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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)

DISCLOSEABLE TRANSACTION

During the period from 13 October 2008 to 24 October 2008 (both dates inclusive), the Company has, through its wholly-owned subsidiaries, disposed of an aggregate of 306,800 Sold HSBC Shares for a total consideration of HK\$32.44 million (exclusive of transaction costs) on the market at an average selling price of approximately HK\$105.74 per HSBC Share. The total consideration of HK\$32.44 million (exclusive of transaction costs) represented the then market price of the Sold HSBC Shares.

As the percentage ratio in respect of the consideration test for the Disposal exceeds 5% but is less than 25%, the Disposal therefore constitutes a discloseable transaction for the Company under the Listing Rules. The Company will despatch to its shareholders a circular providing information required under the Listing Rules as soon as practicable.

In the event that any Further Disposals when aggregated with the Disposal in accordance with the Listing Rules constitute a major transaction or any other type of notifiable transaction under the Listing Rules, the Company will comply with the relevant requirements of the Listing Rules.

INTRODUCTION

Reference is made to the March Announcement and the Circular. Unless otherwise defined in this announcement, terms used herein shall have the same meanings as those defined in the March Announcement.

During the period from 13 October 2008 to 24 October 2008 (both dates inclusive), the Company has, through its wholly-owned subsidiaries, disposed of an aggregate of 306,800 Sold HSBC Shares (representing approximately 0.0025% of the issued share capital of HSBC based on its issued share capital of 12,055,113,960 HSBC Shares as shown on the website of the Stock Exchange as of 23 October 2008) for a total consideration of HK\$32.44 million (exclusive of transaction costs) on the market at an average selling price of approximately HK\$105.74 per HSBC Share. The total consideration of HK\$32.44 million (exclusive of transaction costs) represented the then market price of the Sold HSBC Shares.

As the Disposal was made through the market, the Company is not aware of the identities of the purchasers of the Sold HSBC Shares and accordingly, to the best of the knowledge of the Directors having made all reasonable enquiries, the purchasers of the Sold HSBC Shares are third parties independent of and not connected with the Company and its connected persons.

The Sold HSBC Shares were acquired by the Company in March 2008, part of which were comprised in the HSBC Investments as disclosed in the March Announcement and the Circular. The average acquisition price of the Sold HSBC Shares was approximately HK\$120.78 per HSBC Share. Taking into account the transaction costs incurred and the interim dividends received on the Sold HSBC Shares of approximately HK\$0.8 million and the average consideration of approximately HK\$105.74 per HSBC Share for the Disposal, the Company will incur a loss of approximately HK\$3.9 million as a result of the Disposal.

In the event that any Further Disposals when aggregated with the Disposal in accordance with the Listing Rules constitute a major transaction or any other type of notifiable transaction under the Listing Rules, the Company will comply with the relevant requirements of the Listing Rules.

As the Sold HSBC Shares were disposed of through the market, the consideration for the Sold HSBC Shares have been and will be settled on a “T+2” basis in accordance with standard market practice.

REASONS FOR THE DISPOSAL

As disclosed in the March Announcement and the Circular, the Board took the view that the HSBC Investments had the potential of increase in its values and the Company intended to hold the HSBC Investments for the purposes of capital gain and dividend income.

Given the declining market price of the HSBC Shares and the prevailing market conditions, the Board considers that it is prudent and appropriate to dispose of part of the HSBC Investments in order to reduce the exposure to any further decline in the value of HSBC Shares. The Directors consider the Disposal are on normal commercial terms, the terms of which are fair and reasonable and that the Disposal is in the interests of the Company and its shareholders as a whole.

INFORMATION ON THE COMPANY

The Company 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.

INFORMATION ON HSBC

HSBC is a company incorporated in England with limited liability and whose HSBC Shares are listed on the main board of the Stock Exchange. Based on the company profile in the website of the Stock Exchange, the principal business of HSBC is the provision of comprehensive range of banking and related financial services through the internet and network in the Asia Pacific region, Europe, the America, the Middle East and Africa. Further information on HSBC could be found on the website of the Stock Exchange.

IMPLICATIONS UNDER THE LISTING RULES

As the percentage ratio in respect of the consideration test for the Disposal exceeds 5% but is less than 25%, the Disposal therefore constitutes a discloseable transaction for the Company under the Listing Rules. The Company will despatch to its shareholders a circular providing information required under the Listing Rules as soon as practicable.

DEFINITIONS

Unless otherwise defined below, terms used in this announcement shall have the same meanings as those defined in the March Announcement:-

“ Circular ”	the circular of the Company dated 3 April 2008 in respect of the HSBC Investments;
“ connected persons ”	have the meaning ascribed to it under the Listing Rules;
“ Directors ”	the directors of the Company;
“ Disposal ”	the disposal by the Company on the market of the Sold HSBC Shares during the period from 13 October 2008 to 24 October 2008 (both dates inclusive);
“ Further Disposal(s) ”	further disposal(s) by the Company on the market of the HSBC Shares comprised in the HSBC Investments;
“ March Announcement ”	the announcement of the Company dated 14 March 2008 in respect of the HSBC Investments;
“ percentage ratio ”	have the meaning ascribed to it in Chapter 14 of the Listing Rules; and
“ Sold HSBC Shares ”	the 306,800 HSBC Shares disposed of by the Company (through its wholly-owned subsidiaries) on the market during the period from 13 October 2008 to 24 October 2008 (both dates inclusive), part of which were comprised in the HSBC Investments.

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

27 October 2008

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, 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 purpose only*