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## ASIA ORIENT HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 214)

### ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH 2010

#### FINANCIAL HIGHLIGHTS

(In HK\$ million, except otherwise indicated)

	2010	2009	Change
<b>Consolidated profit and loss account</b>			
Turnover	619	142	+3.4 times
Net investment gain/(loss)	296	(74)	N/A
Share of profits/(losses) of associated companies	1,142	(180)	N/A
Profit/(loss) attributable to shareholders	1,689	(239)	N/A
Earnings/(loss) per share - basic (HK\$)	2.48	(0.37)	N/A
<b>Consolidated balance sheet</b>			
Total assets	4,195	2,478	+69%
Net assets	4,134	2,344	+76%
Net assets per share (HK\$)	5.8	3.6	+61%
Net cash/(debt)	25	(69)	N/A
Gearing (net debt to net assets)	-	2.9%	N/A

The Directors of Asia Orient Holdings Limited (the “Company”) announce that the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March 2010 together with the comparative figures for the year ended 31st March 2009 were as follows:

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2010

	<i>Note</i>	<b>2010</b> <b>HK\$'000</b>	2009 HK\$'000
Turnover	2	<u><b>618,556</b></u>	<u>142,177</u>
Revenue	2	<b>49,916</b>	29,855
Cost of sales		<u><b>(8,846)</b></u>	<u>(8,628)</u>
Gross profit		<b>41,070</b>	21,227
Net investment gain/(loss)	3	<b>296,198</b>	(73,592)
Administrative expenses		<b>(10,036)</b>	(12,922)
Other income and charges	5	<u><b>(1,581)</b></u>	<u>(7,763)</u>
Operating profit/(loss)		<b>325,651</b>	(73,050)
Finance costs		<b>(7,573)</b>	(4,503)
Share of profits/(losses) of			
Jointly controlled entities		<b>1,039</b>	-
Associated companies		<b>1,141,754</b>	(180,203)
Negative goodwill arising from acquisition of additional interest in associated companies		<u><b>228,146</b></u>	<u>22,103</u>
Profit/(loss) before income tax		<b>1,689,017</b>	(235,653)
Income tax expense	6	<u><b>(185)</b></u>	<u>(3,135)</u>
Profit/(loss) for the year attributable to shareholders of the Company		<u><b>1,688,832</b></u>	<u>(238,788)</u>
Dividends	7	<u><b>19,371</b></u>	<u>-</u>
Earnings/(loss) per share (HK\$)			
Basic	8	<u><b>2.48</b></u>	<u>(0.37)</u>
Diluted	8	<u><b>2.33</b></u>	<u>(0.37)</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2010

	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
Profit/(loss) for the year	<u>1,688,832</u>	<u>(238,788)</u>
Other comprehensive income/(charge)		
Net fair value gain/(loss) on available-for-sale investments		
- Company and subsidiaries	-	(34,305)
- Associated companies	<b>37,953</b>	(9,551)
Release of reserve upon disposal of available-for-sale investments	-	(1,530)
Impairment of available-for-sale investments charged to profit and loss account	-	31,909
Currency translation differences	<u>12,508</u>	<u>(12,075)</u>
	<u>50,461</u>	<u>(25,552)</u>
Total comprehensive income/(charge) for the year	<u><u>1,739,293</u></u>	<u><u>(264,340)</u></u>

## CONSOLIDATED BALANCE SHEET

As at 31st March 2010

	<i>Note</i>	<b>2010</b> <b>HK\$'000</b>	2009 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		<b>85</b>	423
Jointly controlled entities		-	7,272
Associated companies		<b>3,713,848</b>	2,216,517
Available-for-sale investments		-	17,658
Deferred income tax assets		<b>51</b>	236
		<b>3,713,984</b>	2,242,106
<b>Current assets</b>			
Trade and other receivables	9	<b>56,922</b>	7,210
Financial assets at fair value through profit or loss		<b>391,595</b>	185,596
Derivative financial instruments		-	2,563
Warrant assets		<b>1,439</b>	4,439
Bank balances and cash		<b>31,064</b>	36,579
		<b>481,020</b>	236,387
<b>Current liabilities</b>			
Trade and other payables	10	<b>54,297</b>	19,367
Amounts due to associated companies		<b>494</b>	390
Amounts due to minority shareholders		-	8,311
Short-term borrowings, secured		<b>6,000</b>	29,039
		<b>60,791</b>	57,107
Net current assets		<b>420,229</b>	179,280
Total assets less current liabilities		<b>4,134,213</b>	2,421,386
<b>Non-current liabilities</b>			
Convertible bonds		-	77,265
Net assets		<b>4,134,213</b>	2,344,121
<b>Equity</b>			
Share capital		<b>70,871</b>	65,148
Reserves		<b>4,063,342</b>	2,278,973
		<b>4,134,213</b>	2,344,121

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of available-for-sale investments, financial assets at fair value through profit or loss, derivative financial instruments and warrant assets, which are carried at fair value, and in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The following new and revised standards and amendments to existing standards (“new HKFRS”) are relevant to the Group’s operations and are mandatory for accounting periods beginning on or after 1st January 2009:

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 40 (Amendment)	Investment Property
HKFRS 1 and HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments

Except for certain changes in presentation and disclosures as described below, the adoption of the above new HKFRS in the current year did not have any significant effect on the consolidated financial statements or results in any substantial changes in the Group’s significant accounting policies.

- HKAS 1 (Revised), “Presentation of Financial Statements”. The Group has elected to present two statements: a profit and loss account and a statement of comprehensive income. The financial statements have been prepared under the revised disclosure requirements.
- HKFRS 7 (Amendment), “Improving Disclosures about Financial Instruments”. It requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. This has only resulted in additional disclosures.
- HKFRS 8, “Operating Segments”. HKFRS 8 replaces HKAS 14, “Segment Reporting”. It requires a “management approach” under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in certain changes in the presentation and disclosure information of the reportable segments.

Certain new and revised standards, interpretations and amendments to existing standards have been issued but not yet effective for the year ended 31st March 2010 and have not been early adopted by the group.

## 2 Turnover and segment information

Turnover comprises revenue from property management, dividend and interest income, together with gross proceeds from disposal of financial assets at fair value through profit or loss and derivative financial instruments. Revenues include revenue from property management and dividend and interest income.

	<b>Property management</b>	<b>Investments</b>	<b>Others</b>	<b>Total</b>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>2010</b>				
<b>Turnover</b>	<u>11,825</u>	<u>606,731</u>	<u>-</u>	<u>618,556</u>
<b>Segment revenue</b>	<u>11,825</u>	<u>38,091</u>	<u>-</u>	<u>49,916</u>
<b>Contribution to segment results</b>	2,979	38,091	-	41,070
<b>Net investment gain</b>	-	296,198	-	296,198
<b>Other income and charges</b>	-	-	(1,581)	(1,581)
<b>Segment results</b>	<u>2,979</u>	<u>334,289</u>	<u>(1,581)</u>	<u>335,687</u>
<b>Unallocated corporate expenses</b>				<u>(10,036)</u>
<b>Operating profit</b>				325,651
<b>Finance costs</b>				(7,573)
<b>Share of profits of</b>				
<b>Jointly controlled entities</b>	-	-	1,039	1,039
<b>Associated companies (note (i))</b>				1,141,754
<b>Negative goodwill arising from acquisition of     additional interest in associated companies #</b>				<u>228,146</u>
<b>Profit before income tax</b>				1,689,017
<b>Income tax expense</b>				<u>(185)</u>
<b>Profit for the year</b>				<u>1,688,832</u>
<b>2009</b>				
<b>Turnover</b>	<u>13,372</u>	<u>128,195</u>	<u>610</u>	<u>142,177</u>
<b>Segment revenue</b>	<u>13,372</u>	<u>15,873</u>	<u>610</u>	<u>29,855</u>
<b>Contribution to segment results</b>	4,744	15,873	610	21,227
<b>Net investment loss</b>	-	(73,592)	-	(73,592)
<b>Other income and charges</b>	-	-	(7,763)	(7,763)
<b>Segment results</b>	<u>4,744</u>	<u>(57,719)</u>	<u>(7,153)</u>	<u>(60,128)</u>
<b>Unallocated corporate expenses</b>				<u>(12,922)</u>
<b>Operating loss</b>				(73,050)
<b>Finance costs</b>				(4,503)
<b>Share of losses of associated companies (note (i))</b>				(180,203)
<b>Negative goodwill arising from acquisition of     additional interest in associated companies #</b>				<u>22,103</u>
<b>Loss before income tax</b>				(235,653)
<b>Income tax expense</b>				<u>(3,135)</u>
<b>Loss for the year</b>				<u>(238,788)</u>

# This represents acquisition of additional 3.8% (2009: 0.4%) interest in Asia Standard International Group Limited ("Asia Standard").

## 2 Turnover and segment information (continued)

Note (i): Share of profits/(losses) of associated companies

	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
Property sales	<b>242,471</b>	(7,775)
Property leasing	<b>339,584</b>	(34,454)
Hotel and travel	<b>12,038</b>	21,801
Investments	<b>666,686</b>	(143,356)
Others	<b>8,106</b>	22,364
Finance costs	<b>(20,237)</b>	(20,787)
Income tax (expense)/credit	<b>(76,660)</b>	4,268
Unallocated corporate expenses	<b>(30,234)</b>	(22,264)
	<b><u>1,141,754</u></b>	<b><u>(180,203)</u></b>

	<b>Property management</b>	<b>Investments</b>	<b>Others</b>	<b>Total</b>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>2010</b>				
<b>Segment assets</b>	<b>13,919</b>	<b>448,060</b>	-	<b>461,979</b>
<b>Associated companies (note (ii))</b>				<b>3,713,848</b>
<b>Bank balances and cash, unrestricted</b>				<b>17,597</b>
<b>Warrant assets</b>				<b>1,439</b>
<b>Other receivables</b>				<b>141</b>
				<b><u>4,195,004</u></b>
<b>Segment liabilities</b>	<b>16,684</b>	<b>42,232</b>	-	<b>58,916</b>
<b>Other payables and accruals</b>				<b>1,875</b>
				<b><u>60,791</u></b>
<b>Additions to non-current assets*</b>	<b>28</b>	-	-	<b>28</b>
<b>2009</b>				
Segment assets	14,750	212,640	315	227,705
Jointly controlled entities	-	-	7,272	7,272
Associated companies (note (ii))				2,216,517
Bank balances and cash, unrestricted				22,182
Warrant assets				4,439
Other receivables				378
				<b><u>2,478,493</u></b>
Segment liabilities	17,659	29,039	8,311	55,009
Convertible bonds				77,265
Other payables and accruals				2,098
				<b><u>134,372</u></b>
<b>Additions to non-current assets*</b>	<b>26</b>	-	-	<b>26</b>

\* The amounts exclude financial instruments and deferred tax assets.

## 2 Turnover and segment information (continued)

Note (ii): Share of segment assets less liabilities of associated companies

	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
Property sales	<b>700,395</b>	672,841
Property leasing	<b>1,239,417</b>	847,673
Hotel and travel	<b>629,678</b>	616,587
Investments	<b>1,207,275</b>	170,332
Others	<b>145,770</b>	67,825
Unallocated liabilities	<b>(208,687)</b>	(158,741)
	<b><u>3,713,848</u></b>	<b><u>2,216,517</u></b>
	<b>Revenue</b>	<b>Non-current</b>
	<b>HK\$'000</b>	<b>assets*</b>
		<b>HK\$'000</b>
<b>2010</b>		
<b>Hong Kong</b>	<b>14,328</b>	<b>3,713,933</b>
<b>Overseas</b>	<b>35,588</b>	<b>-</b>
	<b><u>49,916</u></b>	<b><u>3,713,933</u></b>
<b>2009</b>		
Hong Kong	16,948	2,242,212
Overseas	12,907	-
	<b><u>29,855</u></b>	<b><u>2,242,212</u></b>

\* The amounts exclude financial instruments and deferred tax assets.

## 3 Net investment gain/(loss)

	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
Net realised gain/(loss) on		
- financial assets at fair value through profit or loss	<b>208,552</b>	-
- derivative financial instruments	<b>331</b>	2,452
- available-for-sale investments	<b>21,992</b>	(4,733)
Net unrealised gain/(loss) on		
- financial assets at fair value through profit or loss	<b>69,001</b>	(41,965)
- derivative financial instruments	-	2,563
Impairment of available-for-sale investments	-	(31,909)
Provision for interest receivable from financial assets at fair value through profit or loss	<b>(3,678)</b>	-
	<b><u>296,198</u></b>	<b><u>(73,592)</u></b>



#### 4 Income and expenses by nature

	2010 HK\$'000	2009 HK\$'000
<b>Income</b>		
Bank interest income	33	622
Interest income from listed investments	21,201	4,867
Dividend income from listed investments	<u>16,365</u>	<u>10,994</u>
<b>Expenses</b>		
Depreciation	<u>366</u>	<u>775</u>

#### 5 Other income and charges

	2010 HK\$'000	2009 HK\$'000
Realised loss on warrant assets	(3,813)	-
Unrealised gain/(loss) on		
- warrant assets	813	(17,456)
- warrant liabilities	-	7,341
- convertible bonds	1,077	2,384
Net exchange gains	342	368
Provision for advances to a jointly controlled entity	<u>-</u>	<u>(400)</u>
	<u>(1,581)</u>	<u>(7,763)</u>

#### 6 Income tax expense

	2010 HK\$'000	2009 HK\$'000
Deferred income tax	<u>(185)</u>	<u>(3,135)</u>

No provision for Hong Kong profits tax has been made as the Group had sufficient tax losses brought forward to set off against the estimated assessable profits for the current year. In 2009, no provision for Hong Kong profits tax was made as the Group had no assessable profits for the year.

Share of HK\$76,660,000 income tax expense (2009: HK\$4,268,000 income tax credit) of associated companies for the year is included in the profit and loss account as share of profits of associated companies. There is no share of income tax of jointly controlled entities for the year (2009: Nil).

## 7 Dividends

	2010 HK\$'000	2009 HK\$'000
Interim, paid, of HK1.5 cents per share in scrip (2009: Nil)	10,512	-
Final, proposed, of HK1.25 cents per share with a scrip option (2009: Nil)	<u>8,859</u>	<u>-</u>
	<u><u>19,371</u></u>	<u><u>-</u></u>

At a meeting held on 29th June 2010, the Board of Directors has proposed to pay a final dividend of HK1.25 cents per share with a scrip option (2009: Nil). The proposed dividend is not reflected in the financial statements, but will be reflected as an appropriation of revenue reserve in the year ending 31st March 2011.

The amount of HK\$8,859,000 is based on 708,707,100 issued shares as at 29th June 2010.

## 8 Earnings/(loss) per share

The calculation of basic and diluted earnings per share for the year is based on the following:

	2010 HK\$'000	2009 HK\$'000
Profit/(loss) attributable to shareholders of the Company	1,688,832	(238,788)
Effect of dilutive potential shares:		
Interest expense saved on convertible bonds	3,795	-
Decrease in share of profit arising from exercise of warrants of an associated company	<u>(351)</u>	<u>-</u>
Profit/(loss) for calculation of diluted earnings/(loss) per share	<u><u>1,692,276</u></u>	<u><u>(238,788)</u></u>
	Number of share	
Weighted average number of shares for calculation of basic earnings/(loss) per share	680,763,526	638,512,374
Effect of dilutive potential shares:		
Convertible bonds assumed to be converted at beginning of the year	<u>45,521,602</u>	<u>-</u>
Weighted average number of shares for calculation of diluted earnings/(loss) per share	<u><u>726,285,128</u></u>	<u><u>638,512,374</u></u>

Diluted earnings per share for the year ended 31st March 2010 did not assume the exercise of the outstanding share options of the Company, Asia Standard and Asia Standard Hotel Group Limited (“AS Hotel”) since their exercise would have an anti-dilutive effect.

The basic and diluted loss per share were the same for the year ended 31st March 2009 as the outstanding warrants and the outstanding share options of the Company, Asia Standard and AS Hotel and the Company’s outstanding convertible bonds did not have a dilutive effect on the loss per share in 2009.

## 9 Trade and other receivables

Trade and other receivables of the Group include dividend receivables, interest receivables and utility and other deposits. Trade receivables of the Group amounted to HK\$495,000 (2009: HK\$333,000).

Aging analysis of trade receivables is as follows:

	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
0 - 60 days	<u><b>495</b></u>	<u>333</u>

## 10 Trade and other payables

Trade and other payables of the Group include trade payables, rental and management fee deposits and various accruals. Trade payables of the Group amounted to HK\$38,995,000 (2009: HK\$3,051,000).

Aging analysis of trade payables is as follows:

	<b>2010</b>	2009
	<b>HK\$'000</b>	HK\$'000
0 - 60 days	<b>38,899</b>	2,977
61 - 120 days	<b>67</b>	21
More than 120 days	<u><b>29</b></u>	<u>53</u>
	<u><b>38,995</b></u>	<u>3,051</u>

## 11 Comparative figures

Certain comparative figures have been reclassified to conform with the current year's presentation.

The figures in this preliminary announcement have been agreed by PricewaterhouseCoopers ("PwC") to those in the Group's consolidated financial statements for the year ended 31st March 2010. The work performed by PwC in this respect was limited and did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC for this announcement.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **RESULTS**

The Group's profit attributable to shareholders amounted to HK\$1,689 million, compared to a loss of HK\$239 million last year.

Both the Group and its associated company Asia Standard International Group Limited ("Asia Standard") benefited from the gain from their investment portfolios. During the year, the Group increased its shareholding in Asia Standard by 3.8%, recognizing a gain of HK\$228 million.

### **ASIA STANDARD**

The 49.2% owned Asia Standard reported a profit attributable to shareholders of HK\$2,383 million (2009: a loss of HK\$381 million) with a revenue of HK\$1,865 million (2009: HK\$855 million). The Group's share of profit from this associated company amounted to HK\$1,129 million (2009: a loss of HK\$173 million).

#### **Property sales and leasing**

Property sales amounted to HK\$1,053 million compared to HK\$144 million last year. Development profit was HK\$375 million compared to HK\$51 million last year. Jadewater, the residential development at Aberdeen, is the main contributor for this segment. During the year, Asia Standard completed the sale of all the residential units and retail shops of this development which has a total gross floor area of 150,000 sq. ft.

Westminster Terrace, Asia Standard's 50% joint venture luxurious residential development with Grosvenor at Castle Peak Road, was completed during the year. Sales for this 200,000 sq. ft. development commenced in the second half year and contributed HK\$165 million to Asia Standard's profit of the year.

Asia Standard has approximately 664,000 sq. ft. attributable gross floor area of properties under development in Hong Kong. It also holds a 50% interest in a 2 million sq. ft. gross floor area joint venture waterfront residential/commercial development project in Beijing, which is currently under planning application.

Rental income attributable to its investment properties portfolio decreased slightly to HK\$86 million from last year's HK\$89 million.

#### **Financial investments**

Asia Standard's financial investment portfolio recorded a net unrealized fair value gain of HK\$948 million (2009: HK\$415 million loss) and a net realised gain of HK\$383 million (2009: HK\$17 million) during the year. These investments generated dividend and interest income of HK\$200 million during the year.

#### **Hotel**

Asia Standard holds a 67.4% stake in its listed hotel subsidiary. The hotel group reported a HK\$435 million profit (2009: HK\$230 million loss) for the year. The reported profit was mostly attributed to net investment gain from its financial investment.

The hotel subsidiary runs and operates 4 hotels with 1,343 rooms (2009: 3 hotels with 1,063 rooms). Average room rates decreased for the 3 existing hotels, mainly affected by the swine flu in the first quarter of the financial year. On the other hand, occupancy levels remain to be similar to the previous year due to an increase in visitor arrivals from mainland China. The new 280 rooms hotel in Causeway Bay became fully operational during the year, adding revenue and profit to the hotel group. The Empire Kowloon Hotel added 28 new rooms and began sales in February 2009. Brand new conference facilities were added to Wanchai hotel operation to complement its repositioning in the market.

## **FINANCIAL REVIEW**

At 31st March 2010, the Group's net asset value increased to HK\$4.1 billion (2009: HK\$2.3 billion). During the year, HK\$51 million equity was raised upon the conversion of warrants. The Group was at net cash position at financial year end while last year end was at a net borrowing of HK\$69 million. Gearing was 3% at last year end.

At 31st March 2010, the Group had financial investments amounting to HK\$393 million (2009: HK\$210 million). A net unrealized fair value gain of HK\$65 million (2009: HK\$71 million loss) and a net realised gain of HK\$231 million (2009: HK\$2 million loss) were recognised in the profit and loss account. These investments generated income of HK\$38 million during the year (2009: HK\$16 million).

Certain listed securities were pledged to secure general banking facilities of the Group. The Group did not provide any guarantees to banks and financial institutions on credit facilities to jointly controlled entities, associated companies and third parties.

## **EMPLOYEES AND REMUNERATION POLICIES**

At 31st March 2010, the Group employed 189 full time employees with the majority of them working for building management and related services. Their remuneration packages, commensurate with job nature and experience level, include basic salary, annual bonus, retirement and other benefits.

## **FUTURE PROSPECTS**

Aggressive monetary easing policies adopted by Central Banks worldwide succeeded in preventing the financial meltdown to slide into a deeper turmoil. Substantial rebound is evidenced in the equities market worldwide. Economic recovery is however slow at best, particularly in Euro zone economies.

Demand for local properties remains strong, mainly due to abundances of credit, limited new supply and the expected inflation. In the mainland, the tightening policies against the property market moderated the growth in property values and therefore transaction volumes drops.

Management is alert to the slow worldwide economic recovery and remains cautious in monitoring the Group's investments, while at the same time actively seeking suitable attractive investment opportunities to enhance shareholders' return.

## **DIVIDEND**

The Directors recommend a final dividend for the year ended 31st March 2010 of HK1.25 cents per share (2009: Nil) to shareholders whose names appear on the Company's Register of Members on 19th August 2010 (the "Record Date"). The final dividend is subject to approval of the shareholders in the 2010 annual general meeting to be held on 19th August 2010 (the "2010 AGM"), and is expected to be paid on or around 17th September 2010. The shareholders will be given an option to elect to receive shares of the Company credited as fully paid in lieu of cash in respect of part or all of the proposed final dividend (the "Scrip Dividend Scheme"). Total dividend for the year, including interim dividend of HK1.5 cents per share in scrip (2009: Nil), amounts to HK2.75 cents per share (2009: Nil).

The Scrip Dividend Scheme will be subject to (i) the approval of the proposed final dividend at the 2010 AGM; and (ii) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting listing of and permission to deal in the new shares to be allotted thereunder. Full details of the Scrip Dividend Scheme will be set out in a circular to be despatched to the shareholders.

## **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members will be closed from Tuesday, 17th August 2010 to Thursday, 19th August 2010, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend and to ascertain the right to attend the 2010 AGM, all share certificates with completed transfer forms either overlaid or separately must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 16th August 2010.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the year, the Company had not redeemed any of its shares. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the year.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year, and they all confirmed that they have fully complied with the required standard set out in the Model Code throughout the year ended 31st March 2010.

## **CODE ON CORPORATE GOVERNANCE PRACTICES**

During the year, the Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules, except for the deviation from code provision A.4.1 which states that non-executive directors should be appointed for a specific term, subject to re-election. All non-executive director and independent non-executive directors of the Company are not appointed for specific terms, but subject to retirement by rotations and re-elections at the annual general meeting of the Company in accordance with the Bye-Laws of the Company.

## **AUDIT COMMITTEE**

The Audit Committee members are Mr. Hung Yat Ming, Mr. Cheung Kwok Wah and Mr. Wong Chi Keung who have reviewed the annual financial statements of the Group for the year ended 31st March 2010.

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

Hong Kong, 29th June 2010

*As at the date of this announcement, the executive directors of the Company 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, Mr. Hung Yat Ming and Mr. Wong Chi Keung.*