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TAI SANG LAND DEVELOPMENT LIMITED
大生地產發展有限公司

(Incorporated in Hong Kong under the Hong Kong Companies Ordinance)
(Stock code : 89)

EXEMPT CONTINUING CONNECTED TRANSACTIONS
TENANCY AGREEMENTS

On 14 April 2008, the Company as tenant entered into the Tenancy Agreements with Tai Sang Bank as landlord, in respect of the leasing of the Premises. Since Tai Sang Bank is a connected person of the Company, the Tenancy Agreements constitute continuing connected transactions of the Company for the purpose of the Listing Rules.

As the annual maximum amounts payable by the Company under the Tenancy Agreements represent more than HK\$1,000,000 but less than 2.5% of the relevant percentage ratios calculated pursuant to Rule 14.07(4) of the Listing Rules, the Tenancy Agreements are only subject to the reporting, announcement and annual review requirements under the Listing Rules but do not require independent Shareholders' approval. Particulars of the Tenancy Agreements will be disclosed in the annual reports and financial statements of the Company in accordance with the requirements of the Listing Rules.

THE TENANCY AGREEMENTS

On 14 April 2008, the Company as tenant entered into five tenancy agreements with Tai Sang Bank as landlord, in respect of the leasing of the Premises. The principal terms of the Tenancy Agreements are as follows:

(a) Tenancy agreement dated 14 April 2008 in respect of the 2nd Floor of the Building

Parties	:	Tai Sang Bank as landlord and the Company as tenant
Premises being leased	:	2nd Floor of the Building
Lettable area	:	Approximately 2,000 sq. ft
Tenancy term	:	2 May 2008 to 14 April 2011
Rental	:	HK\$39,000 per month, exclusive of rates and service charges
Service charges	:	HK\$7,000 per month
Deposit	:	HK\$138,000 being three months' rental and service charges
Rent free period	:	2 May 2008 to 31 May 2008 and 17 January 2011 to 14 April 2011

(b) Tenancy agreement dated 14 April 2008 in respect of Rooms 901 and 902 on the 9th Floor of the Building

Parties	:	Tai Sang Bank as landlord and the Company as tenant
Premises being leased	:	Rooms 901 and 902 on 9th Floor of the Building
Lettable area	:	Approximately 1,600 sq. ft
Tenancy term	:	15 April 2008 to 14 April 2011
Rental	:	HK\$31,200 per month exclusive of rates and service charges
Service charges	:	HK\$5,600 per month
Deposit	:	HK\$110,400 being three months' rental and service charges
Rent free period	:	15 April 2008 to 14 May 2008 and 15 January 2011 to 14 April 2011

(c) Tenancy agreement dated 14 April 2008 in respect of the 10th Floor of the Building

Parties	:	Tai Sang Bank as landlord and the Company as tenant
Premises being leased	:	10th Floor of the Building
Lettable area	:	Approximately 2,000 sq. ft
Tenancy term	:	11 August 2008 to 14 April 2011
Rental	:	HK\$39,000 per month, exclusive of rates and service charges
Service charges	:	HK\$7,000 per month
Deposit	:	HK\$138,000, being three months' rental and service charges
Rent free period	:	11 August 2008 to 10 September 2008 and 29 January 2011 to 14 April 2011

(d) Tenancy agreement dated 14 April 2008 in respect of the 11th Floor of the Building

Parties	:	Tai Sang Bank as landlord and the Company as tenant
Premises being leased	:	11th Floor of the Building
Lettable area	:	Approximately 2,000 sq. ft
Tenancy term	:	15 April 2008 to 14 April 2011
Rental	:	HK\$39,000 per month, exclusive of rates and service charges
Service charges	:	HK\$7,000 per month
Deposit	:	HK\$138,000 being three months' rental and service charges
Rent free period	:	15 April 2008 to 14 May 2008 and 15 January 2011 to 14 April 2011

(e) Tenancy agreement dated 14 April 2008 in respect of Rooms 1401, 1403 and 1407 on the 14th Floor of the Building

Parties	:	Tai Sang Bank as landlord and the Company as tenant
Premises being leased	:	Rooms 1401, 1403 and 1407 on 14th Floor of the Building
Lettable area	:	Approximately 1,265 sq. ft
Tenancy term	:	15 April 2008 to 14 April 2011
Rental	:	HK\$24,668 per month, exclusive of rates and service charges
Service charges	:	HK\$4,427.50 per month
Deposit	:	HK\$87,286.50 being three months' rental and service charges
Rent free period	:	15 April 2008 to 14 May 2008 and 15 January 2011 to 14 April 2011

The stamp duty payable in respect of the Tenancy Agreements shall be borne by Tai Sang Bank and the Company in equal shares.

Upon the signing of the Tenancy Agreements, the Company paid to Tai Sang Bank the sum of HK\$611,686.50 being the aggregate amount of the deposits payable under the Tenancy Agreements as referred to above.

REASONS FOR ENTERING INTO THE TENANCY AGREEMENTS

The Company was originally occupying various office units located at 26th to 28th Floor of Tai Sang Commercial Building, situated at 24-34 Hennessy Road, Wanchai, Hong Kong as its office premises. However, as the then landlords of the said office premises had recently disposed of their interests in Tai Sang Commercial Building including such office premises, the current landlord does not intend to renew the tenancy of such office premises with the Company and the Company is required to relocate its offices to new premises.

The terms of the Tenancy Agreements were negotiated on an arm's length basis and the rental chargeable under the Tenancy Agreements were determined by reference to the valuation of the unit market rental chargeable in respect of office units of the Building by an independent valuer as at 2 April 2008 of HK\$19.50 per sq. ft. per month exclusive of rates and management fees on gross floor area basis. The Directors (including the independent non-executive Directors) consider that the Tenancy Agreements are entered into in the ordinary and usual course of business of the Company, and their terms are on normal commercial terms and are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

EXEMPT CONTINUING CONNECTED TRANSACTION

Kam Chan & Co is an associate of Mr Ma (with Mr Ma directly and indirectly interested in more than 30% of its issued voting share capital) and a substantial shareholder of the Company directly or indirectly interested in approximately 48.3% of the issued share capital of the Company and is therefore a connected person of the Company under the Listing Rules. Approximately 44.82% of the issued share capital of Tai Sang Bank is held by a wholly-owned subsidiary of Kam Chan & Co with the balance being held by Mr Ma, his relatives (including certain Directors) or companies controlled by the relatives of Mr Ma. Tai Sang Bank, being an associate of Kam Chan & Co (with Kam Chan & Co indirectly interested in more than 30% of its issued voting share capital), is therefore also a connected person of the Company under the Listing Rules. Accordingly, the Tenancy Agreements constitute continuing connected transactions of the Company for the purpose of the Listing Rules.

Based on the monthly rental and service charges payable under the Tenancy Agreements, the annual maximum amounts payable under the Tenancy Agreements for the three years ended 31 December 2008, 2009 and 2010 are HK\$1,365,918, HK\$2,446,746 and HK\$2,446,746 respectively.

As the annual maximum amounts payable by the Company under the Tenancy Agreements represent more than HK\$1,000,000 but less than 2.5% of the relevant percentage ratios calculated pursuant to Rule 14.07(4) of the Listing Rules, the Tenancy Agreements are only subject to the reporting, announcement and annual review requirements under the Listing Rules but do not require independent Shareholders' approval. Particulars of the Tenancy Agreements will be disclosed in the annual reports and financial statements of the Company in accordance with the requirements of the Listing Rules.

GENERAL

The principal activities of the Company are investment holding and property investment. The activities of its principal subsidiary companies include property rental, property development, finance, estate management and agency, investment holding, motor vehicle rental, property trading and management service.

The principal activity of Tai Sang Bank is banking business.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meaning:

“Building”	Tai Sang Bank Building situated at 130-132 Des Voeux Road, Central, Hong Kong
“Company”	Tai Sang Land Development Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Directors”	the directors of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Kam Chan & Co”	Kam Chan & Company Limited, a company incorporated in Hong Kong with limited liability which is an associate of Mr Ma and a substantial shareholder of the Company directly and indirectly interested in approximately 48.3% of the issued share capital of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr Ma”	Mr Ma Ching Wai William, the Chairman and a substantial shareholder of the Company directly or indirectly interested in approximately 57.3% of the issued share capital of the Company

“Premises”	the 2nd Floor, Rooms 901 and 902 on 9th Floor, 10th Floor, 11th Floor, and Rooms 1401, 1403 and 1407 on 14th Floor of the Building
“Tai Sang Bank”	Tai Sang Bank Limited, a company incorporated under the laws of Hong Kong with limited liability which is an associate of Kam Chan & Co
“Shareholders”	holders of shares of the Company
“sq. ft”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreements”	the five tenancy agreements all dated 14 April 2008 entered into between Tai Sang Bank as landlord and the Company as tenant in relation to the leasing of the Premises
“%”	per cent.

By Order of the Board
TAI SANG LAND DEVELOPMENT LIMITED
Ma Ching Man, Katy
Company Secretary

Hong Kong, 14 April 2008

As at the date of this announcement, the Board comprises eleven Directors, of which Mr Ma Ching Wai, William, Mr Ma Ching Hang, Patrick, Mr Ma Ching Kuen, Alfred, Ms Ma Ching Sau, Amy, Ms Ma Ching Man, Katy, Ms Ma Ching Keung, Ruth, and Mr Ma Ching Yeung, Philip are executive Directors, Mr Cheung Wing Yui, Edward is a non-executive Director, and Mr Chau Kwok Fun, Kevin, Mr Tan Soo Kiu and Mr Wong Hing Kwok, William are independent non-executive Directors.