



Asia Alliance Holdings Limited

亞洲聯盟集團有限公司*

(Incorporated in Bermuda with limited liability)

Stock Code: 616

RE-DESIGNATION OF DIRECTORS

The board of directors (the “Board”) of Asia Alliance Holdings Limited (the “Company”) is pleased to announce that with effect from 5 May 2005, Mr. Koon Wing Yee has been re-designated from President to Chairman of the Company and Mr. Tsang Yiu Kai has been re-designated from Vice President to Vice Chairman of the Company.

Mr. Koon Wing Yee, aged 48, is an executive director, Chairman and Chief Executive Officer of the Company and a member and Chairman of the Remuneration Committee and Executive Committee of the Board. He was appointed to the Board in March 2003. Mr. Koon is responsible for the overall management and development of the Company and its subsidiaries (the “Group”). He is a co-founder of Easyknit International Holdings Limited (“Easyknit”) and its subsidiaries (together the “Easyknit Group”). He is an executive director, President and Chief Executive Officer of Easyknit and an independent non-executive director of Chinese Estates Holdings Limited. Mr. Koon has been involved in the textiles industry for more than 27 years. He is the husband of Ms. Lui Yuk Chu, who is also an executive director of the Company. Mr. Koon was awarded the “Young Entrepreneur Award” in Hong Kong in December 1994 for his outstanding achievements as an entrepreneur. He serves as director of various members of the Group and the Easyknit Group. Mr. Koon did not hold any other directorships in listed public companies in the last three years.

As at the date hereof, Mr. Koon is deemed to have an interest in 128,259,324 shares of the Company (the “Shares”), representing approximately 35.93% of the issued share capital of the Company, within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”). The 128,259,324 Shares are beneficially owned by Landmark Profits Limited, which is a wholly-owned subsidiary of Easyknit. Magical Profits Limited is interested in approximately 36.74% of the issued share capital of Easyknit. Magical Profits Limited is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by Trustcorp Limited as trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui and her family members other than spouse). Mr. Koon, being the spouse of Ms. Lui, is deemed to be interested in the 128,259,324 Shares. He is also a director of each of Landmark Profits Limited, Easyknit and Accumulate More Profits Limited, which are substantial shareholders of the Company within the meaning of Part XV of the SFO.

Mr. Tsang Yiu Kai, aged 53, is an executive director, Vice Chairman and Company Secretary of the Company, a member and secretary of the Remuneration Committee and Executive Committee of the Board and the secretary of the Audit Committee of the Board. He was

appointed to the Board in March 2003. Mr. Tsang is responsible for the corporate affairs, finance and general management of the Group. He is also an executive director, Vice President and Company Secretary of Easyknit. Mr. Tsang holds a Diploma in Accountancy from Hong Kong Baptist University (formerly known as The Hong Kong Baptist College) and is a fellow member of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. He has over 29 years of working experience. He serves as director and secretary of various members of the Group and the Easyknit Group. Mr. Tsang did not hold any other directorships in listed public companies in the last three years.

As at the date hereof, Mr. Tsang does not have any interests in the Shares of the Company within the meaning of Part XV of the SFO. He is a director and secretary of Landmark Profits Limited and a shareholder, director and secretary of Easyknit, which are substantial shareholders of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Koon and Mr. Tsang are not connected with any directors, senior management or substantial or controlling shareholders of the Company. There is no service contract between the Company and each of Mr. Koon and Mr. Tsang. They are not appointed for a specified term. In accordance with the Company's Special Act, Mr. Koon, Chairman of the Company, shall not be subject to retirement by rotation and Mr. Tsang will be subject to retirement by rotation and will be eligible for re-election at annual general meetings of the Company in accordance with the Company's Bye-Laws. Mr. Koon and Mr. Tsang did not receive any emoluments for the year ended 31 March 2004. The emoluments of the directors are determined by the Board with reference to the Company's performance and the prevailing market conditions.

Save as disclosed above, the Board is not aware of any other matters that need to be brought to the attention of the shareholders of the Company in relation to the re-designation of Mr. Koon and Mr. Tsang as Chairman and Vice Chairman of the Company respectively.

As at the date of this announcement, the Board comprises Mr. Koon Wing Yee, Mr. Tsang Yiu Kai and Ms. Lui Yuk Chu as executive directors and Mr. Kan Ka Hon, Mr. Kwong Jimmy Cheung Tim and Mr. Lau Sin Ming as independent non-executive directors.

By order of the Board
Asia Alliance Holdings Limited
Koon Wing Yee
Chairman and Chief Executive Officer

Hong Kong, 5 May 2005

** for identification only*

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