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TYSAN HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code : 687)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012

The board of directors of Tysan Holdings Limited (the “Company”) (“Board of Directors”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2012. During the period under review, the Group recorded a turnover of HK\$1,435 million (30 September 2011: HK\$1,200 million) and achieved a profit attributable to ordinary equity holders of the Company of HK\$195 million (30 September 2011 (restated): HK\$43 million), representing HK\$0.22 per ordinary share of the Company (“Share”) (30 September 2011 (restated): HK\$0.05 per Share).

Hong Kong Market

Foundation Piling

For the period under review, turnover of the Group’s foundation division increased by 16% to HK\$1,309 million. However, due to increased competition, unexpected delay in some projects and rising costs, the contribution to profit was adversely affected and amounted to HK\$42 million as compared to HK\$107 million in the last corresponding period. The Group’s major contracts on hand include, inter alia, Galaxy Macau’s resort, Tung Chung Area 56 by Hong Kong Housing Authority and Mount Nicholson by Wheelock Properties.

PRC Market

Property Development

Shanghai

For the period under review, the Group's residential project in Shanghai, The Waterfront, recognized HK\$74 million as revenue as compared to HK\$39 million in the last corresponding period. The increase was mainly due to more sales concluded. As there is no indication that the government will soften its stance on home purchase restrictions, most potential buyers continue to adopt a wait-and-see attitude.

Tianjin

The Riverside recorded an increase in transactions with a gradual rise in selling price as the market began to recognize the high quality standard of the project. Contracted sales of approximately HK\$150 million were achieved during the period. As handover of the sold units will take place before the end of the year, sale proceeds of over HK\$400 million and related profits will be recorded in the second half of the financial year ending 31 March 2013.

Shenyang

The Group's site in Shenyang, located at Huanggu District with a total GFA of approximately 165,000 sqm, is in the final stage of planning and detail design. It is expected that the construction consent from the government will be granted before the end of the year and foundation works will commence around spring 2013. Since the cost of borrowing in China is relatively high and restricted, the Group may consider financing this project from internal resources.

Property Investment

On 7 December 2011, the Group entered into a sale and purchase agreement to sell its office located at 11th Floor, Harbour Centre, 25 Harbour Road, Hong Kong for a consideration of HK\$315 million. The sale was completed on 31 May 2012 and a profit of about HK\$192 million was recorded in this financial period. The disposal enabled the Group to enhance its working capital and strengthen its overall financial position.

The Group's investment properties in Shanghai have continued to enjoy steady recurrent income and satisfactory occupancy rate. Turnover of the property investment division during the period was HK\$12 million while contribution to profit, including changes in fair value of investment properties, amounted to HK\$7 million. To further improve overall rental income and occupancy, China Garden has just commenced its renovation works which are expected to be completed around 2014.

Prospects

The global economy is now politically driven which undermines the proper operation of fundamentals. The consequence of that is an unstable economy with unpredictable direction. The recent performance of the Hong Kong construction industry is driven by government policies to boost housing supply and infrastructure works. With such activities in full swing, the Group believes the outlook of the foundation industry will continue to be robust. As market leader in the industry, the Group is confident that it will benefit from such high market demand but is also prepared to deal with escalating costs and more severe competition.

The property market has served as China's economic growth engine for a long time but with the central government's firm stance on restrictive measures, such position may change. With no significant relaxation of tightening policies in sight, the outlook of China's property market will continue to be clouded. However, the Group still believes in the long term prospect of China's property market as urbanization continues to progress rapidly which creates genuine demand. The performance of the Group's property division will thus hinge on the degree of property market curbs and monetary policy conditions in China.

Connected Transaction and Proposed Special Dividend

On 12 November 2012, the Company and Mr. Fung Chiu Chak, Victor ("Mr. Fung"), the Vice-Chairman and Managing Director of the Company, has entered into a conditional sale and purchase agreement pursuant to which the Company will sell 40% equity interest of its foundation business to Mr. Fung ("Proposed Disposal"). The consideration is approximately HK\$121 million which is calculated based on the combined net asset value of the Group's foundation business as at 30 September 2012. As Mr. Fung is considered to be the key person in leading the Group's foundation business, the Proposed Disposal will help to maintain the continuity, stability and growth of the Group's foundation business by establishing a long term and strategic alliance with Mr. Fung.

The Board of Directors has proposed that, subject to completion of the Proposed Disposal and the approval of the shareholders of the Company at the special general meeting, a special dividend of HK10 cents per Share will be distributed to shareholders of the Company.

Financial Review

The Group continues to adopt a prudent financial policy and maintains a sound capital and liquidity position. As at 30 September 2012, the Group's cash on hand was approximately HK\$513 million (31 March 2012: HK\$564 million) while total assets and net assets (after deducting non-controlling interests) were approximately HK\$4,738 million (31 March 2012: HK\$4,131 million) and HK\$2,177 million (31 March 2012 (restated): HK\$2,016 million) respectively. As at 30 September 2012, the Group's working capital amounted to HK\$909 million (31 March 2012: HK\$749 million).

During the period under review, the Group, in view of the prevailing relatively low interest rates, had successfully closed a club deal and raised a HK\$500 million five-year term loan for general working capital purpose. The club deal was well received by The Hongkong & Shanghai Banking Corporation Limited, Bank of China (Hong Kong) Limited and Shanghai Commercial Bank Limited and more importantly signifies the bankers' continued confidence in and support to the Group.

As at 30 September 2012, the Group's net debt balance and net debt to equity ratio were HK\$9 million and 0.4% respectively. As at 31 March 2012, the Group's net debt balance and net debt to equity (including non-controlling interest) ratio were HK\$35 million and 1.7% (restated) respectively. Contingent liabilities in relation to guarantees of performance bonds increased to HK\$414 million as at 30 September 2012 (31 March 2012: HK\$294 million). The Group's secured bank borrowings were secured by certain of its land and building, equipment and machinery, and investment properties with carrying amounts of HK\$202 million, HK\$14 million and HK\$21 million, respectively, at the end of the reporting period. The Group's bank borrowings were mostly denominated in Hong Kong dollar, with a few loan facilities in Euro and Yen. Currency exposure has been monitored and forward contracts will be considered when the need arises.

Employment and Remuneration Policies

The Group employed approximately 1,432 employees in Hong Kong and the PRC as at 30 September 2012. 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 with the terms of the Group's approved share option scheme.

Interim Dividend

The Board has resolved to declare an interim dividend of HK2.0 cents (2011: HK1.5 cents) per Share for the six months ended 30 September 2012. The interim dividend will be payable on Friday, 4 January 2013 to shareholders whose names appear on the Company's register of members on Friday, 14 December 2012.

Closure of Register of Members

The register of members of the Company will be closed from Wednesday, 12 December 2012 to Friday, 14 December 2012, both days inclusive, during which period no transfer of Shares will be effected. In order to qualify for entitlement to the interim dividend for the six months ended 30 September 2012, all transfers for Shares accompanied by the relevant share certificates and the appropriate transfer forms must be lodged for registration with the Company's Branch Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 11 December 2012.

Consolidated Income Statement

| | | Six months ended | |
|--|--------------|---------------------------|--|
| | | 30 September | |
| | | 2012 | 2011 |
| | <i>Notes</i> | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | | <i>Unaudited</i> | <i>Unaudited and restated</i> |
| REVENUE | 2 | 1,435,330 | 1,200,201 |
| Cost of sales | | (1,359,760) | (1,094,588) |
| Gross profit | | 75,570 | 105,613 |
| Other income and gains | 3 | 202,936 | 20,161 |
| Selling expenses | | (11,951) | (9,915) |
| Administrative expenses | | (27,599) | (20,917) |
| Changes in fair value of investment properties | | 5,739 | 21,184 |
| Other expenses, net | | (11,902) | (22,370) |
| Finance costs | | (5,289) | (3,906) |
| Share of profits of associates | | 1,623 | 2,951 |
| PROFIT BEFORE TAX | 4 | 229,127 | 92,801 |
| Income tax expense | 5 | (34,671) | (56,831) |
| PROFIT FOR THE PERIOD | | <u>194,456</u> | <u>(35,970)</u> |
| Attributable to: | | | |
| Ordinary equity holders of the Company | | 195,062 | 42,816 |
| Non-controlling interests | | (606) | (6,846) |
| | | <u>194,456</u> | <u>35,970</u> |
| EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY | 7 | | |
| Basic | | <u>22.35 cents</u> | <u>4.91 cents</u> |
| Diluted | | <u>22.35 cents</u> | <u>4.91 cents</u> |

Details of the dividends are disclosed in note 6.

Consolidated Statement of Comprehensive Income

| | Six months ended | |
|--|------------------|-----------------------------------|
| | 30 September | |
| | 2012 | 2011 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| | <i>Unaudited</i> | <i>Unaudited and restated</i> |
| PROFIT FOR THE PERIOD | 194,456 | 35,970 |
| OTHER COMPREHENSIVE INCOME | | |
| Exchange difference on translation of foreign operations | 2,068 | 41,016 |
| OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX | 2,068 | 41,016 |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | 196,524 | 76,986 |
| Attributable to: | | |
| Ordinary equity holders of the Company | 197,083 | 83,271 |
| Non-controlling interests | (559) | (6,285) |
| | 196,524 | 76,986 |

Consolidated Statement of Financial Position

| | | As at 30 September 2012 <i>HK\$'000</i> <i>Unaudited</i> | As at 31 March 2012 <i>HK\$'000</i> <i>Restated</i> | As at 1 April 2011 <i>HK\$'000</i> <i>Restated</i> |
|--|--------------|--|---|--|
| | <i>Notes</i> | | | |
| NON-CURRENT ASSETS | | | | |
| Property, plant and equipment | 8 | 468,228 | 446,323 | 305,823 |
| Investment properties | | 457,546 | 455,590 | 411,464 |
| Properties under development | | 739,459 | 846,256 | 275,574 |
| Deposits paid | | — | 9,427 | 388,037 |
| Interests in associates | 9(a) | 42,818 | 40,978 | 30,348 |
| Other assets | | 1,220 | 1,120 | 1,090 |
| Deferred tax assets | | 90,626 | 99,980 | 100,146 |
| | | <u>1,799,897</u> | <u>1,899,674</u> | <u>1,512,482</u> |
| Total non-current assets | | | | |
| CURRENT ASSETS | | | | |
| Properties under development | | 191,390 | 401,499 | 281,762 |
| Investments at fair value through profit or loss | 10 | 206,734 | 3,282 | 122,933 |
| Inventories | | 16,494 | 21,388 | 11,624 |
| Properties held for sale | | 916,459 | 466,250 | 439,569 |
| Amounts due from customers for contract works | | 175,224 | 147,416 | 88,407 |
| Trade receivables | 11 | 816,910 | 430,072 | 454,734 |
| Other receivables, prepayments and deposits | | 85,142 | 62,576 | 48,348 |
| Derivative financial instruments | | 65 | 110 | 87 |
| Tax prepaid | | 16,405 | 13,777 | 5,320 |
| Time deposits | | 104,734 | 208,248 | 788,527 |
| Restricted cash | | 41,223 | 79,621 | 56,286 |
| Cash and bank balances | | 367,379 | 275,816 | 321,484 |
| | | <u>2,938,159</u> | <u>2,110,055</u> | <u>2,619,081</u> |
| Non-current asset classified as held for sale | | — | 120,794 | — |
| | | <u>2,938,159</u> | <u>2,230,849</u> | <u>2,619,081</u> |
| Total current assets | | | | |

Consolidated Statement of Financial Position (continued)

| | | As at 30 September 2012 <i>HK\$'000</i> <i>Unaudited</i> | As at 31 March 2012 <i>HK\$'000</i> <i>Restated</i> | As at 1 April 2011 <i>HK\$'000</i> <i>Restated</i> |
|--|--------------|--|---|--|
| | <i>Notes</i> | | | |
| CURRENT LIABILITIES | | | | |
| Trade payables and accruals | 12 | 735,475 | 485,880 | 480,959 |
| Other payables, deposits received and receipts in advance | | 17,041 | 45,994 | 163,652 |
| Derivative financial instruments | | — | 140 | 26 |
| Amounts due to customers for contract works | | 351,095 | 184,099 | 224,428 |
| Deposits received | | 451,998 | 326,713 | 173,482 |
| Interest-bearing bank borrowings | | 253,864 | 231,452 | 128,382 |
| Tax payable | | 219,954 | 207,995 | 473,502 |
| | | <u>2,029,427</u> | <u>1,482,273</u> | <u>1,644,431</u> |
| Total current liabilities | | | | |
| | | <u>2,029,427</u> | <u>1,482,273</u> | <u>1,644,431</u> |
| NET CURRENT ASSETS | | | | |
| | | <u>908,732</u> | <u>748,576</u> | <u>974,650</u> |
| TOTAL ASSETS LESS | | | | |
| CURRENT LIABILITIES | | | | |
| | | <u>2,708,629</u> | <u>2,648,250</u> | <u>2,487,132</u> |
| NON-CURRENT LIABILITIES | | | | |
| Interest-bearing bank borrowings | | 268,479 | 366,826 | 332,332 |
| Derivative financial instruments | | 10,298 | 11,006 | 5,821 |
| Loan from an associate | 9(b) | 24,560 | 24,560 | 24,560 |
| Deferred tax liabilities | | 206,353 | 208,711 | 193,900 |
| | | <u>509,690</u> | <u>611,103</u> | <u>556,613</u> |
| Total non-current liabilities | | | | |
| | | <u>509,690</u> | <u>611,103</u> | <u>556,613</u> |
| Net assets | | <u>2,198,939</u> | <u>2,037,147</u> | <u>1,930,519</u> |
| EQUITY | | | | |
| Equity attributable to ordinary equity holders of the Company | | | | |
| Issued capital | 13 | 87,266 | 87,266 | 87,011 |
| Reserves | | 2,090,140 | 1,928,670 | 1,813,311 |
| | | <u>2,177,406</u> | <u>2,015,936</u> | <u>1,900,322</u> |
| Non-controlling interests | | <u>21,533</u> | <u>21,211</u> | <u>30,197</u> |
| Total equity | | <u>2,198,939</u> | <u>2,037,147</u> | <u>1,930,519</u> |

Notes to Unaudited Interim Financial Statements

1. Basis of preparation and accounting policies

The unaudited interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and should be read in conjunction with the annual financial statements for the year ended 31 March 2012.

The accounting policies used in the preparation of the unaudited interim financial statements are consistent with those adopted in the annual financial statements for the year ended 31 March 2012 except as described below. In the current period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations issued by the HKICPA which are effective for the Group’s financial year beginning on 1 April 2012.

| | |
|--------------------|--|
| HKFRS 1 Amendments | Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters</i> |
| HKFRS 7 Amendments | Amendments to HKFRS 7 <i>Financial Instruments: Disclosures — Transfers of Financial Assets</i> |
| HKAS 12 Amendments | Amendments to HKAS 12 <i>Income Taxes — Deferred Tax: Recovery of Underlying Assets</i> |

Other than as further explained below regarding the impact of HKAS 12 Amendments, the adoption of the new and revised HKFRSs has had no significant financial effect on the results and financial position of the Group for the current and prior accounting periods.

HKAS 12 Amendments clarify the determination of deferred tax for investment property measured at fair value. The amendments introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, the amendments incorporate the requirement previously in HK(SIC)-Int 21 *Income Taxes — Recovery of Revalued Non-Depreciable Assets* that deferred tax on non-depreciable assets, measured using the revaluation model in HKAS 16, should always be measured on a sale basis. The Group had adopted HKAS 12 Amendments from 1 April 2012.

The Group has previously provided deferred tax on fair value gains on its investment properties assuming that the carrying amounts of these properties will be recovered through use. Upon the adoption of HKAS 12 Amendments, the Group re-measured the deferred tax relating to its investment properties based on the presumption that they are recovered entirely through sale as if this new policy had always been applied. The tax consequences in Hong Kong of a sale of the investment property and of the entity owning the investment property are not significantly different.

1. Basis of preparation and accounting policies (continued)

In Mainland China, the tax consequences of a sale of the investment property or of the entity owning the investment property may be different. The Group's business model is that the entity owning the investment property will recover the value through use and on this basis the presumption of sale has been rebutted. Consequently, the Group has continued to recognise deferred taxes on the basis that the values of its investment properties in Mainland China are recovered through use.

The effects of the above changes are summarised below:

Consolidated Income Statement

| | 2012 | 2011 |
|--|-----------------|----------|
| | HK\$'000 | HK\$'000 |
| For the six months ended 30 September | | |
| Decrease in income tax expense | 168 | 305 |
| Increase in profit attributable to owners of the Company | 168 | 305 |
| Increase in basic earnings per share (HK cents) | 0.02 | 0.03 |
| Increase in diluted earnings per share (HK cents) | 0.02 | 0.03 |

Consolidated Statement of Financial Position

| | 30 September | 31 March | 1 April |
|--------------------------------------|---------------------|----------|----------|
| | 2012 | 2012 | 2011 |
| | HK\$'000 | HK\$'000 | HK\$'000 |
| Decrease in deferred tax liabilities | 1,577 | 1,409 | 1,104 |
| Increase in retained profits | 1,577 | 1,409 | 1,104 |

Due to the retrospective application of the amendments which has resulted in the restatement of items in the consolidated statement of financial position, a consolidated statement of financial position as at 1 April 2011 have been presented.

The Group has not early adopted any new accounting and financial reporting standards, amendments to existing standards and interpretations which have been issued but are not yet effective. The Group is in the process of making an assessment on the impact of these new/revised standards, amendments and interpretations and does not anticipate that the adoption will result in any material impact on the Group's results of operations and financial position.

The unaudited interim financial statements were approved and authorised for issue by the Board of Directors on 26 November 2012.

2. Segment information

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provided. Operating segments are reported in a manner consistent with internal reporting to the Company's key management personnel.

For the six months ended 30 September 2012

| | Foundation piling <i>HK\$'000</i> | Property development <i>HK\$'000</i> | Property investment and management <i>HK\$'000</i> | Machinery leasing and trading <i>HK\$'000</i> | E&M engineering <i>HK\$'000</i> | Unallocated <i>HK\$'000</i> | Eliminations <i>HK\$'000</i> | Consolidated <i>HK\$'000</i> |
|--|---|--|--|--|---------------------------------------|--------------------------------|---------------------------------|---------------------------------|
| Segment revenue: | | | | | | | | |
| Sales to external customers | 1,308,718 | 74,853 | 12,129 | 13,160 | 26,470 | — | — | 1,435,330 |
| Intersegment sales | — | — | — | 2,620 | 42 | — | (2,662) | — |
| Total | 1,308,718 | 74,853 | 12,129 | 15,780 | 26,512 | — | (2,662) | 1,435,330 |
| Segment results | 42,140 | 23,486 | 6,793 | (1,397) | 1,914 | 154,711 | — | 227,647 |
| Interest income | | | | | | | | 5,005 |
| Dividend income from listed investments | | | | | | | | 141 |
| Finance costs | | | | | | | | (5,289) |
| Share of profits of associates | | | | | | | | 1,623 |
| Profit before tax | | | | | | | | 229,127 |
| Income tax expense | | | | | | | | (34,671) |
| Profit for the period | | | | | | | | 194,456 |

2. Segment information (continued)

For the six months ended 30 September 2011

| | Foundation piling <i>HK\$'000</i> | Property development <i>HK\$'000</i> | Property investment and management <i>HK\$'000</i> | Machinery leasing and trading <i>HK\$'000</i> | E&M engineering <i>HK\$'000</i> | Unallocated <i>HK\$'000</i> | Eliminations <i>HK\$'000</i> | Consolidated <i>HK\$'000</i> <i>(Restated)</i> |
|--|---|--|--|--|---------------------------------------|--------------------------------|---------------------------------|--|
| Segment revenue: | | | | | | | | |
| Sales to external customers | 1,127,155 | 39,479 | 16,483 | 11,134 | 5,950 | — | — | 1,200,201 |
| Intersegment sales | — | — | — | 340 | 16 | — | (356) | — |
| Total | 1,127,155 | 39,479 | 16,483 | 11,474 | 5,966 | — | (356) | 1,200,201 |
| Segment results | 107,465 | (1,134) | 21,249 | (63) | (24) | (46,692) | — | 80,801 |
| Interest income | | | | | | | | 12,824 |
| Dividend income from listed investments | | | | | | | | 131 |
| Finance costs | | | | | | | | (3,906) |
| Share of profits of associates | | | | | | | | 2,951 |
| Profit before tax | | | | | | | | 92,801 |
| Income tax expense | | | | | | | | (56,831) |
| Profit for the period | | | | | | | | 35,970 |

3. Other income and gains

| | Six months ended | |
|--|------------------|-----------------|
| | 30 September | |
| | 2012 | 2011 |
| | <i>HK\$'000</i> | <i>HK\$'000</i> |
| Interest income | 5,005 | 12,824 |
| Gain on disposal of investment property | 478 | 27 |
| Gain on disposal of non-current asset classified as held for sale* | 191,872 | — |
| Management services income | 781 | 781 |
| Subsidy income** | 106 | 1,418 |
| Dividend income from listed investments | 141 | 131 |
| Recovery of trade receivables written off in prior years | — | 106 |
| Insurance claims | — | 35 |
| Gain on disposal of items of property, plant and equipment | — | 533 |
| Foreign exchange gains, net | — | 757 |
| Others | 4,553 | 3,549 |
| | <u>202,936</u> | <u>20,161</u> |

* On 7 December 2011, the Group entered into a formal sale and purchase agreement with an independent third party to dispose of an owner-occupied property being the whole floor of 11th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong at a total cash consideration of HK\$315,000,000. On 31 May 2012, the disposal was completed and a gain of HK\$191,872,000 was resulted.

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

4. Profit before tax

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

| | Six months ended | |
|--|--------------------------|--------------------------|
| | 30 September | |
| | 2012 | 2011 |
| | HK\$'000 | HK\$'000 |
| Depreciation | 40,709 | 30,251 |
| Fair value losses, net: | | |
| Investments at fair value through profit or loss | 231 | 1,466 |
| Derivative instruments – transaction not qualifying as hedge | 1,290 | 8,477 |
| Gain on disposal of investment property | (478) | (27) |
| Gain on disposal of non-current asset classified as held for sale | (191,872) | — |
| Loss/(gain) on disposal and write-off of items of property, plant and equipment | 4,469 | (533) |
| Reversed for write-down of inventories to net realisable value | (31) | — |
| Write-off of inventories | 430 | — |
| Recovery of trade receivables written off in prior years | — | (106) |
| Write-back of impairment of other assets | (100) | (30) |
| Interest expenses | 5,289 | 3,906 |
| | <u> </u> | <u> </u> |

5. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2011: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere in the People's Republic of China ("PRC") have been calculated at the applicable tax rates prevailing in the areas in which the Group operates.

| | Six months ended | |
|--|--------------------------|--------------------------|
| | 30 September | |
| | 2012 | 2011 |
| | HK\$'000 | HK\$'000 |
| | | <i>(Restated)</i> |
| Provision for tax in respect of profit for the period: | | |
| PRC: | | |
| Hong Kong | 4,780 | 13,412 |
| Elsewhere | 23,036 | 34,423 |
| Underprovision in prior period: | | |
| PRC: | | |
| Hong Kong | — | 6 |
| | 27,816 | 47,841 |
| Deferred tax | 6,855 | 8,990 |
| | <u> </u> | <u> </u> |
| | <u>34,671</u> | <u>56,831</u> |

6. Dividend

| | Six months ended 30 September | |
|--|----------------------------------|---------------|
| | 2012 | 2011 |
| | HK\$'000 | HK\$'000 |
| Interim dividend - HK2.0 cents (2011: HK1.5 cents) per ordinary share | <u>17,453</u> | <u>13,090</u> |

Notes:

- (a) A final dividend of HK4.0 cents per ordinary share, totally approximately HK\$34,907,000 for the year ended 31 March 2012 was approved in the Company's Annual General Meeting on 8 August 2012 and paid on 6 September 2012.
- (b) An interim dividend in respect of six months ended 30 September 2012 of HK2.0 cents per ordinary share, amounting to HK\$17,453,000 was approved at the board meeting on 26 November 2012. The interim dividend has not been recognised as a liability in the consolidated interim financial statements.

7. Earnings per share attributable to ordinary equity holders of the Company

The calculation of the basic earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the Company of HK\$195,062,000 (2011 (restated): HK\$42,816,000), and the weighted average number of ordinary shares of 872,665,903 (2011: 871,241,858) in issue during the period.

The calculation of the diluted earnings per share amount for the period ended 30 September 2012 is based on the profit for the period attributable to ordinary equity holders of the Company of HK\$195,062,000 (2011 (restated): HK\$42,816,000). The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during that period of 872,665,903 (2011: 871,241,858), 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 share options into ordinary shares during that period of 23,505 (2011: 650,357).

8. Property, plant and equipment

During the period, the Group acquired property, plant and equipment with a cost of HK\$67,395,000 (30 September 2011: HK\$277,995,000) to expand its business. Property, plant and equipment with a net book value of HK\$4,767,000 were disposed of and written off by the Group during the six months ended 30 September 2012 (30 September 2011: HK\$11,000) resulting in a net loss on disposal/written off of HK\$4,469,000 (30 September 2011: a net gain of HK\$533,000).

9. Interests in associates and loan from an associate

(a)

| | As at 30 September 2012 <i>HK\$'000</i> | As at 31 March 2012 <i>HK\$'000</i> |
|-----------------------------|--|--|
| Share of net assets | 32,733 | 31,083 |
| Amounts due from associates | 2,272 | 2,082 |
| Loans to associates | 8,150 | 8,150 |
| | <u>43,155</u> | <u>41,315</u> |
| Less: Impairment | (337) | (337) |
| | <u><u>42,818</u></u> | <u><u>40,978</u></u> |

The amount due from associates and loans to associates are unsecured, interest-free and have no fixed terms of repayment.

(b) The loan from an associate included in the Group's non-current liabilities of HK\$24,560,000 (31 March 2012: HK\$24,560,000) is unsecured, interest-free and will not be repayable within 12 months from 30 September 2012.

(c) The Group's trade receivables balances with the associates are disclosed in note 11.

10. Investments at fair value through profit or loss

As at 30 September 2012, investments at fair value through profit or loss of HK\$49,372,000 (31 March 2012: Nil) was maintained in an account of a bank with restricted use pursuant to the terms of the Group's banking facilities.

11. Trade receivables

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. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

| | As at 30 September 2012 <i>HK\$'000</i> | As at 31 March 2012 <i>HK\$'000</i> |
|-------------------|--|--|
| Trade receivables | 819,834 | 432,994 |
| Impairment | (2,924) | (2,922) |
| | <u><u>816,910</u></u> | <u><u>430,072</u></u> |

11. Trade receivables (continued)

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

| | As at 30 September 2012 <i>HK\$'000</i> | As at 31 March 2012 <i>HK\$'000</i> |
|-----------------------|--|--|
| Trade receivables: | | |
| Within 90 days | 587,825 | 267,116 |
| 91 to 180 days | 2,312 | 1,209 |
| 181 to 360 days | 1,807 | 3,149 |
| Over 360 days | 4,739 | 1,830 |
| | <u>596,683</u> | <u>273,304</u> |
| Retention receivables | <u>220,227</u> | <u>156,768</u> |
| | <u><u>816,910</u></u> | <u><u>430,072</u></u> |

Included in the trade receivables are amounts due from associates of HK\$579,000 (31 March 2012: HK\$4,869,000), which are repayable on similar credit terms to those offered to the major customers of the Group.

12. Trade payables and accruals

| | As at 30 September 2012 <i>HK\$'000</i> | As at 31 March 2012 <i>HK\$'000</i> |
|--------------------|--|--|
| Trade payables: | | |
| Within 30 days | 319,873 | 167,274 |
| 31 to 90 days | 17,290 | 21,341 |
| 91 to 180 days | 2,862 | 1,193 |
| Over 180 days | 1,778 | 1,358 |
| | <u>341,803</u> | <u>191,166</u> |
| Retention payables | <u>77,057</u> | <u>58,314</u> |
| Accruals | <u>316,615</u> | <u>236,400</u> |
| | <u><u>735,475</u></u> | <u><u>485,880</u></u> |

13. Share capital

| | As at 30 September 2012 <i>HK\$'000</i> | As at 31 March 2012 <i>HK\$'000</i> |
|--|--|--|
| Authorised: 2,000,000,000 ordinary shares of HK\$0.10 each | <u>200,000</u> | <u>200,000</u> |
| Issued and fully paid: 872,665,903 (31 March 2012: 872,665,903) ordinary shares of HK\$0.10 each | <u>87,266</u> | <u>87,266</u> |

During the period ended 30 September 2011, share options were exercised resulting in 2,550,000 shares being issued, with exercise proceeds of HK\$2,091,000.

14. Contingent liabilities

| | As at 30 September 2012 <i>HK\$'000</i> | As at 31 March 2012 <i>HK\$'000</i> |
|--|--|--|
| Guarantee given to a financial institution in connection with general credit facility granted to an associate | 21,100 | 9,800 |
| Guarantees in respect of performance bonds granted to: | | |
| – subsidiaries | 378,801 | 251,598 |
| – an associate | <u>35,229</u> | <u>42,341</u> |
| | <u>435,130</u> | <u>303,739</u> |

15. Commitments

| | As at 30 September 2012 HK\$'000 | As at 31 March 2012 HK\$'000 |
|---|---|---------------------------------------|
| (a) Capital expenditure for property, plant and equipment – contracted, but not provided for | <u>15,301</u> | <u>1,782</u> |
| (b) Capital commitments in respect of construction works relating to properties under development: | | |
| – contracted, but not provided for | 165,968 | 294,112 |
| – authorised, but not contracted for | <u>400,000</u> | <u>300,000</u> |
| | <u>565,968</u> | <u>594,112</u> |
| (c) Commitments under non-cancellable operating leases for land and buildings to make payments: | | |
| Within one year | 13,353 | 10,940 |
| In the second to fifth years, inclusive | <u>8,005</u> | <u>3,520</u> |
| | <u>21,358</u> | <u>14,460</u> |

15. Related party transactions

- (a) For the six months ended 30 September 2012, compensation to key management personnel of the Group amounted to HK\$14,236,000 (2011: HK\$12,431,000).
- (b) Details of the Group's balances with its associates as at the end of the reporting period are included in note 9. Guarantees given by the Group to financial institution in connection with general credit facilities granted to its associate at the end of the reporting period are included in note 14.

During the period ended 30 September 2012, Tysan Trading Company Limited ("TTCL") and Tysan Building Construction Company Limited ("TBC"), associates of the Group, paid management fee of HK\$421,200 and HK\$360,000 (2011: HK\$421,200 and HK\$360,000) to the Group, respectively. These transactions were entered into by the Group and its associates in accordance with the terms of the agreements.

16. Partial disposal of interest in a subsidiary

On 30 June 2012, the Group disposed of its 5% equity interest in Jetroyal Limited, a then 80%-owned subsidiary, to a director of Jetroyal Limited at a cash consideration of HK\$68,397. The difference of approximately HK\$813,000 between the consideration and the non-controlling interest's share of assets and liabilities at the date of disposal was debited to the Group's retained profits.

17. Comparative information

As further explained in note 1, due to the adoption of the new and revised HKFRSs during the current period, the accounting treatment and presentation of certain items and balances in the interim financial statements have been revised to comply with the new requirements. Accordingly, certain prior years adjustments have been made, certain comparative amounts have been restated to conform with the current period's presentation and accounting treatment, and a third statement of financial position as at 1 April 2011 has been presented.

18. Event subsequent to the reporting period

On 12 November 2012, Tysan Holdings Limited (the "Company") and Fortunate Pool Limited (a company which is 100% owned by Mr. Fung Chiu Chak, Victor ("Mr. Fung"), the Vice-Chairman and Managing Director of the Company) entered into a conditional sale and purchase agreement pursuant to which the Company will sell 40% equity interest of Tysan Foundation (Hong Kong) Limited ("TFHK") to Mr. Fung (the "Proposed Disposal"). The consideration is about HK\$121 million which is calculated based on the combined net asset value of the Group's foundation business as at 30 September 2012. TFHK and its subsidiaries ("TFHK Group") are principally engaged in the provision of foundation piling works. Immediately after the Proposed Disposal, TFHK will become a 60% owned subsidiary of the Company. The transaction constituted a major and connected transaction in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Further details of the transaction are stated in the Company's announcement dated 12 November 2012.

Corporate Governance

During the period under review, the Company has complied with the code provisions set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 14 to the Rules Governing the Listing of Securities (“Listing Rules”) on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) save for the following deviations:

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

Independent non-executive directors of the Company (“Directors”) are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company. As such, the Board is of the view that the non-executive Directors 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 of Directors (“Chairman”) and the managing director of the Company (“Managing Director”) shall not be subject to retirement by rotation or taken into account in determining the number of Directors to retire. As continuation is a key factor to the successful long term implementation of business plans, the Board of Directors 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 of Directors is of the view that the Chairman and the Managing Director should not be subject to retirement by rotation.

Audit Committee

The Group’s audit committee comprises three members, Mr. Fan Chor Ho, Paul, Mr. Tse Man Bun and Mr. Lung Chee Ming, George who are independent non-executive Directors. The Chairman of the Audit Committee is Mr. Fan Chor Ho, Paul.

The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control system of the Company, nominate external auditors, discuss auditing and financial reporting matters and provide advice and comments to the Board of Directors.

The unaudited interim financial statements of the Group for the six months ended 30 September 2012 have been reviewed by the Audit Committee.

Model Code

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules. Having made specific enquiries, all Directors confirmed that they have complied with the Model Code during the period.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the period.

By Order of the Board
Tysan Holdings Limited
Francis Cheung
Chairman

Hong Kong, 26 November 2012

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, Mr. Wong Kay, Mr. Lau Kin Fai and Mr. Harvey Jackel Cheung; and the independent non-executive Directors are Mr. Fan Chor Ho, Paul, Mr. Tse Man Bun and Mr. Lung Chee Ming, George.

Company website: www.tysan.com