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ASIA STANDARD HOTEL GROUP LIMITED

泛海酒店集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 292)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2010

FINANCIAL HIGHLIGHTS

(In HK\$ million, except otherwise indicated)

| | Six months ended 30th September | | Change |
|---|------------------------------------|--------------------------------|--------|
| | 2010 | 2009 | |
| Consolidated profit and loss account | | | |
| Revenue | 346 | 260 | +33% |
| Contribution from hotel operation | 98 | 51 | +92% |
| Net investment gain | 103 | 325 | -68% |
| Profit for the period attributable to shareholders | 151 | 313 | -52% |
| Earnings per share – basic (HK cent) | 11.23 | 23.96 | -53% |
| | 30th September 2010 | 31st March 2010 | |
| Consolidated balance sheet | | | |
| Net assets | 2,606 | 2,364 | +10% |
| Net debt | 1,385 | 1,370 | +1% |
| Supplementary information with hotel properties at valuation: | | | |
| Revalued net asset value | 5,808 | 4,514 | +29% |
| Revalued net asset value per share (HK\$) | 3.79 | 3.44 | +10% |
| Gearing - Net debt to revalued net asset value (%) | 24% | 30% | -6% |

* for identification purpose only

The Directors of Asia Standard Hotel Group Limited (the “Company”) announce that the unaudited consolidated results of the Company and its subsidiaries (together the “Group”) for the six months ended 30th September 2010 together with the comparative figures for the six months ended 30th September 2009 were as follows :

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT - UNAUDITED

For the six months ended 30th September

| | <i>Note</i> | 2010 HK\$'000 | 2009 HK\$'000 |
|--|-------------|--------------------------------|------------------|
| Revenue | 2 | 345,902 | 259,625 |
| Cost of sales | | (173,749) | (142,262) |
| Gross profit | | 172,153 | 117,363 |
| Net investment gain | 3 | 102,789 | 325,327 |
| Selling and administrative expenses | | (51,316) | (50,100) |
| Depreciation | | (43,654) | (43,239) |
| Other income/(charge) | 4 | 12,664 | (10,780) |
| Operating profit | | 192,636 | 338,571 |
| Finance costs | | (32,492) | (21,666) |
| Profit before income tax | | 160,144 | 316,905 |
| Income tax expense | 6 | (8,962) | (3,619) |
| Profit for the period attributable to shareholders | | 151,182 | 313,286 |
| Dividend | 7 | 3,833 | - |
| Earnings per share (HK cent) | | | |
| Basic | 8 | 11.23 | 23.96 |
| Diluted | 8 | 10.45 | 22.58 |

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME – UNAUDITED
For the six months ended 30th September

| | 2010 HK\$'000 | 2009 HK\$'000 |
|---|--------------------------------|------------------|
| Profit for the period | 151,182 | 313,286 |
| Other comprehensive (charge)/income: | | |
| Net fair value (loss)/gain on available-for-sale investments | (3,386) | 142,775 |
| Impairment of available-for-sale investments charged to profit and loss account | 112 | 1,531 |
| Release of reserve upon disposal of available-for-sale investments | - | 7,457 |
| Currency translation differences | (2,480) | 27,023 |
| Other comprehensive (charge)/income for the period | (5,754) | 178,786 |
| Total comprehensive income for the period attributable to shareholders | 145,428 | 492,072 |

CONDENSED CONSOLIDATED BALANCE SHEET - UNAUDITED

| | <i>Note</i> | 30th September 2010 HK\$'000 | 31st March 2010 HK\$'000 (Restated) |
|---|-------------|---|---|
| Non-current assets | | | |
| Property, plant and equipment | | 2,602,941 | 2,636,737 |
| Deferred income tax assets | | - | 1,338 |
| Available-for-sale investments | | 228,424 | 228,258 |
| | | 2,831,365 | 2,866,333 |
| Current assets | | | |
| Inventories | | 2,296 | 2,206 |
| Financial assets at fair value through profit or loss | | 1,168,005 | 928,857 |
| Trade and other receivables | 9 | 102,174 | 87,811 |
| Bank balances and cash | | 110,260 | 76,452 |
| | | 1,382,735 | 1,095,326 |
| Current liabilities | | | |
| Derivative financial instruments | | 25,579 | 14,571 |
| Trade and other payables | 10 | 59,191 | 62,053 |
| Income tax payable | | 14,994 | 14,630 |
| Short term borrowings | | 556,814 | 479,014 |
| Current portion of long term borrowings | | 65,018 | 59,768 |
| Warrant liabilities | | - | 53,904 |
| | | 721,596 | 683,940 |
| Net current assets | | 661,139 | 411,386 |
| Total assets less current liabilities | | 3,492,504 | 3,277,719 |
| Non-current liabilities | | | |
| Long term borrowings | | 873,536 | 907,606 |
| Deferred income tax liabilities | | 13,394 | 6,143 |
| | | 886,930 | 913,749 |
| Net assets | | 2,605,574 | 2,363,970 |
| Equity | | | |
| Share capital | | 30,666 | 26,246 |
| Reserves | | 2,574,908 | 2,337,724 |
| | | 2,605,574 | 2,363,970 |

NOTES TO THE INTERIM FINANCIAL INFORMATION

1. Basis of preparation

The unaudited condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants, and should be read in conjunction with the annual financial statements for the year ended 31st March 2010.

The accounting policies and methods of computation used in the preparation of this condensed consolidated interim financial information are consistent with those used in the annual financial statements for the year ended 31st March 2010, except for the adoption of new or revised standards and amendments to existing standards (“new HKFRS”), which are relevant to the Group’s operations and are mandatory for the Group’s accounting periods beginning on 1st April 2010.

Except for certain changes in accounting policies as described below, the adoption of the new HKFRS in the current period did not have any significant effect on the interim financial information or result in any substantial changes in the Group’s significant accounting policies.

HKAS 17 (Amendment) deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating using the general principles of HKAS 17. Prior to the amendment, land interest which title is not expected to pass to the Group by the end of the lease term was classified as operating lease under “Leasehold land”, and amortised over the lease term. HKAS 17 (Amendment) has been applied retrospectively for annual periods beginning 1st January 2010 in accordance with the effective date and transitional provisions of the amendment. The Group has reassessed the classification of leasehold land on the basis of information existing at the inception of those leases, and recognised the leasehold land in Hong Kong as finance lease retrospectively. As a result of the reassessment, the Group has reclassified the leasehold land from operating lease to finance lease. Since the property interest is held for own use, that land interest classified as finance lease is accounted for as land and hotel buildings and is depreciated from the land interest available for its intended use over the lease term.

2. Turnover and segment information

Turnover comprises revenue from hotel, catering services, travel agency operations, dividend and interest income, together with gross proceeds from disposal of financial assets at fair value through profit or loss and derivative financial instruments.

Revenue includes revenue from hotel, catering services, travel agency operations and dividend and interest income.

| | 2010 HK\$'000 | 2009 HK\$'000 |
|--|--------------------------------|------------------|
| Six months ended 30th September | | |
| Turnover | | |
| Revenue | | |
| Hotel operating income | 189,607 | 129,838 |
| - Room rentals | 147,754 | 97,301 |
| - Food and beverages | 30,547 | 22,846 |
| - Ancillary services | 4,514 | 3,104 |
| - Rental income | 6,792 | 6,587 |
| Catering income | 6,253 | 5,573 |
| Travel agency income | 117,901 | 96,756 |
| Investments | 31,264 | 26,581 |
| Other operations | 877 | 877 |
| | 345,902 | 259,625 |
| Gross proceeds from disposal of financial assets at fair value through profit or loss and derivative financial instruments | 230,977 | 116,698 |
| | 576,879 | 376,323 |

2. Turnover and segment information (continued)

| | Hotel operation HK\$'000 | Catering Services HK\$'000 | Travel agency HK\$'000 | Investments HK\$'000 | Others HK\$'000 | Total HK\$'000 |
|---|--------------------------------|----------------------------------|------------------------------|-------------------------|--------------------|-------------------|
| Six months ended 30th September 2010 | | | | | | |
| Turnover | 189,607 | 6,253 | 117,901 | 262,241 | 877 | 576,879 |
| Segment revenue | <u>189,607</u> | <u>6,253</u> | <u>117,901</u> | <u>31,264</u> | <u>877</u> | <u>345,902</u> |
| Contribution to segment results | 97,564 | (388) | (268) | 32,097 | 877 | 129,882 |
| Net investment gain | - | - | - | 102,789 | - | 102,789 |
| Depreciation | (43,507) | (82) | (20) | - | (45) | (43,654) |
| Other income | - | - | - | - | 12,664 | 12,664 |
| Segment results | <u>54,057</u> | <u>(470)</u> | <u>(288)</u> | <u>134,886</u> | <u>13,496</u> | <u>201,681</u> |
| Unallocated corporate expenses | | | | | | <u>(9,045)</u> |
| Operating profit | | | | | | 192,636 |
| Finance costs | | | | | | <u>(32,492)</u> |
| Profit before income tax | | | | | | 160,144 |
| Income tax expense | | | | | | <u>(8,962)</u> |
| Profit for the period attributable to shareholders | | | | | | <u>151,182</u> |

2. Turnover and segment information (continued)

| | Hotel operation HK\$'000 | Catering services HK\$'000 | Travel agency HK\$'000 | Investments HK\$'000 | Others HK\$'000 | Total HK\$'000 |
|---|--------------------------------|----------------------------------|------------------------------|-------------------------|--------------------|-------------------|
| Six months ended 30th September 2009 | | | | | | |
| Turnover | 129,838 | 5,573 | 96,756 | 143,279 | 877 | 376,323 |
| Segment revenue | <u>129,838</u> | <u>5,573</u> | <u>96,756</u> | <u>26,581</u> | <u>877</u> | <u>259,625</u> |
| Contribution to segment results | 50,834 | (1,532) | (385) | 27,210 | 877 | 77,004 |
| Net investment gain | - | - | - | 325,327 | - | 325,327 |
| Depreciation | (43,087) | (87) | (20) | - | (45) | (43,239) |
| Other charge | - | - | - | - | (10,780) | (10,780) |
| Segment results | <u>7,747</u> | <u>(1,619)</u> | <u>(405)</u> | <u>352,537</u> | <u>(9,948)</u> | <u>348,312</u> |
| Unallocated corporate expenses | | | | | | <u>(9,741)</u> |
| Operating profit | | | | | | 338,571 |
| Finance costs | | | | | | <u>(21,666)</u> |
| Profit before income tax | | | | | | 316,905 |
| Income tax expense | | | | | | <u>(3,619)</u> |
| Profit for the period attributable to shareholders | | | | | | <u>313,286</u> |

2. Turnover and segment information (continued)

| | Hotel operation HK\$'000 | Catering services HK\$'000 | Travel agency HK\$'000 | Investments HK\$'000 | Others HK\$'000 | Total HK\$'000 |
|---|--------------------------------|----------------------------------|------------------------------|-------------------------|--------------------|-------------------|
| At 30th September 2010 | | | | | | |
| Segment assets | 2,641,782 | 3,548 | 11,142 | 1,421,707 | 25,661 | 4,103,840 |
| Other unallocated assets | | | | | | 110,260 |
| | | | | | | <u>4,214,100</u> |
| Segment liabilities | | | | | | |
| Borrowings | 938,554 | - | - | 556,814 | - | 1,495,368 |
| Other unallocated liabilities | | | | | | 113,158 |
| | | | | | | <u>1,608,526</u> |
| Additions to non-current assets* | <u>13,865</u> | <u>190</u> | <u>45</u> | <u>-</u> | <u>-</u> | <u>14,100</u> |
| At 31st March 2010 | | | | | | |
| Segment assets | 2,671,927 | 3,507 | 14,985 | 1,167,602 | 25,848 | 3,883,869 |
| Other unallocated assets | | | | | | 77,790 |
| | | | | | | <u>3,961,659</u> |
| Segment liabilities | | | | | | |
| Borrowings | 967,374 | - | - | 479,014 | - | 1,446,388 |
| Other unallocated liabilities | | | | | | 151,301 |
| | | | | | | <u>1,597,689</u> |
| Additions to non-current assets* | <u>53,561</u> | <u>5</u> | <u>13</u> | <u>-</u> | <u>-</u> | <u>53,579</u> |

* The amounts exclude financial instruments and deferred income tax assets

2. Turnover and segment information (continued)

| | Six months ended 30th September | |
|---------------------|---------------------------------------|-----------------------------------|
| | 2010 HK\$'000 | 2009 HK\$'000 |
| Revenue | | |
| Hong Kong | 262,016 | 193,890 |
| Overseas | 83,886 | 65,735 |
| | <u>345,902</u> | <u>259,625</u> |
| | 30th September 2010 HK\$'000 | 31st March 2010 HK\$'000 |
| Non-current assets* | | |
| Hong Kong | 2,339,011 | 2,361,553 |
| Overseas | 263,930 | 275,184 |
| | <u>2,602,941</u> | <u>2,636,737</u> |

* The amounts exclude financial instruments and deferred income tax assets

3. Net investment gain

| | Six months ended 30th September | |
|---|------------------------------------|------------------|
| | 2010 HK\$'000 | 2009 HK\$'000 |
| Financial assets at fair value through profit or loss | | |
| - net unrealised gain from market value movements | 75,455 | 303,809 |
| - net unrealised exchange gain | 26,836 | 19,960 |
| - net realised gain | 10,908 | 10,329 |
| - provision for interest receivable | - | (9,490) |
| Available-for-sale investments | | |
| - net realised gain | - | 1,114 |
| - impairment | (112) | (1,531) |
| Derivative financial instruments | | |
| - net unrealised (loss)/gain | (10,298) | 4,701 |
| - net realised loss | - | (3,565) |
| | <u>102,789</u> | <u>325,327</u> |

4. Other income/(charge)

| | Six months ended 30th September | |
|---|------------------------------------|-----------------|
| | 2010 | 2009 |
| | HK\$'000 | HK\$'000 |
| Fair value gain/(loss) on warrant liabilities | <u>12,664</u> | <u>(10,780)</u> |

5. Income and expenses by nature

| | Six months ended 30th September | |
|---|------------------------------------|---------------|
| | 2010 | 2009 |
| | HK\$'000 | HK\$'000 |
| Income | | |
| Interest income | | |
| - Listed investments | 17,400 | 2,545 |
| - Unlisted investments | 16 | 144 |
| - Other receivables | 877 | 877 |
| - Bank deposits | 148 | 109 |
| Dividend income | | |
| - Listed investments | 13,700 | 23,222 |
| - Unlisted investments | - | 89 |
| Expenses | | |
| Operating lease rental expense for land and buildings | 3,001 | 3,099 |
| Costs of goods sold | <u>99,246</u> | <u>83,275</u> |

6. Income tax expense

| | Six months ended 30th September | |
|-----------------------|------------------------------------|--------------|
| | 2010 | 2009 |
| | HK\$'000 | HK\$'000 |
| Current income tax | | |
| Hong Kong profits tax | 373 | 32 |
| Overseas profits tax | - | 785 |
| | <u>373</u> | <u>817</u> |
| Deferred income tax | <u>8,589</u> | <u>2,802</u> |
| Income tax expense | <u>8,962</u> | <u>3,619</u> |

Hong Kong profits tax is provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit for the period. Income tax on overseas profits has been calculated on the estimated assessable profit for the period at the rates of tax prevailing in the countries in which the Group operates.

7. Dividend

| Six months ended 30th September | |
|------------------------------------|----------|
| 2010 | 2009 |
| HK\$'000 | HK\$'000 |

Interim, of HK0.25 cent (2009: Nil) per share

| | |
|--------------|----------|
| <u>3,833</u> | <u>-</u> |
|--------------|----------|

At a meeting held on 26th November 2010, the Board of Directors has proposed to pay an interim dividend of HK0.25 cent per share with a scrip option (2009: Nil). The proposed dividend is not reflected in the interim financial information, but will be reflected as an appropriation of revenue reserve in the year ending 31st March 2011.

The amount of HK\$3,833,240 is based on 1,533,295,973 issued shares as at 26th November 2010.

8. Earnings per share

The calculation of basic earnings per share is based on the profit for the period attributable to shareholders of HK\$151,182,000 (2009: HK\$313,286,000) and divided by weighted average number of 1,346,257,141 (2009: 1,307,557,161) shares in issue during the period ended 30th September 2010.

The calculation of diluted earnings per share for the six months ended 30th September 2010 was based on the profit for the period attributable to shareholders of HK\$151,182,000 and 1,446,734,132 shares equaling to the weighted average number of 1,346,257,141 shares in issue during the period plus 100,476,991 potential shares deemed to be in issue assuming the outstanding warrants had been exercised.

The calculation of diluted earnings per share for the six months ended 30th September 2009 was based on the profit for the period attributable to shareholders of HK\$313,286,000 and 1,387,270,256 shares equaling to the weighted average number of 1,307,557,161 shares in issue during the period plus 79,713,095 potential shares deemed to be in issue assuming the outstanding warrants had been exercised.

The outstanding share options did not have any dilutive effect on the earnings per share for the six months ended 30th September 2010 and 2009.

9. Trade and other receivables

Trade and other receivables of the Group include trade receivables, deposits and prepayments, dividend, interest and other receivables.

Trade receivables of the Group amounted to HK\$34,659,000 (31st March 2010: HK\$33,246,000). The credit terms given to the customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluations of customers are performed periodically.

Aging analysis of trade receivables net of provision for impairment is as follows:

| | 30th September 2010 HK\$'000 | 31st March 2010 HK\$'000 |
|---------------|---|--------------------------------|
| 0 - 60 days | 34,247 | 31,597 |
| 61 - 120 days | 249 | 1,439 |
| Over 120 days | 163 | 210 |
| | <u>34,659</u> | <u>33,246</u> |

10. Trade and other payables

Trade and other payables of the Group include trade payables, rental and management fee deposits, retentions payable of construction costs and various accruals.

Trade payables of the Group amounted to HK\$16,073,000 (31st March 2010: HK\$15,808,000).

Aging analysis of trade payables is as follows:

| | 30th September 2010 HK\$'000 | 31st March 2010 HK\$'000 |
|---------------|---|--------------------------------|
| 0 - 60 days | 16,005 | 15,593 |
| 61 - 120 days | 39 | 12 |
| Over 120 days | 29 | 203 |
| | <u>16,073</u> | <u>15,808</u> |

11. Comparative figures

Certain comparative figures have been restated as a result of the adoption of new HKFRS and to conform with the current period's presentation.

Management Discussion and Analysis

Interim Results

The Group's revenue for the six months ended 30th September 2010 amounted to HK\$346 million, increased by HK\$86 million or 33% compared with the same period of last year. Profit attributable to shareholders, however, decreased to HK\$151 million or 52% when compared with HK\$313 million of the same period of last year. The decrease was mainly due to the reduction in fair value gain from financial assets held for trading at the balance sheet date over last year. Basic earnings per share during the period was HK11.23 cents when compared with the basic earnings per share of HK23.96 cents in 2009.

Business Review

Hong Kong arrivals data for 2010 has been robust where cumulative arrivals between April and September of 2010 reached 17.6 million, a 28% increase year-on-year. This positive gain was largely driven by the growth of arrivals from Mainland China, which contributed almost 62% of total arrivals to Hong Kong and a year-on-year growth (+33%) in cumulative visitors' arrivals among all market regions.

All other major markets recovered from the global financial/economic crisis with varying speeds. Long-haul and short haul markets (excluding Mainland China and Macau) have registered 11% and 22% growth, respectively.

On the supply side, the number of hotel rooms under high tariff B category has seen a 4% increase in the period under review from the same period of last year.

Empire Hotel Hong Kong

Empire Hong Kong's average room rate increased by 19% and average occupancy rate increased by 13% to 90%. Total revenue amounted to HK\$52 million and its gross operating profit amounted to HK\$28 million. Upgrading renovation of the entire lobby and exterior façade was finished.

Empire Hotel Kowloon

Empire Kowloon's average room rate increased by 29% and average occupancy rate increased by 12% to 91%. Total revenue amounted to HK\$50 million and its gross operating profit amounted to HK\$29 million.

Empire Hotel Causeway Bay

Empire Causeway Bay average room rate increased by 38% and average occupancy increased by 19% to 88%. Its notable performance in the period under review is the result of increasing awareness of the hotel after last year's opening. We are confident that it will bring in substantial contributions in the future.

Empire Landmark Hotel Vancouver

Empire Landmark's average room rate increased by 7% at an average occupancy rate increased by 11%. Total revenue amounted to HK\$55 million, and its gross operating profit amounted to HK\$24 million.

Travel and Catering

Revenues for the travel and catering amounted to HK\$118 million and HK\$6 million, respectively.

Financial Review

Total assets amounted to HK\$4,214 million, increased by 6% when compared with HK\$3,962 million as at 31st March 2010. Based on independent valuation, the total revalued amount of the four hotel properties as at 30th September 2010 was HK\$6,435 million, increased by 24% when compared with that as at 31st March 2010.

The shareholders' funds amounted to HK\$2,606 million, increased by HK\$242 million when compared with HK\$2,364 million as at 31st March 2010. The increase was mainly due to the fair value gain on financial assets and an increase in capital from exercise of warrants. Taking into account the market value of the hotel properties, the revalued net asset value of the Group would be HK\$5,808 million.

The financial investment portfolio amounted to HK\$1,396 million (31st March 2010: HK\$1,157 million). This segment of business generated through profit and loss account a total income of HK\$31 million (2009: HK\$26 million) and an investment gain of HK\$103 million (2009: HK\$325 million).

The consolidated net bank borrowings was HK\$1,385 million, increased HK\$15 million when compared with that at 31st March 2010. 80% of the gross bank borrowings or HK\$1,203 million was denominated in HK dollars, and the remaining 20% or to the equivalent of HK\$292 million were in foreign currencies incurred in operations and investment in financial assets overseas.

Of the total gross bank borrowings, 42% was repayable within one year, and 35% was repayable after five years. As at 30th September 2010, the Group had net current assets of HK\$661 million (31st March 2010: HK\$411 million).

The Group's gearing ratio, expressed as a percentage of net debt over the net asset value, decreased to 53% (31st March 2010: 58%), and after taking into account the fair value of hotel properties at the balance sheet date, the gearing was at a level of 24% (31st March 2010: 30%).

The aggregate net book value of hotel properties pledged as collateral for banking facilities of the Group as at 30th September 2010 amounted to HK\$2,601 million (31st March 2010: HK\$2,635 million).

The aggregate carrying amount of financial assets at fair value through profit or loss and available-for-sale investments pledged to banks as collateral for credit facilities of the Group amounted to HK\$234 million (31st March 2010: HK\$55 million).

Human Resources

As at 30th September 2010, the total number of employees of the Company and its subsidiaries was 458. In addition to salary payment, the Group provides other benefits including insurance, share options, medical scheme and retirement plans and others to its employees.

Future Prospects

Continuing robust mainland economies together with its opening up of travel visa requirements have been the growth driver in local leisures, retails and hotel accommodation throughout the period. We very much remain optimistic about the coming months as mainland maintains and continues to grow while the rest of the world appears to gather pace to recovery.

Interim Dividend

The Board of Directors recommends an interim dividend for the six months ended 30th September 2010 of HK0.25 cent per share with an option to elect to receive shares of the Company credited as fully paid in lieu of cash in respect of part or all of the proposed interim dividend (the “Scrip Dividend Scheme”) (2009: Nil) to shareholders whose names appear on the Register of Members of the Company on Friday, 14th January 2011 (the “Record Date”).

The Scrip Dividend Scheme will be subject to The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) granting listing of and permission to deal in the new shares to be allotted thereunder. For the purpose of determining the number of new shares to be allotted, the market value of new shares will be calculated as the average of the closing prices of the existing shares of the Company in the Stock Exchange for the three trading days prior to and including the Record Date. The interim dividend is expected to be paid on or around Tuesday, 15th February 2011.

Closure of Register of Members

The Register of Members will be closed from Wednesday, 12th January 2011 to Friday, 14th January 2011, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all share certificates with completed transfer forms either overleaf or separately must be lodged with the Company’s Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 11th January 2011.

Purchase, Sale or Redemption of Listed Securities

During the period, the Company had not redeemed any of its shares. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company’s listed securities during the period.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”). The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the period, and they all confirmed that they have fully complied with the required standard set out in the Model Code throughout the six months ended 30th September 2010.

Code on Corporate Governance Practices

During the period, the Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in appendix 14 of the Listing Rules, except for the deviation from code provision A.4.1 which stated that Non-executive Directors should be appointed for a specific term, subject to re-election. All Independent Non-executive Directors of the Company were not appointed for specific terms, but subject to retirement by rotations and re-elections at the annual general meeting of the Company in accordance with the Bye-Laws of the Company.

Audit Committee

The Audit Committee members are Mr. Hung Yat Ming, Mr. Leung Wai Keung and Mr. Ip Chi Wai. The principal activities of the Audit Committee include the review and supervision of the Group's financial reporting process and internal controls.

The unaudited interim financial information of the Group for the six months period ended 30th September 2010 has been reviewed by the Audit Committee.

By Order of the Board
Asia Standard Hotel Group Limited
POON JING
Chairman

Hong Kong, 26th November 2010

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