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

Website: www.tysan.com