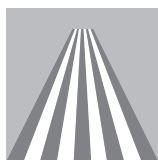


If you are in any doubt as to any aspect about this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Asia Aluminum Holdings Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or transferee.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



ASIA ALUMINUM HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

PROPOSALS INVOLVING AMENDMENTS TO THE BYE-LAWS AND GENERAL MANDATE TO ISSUE SHARES

A letter from the chairman of the Company is set out on pages 2 to 4 of this circular.

A notice convening a special general meeting of the Company to be held at 12/F., Railway Plaza, 39 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong on Monday, 17 June 2002 at 11:00 a.m. is set out on pages 5 to 8 of this circular. A form of proxy for use at the special general meeting is enclosed. Whether or not you are able to attend the special general meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return it to the head office and principal place of business of the Company in Hong Kong at 12/F., Railway Plaza, 39 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the special general meeting or any adjournment thereof. Completion and return of the proxy form will not preclude you from subsequently attending and voting at the special general meeting or at any adjourned meeting should you so wish.

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Associate”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“Business Day”	a day, other than Saturday, on which banks in Hong Kong are generally open for business
“Companies Act”	the Companies Act 1981 of Bermuda
“Company”	Asia Aluminum Holdings Limited, an exempted company incorporated in Bermuda with limited liability, and the Shares of which are listed on the Stock Exchange
“Directors”	the directors of the Company
“General Mandate”	a general mandate to allot, issue and otherwise deal with the Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the share capital of the Company in issue at the date of the passing of the relevant resolution granting the general mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Record Date”	12 June 2002, being the record date for determining the Shareholders who are entitled to attend and vote at the Special General Meeting
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Special General Meeting”	the special general meeting of the company to be held at 12/F., Railway Plaza, 39 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong on Monday, 17 June 2002 at 11:00 a.m. for the purpose of considering, and if thought fit, approving the resolutions recommended in this circular
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warrants”	warrants entitling the holder(s) thereof to subscribe for new Shares at subscription price of HK\$0.77 per Share (subject to adjustment) from 10 April 2002 to 9 April 2004, both days inclusive (or such earlier date as provided in the instrument constituting the warrants)



ASIA ALUMINUM HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

Executive Directors:

Mr. KWONG Wui Chun (*Chairman*)
Mr. HUNG Pann Yi (*Deputy chairman*)
Mr. CHAN Yiu Tsuan, Benby (*Managing Director*)
Mr. ZHONG Jianqiu

Registered Office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent non-executive Directors:

Mr. MA Tsz Chun
Mr. GAN Ming Hui

*Head office and Principal place of
business in Hong Kong:*

12th Floor
Railway Plaza
39 Chatham Road South
Kowloon
Hong Kong

24 May 2002

*To the Shareholders and for information only,
the holders of convertible bonds, warrants
and options issued by the Company*

Dear Sir or Madam,

PROPOSALS INVOLVING AMENDMENTS TO THE BYE-LAWS AND GENERAL MANDATE TO ISSUE SHARES

1 INTRODUCTION

The purpose of this circular is to provide you with information regarding the following proposals to be put forward to the Shareholders for their consideration and, if thought fit, approval at the Special General Meeting:

- (a) amendments to the Bye-laws of the Company (“Bye-laws”); and
- (b) general mandate to issue Shares.

2 AMENDMENTS TO THE BYE-LAWS OF THE COMPANY

In view of the recent amendments to the Listing Rules by the Stock Exchange, a special resolution will be proposed to amend the Company’s Bye-laws to permit the Company and the Shareholders to take advantage of the new Listing Rules which enables the Company to offer Shareholders the choice to receive

LETTER FROM THE CHAIRMAN

a summary financial report in place of the consolidated financial statements and the choice to forego receipt of a printed copy of either the summary financial report or the consolidated financial statements in favour of relying on the versions of those documents published on the Company's website. Even if Shareholders vote in favour of the special resolution, they will still be able to choose to receive printed copies of the consolidated financial statements. If this special resolution is passed and as soon as the Directors consider appropriate, the Company will send a letter to the Shareholders to ascertain their preferences and to explain the arrangements.

Further, in order to facilitate the Company to send notices and documents by electronic means, additional changes are being proposed to amend the relevant part of the Bye-laws at the Special General Meeting.

3 GENERAL MANDATE TO ISSUE SHARES OF THE COMPANY

The bonus issue of Warrants made by the Company to the Shareholders on 10 April 2002 had already used up part of the General Mandate to allot, issue and deal with Shares granted to the Directors at the annual general meeting of the Company held on 7 December 2001. To enable the Directors to have the flexibility of allotting, issuing and dealing with Shares, the Directors recommended that a new general mandate be granted to the Directors at the Special General Meeting to issue Shares representing up to 20% of the aggregate nominal amount of the Share Capital of the Company in issue as at the date of the Special General Meeting.

4 SPECIAL GENERAL MEETING

Set out on pages 5 to 8 of this circular is a notice of the Special General Meeting to be held on 17 June 2002 for the purpose of considering and, if thought fit, passing the resolutions proposed herein.

A form of proxy is herewith enclosed for use at the Special General Meeting. Whether or not you are able to attend the Special General Meeting in person, please complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the head office and principal place of business of the Company in Hong Kong at 12/F., Railway Plaza, 39 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding such meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting at the Special General Meeting or any adjourned meeting should you so desire.

5 RESPONSIBILITY STATEMENT

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

6 RECOMMENDATION

The Board believes that the resolutions proposed in this circular are in the best interests of the Company and the Shareholders as a whole. The Board recommends that the Shareholders vote in favour of all resolutions to be proposed at the Special General Meeting.

LETTER FROM THE CHAIRMAN

7 DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the Memorandum of Association and Bye-laws of the Company will be available for inspection at the head office and principal place of business of the Company in Hong Kong at 12/F., Railway Plaza, 39 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong during normal business hours on any Business Day up to and including 17 June 2002 and at the Special General Meeting.

Yours faithfully,
Kwong Wui Chun
Chairman



ASIA ALUMINUM HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

NOTICE IS HEREBY GIVEN that a special general meeting (the “Meeting”) of Asia Aluminum Holdings Limited (the “Company”) will be held at 12/F., Railway Plaza, 39 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong on Monday, 17 June 2002 at 11:00 a.m. for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions:

SPECIAL RESOLUTION

1. **“THAT** the existing Bye-laws of the Company be and are hereby amended in the following manner:
 - (a) by inserting in Bye-law 1(A) immediately after the definition of “writing” or “printing” the words “, and including where the representation takes the form of electronic display, provided that the same is available for download onto a user’s computer or for printing through conventional small office equipment and, in each case, the shareholder concerned (where the relevant provision of these Bye-laws require the delivery or service of any document or notice on him in his capacity as shareholder) has elected for the receipt of the relevant download or notice through electronic means and both the mode of service of the relevant document or notice and the shareholder’s election comply with all applicable Statutes, rules and regulations”;
 - (b) by inserting the following immediately after Bye-law 1(B):

“references to a document being executed include references to it being executed under hand or under seal or by electronic signature or by any other method and references to a notice or document include a notice or document recorded or stored in any digital, electronic, electrical, magnetic or other retrievable form or medium and information in visible form whether having physical substance or not.”;
 - (c) by inserting the following new Bye-law 178(C):

“178(C). To the extent permitted by and subject to due compliance with all applicable Statutes, rules and regulations, including, without limitation, the rules for the time being of The Stock Exchange of Hong Kong Limited, and to obtaining all necessary consents, if any, required thereunder, the requirements of Bye-law 178(B) shall be deemed satisfied in relation to any person by sending to the person in any manner not prohibited by the Statutes, a summary financial report derived from the Company’s annual accounts and the directors’ report which shall be in the form and containing the information required by applicable laws and regulations, provided that any person who is otherwise entitled to the annual financial report of the Company and the directors’ report thereon may, if he so requires by notice in writing served on the Company, demand that the

NOTICE OF SPECIAL GENERAL MEETING

Company sends to him, in addition to a summary financial report, a complete printed copy of the Company's annual financial report and the directors' report thereon.”;

(d) by inserting the following new Bye-law 178(D):

“178(D). The requirement to send to a person referred to in Bye-law 178(B) the documents referred to in that provision or a summary financial report in accordance with Bye-law 178(C) shall be deemed satisfied where, in accordance with all applicable Statutes, rules and regulations, including, without limitation, the rules for the time being of The Stock Exchange of Hong Kong Limited, the Company publishes copies of the documents referred to in Bye-law 178(A) and, if applicable, a summary financial report complying with Bye-law 178(B), on the Company's computer network or in any other permitted manner (including by sending any form of electronic communication), and that person has agreed or is deemed to have agreed to treat the publication or receipt of such documents in such manner as discharging the Company's obligation to send to him a copy of such documents.”;

(e) by deleting the word “fourteen” appearing on the fourth line of Bye-law 181 and substituting the same with “twenty-one”;

(f) by inserting the following new Bye-law 183 in place of the existing Bye-law 183:

“183. Any notice or document (including any “corporate communication” within the meaning ascribed thereto under the rules for the time being of The Stock Exchange of Hong Kong Limited), whether or not, to be given or issued under these Bye-laws from the Company to a shareholder shall be in writing or by cable, telex or facsimile transmission message or other form of electronic transmission or communication and any such notice and document may be served or delivered by the Company on or to any shareholder either personally or by sending it through the post in a prepaid envelope addressed to such shareholder at his registered address as appearing in the Register or at any other address supplied by him to the Company for the purpose or, as the case may be, by transmitting it to any such address or transmitting it to any telex or facsimile transmission number or electronic number or address or website supplied by him to the Company for the giving of notice to him or which the person transmitting the notice reasonably and bona fide believes at the relevant time will result in the notice being duly received by the shareholder or may also be served by advertisement in appointed newspapers or in newspapers published daily and circulating generally in the Relevant Territory and in accordance with the requirements of The Stock Exchange of Hong Kong Limited or, to the extent permitted by the applicable laws, by placing it on the Company's website and giving to the shareholder a notice stating that the notice or other document is available there (a “notice of availability”). The notice of availability may be given to the shareholder by any of the means set out above. In the case of joint holders of a share all notices shall be given to that one of the joint holders whose name stands first in the Register and notice so given shall be deemed a sufficient service on or delivery to all the joint holders.”; and

NOTICE OF SPECIAL GENERAL MEETING

- (g) (i) by inserting the following new Bye-law 185(E):

“A notice sent by electronic communication, shall be deemed to be given on the day on which it is transmitted from the server of the Company or its agent. A notice placed on the Company’s website is deemed given by the Company to a shareholder on the day following that on which a notice of availability is deemed served on the shareholder;” and

- (ii) by inserting the following new Bye-law 185(F):

“Any notice or document to be given or issued under these Bye-laws, including the documents referred to in Bye-laws 178(A) and 178(C), may be given to a shareholder either in the English language or the Chinese language, subject to due compliance with all applicable Statutes, rules and regulations.”

ORDINARY RESOLUTION

2 **“THAT:**

- (a) the general mandate granted to the directors (the “Directors”) of the Company to exercise the powers of the Company to allot, issue and deal with unissued Shares and to make or grant offers, agreements or options which might require the exercise of such powers as approved by the shareholders of the Company at the annual general meeting of the Company held on 7 December 2001 be and is hereby revoked (without prejudice to any valid exercise of such general mandate prior to the passing of this Resolution);
- (b) subject to paragraph (d) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (e) of this Resolution) of all the powers of the Company to allot, issue and deal with unissued shares in the share capital of the Company and to make or grant offers, agreements and options which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (c) the approval in paragraph (b) above shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options which would or might require the exercise of such power after the end of the Relevant Period;
- (d) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise than pursuant to the approval in paragraph (b) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (e) of this Resolution); (ii) any share 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 other approved eligible participants rights to acquire shares of the Company; (iii) an issue of shares as scrip dividends or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company; and (iv) an issue of shares of the Company upon the exercise of the subscription rights attaching to the existing warrants and convertible bonds issued by the Company and from time to time outstanding, shall not in total exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of this Resolution, and the said approval shall be limited accordingly; and

NOTICE OF SPECIAL GENERAL MEETING

(e) for the purposes of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors under this Resolution; or
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable laws of Bermuda to be held.

“Rights Issue” means an offer of shares or issue of options, warrants or other securities giving the right to subscribe for shares, open for a period fixed by the Directors to holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or requirements of, any jurisdiction outside Hong Kong or any recognized regulatory body or any stock exchange outside Hong Kong).”

By Order of the Board
Anita Yee
Company Secretary

Hong Kong 24 May 2002

Notes:

- (1) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote for him. A member who is the holder of two or more shares may appoint more than one proxy. A proxy need not be a member of the Company.
- (2) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, must be lodged with the head office and principal place of business of the Company in Hong Kong at 12/F., Railway Plaza, 39 Chatham Road South, Tsimshatsui, Kowloon, Hong Kong not less than 48 hours before the time fixed for holding the Meeting or any adjournment thereof.
- (3) Only those Shareholders whose names appearing on the Register of Members of the Company on 12 June 2002, being the record date determined by the Directors, are entitled to attend and vote at the Meeting.
- (4) In relation to the proposed resolution no. 2 set out above, approval is being sought from the members as a general mandate under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Directors wish to state that they have no immediate plans to issue any new shares of the Company.