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

(Incorporated in Hong Kong with limited liability)

(Stock Code: 89)

EXEMPT CONTINUING CONNECTED TRANSACTION
TENANCY AGREEMENT

On 16 July 2009, the Company as tenant entered into the New Tenancy Agreement with Tai Sang Bank as landlord, in respect of the leasing of the Premise. Since Tai Sang Bank is a connected person of the Company, the New Tenancy Agreement constitutes a continuing connected transaction of the Company for the purpose of the Listing Rules.

When aggregating the Previous Tenancy Agreements with the New Tenancy Agreement, the aggregate annual consideration payable by the Company is more than HK\$1,000,000 but represents less than 2.5% of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules. As such, according to Rule 14A.34(1) of the Listing Rules, the New Tenancy Agreement is only subject to the reporting, announcement and annual review requirements under the Listing Rules but is exempted from the independent shareholders' approval requirements under the Listing Rules.

The Company had in April 2008 and February 2009 entered into the Previous Tenancy Agreements to rent certain units at the Building for use as office of the Company. Particulars of the Previous Tenancy Agreements were disclosed in the announcements of the Company dated 14 April 2008 and 25 February 2009. All the Previous Tenancy Agreements are still valid and existing as at the date of this announcement. As additional office space is required by the Company, the Company had on 16 July 2009 entered into the New Tenancy Agreement to rent an additional office unit in the Building.

THE NEW TENANCY AGREEMENT

On 16 July 2009, the Company as tenant entered into a tenancy agreement with Tai Sang Bank as landlord, in respect of the leasing of the Premise. The Premise is an office unit located on the 14th floor of the Building with a gross floor area of about 235 sq. ft. The principal terms of the New Tenancy Agreement are as follows:

Parties	:	Tai Sang Bank as landlord and the Company as tenant
Premise being leased	:	Room 1404 on 14th Floor of the Building
Tenancy term	:	3 August 2009 to 14 April 2011, both days inclusive
Rental	:	HK\$3,760 per month, exclusive of rates and service charges
Service charges	:	HK\$822.50 per month, which may be increased by Tai Sang Bank giving to the Company one calendar month's written notice
Deposit	:	HK\$13,747.50 being three months' rental and service charges, which shall correspondingly be increased in the event of any increase in rent agreed or increase in service charges
Rent free period	:	3 August 2009 to 2 September 2009 and 27 March 2011 to 14 April 2011, provided the Company shall pay the rates, service charges and utility charges and outgoings in respect of the Premise during such period

The stamp duty and any Land Registry registration fee payable in respect of the New Tenancy Agreement shall be borne by Tai Sang Bank and the Company in equal shares.

Upon the signing of the New Tenancy Agreement, the Company paid to Tai Sang Bank the sum of HK\$13,747.50 being the amount of the deposit payable under the New Tenancy Agreement as referred to above.

REASON FOR ENTERING INTO THE NEW TENANCY AGREEMENT

The Company requires additional office space for business and operations and considers it appropriate to rent additional office premise in the same building where its current offices are located.

The terms of the New Tenancy Agreement were negotiated on an arm's length basis and the rental chargeable under the New Tenancy Agreement was determined after taking into account the valuation of the unit market rental chargeable in respect of office units of the Building by an independent valuer as at 25 June 2009 of HK\$15 per sq. ft. per month exclusive of rates and management fees on gross floor area basis as well as the monthly rental per sq. ft. which Tai Sang Bank currently charges other tenants of the Building.

The Directors (including the independent non-executive Directors) consider that the New Tenancy Agreement is 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 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 New Tenancy Agreement constitutes a continuing connected transaction of the Company for the purpose of the Listing Rules.

Based on the monthly rental and service charges payable under the Previous Tenancy Agreements and the New Tenancy Agreement (including any future increment in the service charges), it is expected that the aggregate annual maximum amount payable under the Previous Tenancy Agreements and the New Tenancy Agreement for each of the three years ending 31 December 2009, 2010 and 2011 should not exceed HK\$2,720,000.

When aggregating the Previous Tenancy Agreements with the New Tenancy Agreement, the aggregate annual consideration payable by the Company is more than HK\$1,000,000 but represents less than 2.5% of the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules. As such, according to Rule 14A.34(1) of the Listing Rules, the New Tenancy Agreement is only subject to the reporting, announcement and annual review requirements under the Listing Rules but is exempted from the independent shareholders' approval requirements under the Listing Rules. Particulars of the New Tenancy Agreement 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 the 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:

“associate”	has the same meaning as ascribed thereto in the Listing Rules
“Board”	the board of Directors
“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
“connected person”	has the same meaning as ascribed thereto in the Listing Rules
“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 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 directly or indirectly interested in approximately 57.3% of the issued share capital of the Company
“New Tenancy Agreement”	the tenancy agreement dated 16 July 2009 entered into between Tai Sang Bank as landlord and the Company as tenant in relation to the leasing of the Premise
“Premise”	Room 1404 on 14th Floor of the Building, with a gross floor area of 235 sq. ft.
“Previous Tenancy Agreements”	the five tenancy agreements all dated 14 April 2008 and the two tenancy agreements both dated 25 February 2009 all entered into between Tai Sang Bank as landlord and the Company as tenant in relation to the leasing of various office units in the Building as disclosed in the announcements of the Company dated 14 April 2008 and 25 February 2009 respectively
“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
“Shareholder(s)”	holder(s) of shares of the Company
“sq. ft.”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 16 July 2009

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.