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ASIA ORIENT HOLDINGS LIMITED

(滙漢控股有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 214)

PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES

Placing Agent



結好投資有限公司

GET NICE INVESTMENT LTD.

On 11 January 2006, the Vendor entered into the Placing Agreement and the Top-Up Subscription Agreement with the Placing Agent and the Company, respectively. Pursuant to the Placing Agreement, the Vendor agreed to place, through the Placing Agent, an aggregate of 16,000,000 existing Shares, on a fully underwritten basis, to not fewer than six places who will be Independent Third Parties, at a price of HK\$1.85 per Share. Pursuant to the Top-Up Subscription Agreement, the Vendor conditionally agreed to subscribe for an aggregate of 16,000,000 new Shares at a price of HK\$1.85 per Share.

The Placing Shares (or the Top-Up Subscription Shares) of 16,000,000 Shares represent approximately 6.71%, of the Company's existing issued share capital and approximately 6.29% of its issued share capital as enlarged by the Top-Up Subscription.

The Placing Price (or the Top-Up Subscription Price) of HK\$1.85 represents (i) a discount of approximately 9.76% to the closing price of the Shares of HK\$2.05 quoted on the Stock Exchange on 11 January 2006, being the date of the Placing Agreement; (ii) a discount of approximately 13.35% to the average closing price of the Shares of approximately HK\$2.135 quoted on the Stock Exchange for the five consecutive trading days immediately prior to 11 January 2006; and (iii) a discount of approximately 12.03% to the average closing price of the Shares of approximately HK\$2.103 quoted on the Stock Exchange for the ten consecutive trading days immediately prior to 11 January 2006.

The gross proceeds from the Top-Up Subscription will be approximately HK\$29.6 million and the net proceeds from the Top-Up Subscription of approximately HK\$28.8 million will be entirely used as general working capital of the Group.

The Placing is unconditional. The Top-Up Subscription is conditional, among other things, (1) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Top-Up Subscription Shares; (2) completion of the Placing; and (3) the Executive granting a waiver to the Vendor from any obligation to make a general offer under Rule 26 of the Takeovers Code arising from the Placing and the Top-Up Subscription.

PLACING AGREEMENT DATED 11 JANUARY 2006

Vendor:

Mr. Poon Jing, an executive Director.

Placing Agent and Placees:

The Placing is arranged by Get Nice Investment Limited which is and whose ultimate beneficial owners are Independent Third Parties.

The Placees, being independent individual, corporation and/or institutional investors to be identified by the Placing Agent, will be Independent Third Parties.

The Placing Shares will be placed to not less than six Placees. It is expected that none of the Placees will become substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Placing.

Number of Placing Shares:

The Placing Shares of 16,000,000 Shares represent approximately 6.71% of the Company's existing issued share capital and approximately 6.29% of its issued share capital as enlarged by the Top-Up Subscription.

Placing Price:

The Placing Price (or the Top-Up Subscription Price) of HK\$1.85 represents (i) a discount of approximately 9.76% to the closing price of the Shares of HK\$2.05 quoted on the Stock Exchange on 11 January 2006, being the date of the Placing Agreement; (ii) a discount of approximately 13.35% to the average closing price of the Shares of approximately HK\$2.135 quoted on the Stock Exchange for the five consecutive trading days immediately prior to 11 January 2006; and (iii) a discount of approximately 12.03% to the average closing price of the Shares of approximately HK\$2.103 quoted on the Stock Exchange for the ten consecutive trading days immediately prior to 11 January 2006.

The net placing price for the Placing is approximately HK\$1.8 per Share.

The Placing Price was negotiated on arm's length basis between the Company and the Placing Agent. The Directors consider that the Placing Price is fair and reasonable based on current market conditions and in the interest of the Company and its shareholders as a whole.

Underwriting commission payable to the Placing Agent:

The Placing is fully underwritten by the Placing Agent with underwriting commission calculated as 1.5% of the amount equal to the Placing Price multiplied by the number of the Placing Shares.

Condition of the Placing:

The Placing is unconditional.

THE TOP-UP SUBSCRIPTION AGREEMENT DATED 11 JANUARY 2006**Parties Involved:**

The Company as the issuer and the Vendor as the subscriber.

The Top-Up Subscription Price:

The Top-Up Subscription Price is HK\$1.85 per Share. The Top-Up Subscription Price is the same to the Placing Price and was determined after arm's length negotiation between the Company and the Vendor with reference to the Placing Price of the Placing Shares.

Number of Top-Up Subscription Shares:

The number of Top-Up Subscription Shares is equivalent to the number of Placing Shares, being 16,000,000 Shares.

Ranking of Top-Up Subscription Shares:

The Top-Up Subscription Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the existing issued Shares.

Conditions of the Top-Up Subscription:

As the Placing will result in the shareholding of the Vendor and the persons acting in concert (as defined in the Takeovers Code) with the Vendor in the Company to fall below 30% (from approximately 33.81 % to 27.1%) and the subsequent Top-Up Subscription will result in the shareholding of the Vendor and the persons acting in concert with the Vendor in the Company to exceed 30% (from approximately 27.1% to 31.68%) (thus triggering an obligation to make a mandatory general offer under the Takeovers Code), a waiver is required to be granted by the Executive to the Vendor from any obligation to make a general offer under Rule 26 of the Takeovers Code arising from the Placing and the Top-Up Subscription. Application will be made to the Executive for a waiver to be granted to the Vendor from compliance with the obligation to make a general offer pursuant to Rule 26 of the Takeovers Code.

The Top-Up Subscription is conditional upon:

1. the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, all of the Top-Up Subscription Shares;
2. completion of the Placing;
3. the Executive granting a waiver to the Vendor from any obligation to make a general offer under Rule 26 of the Takeovers Code arising from the Placing and the Top-Up Subscription; and

4. if required, the Bermuda Monetary Authority granting or agreeing to grant permission to allot, issue and subsequent transfer of the Top-Up Subscription Shares pursuant to the Top-Up Subscription.

The Top-Up Subscription Agreement does not provide either party the rights to waive the above conditions. However, to the best knowledge of the Directors, the approval from the Bermuda Monetary Authority as referred in condition (4) above is not required.

Application for Listing:

Application will be made by the Company to the Stock Exchange for the listing of and permission to deal in the Top-Up Subscription Shares.

General Mandate:

The Top-Up Subscription Shares will be allotted and issued pursuant to the general mandate granted to the Directors at the Company's annual general meeting held on 26 August 2005. As at the date hereof, no Shares have been issued and allotted under such general mandate. The Top-Up Subscription Shares will utilize approximately 34.11% of the 46,903,242 Shares that are allowed to be allotted and issued under the general mandate.

Completion of the Top-Up Subscription:

Completion of the Top-Up Subscription will take place upon the fulfillment of all conditions listed above and on the second Business Day immediately following the fulfillment of the conditions listed above (or such later date as the Vendor and the Company may agree but in any case not later than 25 January 2006). Under the Listing Rules, the Top-Up Subscription must be completed within 14 days from the date of the Placing Agreement, that is, on or before 25 January 2006.

In the event that the conditions to the Top-Up Subscription Agreement are not fulfilled by 25 January 2006, the Company and the Vendor may elect, subject to compliance with all requirements in relation to connected transactions under the Listing Rules, to postpone completion of the Top-Up Subscription to a later date to be agreed between the Company and the Vendor. Further announcement will be made by the Company in this regard.

REASONS FOR THE PLACING AND TOP-UP SUBSCRIPTION AND USE OF PROCEEDS

The Company is an investment holding company. Its principal investments include a 40.98% interest in Asia Standard International Group Limited ("Asia Standard") whose shares are listed on the Main Board of the Stock Exchange. The principal activities of Asia Standard and its subsidiaries are investment and development of properties, and investment and operation of hotels, restaurants and travel agency. The Company also holds a 32% interest in Q9 Technology Holdings Limited whose shares are listed on the Growth Enterprise Market of the Stock Exchange.

The gross proceeds from the Top-Up Subscription will be approximately HK\$29.6 million and the net proceeds from the Top-Up Subscription (after deducting the underwriting commission for the Placing and other expenses relating to the Placing and the Top-Up Subscription) of approximately HK\$28.8 million will be entirely used as general working capital by the Group.

Considering the lower costs and shorter time involved in the Placing and the Top-Up Subscription when compared with other means of fund raising exercises such as rights issue or open offer, the Directors believe the Placing and the Top-Up Subscription is the most appropriate method as they can enhance the capital base of the Company and the terms (including the underwriting commission of the Placing) of the Placing and Top-Up Subscription are fair and reasonable.

FUND RAISING DURING THE PAST 12 MONTHS

Description	Announcement date	Net amount raised	Date of mandate granted	Intended use of proceeds as announced	Actual use of proceeds
Placing and subscription of 34.6 million Shares	2 March 2005	HK\$84.3 million	27 August 2004	HK\$70 million for the repayment of bank borrowings of the Company and the remaining balance of approximately HK\$14.3 million for general working capital	Fully utilized as intended

SHAREHOLDING STRUCTURE

	Immediately before completion of the Placing		Immediately after completion of the Placing but before the Top-Up Subscription		After completion of the Placing and the Top-Up Subscription	
	Shares	%	Shares	%	Shares	%
Vendor and his associates	76,603,830	32.11	60,603,830	25.40	76,603,830	30.09
Fung Siu To, Clement (Note)	<u>4,045,906</u>	<u>1.70</u>	<u>4,045,906</u>	<u>1.70</u>	<u>4,045,906</u>	<u>1.59</u>
Vendor and his concert parties	80,649,736	33.81	64,649,736	27.10	80,649,736	31.68
Public:						
- The Placees	—	—	16,000,000	6.71	16,000,000	6.29
- Others	<u>157,908,236</u>	<u>66.19</u>	<u>157,908,236</u>	<u>66.19</u>	<u>157,908,236</u>	<u>62.03</u>
Total	<u>238,557,972</u>	<u>100</u>	<u>238,557,972</u>	<u>100</u>	<u>254,557,972</u>	<u>100</u>

Note: Mr. Fung Siu To, Clement is the Chairman of the Company and is the brother-in-law of Mr. Poon Jing.

DEFINITIONS

In the announcement, the following expressions have the meanings set out below unless the context otherwise requires.

“associate(s)”	has the meaning ascribed in the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday) on which banks generally open for business in Hong Kong
“Company”	Asia Orient Holdings Limited, a company incorporated in Bermuda and whose shares are listed on the Main Board of the Stock Exchange (stock code: 214)

“Director(s)”	the director(s) of the Company
“Executive”	the executive director of the Corporate Finance Division of the SFC and any of its delegates
“Group”	the Company and its subsidiaries
“Independent Third Parties”	a third party independent of the Group and its connected persons (as defined in the Listing Rules) and not acting in concert with any of them and the Vendor and his concert parties
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placees”	any individual(s), institutional or other professional investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	placing of 16,000,000 existing Shares beneficially owned by the Vendor at the Placing Price pursuant to the Placing Agreement
“Placing Agent”	Get Nice Investment Limited, a deemed licensed corporation within the meaning of the SFO
“Placing Agreement”	the placing agreement entered into between the Placing Agent and the Vendor dated 11 January 2006 in relation to the Placing
“Placing Price”	HK\$1.85 per Share
“Placing Shares”	16,000,000 existing Shares held by the Vendor to be placed under the Placing
“SFC”	The Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.1 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers

“Top-Up Subscription”	the subscription by the Vendor for the Top-Up Subscription Shares pursuant to the terms of the Top-Up Subscription Agreement
“Top-Up Subscription Agreement”	the subscription agreement between the Vendor and the Company dated 11 January 2006 in relation to the Top-Up Subscription
“Top-Up Subscription Price”	HK\$1.85 per Top-Up Subscription Share
“Top-Up Subscription Shares”	a total of 16,000,000 new Shares to be subscribed for by the Vendor and to be issued by the Company pursuant to the Top-Up Subscription Agreement
“Vendor”	Mr. Poon Jing, an executive Director
“HK\$”	Hong Kong dollars
“%”	per cent.

By order of the board of directors of
Asia Orient Holdings Limited
Fung Siu To Clement
Chairman

Hong Kong, 11 January 2006

As at the date of this announcement, the executive directors of the Company are Mr. Fung Siu To Clement, Mr. Lim Yin Cheng, Mr. Poon Jing, Mr. Lun Pui Kan and Mr. Kwan Po Lam Phileas; the non-executive director is Mr. Chan Sze Hung; and the independent non-executive directors are Mr. Cheung Kwok Wah Ken, Mr. Hung Yat Ming and Mr. Wong Chi Keung.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement, have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.

** For identification purposes only*