
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Asia Orient Holdings Limited, you should hand this circular to the purchaser or transferee or the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, 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 contents of this circular.



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

* For identification purpose only

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	
Introduction	3
Sale and Purchase Agreement	4
Information on Asia Orient	6
Financial effects of the disposal	6
Reasons for the transaction	6
Additional information	6
Appendix — General Information	7

DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“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
“associated corporations”	has the meaning ascribed to it under Part XV of the SFO
“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
“Latest Practicable Date”	12 September, 2007, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“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
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers, as set out in Appendix 10 to the Listing Rules
“PRC”	The People’s Republic of China, excluding for the purposes of this circular, Hong Kong and Macau

DEFINITIONS

“Property”	a site measuring approximately 8,400 square meters located at Zone C of Nanying Fang Wei Gai Area, Chaoyang District, Beijing, PRC
“Rights Issue”	the issue by way of rights of 192,858,782 rights Shares for every two existing Shares as announced by the Company on 13 June 2007. On 30 July 2007, 192,858,782 new Shares were issued fully-paid at HK\$1.3 per Share
“Sale and Purchase Agreement”	the sale and purchase agreement dated 27 August 2007 entered into between the Maxworthy Investments and Asia Orient (BVI)
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	the shareholders 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% shareholding interest in Honour Ahead
“%”	per cent.

LETTER FROM THE BOARD



ASIA ORIENT HOLDINGS LIMITED

(滙漢控股有限公司)*

(Incorporated in Bermuda with limited liability)

Executive Directors:

Mr. Fung Siu To, Clement (*Chairman*)
Dr. Lim Yin Cheng (*Deputy chairman*)
Mr. Poon Jing (*Managing Director and chief executive*)
Mr. Lun Pui Kan
Mr. Kwan Po Lam, Phileas

Registered office:
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Non-executive Director:

Mr. Chan Sze Hung

*Head office and principal office
in Hong Kong:*

30th Floor
Asia Orient Tower
Town Place
33 Lockhart Road
Wanchai
Hong Kong

Independent non-executive Directors:

Mr. Cheung Kwok Wah, Ken
Mr. Hung Yat Ming
Mr. Wong Chi Keung

13 September 2007

To the Shareholders

Dear Sirs,

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

INTRODUCTION

The Directors announced on 28 August 2007 that through the disposal of the entire issued share capital and outstanding shareholder's loan of Upper Level Investments by Asia Orient (BVI), the Company has disposed of its indirect effective interest of 9.6% in the Equity Joint Venture Company the business of which is the development of the Property.

* *For identification purpose only*

LETTER FROM THE BOARD

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.

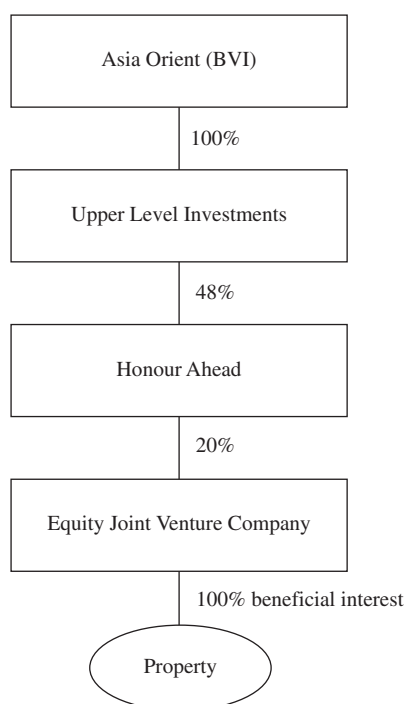
Principal terms of the agreement

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 holding 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.

LETTER FROM THE BOARD

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

LETTER FROM THE BOARD

- 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 applying the proceeds to other investment opportunities to enhance Shareholders' value. However, there is no specific identified investment target as at the Latest Practicable Date.

According to the Group's books and records at 31 March 2007, the Group's investment in Upper Level Investments was stated at cost with the carrying value of approximately HK\$101 million. The disposal will result in an estimated gain of approximately HK\$9 million in the profit and loss accounts of the Group.

REASONS FOR THE TRANSACTION

The disposal 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 investment 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.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
For and on behalf of the Board
Asia Orient Holdings Limited
Fung Siu To, Clement
Chairman

1. RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular concerning the Company and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts not contained in this circular the omission of which would make any statement herein misleading.

2. DISCLOSURE OF DIRECTORS' INTEREST

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or pursuant to Section 352 of the SFO, to be entered into the register referred to therein, or pursuant to the Model Code were as follows:

(i) Long positions in Shares

(a) *The Company*

Name of Director	Number of Shares held			Total	Percentage shareholding (%)
	Personal interest	Corporate interest	Family interest		
Mr. Poon Jing ("Mr. Poon")	92,761,366	88,677,414	3,257,939	184,696,719	31.92
Fung Siu To, Clement ("Mr. Fung")	9,278,770	—	—	9,278,770	1.60

Note: The percentage of shareholding is calculated on the basis of 578,576,347 Shares in issue as at the Latest Practicable Date.

(b) *Associated corporations*

Name of Director	Associated corporation	Number of shares held			Percentage shareholding (%)
		Beneficial owner	Corporate interest	Total	
Mr. Poon	Asia Standard International Group Limited (“Asia Standard International”)	6,248,502	3,087,345,774 (Note 1)	3,093,594,276	43.06
Mr. Poon	Asia Standard Hotel Group Limited (“Asia Standard Hotel”)	383,434	8,711,059,638 (Note 1)	8,711,443,072	69.64
Mr. Poon and Mr. Fung	Centop Investment Limited (“Centop”)	—	20 (Note 2)	20	20
Mr. Poon	Centop	—	80 (Note 3)	80	80
Mr. Fung	Mark Honour Limited	9	—	9	9

Notes:

- 1 By virtue of his controlling interest in the Company, Mr. Poon is deemed to be interested in the shares of Asia Standard International and Asia Standard Hotel held by the Company’s subsidiaries.
- 2 Centop is owned as to 80% by Asia Standard International and 20% by Kingscore Investment Limited (“Kingscore”). Each of Mr. Poon and Mr. Fung holds 50% interest in Kingscore. By virtue of their interest in Kingscore, each of Mr. Poon and Mr. Fung is deemed to have interest in the 20 shares held by Kingscore and duplicate the interest of the other.
- 3 By virtue of his controlling interest in the Company, Mr. Poon is deemed to have interest in the 80 shares of Centop held by Asia Standard International.

By virtue of his controlling interest in the Company, Mr. Poon is deemed to be interested in the shares of all the Company’s subsidiaries and associated corporations.

(ii) Long position in underlying shares — Interest in share options

Details of the share options granted to the Directors under the share option schemes of the Company and its associated corporation as at the Latest Practicable Date are set out as follows:

(a) *The Company*

Name of Director	Capacity	Number of underlying Shares subject to the outstanding share options
Mr. Fung	Beneficial owner	2,126,301
Dr. Lim Yin Cheng	Beneficial owner	2,126,301
Mr. Lun Pui Kan	Beneficial owner	2,126,301
Mr. Kwan Po Lam, Phileas	Beneficial owner	2,126,301

The share options were granted on 29 March 2007 and exercisable from 29 March 2007 to 28 March 2017 at the exercise price of HK\$1.4315 (as adjusted) per Share.

(b) *Asia Standard International*

Name of Director	Capacity	Number of underlying shares of Asia Standard International subject to the outstanding share options
Mr. Fung	Beneficial owner	20,621,761
Mr. Poon	Beneficial owner	5,155,440
Dr. Lim Yin Cheng	Beneficial owner	20,621,761
Mr. Lun Pui Kan	Beneficial owner	20,621,761
Mr. Kwan Po Lam, Phileas	Beneficial owner	20,621,761

The share options were granted on 30 March 2005 and exercisable from 30 March 2005 to 29 March 2015 at the exercise price of HK\$0.315 (as adjusted) per share of Asia Standard International.

(c) *Asia Standard Hotel*

Name of Director	Capacity	Date of Grant	Exercise Price (HK\$)	Exercise Period	Number of underlying shares of Asia Standard Hotel subject to the outstanding share options
Mr. Fung	Beneficial owner	29 March 2007	0.1296	29 March 2007 to 28 March 2017	80,000,000
Dr. Lim Yin Cheng	Beneficial owner	2 April 2007	0.130	2 April 2007 to 1 April 2017	80,000,000
Mr. Lun Pui Kan	Beneficial owner	2 April 2007	0.130	2 April 2007 to 1 April 2017	80,000,000
Mr. Kwan Po Lam, Phileas	Beneficial owner	2 April 2007	0.130	2 April 2007 to 1 April 2017	80,000,000

(iii) **Long position in underlying shares — Interest in warrants**

Details of interest in warrants of the Company and its associated corporations as at Latest Practicable Date held by the Directors are set out as follows:

(a) *The Company*

Name of Director	Number of underlying Shares subject to the warrants			
	Beneficial owner	Corporate interest	Family interest	Total
Mr. Poon	18,552,272	17,735,479	651,587	36,939,338
Mr. Fung	1,855,753	—	—	1,855,753

(b) *Associated corporations*

Name of Director	Associated corporation	Number of underlying Shares subject to the warrants		
		Beneficial owner	Corporate interest	Total
Mr. Poon	Asia Standard International	1,249,700	617,469,146	618,718,846
Mr. Poon	Asia Standard Hotel	76,686	1,742,211,914	1,742,288,600

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive (including their spouse and children under 18 years of age) of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or pursuant to the Model Code in the Listing Rules.

3. SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, the following persons (other than a Director or chief executive of the Company), were deemed or taken to have an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

(i) Long position in the Shares

Name	Number of Shares held	Percentage (%)
Teddington Holdings Limited (“Teddington”) (<i>Note 1</i>)	36,991,791	6.39
Heston Holdings Limited (“Heston”) (<i>Note 1</i>)	30,816,927	5.33
Dalton Investments LLC (<i>Note 2</i>)	54,387,584	14.10
Clearwater Insurance Company (<i>Note 2</i>)	23,792,405	6.17
Daswani Rajkumar Murlidhar	29,211,020	5.04

Note:

1. Mr. Poon, his family interest and the companies wholly owned by him namely Teddington, Heston and Full Speed Investment Ltd. together hold 184,696,719 shares. The interests of Teddington and Heston duplicate the interests of Mr. Poon disclosed under the heading “Disclosure of Directors’ Interest” above.
2. As at Latest Purchasable Date, these shares represent the shareholding before taking into accounts the entitled rights Shares pursuant to the Rights Issue. The percentage shareholding is calculated on the basis of the issued shares capital of the Company before the Rights Issue.

(ii) Long position in the underlying Shares — Interest in warrants

Name	Number of underlying Shares subject to the warrants
Teddington	7,398,357
Heston	6,163,384

(iii) Interest in other members of the Group

Name of non-wholly owned subsidiary of the Company	Name of registered substantial shareholders (other than members of the Group)	Number of shares held	Percentage of interest
United Resources Associates Limited	Great Oriental Developments Limited	One ordinary share of US\$1	16.66%
Blissful Enterprises Limited	Join Win Resources Limited	Two ordinary shares of US\$1 each	33.33%

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors, no other person (other than a Director or chief executive of the Company) had, or was deemed or taken to have an interest or short position in the shares of the Company and underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other members of the Group.

4. SERVICE AGREEMENTS

As at the Latest Practicable Date, none of the Directors had a service contract with any member of the Group which is not determinable within one year without payment of compensation (other than statutory compensation).

5. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their associates have interests in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

6. LITIGATION

Neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration or claims of material importance which is known to the Directors to be pending or threatened by or against either the Company or any of its subsidiaries as at the Latest Practicable Date.

7. GENERAL

- (a) The company secretary of the Company is Ms. Chiu Yuk Ching, an associate member of The Hong Kong Institute of Chartered Secretaries.
- (b) The qualified accountant of the Company is Mr. Lun Pui Kan, an associate member of Hong Kong Institute of Certified Public Accountants.
- (c) The principal share registrars and transfer office of the Company is Butterfield Fund Services (Bermuda) Limited of Rosebank Centre, 11 Bermudiana Road, Pembroke HM08, Bermuda and the branch share registrar and transfer office of the Company is Computershare Hong Kong Investor Services Limited at Shops 1806-1807, 18th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The head office and principal place of business of the Company is at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong.
- (e) The English text of this circular prevails over the Chinese text.