

*The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **ASIA ORIENT HOLDINGS LIMITED**

**(滙漢控股有限公司)\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 214)**

### **DISCLOSEABLE TRANSACTION**

#### **DISPOSAL OF A 9.6% EFFECTIVE INTEREST IN A COMMERCIAL PROPERTY DEVELOPMENT IN BEIJING**

**Financial adviser**

**ANGLO CHINESE**  
CORPORATE FINANCE, LIMITED

On 27 August 2007, the Group entered into the Sale and Purchase Agreement to dispose of the entire share capital of and the shareholder's loan to Upper Level Investments which indirectly holds an effective 9.6% interest in a commercial property development in Beijing, PRC. The total consideration for the disposal is HK\$110 million in cash.

Upper Level Investments is an investment holding company. Its sole asset is its holding of 48% interests in the issued share capital of Honour Ahead. Honour Ahead is also an investment holding company whose sole asset is its holding of 20% of the registered capital of the Equity Joint Venture Company. The sole asset of the Equity Joint Venture Company is the beneficial ownership of the Property. Hence, Upper Level Investments is effectively interested in 9.6% of the Property.

The Property is located in Zone C of Nanying Fang Wei Gai Area in the Chaoyang District of Beijing, PRC with a site area of approximately 8,400 square metres. The commercial building to be constructed on the Property comprises a 12 storey block over a three level basement covering a total gross floor area of approximately 63,000 square metres. It is expected that construction will be completed around the first quarter of 2008.

The Sale and Purchase Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules. A circular containing the information required to be given to Shareholders under the Listing Rules is being prepared and will be despatched to the Shareholders as soon as practicable.

## **SALE AND PURCHASE AGREEMENT**

### **Date**

27 August 2007

### **Parties**

Vendor: Asia Orient (BVI), a wholly-owned subsidiary of the Company

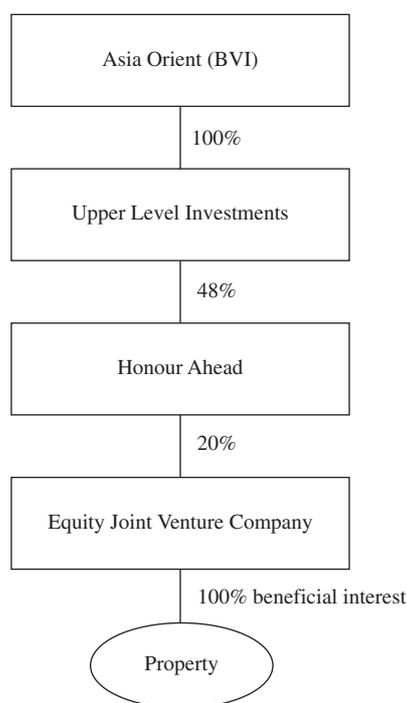
Purchaser: Maxworthy Investments, an investment holding company. To the best knowledge, information and belief of the Directors having made all reasonable enquires, the purchaser and its beneficial owner are third parties independent of the Group and connected persons of the Group.

### **Principal terms of the agreement**

The entire share capital and outstanding shareholder's loan of Upper Level Investments will be sold for an aggregate consideration of HK\$110 million, in cash. As at 31 July 2007, the amount of outstanding shareholder's loan of Upper Level Investments was approximately HK\$6,065,000.

Upper Level Investments is an investment holdings company. Its sole asset is its holding of 48% interests in the issued share capital of Honour Ahead, which is accounted for as an investment stated at cost in the book of Upper Level Investments. Honour Ahead is also an investment holding company whose sole asset is its holding of 20% of the registered capital of the Equity Joint Venture Company, which is also accounted for as an investment stated at cost in the book of Honour Ahead. The sole asset of the Equity Joint Venture Company is the beneficial ownership of the Property. Hence, Upper Level Investments is effectively interested in 9.6% of the Property.

The chart below illustrates the current shareholding structure in Upper Level Investments:



The Property is located in Zone C of Nanying Fang Wei Gai Area in the Chaoyang District of Beijing, PRC with a site area of approximately 8,400 square metres. The commercial building to be constructed on the Property comprises a 12 storey block over a three level basement covering a total gross floor area of approximately 63,000 square metres. It is expected that construction will be completed around the first quarter of 2008.

### **Completion**

Completion will take place on or before 26 February 2008 or such other date as the parties may agree.

### **Consideration**

The aggregate consideration of HK\$110 million was determined after arm's length negotiation, taking into consideration the cost of the Group's interest in the Property and the possible return which may be received by the Group upon completion of the development and sale of the units therein.

The payment of the consideration of HK\$110 million shall be paid in the following manner:

- a deposit of HK\$10 million has been paid upon signing of the Sale and Purchase Agreement;
- a further amount of HK\$40 million shall be paid on or before 26 December 2007; and
- the balance of HK\$60 million shall be paid on completion, being the date on or before 26 February 2008.

### **INFORMATION ON ASIA ORIENT**

Asia Orient is an investment holding company. The principal activities of its major investee companies include investment and development of properties and investment and operation of hotels, restaurants, travel agency and securities investment.

### **FINANCIAL EFFECTS OF THE DISPOSAL**

The disposal will raise approximately HK\$110 million in cash, before expenses and tax, for the Company on completion. The Group will consider to apply the proceeds on other investment opportunities to enhance shareholders' value. However, there is no specific identified investment target as at the date of this announcement.

According to the Group's books and records at 31 March 2007, the carrying value of the Group's investment in Upper Level Investments was approximately HK\$101 million, resulting in an estimated gain on disposal of approximately HK\$9 million.

### **REASONS FOR THE TRANSACTION**

The sale provides an opportunity for the Group to immediately realise its entire investment in the Property. The alternative to Sale and Purchase Agreement would be to sell units in the finished commercial building after completion in the first quarter of 2008. Sale of the commercial units in the Property may expose the Group's investment in the Property to future market risk and execution risks, such as unsold inventories. The Sale and Purchase Agreement enables the Group to receive its capital and return soonest for the funding of other investment opportunities. The Directors believe that the terms of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Shareholders as a whole.

## GENERAL

Under the Listing Rules, the Sale and Purchase Agreement constitutes a discloseable transaction of the Company. A circular containing the information required to be given to Shareholders under the Listing Rules, is being prepared and will be despatched to the Shareholders as soon as practicable.

## DEFINITIONS

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

“Asia Orient” or “Company”	Asia Orient Holdings Limited (stock code: 214), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Asia Orient (BVI)”	Asia Orient Holdings (BVI) Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“associate(s)”	has the meaning ascribed to it by the Listing Rules
“Board”	the board of the Directors
“Director(s)”	director(s) of the Company
“Equity Joint Venture Company”	北京雅寶房地產開發有限公司 (Beijing Yabao Real Estate Development Company Limited*) an equity joint venture company established under the laws of the PRC
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Honour Ahead”	Honour Ahead Limited, a company incorporated in the British Virgin Islands which holds a 20% interest in the Equity Joint Venture Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Maxworthy Investments”	Maxworthy Investments Limited, a company incorporated under the laws of the Republic of Seychelles

“PRC”	the People’s Republic of China, excluding for the purpose of this announcement Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Property”	a site measuring approximately 8,400 square metres located at Nanying Fang Wei Gai Area, Chaoyang District, Beijing, PRC
“Sale and Purchase Agreement”	the sale and purchase agreement between Asia Orient (BVI) and Maxworthy Investments dated 27 August 2007
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Upper Level Investments”	Upper Level Investments Limited, a company incorporated in the Seychelles which holds a 48% interest in Honour Ahead

By order of the Board  
**Asia Orient Holdings Limited**  
**Fung Siu To, Clement**  
*Chairman*

Hong Kong, 28 August 2007

*As at the date of this announcement, the executive Directors are Mr. Fung Siu To, Clement, Dr. 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.*

*\* For identification purposes only*