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TYSAN HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)
(Stock Code: 687)

**COMPLETION OF TERART SUBSCRIPTION AND ISSUE
OF NEW SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that the Terart Subscription completed on 20 September 2016 in accordance with the terms and conditions of the Terart Subscription Agreement, and 10,500,000 new Shares have been allotted and issued by the Company to Hwabao (as trustee for and on behalf of and for the benefit of Terart) at the Subscription Price of HK\$4.08 per Subscription Share under the 2016 General Mandate.

Reference is made to the Company's announcements dated 5 September 2016 (the "**Announcement**") in relation to, among other things, the Terart Subscription. Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise stated.

COMPLETION OF THE TERART SUBSCRIPTION

The Board is pleased to announce that the conditions precedent of the Terart Subscription Agreement have been satisfied and the Terart Subscription completed on 20 September 2016 in accordance with the terms and conditions of the Terart Subscription Agreement.

Pursuant to the Terart Subscription Agreement, 10,500,000 new Shares have been allotted and issued by the Company to Hwabao (as trustee for and on behalf of and for the benefit of Terart) at the Subscription Price of HK\$4.08 per Subscription Share under the 2016 General Mandate. The Subscription Shares represent approximately 0.99% of the issued Shares as enlarged by the allotment and issue of the Subscription Shares as at the date of this announcement.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of Terart, Hwabao and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

The gross proceeds arising from the Terart Subscription are HK\$42,840,000 and the net proceeds arising from the Terart Subscription amount to approximately HK\$42,540,000 which is intended to be used for financing any investment opportunities when they arise and as the general working capital of the Group. The proceeds from the Terart Subscription have been satisfied by cash payment by Hwabao.

EFFECT OF ISSUE OF SUBSCRIPTION SHARES ON SHAREHOLDING

To the best of the Directors' knowledge, information and belief and having made all reasonable enquires, set out below is the table of shareholding in the Company immediately before and immediately after the issue of the Subscription Shares:

Shareholders	Immediately before issue of the Subscription Shares		Immediately after issue of the Subscription Shares	
	<i>Number of Shares</i>	<i>Approx%</i>	<i>Number of Shares</i>	<i>Approx%</i>
Controlling Shareholder:				
HNA Finance I and its Concert Parties	755,862,228	72.29	755,862,228	71.57
Public:				
Public Shareholders	40,083,744	3.83	40,083,744	3.80
Tides Holdings II	78,719,931	7.53	78,719,931	7.45
CSCEC	57,000,000	5.45	57,000,000	5.40
BCEGI	57,000,000	5.45	57,000,000	5.40
HKMC	57,000,000	5.45	57,000,000	5.40
Terart	0	0	10,500,000	0.99
Total	<u>1,045,665,903</u>	<u>100</u>	<u>1,056,165,903</u>	<u>100</u>

On 9 September 2016, the Company also announced that it has entered into three additional subscription agreements to allot and issue an aggregate of 78,000,000 new Shares. As at the date of this announcement, these subscription agreements remain subject to fulfillment of conditions precedent and have not yet been completed.

By order of the board of
TYSAN HOLDINGS LIMITED
Li Tongshuang
Chairman

Hong Kong, 20 September 2016

As at the date of this announcement, the executive Directors are Mr. Li Tongshuang, Mr. Fung Chiu Chak, Victor, Mr. Chiu Chin Hung, Mr. Lau Kin Fai, Mr. Fan Ning and Mr. Meng Yongtao; the non-executive Director is Mr. Liu Junchun; and the independent non-executive Directors are Mr. Fan Chor Ho, Mr. Tse Man Bun, Mr. Lung Chee Ming, George and Mr. Li Kit Chee.

Company website: www.tysan.com