



ASIA COMMERCIAL HOLDINGS LIMITED

冠 亞 商 業 集 團 有 限 公 司 *

(Incorporated in Bermuda with limited liability)

(Stock Code: 104)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of ASIA COMMERCIAL HOLDINGS LIMITED will be held at Cypress Room, 2nd Floor, Novotel Century Harbourview Hotel, 508 Queen's Road West, Western District, Hong Kong on Thursday, 28th September, 2006 at 10:30 a.m. for the following purposes:

As Ordinary Business

1. To receive and consider the financial statements and the reports of the directors and auditors for the year ended 31st March, 2006;
2. To re-elect the retiring directors and to authorize the Board to fix the Directors' remuneration;
3. To re-appoint Auditors and authorize the Board to fix their remuneration; and

As Special Business

4. To consider and, if thought fit, pass the following resolutions as an Ordinary Resolutions:

"THAT:

- (i) subject to paragraph (ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares in the capital of the Company on The Stock Exchange of Hong Kong Limited ("Stock Exchange") or on any other stock exchange on which the shares of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

(ii) the aggregate nominal amount of shares of the Company which the directors of the Company is authorized to repurchase pursuant to the approval in paragraph (i) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(iii) for the purposes of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

(a) the conclusion of the next annual general meeting of the Company;

(b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-Laws of the Company to be held; and

(c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.”

5. To consider and, if thought fit, pass the following resolution as an Ordinary Resolution:

“THAT:

(i) subject to paragraph (iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;

(ii) the approval in paragraph (i) above shall authorize the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

(iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraph (i) above, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); (b) an issue of shares as scrip dividend pursuant to the Bye-Laws of the Company from time to time; (c) an issue of shares of the Company upon the exercise of rights of subscription or conversion under the terms of any securities which are convertible into shares of the Company; or (d) an issue of shares of the Company under any option scheme or similar arrangement for the time being adopted for the grant or issue to employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company,

shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and

(iv) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-Laws of the Company to be held; and
- (c) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares of the Company open for a period fixed by the directors of the Company to the holders of shares of the Company whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

6. To consider and, if though fit, pass the following resolution as an Ordinary Resolution:

“**THAT** subject to the passing of Resolutions 4 and 5 set out in the notice convening the Annual General Meeting of the Company of which this resolution forms part (“Notice”), the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to Resolution 5 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution 4 set out in the Notice, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the said Resolution.”

7. To consider, and, if thought fit, pass the following resolution as a Special Resolution:

“THAT the Bye-Laws of the Company be and are hereby amended as follows:

- (i) By deleting the full-stop at the end of existing Bye-Law 84(A)(d) and substituting therefor a semicolon;
- (ii) By inserting the following new Bye-Laws 84(A)(e) and 84(A)(f) immediately following Bye-Law 84(A)(d):
 - ‘(e) if he shall be absent from meetings of the Directors for six months without authority of a resolution of the Directors, and the Directors resolve that his office be vacated; or
 - (f) if he shall be removed from office pursuant to these Bye-Laws.’;
- (iii) By deleting Bye-Law 84(B) in its entirety and renumbering Bye-Law 84(C) as Bye-Law 84(B);
- (iv) By deleting Bye-Law 85 in its entirety and substituting therefor by the following new Bye-Law 85:

‘85. Subject to the manner of retirement by rotation of Directors as from time to time prescribed under the Listing Rules and notwithstanding any contractual or other terms on which any Director may be appointed, at each Annual General Meeting one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation, provided that (i) save for a Director holding office as Chairman or Managing Director, every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years at an Annual General Meeting and (ii) no Director holding office as Chairman or Managing Director shall be subject to retirement by rotation or be taken into account in determining the number of Directors to retire. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires.’;
- (v) By deleting the words ‘Special Resolution’ in Bye-Law 91 and substituting therefor by the words ‘Ordinary Resolution’; and
- (vi) By deleting Bye-Law 92 in its entirety and substituting therefor by the following new Bye-Law 92:

‘92. The Director shall have power at any time, and from time to time, to appoint any person to be a Director either to fill a causal vacancy or as an additional Director. Any person so appointed shall hold office only until the next following general meeting and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at such meeting. In case the aforesaid Director retires at an Annual General Meeting, he or she shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such Annual General Meeting pursuant to Bye-Law 85.’”

8. To consider, and, if thought fit, pass the following resolution as a Special Resolution:

“THAT:

- (i) the proposed repeal of the Asia Commercial Holdings Limited Company Act, 1989 of Bermuda (the “Repeal”) be and is hereby approved; and
- (ii) the Directors, Officers and agents of the Company be and they are hereby authorised to do or procure all such acts, deeds and things, whether under hand or the common seal of the Company (in accordance with the Bye-Laws), as they shall in their absolute discretion, deem fit in order to effect and complete the Repeal.”

By Order of the Board
Lai Kwok Hung, Alex
Company Secretary

Hong Kong, 28th July, 2006

Registered office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

Head office and principal place of business:

Flat A-D, 13th Floor
Hong Kong Industrial Building
444-452 Des Voeux Road West
Hong Kong

Notes:

- (1) Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A Member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (2) To be effective, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company's branch share registrars in Hong Kong, Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a Member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
- (3) Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he was solely entitled thereto, but if more than one of such joint holders are present at the meeting, the most senior shall alone be entitled to vote, whether in person or by proxy, and for this purpose seniority shall be determined by the order in which the names stand in the register in respect of the joint holding.
- (4) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.

As at the date of this announcement, the Board comprises Mr. Leung Chung Ping, Owen and Mr. Sum Pui Ying, Adrian as executive directors, Miss Leung Miu King, Marina as non-executive director and Mr. Sit Kien Ping, Peter, Mr. Lai Si Ming and Mr. Frank H. Miu as independent non-executive directors.

** For identification purposes only*

Please also refer to the published version of this announcement in The Standard.