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**ASIA STANDARD INTERNATIONAL GROUP LIMITED**

(泛海國際集團有限公司)\*

*(incorporated in Bermuda with limited liability)*

**(stock code: 129)**

**DISCLOSEABLE TRANSACTION**



**ASIA STANDARD HOTEL GROUP LIMITED**

(泛海酒店集團有限公司)\*

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 292)**

**DISCLOSEABLE TRANSACTION**

During the period from 11 March to 14 March 2008 (both dates inclusive), Asia Standard Hotel, a non-wholly owned subsidiary of Asia Standard International has, through its wholly-owned subsidiary, acquired 1,300,000 HSBC Shares for a total consideration of HK\$161.6 million from the market at an average acquisition price of approximately HK\$124.27 per HSBC Share. On 12 March 2008, Asia Standard International, has through its wholly owned subsidiary, acquired 100,000 HSBC Shares for a total consideration of HK\$12.6 million from the market at an average acquisition price of approximately HK\$ 126.35 per HSBC Share.

In addition, on 11 March and 12 March 2008, Asia Standard Hotel has, through its wholly-owned subsidiary, acquired an aggregate of 10,500,000 ICBC Shares for a total consideration of HK\$55.0 million from the market at an average acquisition price of approximately HK\$5.24 per ICBC Share.

In regard to the HSBC Investments, one of the results of the percentage ratios under Chapter 14 of the Listing Rules exceed 5% but is less than 25% for both Asia Standard International and Asia Standard Hotel. In regard to the ICBC Investments, one of the results of the percentage ratios under Chapter 14 of the Listing Rules also exceeds 5% but is less than 25% for Asia Standard Hotel. The HSBC Investments and ICBC Investments therefore, constitute discloseable transactions of Asia Standard Hotel while the HSBC Investment constitutes a discloseable transaction of Asia Standard International under rule 14.06(2) of the Listing Rules. Asia Standard International and Asia Standard Hotel will dispatch to their respective shareholders a circular providing the information required under the Listing Rules in due course after the publication of this Announcement.

In the event that any Further Investments in the HSBC Shares or the ICBC Shares (as the case may be) when aggregated with the HSBC Investments or the ICBC Investments (as the case may be) in accordance with the Listing Rules constitute a major transaction or any other type of notifiable transaction under the Listing Rules, Asia Standard International and/or Asia Standard Hotel (as the case may be) will comply with the relevant requirements of the Listing Rules.

## **THE HSBC INVESTMENTS AND ICBC INVESTMENTS**

During the period from 11 March to 14 March 2008 (both dates inclusive), Asia Standard Hotel, a non-wholly owned subsidiary of Asia Standard International has, through its wholly-owned subsidiary, acquired from the market 1,300,000 HSBC Shares at an average acquisition price of approximately HK\$124.27 per HSBC Shares. On 12 March 2008, Asia Standard International, has through its wholly owned subsidiary acquired 100,000 HSBC Shares from the market at an average acquisition price of HK\$126.35 per HSBC Share. The aggregation of 1,400,000 HSBC Shares acquired by Asia Standard Hotel and Asia Standard International representing approximately 0.01% of the issued share capital of HSBC, based on its issued share capital of 11,866,278,779 shares as shown on the website of the Stock Exchange as of 31 January 2008). The total consideration of HK\$161.6 million and HK\$12.6 million (exclusive of transaction costs) represented the then market price of the HSBC Shares and would be satisfied by payment in cash from the respective internal resources and available banking facilities of Asia Standard Hotel and Asia Standard International, respectively.

In addition, on 11 March and 12 March 2008, Asia Standard Hotel has, through its wholly-owned subsidiary, acquired from the market an aggregate of 10,500,000 ICBC Shares (representing approximately 0.013% of the issued share capital of ICBC, based on its issued share capital of 83,056,501,962 ICBC Shares as shown in the website of the Stock Exchange as of 31 January 2008) at an average acquisition price of approximately HK\$5.24 per ICBC Share. The total consideration of HK\$55.0 million (exclusive of transaction costs) represented the then market price of the ICBC Shares and would be satisfied by payment in cash from internal resources and available banking facilities of Asia Standard Hotel.

As at the date of this Announcement, the considerations for the acquisitions of the HSBC Shares and the ICBC Shares on 11 March and 12 March 2008 have been settled and the considerations for the acquisitions of the HSBC Shares on 13 March and 14 March 2008 will be settled on a “T+2” basis in accordance with standard market practice. The Asia Standard International Board and Asia Standard Hotel Board respectively confirmed that they have sufficient internal resources and available banking facilities to settle the considerations for the acquisitions of the HSBC Shares and the ICBC Shares.

As the HSBC Investments and ICBC Investments were made through the market, Asia Standard International and Asia Standard Hotel are not aware of the identities of the vendors of the HSBC Shares and the ICBC Shares and accordingly, to the best of the knowledge of the respective directors of Asia Standard International and Asia Standard Hotel having made all reasonable enquiries, the vendors of the HSBC Shares and the ICBC Shares are third parties independent of and not connected with each of Asia Standard International and Asia Standard Hotel and their respective connected persons (as defined in the Listing Rules).

As regards the accounting treatments for the HSBC Investments and ICBC Investments, both of which will be classified as financial assets at fair value through profits or losses of Asia Standard International and Asia Standard Hotel, respectively. There are no restrictions on subsequent sale of the HSBC Shares and the ICBC Shares.

In the event that any Further Investments in the HSBC Shares or the ICBC Shares (as the case may be) when aggregated with the HSBC Investments or the ICBC Investments (as the case may be) in accordance with the Listing Rules constitute a major transaction or any other type of notifiable transaction under the Listing Rules, Asia Standard International and/or Asia Standard Hotel will comply with the relevant requirements of the Listing Rules.

## **REASONS FOR THE HSBC INVESTMENTS AND ICBC INVESTMENTS**

The principal activities of Asia Standard International is engaged in investment and development of commercial, retail and residential properties in Hong Kong and the PRC. Through Asia Standard Hotel, Asia Standard International also is involved in hotel operation, travel agency and restaurant businesses.

The principal activities of Asia Standard Hotel is investment holding. The principal activities of its subsidiaries consist of holding and operating four hotels in Hong Kong and Canada; travel agency and restaurant businesses.

Both the Asia Standard International Board and the Asia Standard Hotel Board considered that the HSBC Investments and ICBC Investments would enhance the returns on investment for both of them. The HSBC Investments and ICBC Investments were funded from the respective internal resources and available banking facilities of Asia Standard International and Asia Standard Hotel. Given the prevailing market prices of the HSBC Shares and the ICBC Shares, both the Asia Standard International Board and the Asia Standard Hotel Board considered that this was an opportunity for Asia Standard International and Asia Standard Hotel to acquire these HSBC Shares and ICBC Shares as the HSBC Investments and ICBC Investments had the potential of increase in their values. In addition, as the HSBC Investments and ICBC Investments were purchased at market price, the Asia Standard International Board and the Asia Standard Hotel Board believed that the terms of which were fair and reasonable and in the interests of the shareholders of Asia Standard International and Asia Standard Hotel as a whole. At present, both the Asia Standard International Board and the Asia Standard Hotel Board intend to hold the HSBC Investments and ICBC Investments for the purposes of capital gain and dividend income.

#### **INFORMATION ON HSBC**

HSBC is a company incorporated in England with limited liability and whose HSBC Shares are listed on the main board of the Stock Exchange. Based on the company profile in the website of the Stock Exchange, the principal business of HSBC is the provision of comprehensive range of banking and related financial services through on internet and network in the Asia Pacific region, Europe, the America, the Middle East and Africa. Further information on HSBC could be found on the Stock Exchange website.

#### **INFORMATION ON ICBC**

ICBC is a company incorporated in PRC with limited liability and the H Shares of which are listed on the main board of the Stock Exchange. Based on the company profile in the website of the Stock Exchange, ICBC primarily operates in PRC and provides an extensive range of commercial banking products and services. Further information on ICBC could be found on the Stock Exchange website.

## **GENERAL**

In regard to the HSBC Investments from 11 March to 14 March 2008, one of the results of the percentage ratios under Chapter 14 of the Listing Rules exceeds 5% but is less than 25% for both Asia Standard International and Asia Standard Hotel. In regard to the ICBC Investments on 11 March and 12 March 2008, one of the results of the percentage ratios under Chapter 14 of the Listing Rules also exceeds 5% but is less than 25% for Asia Standard Hotel. Both the HSBC Investments and ICBC Investments therefore, constitute two discloseable transactions of Asia Standard Hotel and the HSBC Investments constitutes a discloseable transaction for Asia Standard International under rule 14.06(2) of the Listing Rules. Asia Standard International and Asia Standard Hotel will dispatch to their respective shareholders a circular providing the information required under the Listing Rules in due course after the publication of this Announcement.

## **TERMS USED IN THIS ANNOUNCEMENT**

“Announcement”	this joint announcement by Asia Standard International and Asia Standard Hotel
“Asia Standard Hotel”	Asia Standard Hotel Group Limited (Stock code: 292), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange and a 67.7% subsidiary of Asia Standard International
“Asia Standard Hotel Board”	the board of directors of Asia Standard Hotel
“Asia Standard International”	Asia Standard International Group Limited (Stock code: 129), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange, the holding company of Asia Standard Hotel.
“Asia Standard International Board”	the board of directors of Asia Standard International
“Further Investments”	further acquisitions by Asia Standard International and/or Asia Standard Hotel from the market of the HSBC Shares and the ICBC Shares

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“HSBC”	HSBC Holdings plc, whose shares are listed on the main board of the Stock Exchange (Stock code: 005)
“HSBC Investments”	the acquisitions by Asia Standard International and Asia Standard Hotel from the market of an aggregate of 1,400,000 HSBC Shares during the period from 11 March to 14 March 2008 (both dates inclusive)
“HSBC Shares”	shares of US\$0.5 each in the share capital of HSBC which are listed on the Stock Exchange and traded in Hong Kong dollars
“ICBC”	Industrial and Commercial Bank of China Limited, the H shares of which are listed on the main board of the Stock Exchange (Stock code : 1398)
“ICBC Investments”	the acquisitions by Asia Standard Hotel of 10,500,000 ICBC Shares on 11 March and 12 March 2008
“ICBC Shares”	shares of RMB1 each in the share capital of ICBC, the H Shares of which are listed on the Stock Exchange and traded in Hong Kong dollars
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

By order of the board of directors  
**Asia Standard International Group Limited**  
**Fung Siu To, Clement**  
*Chairman*

By order of the board of directors  
**Asia Standard Hotel Group Limited**  
**Lim Yin Cheng**  
*Deputy Chairman*

14 March 2008

*As at the date of this announcement, the Executive Directors of Asia Standard International are Mr. Poon Jing, Dr. Lim Yin Cheng, Mr. Fung Siu To Clement, Mr. Lun Pui Kan, Mr. Kwan Po Lam, Phileas and Mr. Nicholas James Loup, the Non-executive Director is Mr. Au Yat Chuen, Raymond and Independent Non-executive Directors are Mr. Koon Bok Ming, Alan, Mr. Leung Wai Keung Richard and Mr. Wong Chi Keung.*

*As at the date of this announcement, the Executive Directors of Asia Standard Hotel are Mr. Poon Jing, Dr. Lim Yin Cheng, Mr. Fung Siu To Clement, Mr. Poon Tin Sau Robert, Mr. Woo Wei Chun, Joseph and Independent Non-executive Directors are Mr. Ip Chi Wai, Mr. Leung Wai Keung Richard and Mr. Hung Yat Ming.*

*\* for identification purpose only*