
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of 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 Standard Hotel Group Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser 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 document, 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 document.



ASIA STANDARD HOTEL GROUP LIMITED

(泛海酒店集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 292)

**GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES,
PROPOSED DIVIDEND AND SCRIP DIVIDEND SCHEME,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of Directors of Asia Standard Hotel Group Limited (“Company”) is set out on pages 3 to 9 of this circular.

A notice convening the annual general meeting of the Company to be held on Wednesday, 27 August 2008 at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 9:30 a.m. is set out on pages 15 to 19 of this circular. A form of proxy of use at the annual general meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk).

If you are not able to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company’s head office and principal place of business in Hong Kong at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of such meeting or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so desire.

* For identification purposes only

CONTENTS

	<i>Page</i>
DEFINITION	1
LETTER FROM THE BOARD	
1. Introduction	3
2. General Mandates	4
3. Proposed Dividend and the Scrip Dividend Scheme	5
4. Re-election of Directors	8
5. Annual General Meeting	8
6. Procedure by which a poll may be demanded	8
7. General information	9
8. Recommendation	9
APPENDIX I — EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE	10
APPENDIX II — BIOGRAPHICAL INFORMATION OF DIRECTORS TO BE RE-ELECTED AT THE AGM	13
NOTICE OF AGM	15

DEFINITIONS

In this circular (including in the Appendices), unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the 2008 annual general meeting of the Company to be held on Wednesday, 27 August 2008 at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 9:30 a.m.;
“ASIGL”	Asia Standard International Group Limited, an exempted company incorporated in Bermuda with limited liability whose shares are listed on the Stock Exchange and the holding company of the Company;
“Board”	the board of Directors of the Company;
“Bye-Laws”	the bye-laws of the Company as amended from time to time;
“Company”	Asia Standard Hotel Group Limited, an exempted company incorporated in Bermuda with limited liability whose Shares are listed on the Stock Exchange;
“Directors”	the directors of the Company;
“Dividend”	the dividend of the Company for the year ended 31 March 2008 of HK0.07 cent per Share to be paid to Shareholders whose names appear in the register of members of the Company as at the Record Date by way of Scrip Dividend Shares;
“Excluded Shareholders”	Overseas Shareholders who are excluded from the Scrip Dividend Scheme by the reason that the Directors, upon making enquiry, consider such exclusion to be necessary or expedient on account of either of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory body or stock exchange in those places;
“General Mandates”	the Issue Mandate and the Repurchase Mandate to be sought at the AGM as set out in the Notice of AGM;
“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;
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution approving such grant;

DEFINITIONS

“Latest Practicable Date”	23 July 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum of Association”	the memorandum of association of the Company;
“Notice of AGM”	the notice convening the AGM as set out in this circular;
“Overseas Shareholders”	Shareholders whose addresses as shown on the register of members of the Company at the close of business on the Record Date are outside Hong Kong;
“Qualifying Shareholders”	Shareholders whose names are shown on the register of members of the Company at the close of business on the Record Date, other than the Excluded Shareholders;
“Record Date”	26 August 2008;
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the AGM to repurchase Shares not exceeding 10% of the issued share capital of the Company as at the date of passing of the relevant ordinary resolution approving such grant, as described in the explanatory statement set out in Appendix I to this circular;
“Scrip Dividend Scheme”	the scheme proposed by the Directors on 10 July 2008 in relation to the Dividend pursuant to which the Qualifying Shareholders will receive the Dividend wholly by allotment of new Shares credited as fully paid-up Shares in lieu of cash;
“Scrip Dividend Shares”	new Shares to be allotted, issued and credited as fully paid-up Shares under the Scrip Dividend Scheme;
“Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of the Company;
“Shareholder(s)”	registered holder(s) of the Shares from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers; and
“%”	per cent.

LETTER FROM THE BOARD



ASIA STANDARD HOTEL GROUP LIMITED

(泛海酒店集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 292)

Executive Directors:

Mr. Poon Jing (*Chairman*)

Dr. Lim Yin Cheng

(Deputy Chairman and Chief Executive)

Mr. Fung Siu To, Clement

Mr. Poon Tin Sau, Robert

Mr. Woo Wei Chun, Joseph

Independent non-executive Directors:

Mr. Ip Chi Wai

Mr. Leung Wai Keung, Richard

Mr. Hung Yat Ming

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

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

30th Floor
Asia Orient Tower
Town Place
33 Lockhart Road
Wanchai
Hong Kong

30 July 2008

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATES TO
ISSUE SHARES AND REPURCHASE SHARES,
PROPOSED DIVIDEND AND SCRIP DIVIDEND SCHEME,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF AGM**

1. INTRODUCTION

The purpose of this circular is to provide information to the Shareholders as required by the Stock Exchange on the resolutions to be proposed at the AGM relating to:

- (1) the grant to the Directors of the General Mandates;
- (2) the proposed Dividend and the Scrip Dividend Scheme; and

LETTER FROM THE BOARD

- (3) the re-election of the retiring Directors.

This circular will further give Shareholders the Notice of AGM at which resolutions approving the above proposals will be considered and voted upon.

2. GENERAL MANDATES

At the annual general meeting of Shareholders held on 31 August 2007, approval was given by Shareholders for the granting of, inter alia, general mandates to the Directors to (i) repurchase Shares on the Stock Exchange up to 10% of the issued share capital of the Company; and (ii) allot and issue Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company, both as at the date of passing of the relevant resolutions. In accordance with the terms of the approval, these general mandates will shortly expire on 27 August 2008 upon the conclusion of the forthcoming AGM. To keep in line with current corporate practice, the grant of fresh general mandates for the same purpose is being sought from Shareholders and ordinary resolutions to grant the General Mandates to the Directors will be proposed at the forthcoming AGM. The explanatory statement required by the Listing Rules to be sent to Shareholders in connection with the proposed ordinary resolution on the Repurchase Mandate is set out in Appendix I to this circular.

An ordinary resolution will also be proposed at the AGM to approve the addition to the Issue Mandate such number of Shares purchased by the Company in accordance with the Repurchase Mandate.

As at the Latest Practicable Date, the total number of Shares in issue was 12,908,206,641 Shares. Assuming there is no issue of Shares or repurchase of Shares from the Latest Practicable Date up to the date of the AGM, the number of Shares that can be issued pursuant to the Issue Mandate and that can be purchased by the Company under the Repurchase Mandate will be 2,581,641,328 and 1,290,820,664 Shares respectively, representing 20% and 10% of the Company's issued share capital as at the date of the AGM.

The Issue Mandate is conditional upon (a) the passing of an ordinary resolution of the Shareholders at the AGM approving the grant of the Issue Mandate; and (b) the passing of an ordinary resolution by the shareholders of ASIGL at its annual general meeting to be held on Wednesday, 27 August 2008 approving the grant of the Issue Mandate to the Directors.

The General Mandates if granted to the Directors will be valid for the period from the date of passing of the relevant resolutions up to the date of the next annual general meeting in 2009, or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws to be held, or the revocation or variation of the General Mandates by an ordinary resolution in a general meeting of the Company, whichever of these three events occurs first.

LETTER FROM THE BOARD

3. PROPOSED DIVIDEND AND THE SCRIP DIVIDEND SCHEME

Introduction

On 10 July 2008, the Board announced the final results of the Group for the year ended 31 March 2008 and recommended the Dividend. It was also announced that the Dividend will be paid to the Shareholders by way of Scrip Dividend Shares. At the AGM, a special resolution will be proposed to approve the Dividend, the Scrip Dividend Scheme and the issue of Scrip Dividend Shares by the Directors.

Particulars of the Dividend

The Dividend of HK0.07 cent per Share will be paid to the Qualifying Shareholders by way of Scrip Dividend Shares.

Particulars of the Scrip Dividend Scheme

Under the Scrip Dividend Scheme, each Qualifying Shareholder will be allotted the Scrip Dividend Shares having an aggregate market value (as described below), save for adjustment for fractions, equal to the total amount of the Dividend which such Qualifying Shareholder would otherwise have received in cash.

The Scrip Dividend Shares to be issued pursuant to the Scrip Dividend Scheme will rank *pari passu* in all respects with the Shares then in issue, except that they will not be entitled to the Dividend.

For the purpose of calculating the number of Scrip Dividend Shares to be allotted, the market value of the Scrip Dividend Shares has been fixed at the average of the closing prices of one Share traded on the Stock Exchange for the three consecutive trading days up to and including the Record Date or the par value of each Share of HK\$0.02, whichever is higher. Accordingly, the number of Scrip Dividend Shares which the Qualifying Shareholders will receive in respect of the existing Shares registered in their names at the close of business on the Record Date will be calculated as follows:

$$\begin{array}{rcl} \text{Number of} & & \text{Number of} \\ \text{Scrip Dividend} & & \text{existing Shares} \\ \text{Shares to be} & = & \text{held on the} \\ \text{received} & & \text{Record Date} \end{array} \times \frac{\text{HK0.07 cent (Dividend per Share)}}{\text{the average of the closing prices per Share for the three consecutive trading days up to and including the Record Date or the par value of each Share of HK\$0.02, whichever is higher}}$$

The number of Scrip Dividend Shares to be issued to each Qualifying Shareholder will be rounded down to the nearest whole number. Fractional entitlements to Scrip Dividend Shares will not be allotted but will be aggregated and sold for benefit of the Company.

LETTER FROM THE BOARD

Conditions to the Dividend and the Scrip Dividend Scheme

The Dividend and the Scrip Dividend Scheme is conditional upon:

- (a) the passing of a special resolution by the Shareholders at the AGM approving the Dividend, the Scrip Dividend Scheme and the issue and allotment of the Scrip Dividend Shares by the Directors; and
- (b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Scrip Dividend Shares.

Advantage of the Scrip Dividend Scheme

The Scrip Dividend Scheme will give Shareholders an opportunity to increase their investment in the Company at market value without incurring brokerage fees, stamp duty and related dealing costs. The Scrip Dividend Scheme will also be to the advantage of the Company because the cash which would otherwise have been paid to Shareholders will be retained for use as working capital by the Company.

Book closure

The register of members of the Company will be closed from Friday, 22 August 2008 to Tuesday, 26 August 2008 (both dates inclusive) in order to establish entitlements of Shareholders to the Dividend and the Scrip Dividend Scheme, during which period no transfer of Shares will be registered. In order to qualify for the Dividend and the Scrip Dividend Scheme, all transfers, accompanied by the relevant Share certificates, must be lodged with the Hong Kong Branch Registrar and Transfer Office of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:00 p.m. on Thursday, 21 August 2008.

Overseas Shareholders

This circular will not be registered or filed under the securities laws or equivalent legislation of any jurisdiction. If you are resident outside Hong Kong, this circular only constitute(s) an invitation to subscribe for Scrip Dividend Shares if such an invitation can be legally made to you without the Company having to meet any legal or registration requirements outside Hong Kong. Shareholders residing in a jurisdiction where it would be illegal for the Company to make such an invitation will be deemed to have received this circular for information only.

As at the Latest Practicable Date, there were 15 Overseas Shareholders residing in five jurisdictions, namely Canada, Japan, Malaysia, Singapore and Spain, who together held an aggregate of 82,104 Shares, representing approximately 0.0006% of the entire issue share capital of the Company. The aggregate amount of the Dividend to which these Overseas Shareholders are entitled is approximately HK\$57.48.

LETTER FROM THE BOARD

Pursuant to Rule 13.36(2), the Company has made enquiry in respect of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory body or stock exchange in those places for the Company to extend the Scrip Dividend Scheme to the Overseas Shareholders. The Directors note that there is no legal restriction under the applicable legislation of Canada, Japan, Singapore and Spain in these four jurisdictions with respect to the offer of the Scrip Dividend Shares to the Overseas Shareholders with registered addresses in these four jurisdictions as at the Record Date.

The Directors also note that, without complying with local approval and/or registration requirements and/or other formalities under the laws of Malaysia, the Scrip Dividend Scheme may not be offered to Overseas Shareholders with registered addresses in Malaysia as at the Record Date (“**Excluded Shareholders**”). As it would not be cost-effective or expedient for the Company to comply with the approval and/or registration requirements and/or other formalities under the laws of Malaysia, the Directors have decided that it would be expedient to exclude the Excluded Shareholders from the Scrip Dividend Scheme. Accordingly, the Company will not extend the Scrip Dividend Scheme to the Excluded Shareholders. Arrangements will be made for the Scrip Dividend Shares which would otherwise have been allotted to the Excluded Shareholders to be sold in the open market as soon as practicable, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid pro rata to the relevant Excluded Shareholders in Hong Kong dollars and the Company will retain individual amounts of HK\$100 or less for its own benefit. The Excluded Shareholders will be entitled to vote at the AGM on the resolution to approve the Scrip Dividend Scheme.

Stock Exchange listing and dealings and despatch of Share certificates for Scrip Dividend Shares

Application has been made to the Stock Exchange for the granting, and permission to deal in, the Scrip Dividend Shares. The Share certificates with respect to the Scrip Dividend Shares are expected to be despatched at the risk of those entitled thereto on or about Friday, 3 October 2008. On this basis, dealings in the Scrip Dividend Shares are expected to commence on or about Monday, 6 October 2008 after the due despatch of the Share certificate with respect to the Scrip Dividend Shares to the relevant Qualifying Shareholders.

The Shares are only listed on the Stock Exchange. No part of the share capital of the Company is listed or dealt in on any other stock exchange and the Company is not currently seeking to list its Shares on any other stock exchange.

Upon approval of the Dividend and the Scrip Dividend Scheme at the AGM, the Company will as soon as practicable publish a further announcement setting out further details regarding the Scrip Dividend Scheme, including the total number of Scrip Dividend Shares to be issued, the market value of the Scrip Dividend Shares and the information on the exclusion of Excluded Shareholders, if any, from the Scrip Dividend Scheme.

LETTER FROM THE BOARD

4. RE-ELECTION OF DIRECTORS

In accordance with Bye-Laws 99 and 102(B), one-third of the Directors retiring by rotation at the AGM are Messrs. Fung Siu To, Clement, Poon Tin Sau, Robert and Leung Wai Keung, Richard who being eligible, offer themselves for re-election. As required by the Listing Rules, the biographical information of the above Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

5. ANNUAL GENERAL MEETING

The Notice of AGM (as appearing on pages 15 to 19 of this circular) sets out the proposed resolutions for approving (a) the General Mandates; (b) the Dividend and the Scrip Dividend Scheme; and (c) the re-election of Directors.

A form of proxy is herewith enclosed for use at the AGM. If you are not able to attend the AGM in person, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's head office and principal place of business in Hong Kong at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for holding the AGM. Completion and deposit of the form of proxy will not preclude you from attending and voting at the AGM or any adjourned meeting if you so wish.

6. PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Pursuant to Bye-Law 70, at any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) be demanded:

- (a) by the Chairman of the meeting; or
- (b) by at least three Shareholders present in person or by a duly authorized corporate representative or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person or by a duly authorized corporate representative or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person or by a duly authorized corporate representative or by proxy and holding Shares conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

In addition:

- (i) if the aggregate proxies held by (a) the chairman of such meeting, and (b) the Directors, account for 5% or more of the total voting rights at such meeting, and

LETTER FROM THE BOARD

- (ii) if on a show of hands in respect of any resolution, the Shareholders at the meeting vote in the opposite manner to that instructed in the proxies referred to in (i) above,

the chairman of the meeting and/or any Director holding the proxies referred to above shall demand a poll. However, if it is apparent from the total proxies held by the persons referred to in (i) above that a vote taken on a poll will not reverse the vote taken on a show of hands, then no poll shall be required.

7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate) and Appendix II (Details of Directors proposed to be re-elected at the AGM) to this circular.

8. RECOMMENDATION

The Directors believe that the proposed resolutions as set out in the Notice of AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of all such resolutions at the AGM.

Yours faithfully,
For and on behalf of
ASIA STANDARD HOTEL GROUP LIMITED
Lim Yin Cheng
Deputy Chairman

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

This appendix serves as the explanatory statement required to be sent to Shareholders by the Listing Rules in connection with the repurchase by companies with a primary listing on the Stock Exchange of their own securities. The intention of this explanatory statement is to provide Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the proposed Repurchase Mandate to be granted to the Directors, which relates to Shares.

1. FUNDING OF REPURCHASE

It is envisaged that repurchase will be funded entirely from the Company's available cash flow or working capital facilities which are funds otherwise available for dividend or distribution and thus legally available for such in accordance with the provision of the Memorandum of Association and Bye-Laws and the laws of Bermuda. There might be a material adverse impact on the working capital or gearing levels of the Company (as compared with the position disclosed in the financial statement for the year ended 31 March 2008) in the event the Repurchase Mandate was exercised in full at any one time. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

2. REASONS FOR REPURCHASE

Repurchases of securities will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share and/or the earnings per Share.

3. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the number of Shares in issue was 12,908,206,641 Shares. Subject to the passing of Ordinary Resolution no. 4B set out in the Notice of AGM approving the Repurchase Mandate on the basis of 12,908,206,641 Shares in issue at the date of the AGM (assuming no further Shares are issued or repurchased after the Latest Practicable Date and up to the date of passing such resolution), the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 1,290,820,664 Shares during the period from the passing of the resolution granting the Repurchase Mandate at the AGM up to (i) the conclusion of the next annual general meeting, or (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any relevant law to be held, or (iii) when revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

4. SHARE PRICES

In each of the previous twelve months before the Latest Practicable Date, the highest and lowest traded prices for the Shares on the Stock Exchange were as follows:

	Traded Market Price	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2007		
July	0.164	0.145
August	0.152	0.101
September	0.127	0.117
October	0.122	0.111
November	0.120	0.098
December	0.110	0.096
2008		
January	0.109	0.075
February	0.093	0.079
March	0.092	0.070
April	0.091	0.076
May	0.092	0.082
June	0.087	0.071
July (up to the Latest Practicable Date)	0.076	0.068

5. UNDERTAKING**(a) Directors, their Associates and Connected Person**

None of the Directors nor, to the best of the knowledge and belief of the Directors, having made all reasonable enquiries, any of their respective associates (as defined in the Listing Rules), has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell securities to the Company.

No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she has a present intention to sell securities to the Company nor has he/she undertaken not to sell any of the securities held by him/her to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

(b) Undertaking of the Directors

The Directors have undertaken to the Stock Exchange to exercise the powers of the Company to make repurchase pursuant to the Repurchase Mandate and in accordance with the Listing Rules, all applicable laws of Bermuda, and in accordance with the Memorandum of Association and the Bye-Laws.

(c) Effect of Takeovers Code

If as the result of a repurchase of securities, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. As result, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. As at the Latest Practicable Date, Asia Orient Holdings Limited ("AOHL") and ASIGL, in which AOHL has controlling interest, together held 9,121,284,139 Shares representing approximately 70.66% of the issued capital of the Company. Mr. Poon Jing (an executive Director and having controlling interest in AOHL) is personally interested in 403,383 Shares, representing less than 0.03% of the issued capital of the Company. Assuming the full exercise of the power under the Repurchase Mandate (and if the present shareholdings remain the same), the interest of AOHL, ASIGL and Mr. Poon Jing in the issued share capital of the Company will be increased to approximately 78.52%. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchase of Shares made under the Repurchase Mandate. In addition, as at the Latest Practicable Date, the Company complied with the minimum public float requirement under the Listing Rules. The Directors will not repurchase Shares on the Stock Exchange if the repurchase would result in the Company being unable to comply with the requirement of maintaining a minimum public float of 25% under the Listing Rules.

6. SHARE PURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company in the six months preceding the Latest Practicable Date (whether on the Stock Exchange or otherwise).

Pursuant to the Listing Rules, the biographical and other details of the retiring Directors standing for re-election at the AGM are set out below:

FUNG Siu To, Clement

Mr. Fung Siu To, Clement, aged 59, an executive Director of the Company and chairman of ASIGL and AOHL, chairman of remuneration committee and a member of executive committee of ASIGL. Mr. Fung is a holder of Bachelor of Applied Science (Civil Engineering) degree. He is a fellow member of the Hong Kong Institute of Engineers. He joined the Group in 1994 and has over 25 years of experience in project management and construction. He is the brother-in-law of Mr. Poon Jing, the Chairman of the Company.

As at the Latest Practicable Date, Mr. Fung did not hold any interest in the Company within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Fung. He is entitled to remuneration and other benefits from time to time to be reviewed and determined by the Board with reference to his experience and the remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31 March 2008, Mr. Fung received emolument in the total amount of HK\$2,000,000. He is not appointed for a specific term. Mr. Fung is subject to retirement by rotation and re-election in the annual general meeting of the Company in accordance with the Bye-Laws. As at the Latest Practicable Date, Mr. Fung held options to subscribe for 80,000,000 Shares at the subscription price of HK\$0.1296 per Share, options to subscribe for 2,126,301 shares of AOHL at the subscription price of HK\$1.4315 per share of AOHL and options to subscribe for 20,621,761 shares of ASIGL at the subscription price of HK\$0.315 per share of ASIGL.

Save as disclosed above, (a) Mr. Fung did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management or substantial shareholder of the Company; (c) there is no other information which is discloseable pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

POON Tin Sau, Robert

Mr. Poon Tin Sau, Robert, aged 62, an executive Director of the Company. Mr. Poon was a restaurant entrepreneur in the USA during the period from 1970 to 1996 and joined the Group in 1996. He is a brother of Mr. Poon Jing, the Chairman of the Company.

As at the Latest Practicable Date, Mr. Poon held options to subscribe for 80,000,000 Shares at the subscription price of HK\$0.1296 per Share. Mr. Poon did not hold any interest in the Company within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Poon. He is entitled to a director's fee, the amount of which is to be determined by the Board with reference to his experience together with his work and contribution to the Company. During the financial year ended 31 March 2008, Mr. Poon received a director's fee of HK\$868,800. Mr. Poon is not appointed for a specific term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Save as disclosed above, (a) Mr. Poon did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management or substantial shareholder of the Company; (c) there is no other information which is discloseable pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

LEUNG Wai Keung, Richard

Mr. Leung Wai Keung, Richard, aged 45, an independent non-executive Director and a member of Remuneration Committee and Audit Committee of the Company. Mr. Leung is currently a Barrister-at-Law. Mr. Leung has about 9 years of experience in accounting and financial management in several firms and thereafter practicing as a barrister for 10 years. Mr. Leung is a member of HKICPA, HKICS, ACCA, ICSA and the Chartered Institute of Arbitrators. He was admitted to the High Court of Hong Kong as a barrister in 1994. He holds a master degree in accounting and finance from the University of Lancaster and obtained a bachelor of laws from Manchester Metropolitan University. He was the President of the Hong Kong Institute of Chartered Secretaries in 2006. Recently in 2007, Mr. Leung has been appointed by the Government to be a member of the Guardianship Board, Registration of Persons Tribunal and the Board of Review. Mr. Leung joined the Group in 2004.

As at the Latest Practicable Date, Mr. Leung did not hold any interest in the Company within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Leung. He is entitled to a director's fee, the amount of which is to be determined by the Board with reference to his experience together with his work and contribution to the Company. During the financial year ended 31 March 2008, Mr. Leung received a director's fee of HK\$100,000. Mr. Leung is not appointed for a specific term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws.

Save as disclosed above, (a) Mr. Leung did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management or substantial shareholder of the Company; (c) there is no other information which is discloseable pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules; and (d) there are no other matters that need to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



ASIA STANDARD HOTEL GROUP LIMITED

(泛海酒店集團有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 292)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting of the shareholders of Asia Standard Hotel Group Limited (“**Company**”) will be held at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong on Wednesday, 27 August 2008 at 9:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions (“**Resolutions**”):

1. To receive and consider the audited financial statements and the reports of the directors of the Company (“**Directors**”) and auditors for the year ended 31 March 2008;
2. To re-elect retiring Directors and authorize the board of directors (“**Board**”) to fix the remuneration of the Directors;
3. To appoint auditors and authorize the Board to fix their remuneration;
4. As special business to consider and, if thought fit, pass with or without amendments, the following Resolutions as ordinary resolutions:

A. “**THAT**

- (a) subject to (i) the passing of resolution 5A as set out in the notice (“**ASI AGM Notice**”) dated 30 July 2008 convening the annual general meeting of Asia Standard International Group Limited to be held on 27 August 2008; and (ii) paragraph 4A(c) of this Resolution and without prejudice to Resolution 4C set out in the notice of this meeting (“**Notice**”), the Board be and is generally and unconditionally authorised to exercise during the Relevant Period (as defined in paragraph 4A(d) of this Resolution) all the powers of the Company to issue, allot or otherwise deal with shares of HK\$0.02 each in the capital of the Company (“**Shares**”) and to issue, allot or grant securities convertible into Shares or options, warrants or similar rights to subscribe for any Shares or such convertible securities and to make or grant offers, agreements and options which might require the exercise of such powers, subject to and in accordance with all applicable laws;
- (b) the approval in paragraph 4A(a) of this Resolution shall authorise the Board 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;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally, or unconditionally, to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to the approval in paragraph 4A(a) and 4A(b) of this Resolution, otherwise than pursuant to:
- (i) a Rights Issue (as defined in paragraph 4A(d) of this Resolution);
 - (ii) the exercise of rights of subscription or conversion under the terms of any securities or notes for the time being in force which are convertible into Shares;
 - (iii) the exercise of subscription or conversion right under the terms of any warrants of the Company or any option granted under any share option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of options to subscribe for or rights to acquire Shares; and
 - (iv) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the bye-laws of the Company (“**Bye-Laws**”);

shall not exceed 20 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the said approval shall be limited accordingly;

- (d) for the purpose of this Resolution:

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

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

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Board made to holders of Shares whose names appear on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or

NOTICE OF ANNUAL GENERAL MEETING

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 the requirements of any recognized regulatory body or any stock exchange in, or in any territory outside, Hong Kong).”

B. **“THAT**

- (a) subject to paragraph 4B(b) of this Resolution, the Board be and is generally and unconditionally authorised to exercise during the Relevant Period (as defined in paragraph 4A(d) of this Resolution) all powers of the Company to repurchase Shares listed on The Stock Exchange of Hong Kong Limited (**“Stock Exchange”**) or any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange under the Hong Kong Code on Takeovers and Mergers and Share Repurchases, for this purpose subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or that of any other stock exchange as amended from time to time; and
- (b) the aggregate nominal amount of the Shares to be repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph 4B(a) of this Resolution during the Relevant Period shall not exceed 10 per cent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution and the said approvals shall be limited accordingly.”

C. **“THAT** subject to the passing of (i) Resolutions 4A and 4B in the Notice of which this Resolution forms part; and (ii) resolution 5B as set out in the ASI AGM Notice, the aggregate nominal amount of share capital that may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Board pursuant to and in accordance with the approval given in Resolution 4A set out in the Notice be and is hereby increased and extended by the addition of the aggregate nominal amount of the Shares which may be repurchased by the Company pursuant to and in accordance with the approval given in Resolution 4B set out in the Notice provided that such amount shall not exceed the aggregate nominal amount of the Shares repurchased pursuant to the said Resolution 4B and the said approval shall be limited accordingly.”

5. As special business to consider and, if thought fit, pass with or without amendments, the following Resolution as a special resolution:

“THAT a final dividend for the year ended 31 March 2008 of HK0.07 cent per Share (the **“Dividend”**) be paid to Shareholders whose names appear in the register of members of the Company at the close of business on 26 August 2008 and **THAT** conditional upon the

NOTICE OF ANNUAL GENERAL MEETING

Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Scrip Dividend Shares (as described in the circular (the “Circular”) of the Company to the Shareholders dated 30 July 2008 of which this Notice forms part):

- (a) Shareholders other than the Excluded Shareholders (as described in the Circular) be entitled to receive the Dividend by way of the Scrip Dividend Shares in lieu of cash;
- (b) in the case of Excluded Shareholders, the Scrip Dividend Shares shall not be issued to such Excluded Shareholders but shall be sold in the market and the net proceeds of sale, after deduction of expenses, shall be distributed pro-rata to such Excluded Shareholders unless the amount to be distributed to such Excluded Shareholders is less than HK\$100, in which case such amount shall be retained for the benefit of the Company;
- (c) no fractional Shares be allotted and distributed but Shares representing fractional entitlements be aggregated and sold for the benefit of the Company; and
- (d) the Directors be authorised to allot and issue the Scrip Dividend Shares falling to be issued under the Scrip Dividend Scheme (as described in the Circular) and to do all such acts, deeds and things as they may in their absolute discretion consider necessary, desirable or expedient to implement and/or to give effect to the Scrip Dividend Scheme.”

By Order of the Board of
Asia Standard Hotel Group Limited
Lee Tai Hay, Dominic
Secretary

Hong Kong, 30 July 2008

Registered Office:
Canon's Court
22 Victoria Street
Hamilton HM12
Bermuda

*Head office and principal place
of business in Hong Kong:*
30th Floor
Asia Orient Tower
Town Place
33 Lockhart Road
Wanchai
Hong Kong

As at the date hereof, the Board comprises Mr. Poon Jing, Dr. Lim Yin Cheng, Mr. Fung Siu To, Clement, Mr. Poon Tin Sau, Robert and Mr. Woo Wei Chun, Joseph as executive Directors; Mr. Ip Chi Wai, Mr. Leung Wai Keung, Richard and Mr. Hung Yat Ming as independent non-executive Directors.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Every Shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Shareholder of the Company.
2. A form of proxy for use at the above meeting is enclosed herewith.
3. Where there are joint registered holders of any Shares, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such Shares as if he was solely entitled thereto, provided that if more than one of such joint holders is present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members in respect of such Shares shall alone be entitled to vote in respect thereof.
4. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney or authority, must be deposited at the Company's head office and principal place of business in Hong Kong at 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting (or any adjournment thereof).
5. Shareholders are recommended to read the circular of the Company containing information concerning the Resolutions proposed in this Notice.

** For identification purposes only*