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ASIA COMMERCIAL HOLDINGS LIMITED

冠亞商業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 104)

**(I) PROPOSED OFFER OF NEW CONSOLIDATED SHARES
BY WAY OF A RIGHTS ISSUE OF
NOT LESS THAN 1,025,149,830 RIGHTS SHARES AND
NOT MORE THAN 1,090,037,886 RIGHTS SHARES
IN THE PROPORTION OF THREE RIGHTS SHARES FOR
EVERY ONE CONSOLIDATED SHARE
HELD ON THE RECORD DATE
AT HK\$0.20 PER RIGHTS SHARE;**

(II) PROPOSED SHARE CONSOLIDATION; AND

(III) PROPOSED SHARE CAPITAL INCREASE

Financial Adviser to the Company



SOMERLEY LIMITED

PROPOSED RIGHTS ISSUE

The Board proposes to raise not less than approximately HK\$205.0 million but not more than approximately HK\$218.0 million before expenses by way of the Rights Issue to the Shareholders. The Rights Issue involves the issue of not less than 1,025,149,830 Rights Shares and not more than 1,090,037,886 Rights Shares at the Subscription Price of HK\$0.20 per Rights Share on the basis of three (3) Rights Shares for every one (1) Consolidated Share in issue on the Record Date. The Rights Shares will not be offered to the Excluded Shareholders.

The Directors consider that it is in the interests of the Group and the Shareholders as a whole to strengthen the Group's financial position and to enlarge its capital base by way of the Rights Issue, which will also enable all Shareholders (other than the Excluded Shareholders) the opportunity to participate and maintain their respective pro-rata shareholding interests in the Company. As such, the net proceeds of the Rights Issue is intended to be applied by the Group towards the repayment of the indebtedness of approximately HK\$110 million and the remaining balance for general working capital purposes.

Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson have given the Irrevocable Undertakings to the Company to subscribe for all the Rights Shares to which they are entitled under the Rights Issue. The details of the Irrevocable Undertakings are set out in the paragraph headed "Irrevocable Undertakings from Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson" under the section headed "Underwriting and sub-underwriting arrangements for the Rights Issue" below in this announcement.

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company as at the close of business on the Record Date. In order to be registered as members of the Company on the Record Date, all transfers of Shares or Consolidated Shares (together with the relevant share certificate(s)) must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on Thursday, 10 January 2013. It is expected that the last day of dealings in the Consolidated Shares on a cum-rights basis is Tuesday, 8 January 2013 and the Consolidated Shares will be dealt with on an ex-rights basis from Wednesday, 9 January 2013.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is conditional upon the fulfillment or waiver of the conditions set out in the paragraph headed "Conditions of the Rights Issue" under the section headed "(B) Proposed Rights Issue" in this announcement. In particular, the Rights Issue is conditional upon, among other things:

- (i) the Listing Committee granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms), either unconditionally or subject to such conditions as the Underwriter may in its absolute discretion accept and the satisfaction of such conditions (if any and where relevant) before 8:00 a.m. on the first date of dealings in nil-paid Rights Shares and not having withdrawn or revoked such listing and permission before 8:00 a.m. on the first date of dealings in the Rights Shares; and**

(ii) the obligations of the Underwriter under the Underwriting Agreement not being terminated in accordance with its terms (set out in the paragraph headed “Termination of the Underwriting Agreement” under the section headed “(C) Underwriting and sub-underwriting arrangements for the Rights Issue” in this announcement).

If the conditions of the Rights Issue are not fulfilled or are not waived or if the Underwriter exercises its right to terminate the Underwriting Agreement pursuant to the terms therein, the Rights Issue will not proceed.

Any persons contemplating buying or selling Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or waived, and any dealings in the Rights Shares in their nil-paid form between Friday, 18 January 2013 to Friday, 25 January 2013 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed.

Any Shareholders or other persons contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

PROPOSED CAPITAL REORGANISATION

In addition, the Board proposes (i) the Share Consolidation which will involve the consolidation of every ten (10) issued and unissued Shares of par value of HK\$0.02 each in the share capital of the Company into one (1) Consolidated Share of par value of HK\$0.20; and (ii) the Share Capital Increase involving the increase in the authorised share capital of the Company from HK\$100,000,000 divided into 500,000,000 Consolidated Shares of par value HK\$0.20 each to HK\$500,000,000 divided into 2,500,000,000 Consolidated Shares of par value HK\$0.20 each.

LISTING RULES IMPLICATIONS

Since the Rights Issue will increase the issued share capital of the Company by more than 50% within the twelve-month period immediately preceding the date of this announcement, the Rights Issue is conditional on the approval by Independent Shareholders at the SGM by a resolution on which the controlling Shareholder, being the Eav Family, which holds approximately 53.24% issued share capital of the Company as at the date of this announcement, is required to abstain from voting in favour of the Rights Issue.

GENERAL

The Independent Board Committee, comprising all independent non-executive Directors, will be established to consider the terms of the Rights Issue (and the transactions contemplated thereunder) and advise the Independent Shareholders as to whether such terms are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole and its recommendation as to the voting, after taking into account the recommendation of the independent financial adviser.

In this connection, an independent financial adviser will be appointed by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders as to whether the terms under the Rights Issue (and the transactions contemplated thereunder) are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole and its recommendation as to the voting.

A circular containing, inter alia, (i) further details of the Rights Issue, the Underwriting Agreement, the Share Consolidation and the Share Capital Increase; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue and the Underwriting Agreement; (iii) the letter from an independent financial adviser to both the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue and the Underwriting Agreement; (iv) other information required under the Listing Rules; and (v) the notice of SGM, is expected to be despatched to the Shareholders on or before 18 December 2012.

(A) INTRODUCTION

The Board proposes to raise not less than approximately HK\$205.0 million but not more than approximately HK\$218.0 million before expenses by way of the Rights Issue to the Shareholders. The Rights Issue involves the issue of not less than 1,025,149,830 Rights Shares and not more than 1,090,037,886 Rights Shares at the Subscription Price of HK\$0.20 per Rights Share on the basis of three (3) Rights Shares for every one (1) Consolidated Share in issue on the Record Date. The Rights Shares will not be offered to the Excluded Shareholders.

In addition, the Board proposes (i) the Share Consolidation which will involve the consolidation of every ten (10) issued and unissued Shares of par value of HK\$0.02 each in the share capital of the Company into one (1) Consolidated Share of par value of HK\$0.20; and (ii) the Share Capital Increase involving the increase in the authorised share capital of the Company from HK\$100,000,000 divided into 500,000,000 Consolidated Shares of par value HK\$0.20 each to HK\$500,000,000 divided into 2,500,000,000 Consolidated Shares of par value HK\$0.20 each.

(B) PROPOSED RIGHTS ISSUE

Issue statistics

Basis of the Rights Issue	:	Three (3) Rights Shares for every one (1) Consolidated Share held on the Record Date
Subscription Price	:	HK\$0.20 per Rights Share with par value of HK\$0.20 each
Number of Existing Shares in issue as at the date of this announcement	:	3,417,166,107 Existing Shares
Number of Consolidated Shares in issue upon the Share Consolidation becoming effective	:	341,716,610 Consolidated Shares
Number of Rights Shares:	:	Not less than 1,025,149,830 Rights Shares and not more than 1,090,037,886 Rights Shares (<i>Note</i>)
Enlarged issued share capital upon completion of the Rights Issue:	:	Not less than 1,366,866,440 Consolidated Shares and not more than 1,453,383,848 Consolidated Shares (<i>Note</i>)

Note:

As at the date of this announcement, there are 29,984,000 Vested Share Options outstanding with the rights to subscribe for 29,984,000 Shares (or 2,998,400 Consolidated Shares upon the Share Consolidation becoming effective) and the Convertible Notes outstanding with the right to convert into 186,309,523 Shares (or 18,630,952 Consolidated Shares upon the Share Consolidation becoming effective). The minimum number of Rights Shares is arrived at assuming no new Shares will be issued after the date of this announcement and up to the Record Date. The maximum number of the Rights Shares is computed based on three (3) Rights Shares for every one (1) Consolidated Share held on the Record Date, taking into account (i) the 3,417,166,107 Existing Shares in issue as at the date of this announcement (or 341,716,610 Consolidated Shares upon the Share Consolidation becoming effective); and (ii) the 21,629,352 new Consolidated Shares which may be issued upon the exercise of the outstanding Vested Share Options and the conversion of the outstanding Convertible Notes in full on or prior to the Latest Lodging Date.

The minimum number of 1,025,149,830 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 3 times of the existing issued share capital of the Company (assuming the Share Consolidation has become effective) and 75% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue.

The maximum number of 1,090,037,886 Rights Shares to be issued pursuant to the terms of the Rights Issue represent 3 times of the issued share capital of the Company (assuming the Share Consolidation has become effective) as enlarged by the exercise of the outstanding Vested Share Options and the conversion of the outstanding Convertible Notes in full and 75% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue, assuming the new Consolidated shares are issued upon the exercise of the outstanding Vested Share Options and the conversion of the outstanding Convertible Notes in full on or prior to the Latest Lodging Date.

As at the date of this announcement, save for the outstanding Vested Share Options and the Convertible Notes as detailed above and the outstanding Unvested Share Options, the Company has no other outstanding derivatives, options, warrants, conversion rights or other similar rights which are convertible or exchangeable into the Shares.

Subscription Price

The Subscription Price of HK\$0.20 per Rights Share is payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or when a transferee of the nil-paid Rights Shares subscribes for the Rights Shares.

The Subscription Price represents:

- (i) a discount of 87.5% to the closing price of HK\$1.60 per Share as quoted on the Stock Exchange on 27 November 2012, being the last trading day prior to the publication of this announcement, after adjusted for the effect of the Share Consolidation;
- (ii) a discount of approximately 87.0% to the average closing price of approximately HK\$1.54 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 27 November 2012 after adjusted for the effect of the Share Consolidation;
- (iii) a discount of approximately 87.0% to the average closing price of approximately HK\$1.54 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including 27 November 2012 after adjusted for the effect of the Share Consolidation;
- (iv) a discount of approximately 63.6% to the theoretical ex-rights price of approximately HK\$0.55 per Share based on the closing price as quoted on the Stock Exchange on 27 November 2012 after adjusted for the effect of the Share Consolidation; and

- (v) a discount of approximately 85.7% to the unaudited consolidated net tangible asset value per Share of approximately HK\$1.40 (based on the latest published unaudited consolidated net tangible asset value of the Group of approximately HK\$479.3 million as at 30 September 2012, 3,417,166,107 Shares in issue as at the date of this announcement and after adjusted for the effect of the Share Consolidation).

The Subscription Price was arrived at after arm's length negotiation between the Company and the Underwriter with reference to the financial performance and underlying value of the Company, the recent market prices of the Shares under the prevailing market conditions and the effect of the Share Consolidation. Each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its shareholding in the Company held on the Record Date. The Board (excluding the independent non-executive Directors) considers the Subscription Price to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank pari passu with the then existing Shares in issue on the date of allotment and issue of the Rights Shares in all respects. Holders of such Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the Rights Shares.

Qualifying Shareholders

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company as at the close of business on the Record Date. In order to be registered as members of the Company on the Record Date, all transfers of Shares or Consolidated Shares (together with the relevant share certificate(s)) must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by not later than 4:30 p.m. on Thursday, 10 January 2013. It is expected that the last day of dealings in the Consolidated Shares on a cum-rights basis is Tuesday, 8 January 2013 and the Consolidated Shares will be dealt with on an ex-rights basis from Wednesday, 9 January 2013.

Holders of the outstanding Vested Share Options and the outstanding Convertible Notes who wish to participate in the Rights Issue should exercise their Share Options or convert the Convertible Notes in accordance with the terms of the share option scheme and the deed of the Convertible Notes so as to enable them to be registered as members of the Company on the Record Date.

The Company will send the Prospectus Documents to the Qualifying Shareholders on the Despatch Date. The Company will send only the Prospectus to the Excluded Shareholders (if any) for information purpose on the same date.

Excluded Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong and Bermuda. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

The Company will make enquiries as to whether the issue of the Rights Shares to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange. If, after making such enquiries, the Directors are of the opinion that it would be necessary or expedient, on account either of the legal restrictions under the laws of the relevant place or any requirement of the relevant regulatory body or stock exchange in that place, not to offer the Rights Shares to such Overseas Shareholders, no provisional allotment of the nil-paid Rights Shares or allotment of the fully-paid Rights Shares will be made to such Overseas Shareholders. In such circumstances, the Rights Issue will not be extended to the Excluded Shareholders. The Company will send the Prospectus to the Excluded Shareholders for their information purpose only.

Arrangements will be made for as much as possible of the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in nil-paid form, to be sold as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of HK\$100 or more will be paid pro rata (but rounded down to the nearest cent) to the relevant Excluded Shareholders in Hong Kong dollars. The Company will retain individual amounts of less than HK\$100 for its own benefit.

Closure of register of members

The register of members of the Company will be closed from Friday, 11 January 2013 to Tuesday, 15 January 2013 (both days inclusive). No transfers of the Shares or the Consolidated Shares will be registered during this period.

Fractional entitlement to the Rights Shares

On the basis of provisional allotment of three (3) Rights Shares for every one (1) Consolidated Share held on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

Application for excess Rights Shares

The Company has decided that no excess applications will be available for the Qualifying Shareholders to make applications to subscribe for any Rights Share provisionally allotted but not taken up by the allottees (or their renounees) having considered that each Qualifying Shareholder will be given an equal and fair opportunity to participate in the Company's future development by subscribing for his/her/its proportionate entitlement under the Rights Issue and there will be dealing of nil-paid Rights Shares on the Stock Exchange.

The Rights Shares provisionally allotted but not taken up by the Qualifying Shareholders (or their renounees) will be underwritten by the Underwriter as described in the section headed "Underwriting and sub-underwriting arrangements for the Rights Issue" below. As at the date of this announcement, save for the Irrevocable Undertakings given by Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson to take up all the Rights Shares to be offered to them and their respective associates under the Rights Issue, the Board has not received any information from any substantial Shareholders of their intention to take up the Rights Shares allotted or to be provisionally allotted to them.

Application for listings

The Company will apply to the Listing Committee for the listings of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. The nil-paid Rights Shares shall have the same board lot size as the Consolidated Shares, i.e. 5,000 Consolidated Shares in one board lot.

Dealings in the Rights Shares in their nil-paid and fully-paid forms will be subject to the payment of stamp duty and other application fees in Hong Kong.

Share certificates for the Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by Thursday, 7 February 2013 by ordinary post at their own risk.

Conditions of the Rights Issue

The Rights Issue is conditional upon the following being fulfilled or waived:

- (a) the publication of this announcement by the Company in accordance with the Listing Rules on the date of the Underwriting Agreement or as soon as practicable in compliance with the Listing Rules;

- (b) the despatch of the circular issued by the Company to the Shareholders by the date of despatch of the circular and convening the SGM on the date of SGM;
- (c) the Capital Reorganisation having been duly approved by way of ordinary resolution(s) passed by the Shareholders (other than those Shareholders, if any, who are required to abstain from voting) at the SGM on the date of SGM (and become effective not later than the first day of dealings in nil-paid Rights Shares on the Stock Exchange) in accordance with the Listing Rules, the Bye-laws and the applicable law;
- (d) the Rights Issue (and the transactions contemplated thereunder) having been duly approved by way of ordinary resolution(s) passed by the Shareholders (other than those Shareholders, if any, required to abstain from voting) at the SGM, in accordance with the Listing Rules, the Bye-laws and the applicable law;
- (e) the Prospectus (with all documents required to be attached thereto by section 342C of the Companies Ordinance) and the PAL (all having been duly authorised for registration by the Stock Exchange and certified by any 2 Directors or their respective authorised agents) having been delivered to the Registrar of Companies in Hong Kong for registration in compliance with the Companies Ordinance on or before the date of the Prospectus;
- (f) the posting of the Prospectus Documents to the Qualifying Shareholders on or before the date of the Prospectus;
- (g) the Listing Committee granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms), either unconditionally or subject to such conditions as the Underwriter may in its absolute discretion accept and the satisfaction of such conditions (if any and where relevant) before 8:00 a.m. on the first date of dealings in nil-paid Rights Shares and not having withdrawn or revoked such listing and permission before 8:00 a.m. on the first date of dealings in the Rights Shares;
- (h) the Irrevocable Undertakings having been duly complied with in all respects;
- (i) the obligations of the Underwriter under the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms thereof; and
- (j) the Shares and, in relation to any time after the Capital Reorganisation has taken effect, the Consolidated Shares remaining listed on the Stock Exchange at all times prior to the first date of dealings in the Rights Shares and the listing of the Shares and, in relation to any time after the Capital Reorganisation has taken effect, of the Consolidated Shares not having been

withdrawn and no indication being received before 8:00 a.m. on the first date of dealings in the Rights Shares from the Stock Exchange to the effect that (i) such listing may be withdrawn or objected to (or conditions will or may be attached thereto) and/or (ii), without prejudice to the generality of (i), the Company is considered by the Stock Exchange that it has failed to meet or would no longer be able to meet the minimum public float requirements under the Listing Rules as a result of the Rights Issue or transactions contemplated thereunder or in connection with the Underwriting Agreement or for any other reason attributable to the Company or the Underwriter or the Sub-Underwriters.

The conditions above are not waiveable by any parties if and to the extent that it would result in any parties hereto breaching provisions of the Listing Rules, the Bye-laws and other applicable law. If any of the above conditions has not been fulfilled or (where so permitted thereunder) waived by the Underwriter on or before the relevant time/dates and in any event by 28 February 2013 in all respects, the obligations of the Underwriter and the Company shall cease and determine and no party shall have any claim against the other in respect of any matter or thing arising out of or in connection with the Underwriting Agreement save in respect of any antecedent breach of any obligation under the Underwriting Agreement. As at the date of this announcement, the abovementioned condition (a) has been fulfilled.

(C) UNDERWRITING AND SUB-UNDERWRITING ARRANGEMENTS FOR THE RIGHTS ISSUE

Underwriting Agreement

Date:

27 November 2012

Parties:

- (i) The Company (as issuer); and
- (ii) The Underwriter (as underwriter).

Number of the Underwritten Shares:

Not more than 543,194,196 Rights Shares, being the total number of the Rights Shares under the Rights Issue excluding 546,843,690 Rights Shares (assuming all Vested Share Options held by them are exercised before the Record Date) undertaken to be subscribed by Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson and their respective associates pursuant to the Irrevocable Undertakings and to the extent that the Company will maintain the requirement of 25% “public float” under to the Listing Rules (assuming all of the 2,998,400 new Consolidated Shares and 18,630,952 new Consolidated Shares are issued upon the exercise of the outstanding Vested Share Options and the conversion of the outstanding Convertible Notes respectively in full on or prior to the Record Date based on the 3,417,166,107 Shares in issue as at the date of this announcement (or 341,716,610 Consolidated Shares upon the Share Consolidation becoming effective)).

Underwriting commission:

The Underwriter will charge commission of 2.0% of the aggregate Subscription Price of the Underwritten Shares for which the Underwriter has agreed to subscribe or procure subscription. It is acknowledged that the Underwriter shall pay, out of the above commission, commission to the Sub-Underwriters as agreed amongst themselves.

Subscription Price:

HK\$0.20 per Rights Share

The Underwriter has sole obligation under the Underwriting Agreement. It is not in the ordinary and usual course of business for the Underwriter to underwrite issues of securities.

Irrevocable Undertakings from Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson

Each of Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson has given the Irrevocable Undertaking to the Company on 27 November 2012 that:

- (1) that he will not dispose of or procure the disposal of all or part of his Shares (including the additional Shares as a result of exercise of the Vested Share Options between the date thereof and the Record Date), directly or indirectly through his associates, prior to the Record Date; and
- (2) that he will himself, and procure his associates to, take up and pay for, on or before 4:00 p.m. on the Latest Acceptance Date on and subject to the terms of the Prospectus Documents, all the Rights Shares to be offered by the Company in respect of the full entitlements of himself and his associates under the Rights Issue and that such payment will be made to the Company in accordance with the instructions for acceptance contained in the Prospectus Documents.

Underwriting commitment of the Underwriter

The Rights Issue will be fully underwritten by the Underwriter other than the Rights Shares undertaken to be taken up by Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson and their respective associates pursuant to the Irrevocable Undertakings.

Termination of the Underwriting Agreement

The Underwriter reserves the right, to terminate the Underwriting Agreement, prior to the Latest Termination Time, if any of the below occurs prior to the Latest Termination Time:

- (a) the Underwriter shall become aware of the fact that, or shall have reasonable cause to believe that, any of the warranties contained in the Underwriting Agreement is untrue, inaccurate, misleading or breached, and in each case the same is (in the reasonable opinion of the Underwriter) material in the context of the Rights Issue; or
- (b)
 - (i) any new law or regulation is enacted, or there is any change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority, whether in Hong Kong or elsewhere;
 - (ii) any change in local, national or international financial, political, industrial or economic conditions;
 - (iii) any change of an exceptional nature in local, national or international equity securities or currency markets;
 - (iv) any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict;
 - (v) any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange; or
 - (vi) any change or development involving a prospective change in taxation or exchange controls in Hong Kong or elsewhere,

which event or events is or are in the reasonable opinion of the Underwriter:

- (1) likely to have a material adverse effect on the business, financial position or prospects of the Group taken as a whole; or
- (2) likely to have a material adverse effect on the success of the Rights Issue or the level of Rights Shares “taken up”; or
- (3) so material as to make it inappropriate, inadvisable or inexpedient to proceed further with the Rights Issue,

then and in such case, the Underwriter may, in addition to and without prejudice to any other remedies to which the Underwriter may be entitled, by notice in writing to the Company terminate the Underwriting Agreement.

Sub-underwriting arrangements

On 27 November 2012, the Underwriter entered into sub-underwriting arrangements with four independent third parties (not being connected persons of the Company) as the Sub-Underwriters primarily to maintain the public float of the Company in compliance with the Listing Rules. Under such sub-underwriting arrangements amongst the Underwriter and the Sub-Underwriters, the Underwriter shall subscribe for (and, amongst the Underwriter and the Sub-Underwriters themselves, be entitled to subscribe in priority to all of the Sub-Underwriters for) the Underwritten Shares not taken up as and to the fullest extent permitted by Rules 8.08(1)(a) and 13.32(1) of the Listing Rules. The Sub-Underwriters agreed to subscribe or procure the subscription of the balance of the Underwritten Shares which are not taken up by the allottees (or their renounees) and the Underwriter. The Underwritten Shares sub-underwritten by the Sub-Underwriters shall not be more than 272,509,472 Rights Shares (representing approximately 25% of the maximum number of Rights Shares under the Rights Issue). The Sub-Underwriters shall procure that each of the subscribers together with their respective associates will not become a substantial shareholder of the Company or together with their respective concert parties own 30% or more of the issued share capital of the Company immediately after the Rights Issue; and that they shall procure their independent subscribers to take up such number of Rights Shares as are necessary for the Company to ensure that the public float requirements under Rule 8.08 of the Listing Rules are complied with.

(D) WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is conditional upon the fulfillment or waiver of the conditions set out in the paragraph headed “Conditions of the Rights Issue” under the section headed “(B) Proposed Rights Issue” in this announcement. In particular, the Rights Issue is conditional upon, among other things:

- (i) the Listing Committee granting or agreeing to grant (subject to allotment) the listing of, and permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms), either unconditionally or subject to such conditions as the Underwriter may in its absolute discretion accept and the satisfaction of such conditions (if any and where relevant) before 8:00 a.m. on the first date of dealings in nil-paid Rights Shares and not having withdrawn or revoked such listing and permission before 8:00 a.m. on the first date of dealings in the Rights Shares; and**
- (ii) the obligations of the Underwriter under the Underwriting Agreement not being terminated in accordance with its terms (set out in the paragraph headed “Termination of the Underwriting Agreement” under the section headed “(C) Underwriting and sub-underwriting arrangements for the Rights Issue” in this announcement).**

If the conditions of the Rights Issue are not fulfilled or are not waived or if the Underwriter exercises its right to terminate the Underwriting Agreement pursuant to the terms therein, the Rights Issue will not proceed.

Any persons contemplating buying or selling Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled or waived, and any dealings in the Rights Shares in their nil-paid form between Friday, 18 January 2013 to Friday, 25 January 2013 (both days inclusive), bear the risk that the Rights Issue may not become unconditional or may not proceed.

Any Shareholders or other persons contemplating dealing in the Shares or nil-paid Rights Shares are recommended to consult their own professional advisers.

(E) CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structures of the Company (i) as at the date of this announcement; (ii) immediately upon completion of the Share Consolidation; and (iii) immediately upon completion of the Rights Issue under various scenarios:

	(i) As at the date of this announcement		(ii) upon completion of the Share Consolidation	
	<i>No. of Shares</i>	<i>Approx. % of issued Shares</i>	<i>No. of Consolidated Shares</i>	<i>Approx. % of issued Consolidated Shares</i>
Shareholders				
Eav Family	1,819,312,305	53.24%	181,931,230	53.24%
Covenhills (as a substantial Shareholder)	485,104,860	14.20%	48,510,486	14.20%
Other Directors	—	—	—	—
Sub-total	<u>2,304,417,165</u>	<u>67.44%</u>	<u>230,441,716</u>	<u>67.44%</u>
Public Shareholders				
Covenhills (as a public Shareholder)	—	—	—	—
Other Shareholders	1,112,748,942	32.56%	111,274,894	32.56%
Sub-Underwriters	—	—	—	—
Sub-total	<u>1,112,748,942</u>	<u>32.56%</u>	<u>111,274,894</u>	<u>32.56%</u>
Total	<u><u>3,417,166,107</u></u>	<u><u>100.00%</u></u>	<u><u>341,716,610</u></u>	<u><u>100.00%</u></u>

(iii) (a) Assuming none of the outstanding Share Options is exercised and none of the outstanding Convertible Notes is converted on or before the 4:30 p.m. on the Latest Lodging Date:

	(1) Upon completion of the Capital Reorganisation and the Rights Issue assuming (i) full acceptance by the Eav Family under the Rights Issue; and (ii) nil acceptance under Rights Issue by other Shareholders		(2) Upon completion of the Capital Reorganisation and the Rights Issue assuming (i) full acceptance by the Eav Family and Covenhills under the Rights Issue; and (ii) nil acceptance under Rights Issue by other Shareholders		(3) Upon completion of the Capital Reorganisation and the Rights Issue assuming full acceptance by all Shareholders under the Rights Issue	
	<i>Approx. %</i>		<i>Approx. %</i>		<i>Approx. %</i>	
	<i>No. of Consolidated Shares</i>	<i>of issued Consolidated Shares</i>	<i>No. of Consolidated Shares</i>	<i>of issued Consolidated Shares</i>	<i>No. of Consolidated Shares</i>	<i>of issued Consolidated Shares</i>
Shareholders						
Eav Family	727,724,920	53.24%	727,724,920	53.24%	727,724,920	53.24%
Underwriter	297,424,910	21.76%	103,382,966	7.56%	–	–
<i>Sub-total</i>	1,025,149,830	75.00%	831,107,886	60.80%	727,724,920	53.24%
Covenhills (as a substantial Shareholder)	–	–	194,041,944	14.20%	194,041,944	14.20%
Other Directors	–	–	–	–	–	–
<i>Sub-total</i>	1,025,149,830	75.00%	1,025,149,830	75.00%	921,766,864	67.44%
Public Shareholders						
Covenhills (as a public Shareholder)	48,510,486	3.55%	–	–	–	–
Other Shareholders	111,274,894	8.14%	111,274,894	8.14%	445,099,576	32.56%
Sub-Underwriters	181,931,230	13.31%	230,441,716	16.86%	–	–
<i>Sub-total</i>	341,716,610	25.00%	341,716,610	25.00%	445,099,576	32.56%
Total	1,366,866,440	100.00%	1,366,866,440	100.00%	1,366,866,440	100.00%

(iii) (b) Assuming all of the outstanding Vested Share Options are exercised and all of the outstanding Convertible Notes are converted on or before the 4:30 p.m. on the Latest Lodging Date:

	(1) Upon completion of the Capital Reorganisation and assuming all of the outstanding Vested Share Options are exercised and all of the outstanding Convertible Notes are converted on or before the 4:30 p.m. on the Latest Lodging Date		(2) Upon completion of the Capital Reorganisation and the Rights Issue assuming (i) full acceptance by the Eav Family under the Rights Issue; and (ii) nil acceptance by other Shareholders under Rights Issue		(3) Upon completion of the Capital Reorganisation and the Rights Issue assuming (i) full acceptance by the Eav Family and Covenhills under the Rights Issue; and (ii) nil acceptance by other Shareholders under Rights Issue		(4) Upon completion of the Capital Reorganisation and the Rights Issue assuming full acceptance by all Shareholders under the Rights Issue	
	<i>No. of Consolidated Shares</i>	<i>Approx. % of issued Shares</i>	<i>No. of Consolidated Shares</i>	<i>Approx. % of issued Shares</i>	<i>No. of Consolidated Shares</i>	<i>Approx. % of issued Shares</i>	<i>No. of Consolidated Shares</i>	<i>Approx. % of issued Shares</i>
Shareholders								
Eav Family	182,281,230	50.17%	729,124,920	50.17%	729,124,920	50.17%	729,124,920	50.17%
Underwriter	–	–	360,154,566	24.78%	166,112,621	11.43%	–	–
Sub-total	182,281,230	50.17%	1,089,279,486	74.95%	895,237,541	61.60%	729,124,920	50.17%
Covenhills (as a substantial Shareholder)	48,510,486	13.35%	–	–	194,041,944	13.35%	194,041,944	13.35%
Other Directors	758,400	0.21%	758,400	0.05%	758,400	0.05%	3,033,600	0.21%
Sub-total	231,550,116	63.73%	1,090,037,886	75.00%	1,090,037,885	75.00%	926,200,464	63.73%
Public Shareholders								
Covenhills (as a public Shareholder)	–	–	48,510,486	3.34%	–	–	–	–
Other Shareholders	131,795,846	36.27%	131,795,846	9.07%	131,795,846	9.07%	527,183,384	36.27%
Sub-Underwriters	–	–	183,039,630	12.59%	231,550,117	15.93%	–	–
Sub-total	131,795,846	36.27%	363,345,962	25.00%	363,345,963	25.00%	527,183,384	36.27%
Total	363,345,962	100.00%	1,453,383,848	100.00%	1,453,383,848	100.00%	1,453,383,848	100.00%

(F) REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

The principal activities of the Group are the trading and retailing of watches and property leasing.

The gross proceeds from the Rights Issue are expected to be not less than approximately HK\$205.0 million but not more than approximately HK\$218.0 million before expenses. The net proceeds from the Rights Issue after deducting the expenses are estimated to be not less than approximately HK\$200.8 million but not more than approximately HK\$213.8 million. The net Subscription Price per Rights Share is expected to be approximately HK\$0.196.

As stated in the interim results announcement of the Company for the six months ended 30 September 2012, the Group's consolidated turnover amounted to HK\$577.5 million, representing an increase of 11% (2011: 12%) from HK\$518.7 million in the same period last year due to the increase in the number of stores in Hong Kong which was slightly offset by the decrease in turnover in Mainland China. The average same store sales for the reporting period decreased 18% over the corresponding period when excluded existing flagship store in Beijing. Gross profit margin dropped 2.7% to 29.2% due to intense market competition. Distribution costs increased by 51% to HK\$210.1 million mainly due to the increase in rental expenses and depreciation charges incurred in launching our new flagship store in Beijing and new stores in Hong Kong and Mainland China. For the six months ended 30 September 2012, the Group reported a net loss attributable to the Shareholders of approximately HK\$67.6 million. Against this background, the Directors consider that it is in the interests of the Group and the Shareholders as a whole to strengthen the Group's financial position and to enlarge its capital base by way of the Rights Issue, which will also enable all Shareholders (other than the Excluded Shareholders) the opportunity to participate and maintain their respective pro-rata shareholding interests in the Company. As such, the net proceeds of the Rights Issue is intended to be applied by the Group towards the repayment of the indebtedness of approximately HK\$110 million and the remaining balance for general working capital purposes.

The Directors (excluding the independent non-executive Directors) consider that the terms and conditions of the Rights Issue (and the transactions contemplated thereunder) to be fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

(G) FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

The Company has not conducted other equity fund raising exercise in the 12 months immediately preceding the date of this announcement.

(H) PROPOSED SHARE CONSOLIDATION

Background

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 comprising 5,000,000,000 Shares of par value of HK\$0.02 each, of which 3,417,166,107 Shares have been issued and fully paid. The issued share capital of the Company is HK\$68,343,322.14. The Board proposes to put forward the Share Consolidation to the effect that every ten (10) issued and unissued Shares of par value of HK\$0.02 each in the share capital of the Company will be consolidated into one (1) Consolidated Share of par value of HK\$0.20.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 5,000,000,000 Shares of par value HK\$0.02 each, of which 3,417,166,107 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot and issue any further Shares prior thereto, the issued share capital of the Company will be HK\$68,343,322 represented by 341,716,610 Consolidated Shares.

No fractional entitlements of the Shareholders to the Consolidated Shares will be allotted. All the fractional entitlements arising from the Share Consolidation will be aggregated and sold (if a premium, net of expenses, can be obtained) for the benefit of the Company. The Consolidated Shares will rank *pari passu* in all respects with each other.

Implementation of the Share Consolidation will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate shareholdings of the Shareholders, except for the fractional entitlements.

The Share Consolidation is conditional upon, *inter alia*, the approval of the Shareholders at the SGM. Details of the arrangements with regard to parallel trading arrangements, odd lot matching services and the free exchange of share certificates will be included in the circular to be despatched to the Shareholders.

Reasons for the Share Consolidation

The Share Consolidation is expected to bring about a corresponding upward adjustment in the trading price of the Consolidated Share and an increase in trading price per board lot, and hence reduce the overall transaction and handling costs for dealing in the Consolidated Shares. The Share Consolidation will provide greater flexibility for equity fund raising of the Company in the future.

In view of the above, the Board believes that the Share Consolidation is beneficial to the Company and the Shareholders as a whole.

The issued Consolidated Shares will rank pari passu in all respects with each other, and the Share Consolidation will not result in any change in the relative rights of Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional on:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the SGM;
- (ii) compliance with the relevant legal procedures and requirements under the Listing Rules and the Companies Act to effect the Share Consolidation; and
- (iii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares.

Expected effective date of the Share Consolidation

Subject to the above conditions being fulfilled, the Share Consolidation is expected to become effective on Tuesday, 8 January 2013.

Listing and dealings

Application will be made to the Listing Committee of the Stock Exchange for the granting of the listing of, and permission to deal in, the Consolidated Shares arising from the Share Consolidation.

The Consolidated Shares will be identical in all respects and rank pari passu in all respects with each other as to all future dividends and distributions which are declared, made or paid.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Exchange of share certificates

Subject to the Share Consolidation becoming effective, Shareholders may submit share certificates for the Existing Shares to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong between Tuesday, 8 January 2013 and Tuesday, 19 February 2013 (both days inclusive) during business hours, to exchange, at the expense of the Company, for new certificates of the Consolidated Shares.

(I) PROPOSED SHARE CAPITAL INCREASE

Upon the Share Consolidation becoming effective, the Directors propose to increase the authorised share capital of the Company from HK\$100,000,000 divided into 500,000,000 Consolidated Shares of par value HK\$0.20 each to HK\$500,000,000 divided into 2,500,000,000 Consolidated Shares of par value HK\$0.20 each, so as to make available sufficient authorised but unissued Consolidated Shares for the allotment and issue of other new Consolidated Shares including the Rights Shares in the future. The proposed Share Capital Increase is conditional upon the passing of an ordinary resolution by the Shareholders at the SGM. Save as disclosed in this announcement and the issuance of new Shares (or Consolidated Shares) to be issued on conversion of the outstanding convertible securities of the Company as at the date of this announcement, the Directors have no present intention of issuing any part of share capital of the Company.

(J) EXPECTED TIMETABLE FOR THE RIGHTS ISSUE AND THE CAPITAL REORGANISATION

The expected timetable for the Rights Issue and the Capital Reorganisation is set out below:

Events	Date and time
Despatch of circular with notice of SGM	Tuesday, 18 December 2012
Latest time for lodging transfers of Shares in order to qualify for attendance and voting at the SGM	4:30 p.m. on Friday, 4 January 2013
Latest date for return of proxy form of SGM	10:00 a.m. on Saturday, 5 January 2013
Expected date of SGM	10:00 a.m. on Monday, 7 January 2013
Announcement of poll results of SGM	Monday, 7 January 2013
Effective date of the Capital Reorganisation	Tuesday, 8 January 2013
Commencement of dealings in Consolidated Shares	9:00 a.m. on Tuesday, 8 January 2013
First day for free exchange of existing share certificates for Consolidated Shares into new share certificates for Consolidated Shares	Tuesday, 8 January 2013

Original counter for trading in	9:00 a.m. on Tuesday,
existing Consolidated Shares	8 January 2013
in the board lots size of	
5,000 temporarily closes	
Temporary counter for trading in	9:00 a.m. on Tuesday,
Consolidated Shares in the	8 January 2013
board lots size of 500	
(in the form of existing share	
certificates) opens	
Last day of dealing in	Tuesday, 8 January 2013
Consolidated Shares on	
a cum-rights basis	
First day of dealing in	Wednesday, 9 January 2013
Consolidated Shares on	
an ex-rights basis	
Latest time for lodging transfer	4:30 p.m. on Thursday,
of the Consolidated Shares in	10 January 2013
order to qualify for the	
Rights Issue	
Register of members of	Friday, 11 January 2013 to Tuesday,
the Company closes	15 January 2013 (both days inclusive)
Record Date	Tuesday, 15 January 2013
Register of members of the	Wednesday, 16 January 2013
Company re-opens	
Despatch of the	Wednesday, 16 January 2013
Prospectus Documents	
First day of dealings in nil-paid	Friday, 18 January 2013
Rights Shares	
Latest time for splitting of the	4:00 p.m. on Tuesday,
nil-paid Rights Shares	22 January 2013
Original counter for trading in	9:00 a.m. on Tuesday,
Consolidated Shares in the	22 January 2013
board lots size of 5,000	
(in the form of new share	
certificates) re-opens	

Parallel trading in the Consolidated Shares (in the form of new and existing certificates) Commences	9:00 a.m. on Tuesday, 22 January 2013
Designated broker starts to stand in the market to provide matching services for the sale and purchase of odd lots of the Consolidated Shares	Tuesday, 22 January 2013
Last day of dealings in the nil-paid Rights Shares	Friday, 25 January 2013
Latest time for acceptance of and payment for the Rights Shares	4:00 p.m. on Wednesday, 30 January 2013
Latest time for the Rights Issue to become unconditional	Monday, 4 February 2013
Announcement of results of acceptance of the Rights Issue	Wednesday, 6 February 2013
Despatch of certificates for the fully-paid Rights Shares on or before	Thursday, 7 February 2013
Commencement of dealings in the fully-paid Rights Shares	9:00 a.m. on Friday, 8 February 2013
Designated broker ceases to stand in the market to provide matching services for the sale and purchase of odd lots of Consolidated Shares	4:00 p.m. on Thursday, 14 February 2013
Temporary counter for trading in board lots of 500 Consolidated Shares (in the form of existing share certificates) closes	4:00 p.m. on Thursday, 14 February 2013
Parallel trading in the Consolidated Shares (in the form of new and existing certificates) ends	4:00 p.m. on Thursday, 14 February 2013

Last day of free exchange of Tuesday, 19 February 2013
existing certificates for
new certificate for the
Consolidated Shares

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

(K) LISTING RULES IMPLICATIONS

Since the Rights Issue will increase the issued share capital of the Company by more than 50% within the twelve-month period immediately preceding the date of this announcement, the Rights Issue is conditional on the approval by Independent Shareholders at the SGM by an ordinary resolution on which the controlling Shareholder, being the Eav Family, which holds approximately 53.24% issued share capital of the Company as at the date of this announcement, is required to abstain from voting in favour of the Rights Issue.

(L) GENERAL

The Independent Board Committee, comprising all independent non-executive Directors, will be established to consider the terms of the Rights Issue (and the transactions contemplated thereunder) and advise the Independent Shareholders as to whether such terms are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole and its recommendation as to the voting, after taking into account the recommendation of the independent financial adviser.

In this connection, an independent financial adviser will be appointed by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders as to whether the terms under the Rights Issue (and the transactions contemplated thereunder) are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole and its recommendation as to the voting.

A circular containing, inter alia, (i) further details of the Rights Issue, the Underwriting Agreement, the Share Consolidation and the Share Capital Increase; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue and the Underwriting Agreement; (iii) the letter from an independent financial adviser to both the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue and the Underwriting Agreement; (iv) other information required under the Listing Rules; and (v) the notice of SGM, is expected to be despatched to the Shareholders on or before 18 December 2012.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“BVI”	the British Virgin Islands
“Bye-laws”	the bye-laws of the Company from time to time
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Capital Reorganisation”	the Share Consolidation and the Share Capital Increase
“Company”	Asia Commercial Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Companies Act”	the Companies Act 1981 of Bermuda
“Companies Ordinance”	the Companies Ordinance, Chapter 32 of the Laws of Hong Kong
“Consolidated Share(s)”	share(s) of par value HK\$0.20 each in the share capital of the Company immediately after the Share Consolidation becoming effective
“Covenhills”	Covenhills Limited, a substantial Shareholder as at the date of this announcement
“Convertible Notes”	the 3% convertible notes of the Company due on 27 September 2013 with the outstanding principal amount of HK\$31,300,000
“Despatch Date”	Wednesday, 16 January 2013, the date on which the Prospectus Documents are despatched
“Director(s)”	the director(s) of the Company
“Eav Family”	Mr. Eav, his spouse and their children, namely, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson, both are executive Directors

“Excluded Shareholder(s)”	the Overseas Shareholder(s) who the Directors, after making enquiries, prior to 4:30 p.m. on the Latest Lodging Date but in any event before the Record Date, regarding the legal restrictions, if any, under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in the place where the Overseas Shareholder(s) resides, consider it necessary or expedient not to offer them the Rights Shares
“Group”	the Company and its subsidiaries
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Lai Si Ming, Ms. Wong Wing Yue, Rosaline and Mr. Lee Tat Cheung, Vincent, constituted to advise the Independent Shareholders as regards the terms of the Rights Issue and the Underwriting Agreement
“Independent Shareholders”	Shareholders other than the Eav Family
“Irrevocable Undertakings”	the irrevocable undertakings given by Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson to the Company on 27 November 2012 to subscribe for the Rights Shares to which Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson and their respective associates are entitled under the terms of the Rights Issue, the details of which are set out in the paragraph headed “Irrevocable Undertakings from Mr. Eav, Mr. Duong Ming Chi, Henry and Mr. Eav Ming Keong, Kinson” under the section headed “Underwriting and sub-underwriting arrangements for the Rights Issue” above in this announcement
“Latest Acceptance Date”	Wednesday, 30 January 2013, the last day for acceptance of and payment for the Rights Shares

“Latest Lodging Date”	Thursday, 10 January 2013, the latest time for lodging transfer of the Shares in order to qualify for the Rights Issue
“Latest Termination Time”	6:00 p.m. on the second Business Day after the Latest Acceptance Date
“Listing Committee”	has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Eav”	Mr. Eav Yin, Chairman and executive Director of the Company
“Overseas Shareholder(s)”	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company on the Record Date is/are outside of Hong Kong
“PAL(s)”	renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus and the provisional allotment letters to be issued by the Company
“Qualifying Shareholder(s)”	the Shareholder(s) whose name(s) appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Tuesday, 15 January 2013, the record date to determine entitlements to the Rights Issue
“Rights Issue”	the issue by the Company of not less than 1,025,149,830 Rights Shares and not more than 1,090,037,886 Rights Shares at the Subscription Price on the basis of three (3) Rights Shares for every one (1) Consolidated Share held on the Record Date payable in full on acceptance under the terms and conditions as set out in the Underwriting Agreement and the Prospectus
“Rights Share(s)”	the new Consolidated Share(s) to be allotted and issued by the Company under the Rights Issue

“SGM”	the special general meeting of the Company to be convened for approving, among other things, the Rights Issue (the transactions contemplated thereunder) and the Capital Reorganisation
“Share(s)”	ordinary share(s) in the share capital of the Company, the par value of which is HK\$0.02 each as at the date of this announcement or before the implementation of the Share Consolidation (“Existing Share(s)”); or HK\$0.20 each after the implementation of the Share Consolidation (i.e. the Consolidated Shares)
“Share Capital Increase”	the proposed increase in the authorised share capital of the Company from HK\$100,000,000 divided into 500,000,000 Consolidated Shares of par value HK\$0.20 each to HK\$500,000,000 divided into 2,500,000,000 Consolidated Shares of par value HK\$0.20 each
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Shares in the authorised share capital of the Company into one (1) Consolidated Share
“Share Option(s)”	the option(s) issued under the share option scheme of the Company which became effective on 20 September 2002 and lapsed (and the share award plan approved by the Shareholders on 13 September 2010 is the only share option or incentive scheme of the Company subsisting for the time being)
“Shareholder(s)”	the holder(s) of the Share(s) or the Consolidated Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.20 per Rights Share at which the Rights Shares are proposed to be offered for subscription
“Sub-Underwriters”	the sub-underwriters to the Rights Issue, being independent third parties who are independent of and not connected with the Company and its connected persons and/or associates
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

“Underwriter”	Century Hero International Limited, a company wholly owned by Mr. Eav
“Underwriting Agreement”	the underwriting agreement entered into between the Company and the Underwriter dated 27 November 2012 in relation to the Rights Issue
“Underwritten Shares”	543,194,196 Rights Shares, underwritten by the Underwriter, subject to the terms and conditions of the Underwriting Agreement
“Unvested Share Option(s)”	the Share Option(s) which are unvested as at the date of this announcement and up to the Record Date
“Vested Share Option(s)”	the Share Option(s) which are vested as at the date of this announcement and up to the Record Date
“%”	per cent.

By Order of the Board
Asia Commercial Holdings Limited
CHENG Ka Chung
Company Secretary

Hong Kong, 27 November 2012

As at the date of this announcement, the Board comprises Mr. Eav Yin (Chairman), Mr. Eav Ming Keong, Kinson, Mr. Duong Ming Chi, Henry and Mr. André Francois Meier as executive directors and Mr. Lai Si Ming, Ms. Wong Wing Yue, Rosaline and Mr. Lee Tat Cheung, Vincent as independent non-executive directors.

* *For identification purpose only*