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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 International 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.

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ASIA STANDARD INTERNATIONAL GROUP LIMITED

(泛海國際集團有限公司)*

(incorporated in the Bermuda with limited liability)

(Stock Code: 0129)

**PROPOSALS INVOLVING
GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE ITS OWN SHARES,
REFRESHMENT OF THE SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME,
REFRESHMENT OF THE SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME OF
ASIA STANDARD HOTEL GROUP LIMITED, A SUBSIDIARY,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the board of Directors of Asia Standard International Group Limited (“Company”) is set out on pages 4 to 9 of this circular.

A notice convening the annual general meeting of the Company to be held on 31 August 2007 (Friday) at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 10:00 a.m. or immediately after the conclusion of the special general meeting of Asia Standard Hotel Group Limited, whichever is later, is set out on pages 18 to 22 of this circular.

If you are not able to attend the Annual General Meeting, 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*

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DEFINITIONS

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

“Annual General Meeting”	the 2007 annual general meeting of the Company to be held on 31 August 2007 (Friday) at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 10:00 a.m. or immediately after the conclusion of the special general meeting of ASHGL, whichever is later;
“ASHGL”	Asia Standard Hotel Group Limited, a non-wholly owned Subsidiary of the Company, being a company incorporated under the laws of Bermuda and the ASHGL Shares of which are listed on the Stock Exchange;
“ASHGL Annual General Meeting”	the annual general meeting of ASHGL to be held on 31 August 2007 (Friday) at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 9:30 a.m.;
“ASHGL Board”	the board of directors of ASHGL;
“ASHGL Group”	ASHGL and its Subsidiaries;
“ASHGL Scheme”	the share option scheme of ASHGL adopted by ASHGL on 28 August 2006;
“ASHGL Scheme Mandate Limit”	the maximum number of ASHGL Shares which may be issued upon exercise of all options to be granted under the ASHGL Scheme and any other share option schemes of ASHGL and which shall not in aggregate exceed 10% of the ASHGL Shares in issue as at the date of approval of the ASHGL Scheme by the Shareholders and the ASHGL Shareholders and thereafter, if refreshed, shall not exceed 10% of the ASHGL Shares in issue as at the date of approval of the refreshed limit by the Shareholders and the ASHGL Shareholders;
“ASHGL Shares”	the shares of HK\$0.02 each in the capital of ASHGL;
“ASHGL Shareholder(s)”	the registered holder(s) of the ASHGL Shares;
“Associates”	has the same meanings as defined in the Listing Rules;
“Board”	the board of Directors of the Company;
“Business Day”	any day on which the Stock Exchange is open for business of dealing in securities;
“Bye-Laws”	the bye-laws of the Company;
“Company”	Asia Standard International Group Limited, a company incorporated under the laws of Bermuda with limited liability whose Shares are listed on the Stock Exchange;

DEFINITIONS

“Directors”	the directors of the Company;
“Group”	the Company and its Subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong for the time being;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with additional Shares not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant resolution approving such grant;
“Latest Practicable Date”	27 July 2007, 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, as amended, supplemented and otherwise modified from time to time;
“Memorandum of Association”	the memorandum of association of the Company;
“Notice of Annual General Meeting”	the notice convening the Annual General Meeting as set out in this circular;
“PRC”	People’s Republic of China;
“Proposed ASHGL Scheme Refreshment”	the ASHGL Scheme Mandate Limit proposed to be refreshed by the Shareholders at the Annual General Meeting and the ASHGL Shareholders at the ASHGL Annual General Meeting pursuant to which the ASHGL Board may grant options to eligible participants under the ASHGL Scheme and any other share option schemes of ASHGL to subscribe for up to 10% of the ASHGL Shares in issue as at the date of the ASHGL Annual General Meeting;
“Proposed Refreshment”	the Scheme Mandate Limit proposed to be refreshed by the Shareholders at the Annual General Meeting pursuant to which the Board may grant options to eligible participants under the Share Option Scheme and any other share option schemes of the Company to subscribe for up to 10% of the Shares in issue as at the date of the Annual General Meeting;
“Repurchase Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to repurchase Shares not exceeding 10% of the issued share capital of the Company as at the date of passing of the relevant resolution approving such grant;

DEFINITIONS

“Rights Issue”	the issue by way of rights of 1,710,518,044 rights Shares by the Company to the Shareholders on the basis of one rights Share for every three existing Shares as more particularly set out in the announcement of the Company dated 26 September 2006;
“Scheme Mandate Limit”	the maximum number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company and which shall not in aggregate exceed 10% of the Shares in issue as at the date of approval of the Share Option Scheme by Shareholders and thereafter, if refreshed, shall not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit by the Shareholders;
“Share(s)”	the shares of HK\$0.01 each in the capital of the Company;
“Share Option Scheme”	the share option scheme adopted by the Company on 27 August 2004;
“Shareholder(s)”	the registered holders of Shares from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary(ies)”	a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance (Cap 32 of the Laws of Hong Kong) or the Companies Act 1981 of Bermuda (as amended)), whether incorporated in Hong Kong, Bermuda or elsewhere;
“SFO”	the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong);
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers and Share Repurchases;
“%”	per cent;
“2006 Issue Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 28 August 2006 to allot, issue and deal with additional Shares not exceeding 20% of the issued share capital of the Company as at 28 August 2006; and
“2006 Repurchase Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 28 August 2006 to repurchase Shares not exceeding 10% of the issued share capital of the Company as at 28 August 2006.

LETTER FROM THE BOARD



ASIA STANDARD INTERNATIONAL GROUP LIMITED

(泛海國際集團有限公司)*

(incorporated in the Bermuda with limited liability)

(Stock Code: 0129)

Executive Directors:

Mr. Fung Siu To, Clement (*Chairman*)
Dr. Lim Yin Cheng (*Deputy Chairman*)
Mr. Poon Jing (*Managing Director and
Chief Executive*)
Mr. Lun Pui Kan
Mr. Kwan Po Lam, Phileas
Mr. Nicholas James Loup

Non-executive Directors:

Mr. Au Yat Chuen, Raymond
Mr. Liang Shangli

Independent non-executive Directors:

Mr. Koon Bok Ming, Alan
Mr. Leung Wai Keung, Richard
Mr. Wong Chi Keung

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

31 July 2007

To the Shareholders

Dear Sir/Madam,

**PROPOSALS INVOLVING
GENERAL MANDATES TO ISSUE NEW SHARES
AND REPURCHASE ITS OWN SHARES,
REFRESHMENT OF THE SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME,
REFRESHMENT OF THE SCHEME MANDATE LIMIT OF
THE SHARE OPTION SCHEME OF
ASIA STANDARD HOTEL GROUP LIMITED, A SUBSIDIARY,
RE-ELECTION OF DIRECTORS
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LETTER FROM THE BOARD

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 Annual General Meeting relating to:

- (i) the grant to the Directors the Issue Mandate and Repurchase Mandate;
- (ii) the refreshment of the Scheme Mandate Limit;
- (iii) the refreshment of the ASHGL Scheme Mandate Limit; and
- (iv) the re-election of the retiring Directors.

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

2. GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES

At the annual general meeting of Shareholders held on 28 August 2006 approval was given by Shareholders for the granting of, inter alia, to the Directors (i) the 2006 Repurchase Mandate; and (ii) the 2006 Issue Mandate. In accordance with the terms of the approval, the 2006 Repurchase Mandate and the 2006 Issue Mandate will shortly expire on 31 August 2007 upon the conclusion of the forthcoming Annual General Meeting. To keep in line with current corporate practice, the grant of fresh general mandates for the same purpose is being sought from Shareholders and an ordinary resolution to grant the Repurchase Mandate to the Directors will be proposed at the forthcoming Annual General Meeting. The explanatory statement required by the Listing Rules to be sent to Shareholders in connection with the proposed resolution on the Repurchase Mandate is set out in Appendix I to this circular.

Ordinary resolutions will also be proposed at the Annual General Meeting (i) to grant to the Directors the Issue Mandate; and (ii) to approve the addition to the Issue Mandate to issue and allot Shares under (i) above of 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 7,185,145,935 Shares. Assuming there is no issue of Shares or any repurchase of Shares from the Latest Practicable Date up to the date of the Annual General Meeting, the number of Shares issuable pursuant to the Issue Mandate and that can be purchased by the Company under the Repurchase Mandate will be 1,437,029,187 and 718,514,593 Shares respectively, representing 20% and 10% of the Company's issued share capital as at the date of the Annual General Meeting.

LETTER FROM THE BOARD

If the Repurchase Mandate and Issue Mandate are granted to Directors, they will be valid for the period from the date of passing the relevant ordinary resolutions up to the date of the next annual general meeting in 2008, 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 Repurchase Mandate and Issue Mandate by ordinary resolutions in a general meeting of the Company, whichever of these three events occurs first.

3. PROPOSED REFRESHMENT OF THE SCHEME MANDATE LIMIT

Proposed Refreshment

The Share Option Scheme was adopted by the Company on 27 August 2004. Pursuant to the terms of the Share Option Scheme and in compliance with the provisions of Chapter 17 of the Listing Rules, the maximum number of Shares that may be issued upon exercise of all options which may be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 410,924,999 Shares, being 10% of the Shares in issue as at the date of approval of the Share Option Scheme.

As at the Latest Practicable Date, options to subscribe for 165,000,000 Shares (representing approximately 4.01% of the Shares in issue as at the date of approval of the Share Option Scheme) had been granted, of which options to subscribe for 5,000,000 Shares were lapsed and options to subscribe for 160,000,000 Shares remained outstanding. Following completion of the Rights Issue on 10 November 2006, the total number of Shares falling to be issued upon the exercise of the outstanding options and the Scheme Mandate Limit were adjusted to 164,974,086 Shares (representing approximately 2.30% of the total number of Shares in issue as at the Latest Practicable Date) and 684,207,217 Shares, respectively. Unless the Scheme Mandate Limit is refreshed, the Company may only grant options to subscribe for up to 409,840,123 Shares pursuant to the Share Option Scheme, being 5.99% of the Scheme Mandate Limit as adjusted after completion of the Rights Issue.

As at the Latest Practicable Date, the total number of Shares in issue was 7,185,145,935 Shares. Upon the Proposed Refreshment and assuming that the total number of Shares in issue remains unchanged prior to the date of the Annual General Meeting, the Company may grant options to eligible participants under the Share Option Scheme and all other share option schemes of the Company to subscribe for a maximum of 718,514,593 Shares, being 10% of the Shares in issue as at the date of approval of the Proposed Refreshment. Options previously granted under the Share Option Scheme and/or any other share option schemes of the Company (including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or such other share option schemes of the Company) will not be counted for the purpose of calculating the Proposed Refreshment. As at the Latest Practicable Date, the Company did not have any other share option scheme apart from the Share Option Scheme.

Pursuant to the terms of the Share Option Scheme and in accordance with the relevant provisions of Chapter 17 of the Listing Rules, the total number of Shares which may be issued upon exercise of

LETTER FROM THE BOARD

all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company at any time shall not exceed 30% of the Shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option scheme of the Company if it will result in the aforesaid 30% limit being exceeded.

The Directors consider that it is in the interest of the Company and the Shareholders as a whole to refresh the Scheme Mandate Limit to permit the grant of further options under the Share Option Scheme so as to provide incentives to and recognize the contribution of the eligible participants, including the Group's employees, under the Share Option Scheme.

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to approve the Proposed Refreshment so that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and all other share option schemes of the Company shall not exceed 718,514,593 Shares, representing 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the Annual General Meeting, assuming that the number of Shares in issue remains unchanged prior to the date of the Annual General Meeting.

Conditions of the Proposed Refreshment

The Proposed Refreshment is conditional upon:

- (a) the Shareholders passing an ordinary resolution to approve the Proposed Refreshment at the Annual General Meeting; and
- (b) the Listing Committee granting the approval of the listing of, and permission to deal in, the Shares to be issued pursuant to the exercise of any options that may be granted pursuant to the Share Option Scheme under the Proposed Refreshment, representing 10% of the Shares in issue as at the date of approval of the Proposed Refreshment by the Shareholders at the Annual General Meeting.

Application for listing and dealing

Application has been made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which fall to be issued upon the exercise of any options that may be granted pursuant to the Share Option Scheme under the Proposed Refreshment.

4. PROPOSED REFRESHMENT OF THE ASHGL SCHEME MANDATE LIMIT

Proposed ASHGL Scheme Refreshment

The ASHGL Scheme was adopted by ASHGL on 28 August 2006. Pursuant to the terms of the ASHGL Scheme and in compliance with the provisions of Chapter 17 of the Listing Rules, the

LETTER FROM THE BOARD

maximum number of ASHGL Shares that may be issued upon exercise of all options which may be granted under the ASHGL Scheme and to be granted under any other share option schemes of ASHGL shall not exceed 946,216,302 ASHGL Shares, being 10% of the ASHGL Shares in issue as at the date of approval of the ASHGL Scheme.

As at the Latest Practicable Date, options to subscribe for 940,000,000 ASHGL Shares (representing approximately 7.51% of the ASHGL Shares in issue as at the Latest Practicable Date) had been granted under the ASHGL Scheme, all of which remained outstanding. Unless the ASHGL Scheme Mandate Limit is refreshed, ASHGL may only grant options to subscribe for up to 6,216,302 ASHGL Shares pursuant to the ASHGL Scheme.

As at the Latest Practicable Date, the total number of ASHGL Shares in issue was 12,508,806,156 ASHGL Shares. Upon the Proposed ASHGL Scheme Refreshment and assuming that the total number of ASHGL Shares in issue remains unchanged prior to the date of the Annual General Meeting, ASHGL may grant options to eligible participants under the ASHGL Scheme and all other share option schemes of ASHGL to subscribe for a maximum of 1,250,880,615 ASHGL Shares, being 10% of the ASHGL Shares in issue as at the date of approval of the Proposed ASHGL Scheme Refreshment. Options previously granted under the ASHGL Scheme and/or any other share option schemes of ASHGL (including without limitation those outstanding, cancelled, lapsed or exercised in accordance with the ASHGL Scheme or such other share option schemes of ASHGL) will not be counted for the purpose of calculating the Proposed ASHGL Scheme Refreshment. As at the Latest Practicable Date, save that options to subscribe for 4,465,909 ASHGL Shares granted under the previous share option scheme adopted by ASHGL on 24 May 2000 remained outstanding, ASHGL did not have any other share option scheme apart from the ASHGL Scheme.

Pursuant to the terms of the ASHGL Scheme and in accordance with the relevant provisions of Chapter 17 of the Listing Rules, the total number of ASHGL Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the ASHGL Scheme and any other share option schemes of ASHGL at any time shall not exceed 30% of the ASHGL Shares in issue from time to time. No options may be granted under the ASHGL Scheme or any other share option scheme of ASHGL if it will result in the aforesaid 30% limit being exceeded.

The Directors consider that it is in the interest of the Company and the Shareholders as a whole to refresh the ASHGL Scheme Mandate Limit to permit the grant of further options under the ASHGL Scheme so as to provide incentives to and recognize the contribution of the eligible participants, including the ASHGL Group's employees, under the ASHGL Scheme.

At the Annual General Meeting, an ordinary resolution will be proposed to the Shareholders to approve the Proposed ASHGL Scheme Refreshment so that the total number of ASHGL Shares which may be issued upon exercise of all options to be granted under the ASHGL Scheme and all other share option schemes of ASHGL shall not exceed 1,250,880,615 ASHGL Shares, representing 10% of the ASHGL Shares in issue as at the date of approval of the Proposed ASHGL Scheme Refreshment by the Shareholders at the Annual General Meeting and the ASHGL Shareholders at the ASHGL Annual General Meeting, assuming that the number of ASHGL Shares in issue remains unchanged prior to the date of the Annual General Meeting.

LETTER FROM THE BOARD

Conditions of the Proposed ASHGL Scheme Refreshment

The Proposed ASHGL Scheme Refreshment is conditional upon:

- (a) the Shareholders passing an ordinary resolution to approve the Proposed ASHGL Scheme Refreshment at the Annual General Meeting;
- (b) the ASHGL Shareholders passing an ordinary resolution to approve the Proposed ASHGL Scheme Refreshment at the ASHGL Annual General Meeting; and
- (c) the Listing Committee granting the approval of the listing of, and permission to deal in, the ASHGL Shares to be issued pursuant to the exercise of any options that may be granted pursuant to the ASHGL Scheme under the Proposed ASHGL Scheme Refreshment, representing 10% of the ASHGL Shares in issue as at the date of approval of the Proposed ASHGL Scheme Refreshment by the Shareholders at the Annual General Meeting and the ASHGL Shareholders at the ASHGL Annual General Meeting.

Application for listing and dealing

Application has been made by ASHGL to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the ASHGL Shares which fall to be issued upon the exercise of any options that may be granted pursuant to the ASHGL Scheme under the Proposed ASHGL Scheme Refreshment.

5. RE-ELECTION OF DIRECTORS

In accordance with Bye-Laws 104 and 105 of the Bye-Laws, one-third of the Directors retiring by rotation at the Annual General Meeting are Messrs. Nicholas James Loup, Au Yat Chuen, Raymond and Leung Wai Keung, Richard. Mr. Poon Jing has voluntarily submitted his retirement. Messrs. Nicholas James Loup, Au Yat Chuen, Raymond and Leung Wai Keung, Richard and Poon Jing 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 Annual General Meeting are set out in Appendix II to this circular.

Save for information set out in Appendix II to this circular, there is no information to be disclosed pursuant to any of the requirement of the provisions under Rule 13.51(2) of the Listing Rules nor are there any matters that need to be brought to the attention of the Shareholders in relation to the re-election of retiring Directors.

LETTER FROM THE BOARD

6. ANNUAL GENERAL MEETING

The Notice of Annual General Meeting (as appearing on pages 18 to 22 of this circular) sets out the proposed resolutions for the approval of (a) the Issue Mandate and the Repurchase Mandate; (b) the Proposed Refreshment; (c) the Proposed ASHGL Scheme Refreshment and (d) the re-election of Directors.

A form of proxy is herewith enclosed for use at the Annual General Meeting. If you are not able to attend the Annual General Meeting 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 Annual General Meeting. Completion and deposit of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjourned meeting if you so wish.

7. PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Pursuant to Bye-Law 70 of the Bye-Laws, every question submitted to a general meeting shall be determined in the first instance by a show of hands of the Shareholders present in person or by a duly authorized corporate representative (as defined in the Bye-Laws), but a poll may be demanded (before or upon the declaration of the result of the show of hands) by the Chairman or by:

- (a) not less than three Shareholders present in person or by a duly authorized corporate representative or by proxy having the right to vote at the meeting; or
- (b) a Shareholder or Shareholders present in person or by a duly authorized corporate representative or by proxy representing not less than one-tenth of the total voting rights of all the shareholders having the right to vote at the meeting; or
- (c) a Shareholder or Shareholders present in person or by a duly authorized corporate representative or by proxy 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.

8. GENERAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate) and Appendix II (Biographical information of Directors to be re-elected at the Annual General Meeting).

LETTER FROM THE BOARD

9. RECOMMENDATION

The Directors believe that the proposed resolutions as set out in the Notice of Annual General Meeting 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 Annual General Meeting.

Yours faithfully,
For and on behalf of
ASIA STANDARD INTERNATIONAL GROUP LIMITED
Fung Siu To, Clement
Chairman

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 2007) 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 value of the Company and its earnings and/or its net assets per Share.

3. EXERCISE OF THE REPURCHASE MANDATE

As at the Latest Practicable Date, the number of Shares in issue was 7,185,145,935 Shares. Subject to the passing of Ordinary Resolution no. 5B set out in the Notice of Annual General Meeting approving the Repurchase Mandate on the basis of 7,185,145,935 Shares in issue at the date of the Annual General Meeting (assuming no further Shares are issued or repurchased by the Company after the Latest Practicable Date and up to the date of passing such resolution), the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 718,514,593 Shares during the period from the passing of the resolution granting the Repurchase Mandate up to the conclusion of the next annual general meeting or 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 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 HK\$	Lowest HK\$
2006		
July	0.246 ^A	0.227 ^A
August	0.243 ^A	0.221 ^A
September	0.229 ^A	0.183 ^A
October	0.196 ^A	0.183 ^A
November	0.205	0.178
December	0.192	0.177
2007		
January	0.255	0.184
February	0.270	0.225
March	0.255	0.206
April	0.285	0.243
May	0.330	0.250
June	0.345	0.270
July (up to the Latest Practicable Date)	0.340	0.285

A = adjusted as a result of the 2006 Rights Issue

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, 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 purchase pursuant to the Repurchase Mandate and in accordance with the Listing Rules and 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 the Takeovers Code. As a 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"), together with its Subsidiaries held 3,087,345,774 Shares, representing approximately 42.97% of the issued share capital of the Company. Mr. Poon Jing (a Director and having controlling interest in AOHL) is personally interested in 6,248,502 Shares, representing approximately 0.09% 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 together with its Subsidiaries and Mr. Poon Jing in the issued share capital of the Company will be increased to approximately 47.74%. AOHL may be required to make a general offer if as a result of purchase of its interest in the Company over a 12-month period is increased by over 2%. However, the Directors have no present intention to repurchase Shares to such extent. The Directors will not repurchase Shares on the Stock Exchange if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%.

6. SHARE PURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company during the six months prior to 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 Annual General Meeting are set out below:

POON Jing

Age 52. Chief Executive, Managing Director, Chairman of Executive Committee of the Company, chief executive and managing director of AOHL, chairman of ASHGL, a subsidiary of the Company. He is the founder of the Group. Mr. Poon is an independent non-executive director of GZI Transport Limited. He is the brother-in-law of Mr. Fung Siu To, Clement and Dr. Lim Yin Cheng, the Chairman and Deputy Chairman respectively.

As at the Latest Practicable Date, Mr. Poon had interests in 3,093,594,276 Shares (including 6,248,502 Shares as beneficial owner and 3,087,345,774 Shares through his interest in controlled corporations). He also had interest in 8,711,443,072 (including 383,434 ASHGL Shares as beneficial owner and 8,711,059,638 ASHGL Shares through his interest in controlled corporations). He held options to subscribe for 5,155,440 Shares at the subscription price of HK\$0.315 per Share. Mr. Poon has entered into a service contract with a Subsidiary of the Company with no fixed term. He is entitled to remuneration and other benefits from time to time to be reviewed by the Board with reference to his experience and remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31 March 2007, Mr. Poon received emolument in the total amount of HK\$12,827,000. He is the brother-in-law of Mr. Fung Siu To, Clement and Dr. Lim Yin Cheng, the Chairman and Deputy Chairman of the Company respectively.

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 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.

Nicholas James LOUP

Age 47. Executive Director, a member of Remuneration Committee and Executive Committee of the Company. Mr. Loup is managing director of Grosvenor Asia Pacific, responsible for managing Grosvenor's operations in China and Japan where they are active in property investment, development and fund management. Mr. Loup is a non-executive director of Printemps China Department Stores Limited and also serves on the advisory board for Bridge Capital in India. He is a general committee member of the British Chamber of Commerce in Hong Kong. Prior to rejoining Grosvenor, Mr. Loup had been a director of Colliers Jardine Hong Kong and Trafalgar House Property (UK) respectively. He joined the Group in 1999.

APPENDIX II**BIOGRAPHICAL INFORMATION OF DIRECTORS
TO BE RE-ELECTED AT THE ANNUAL GENERAL MEETING**

As at the Latest Practicable Date, Mr. Loup held options to subscribe for 20,621,761 Shares at the subscription price of HK\$0.315 per Share. There is no service contract between the Company and Mr. Loup. Mr. Loup 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-Law. He is entitled to remuneration and other benefits from time to time to be reviewed by the Board with reference to his experience and remuneration level in the industry together with his work and contribution to the Company. During the financial year ended 31 March 2007, Mr. Loup received emolument in the total amount of HK\$100,000.

Save as disclosed above, (a) Mr. Loup 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.

AU Yat Chuen, Raymond

Age 61. Mr. Au is an associate member of the Institute of Chartered Accountants in Australia and an associate member of the Institute of Chartered Secretaries and Administrators (“ICSA”). Between 1979 and 1984, he has held senior financial positions in several major listed property companies. Since 1984, he has been in full time private practice as a certified public accountant. He joined the Group in 1991.

As at the Latest Practicable Date, Mr. Au 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. Au. Mr. Au 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. Mr. Au 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 2007, Mr. Au received a director’s fee of HK\$120,000.

Save as disclosed above, (a) Mr. Au 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

Aged 44. Independent non-executive Director, a member of Remuneration Committee and Audit Committee of the Company. Mr. Leung is currently a Barrister-at-Law. He has about 9 years of experience in accounting and financial management in several firms and thereafter practicing as a barrister for 11 years. He is an independent non-executive director and a member of audit committee of AS Hotel. Mr. Leung is a member of Hong Kong Institute of Certified Public Accountants, The Hong Kong Institute of Chartered Secretaries, The Association of Chartered Certified Accountants,

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. 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. Mr. Leung 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 2007, Mr. Leung received a director's fee of HK\$200,000.

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 INTERNATIONAL GROUP LIMITED

(泛海國際集團有限公司)*

(incorporated in the Bermuda with limited liability)

(Stock Code: 0129)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of the shareholders (“Shareholders”) of Asia Standard International Group Limited (“Company”) will be held at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong on 31 August 2007 (Friday) at 10:00 a.m. or immediately after the conclusion of the special general meeting of Asia Standard Hotel Group Limited, whichever is later, 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 2007;
2. To declare the final dividend of HK0.35 cent for the year ended 31 March 2007;
3. To re-elect retiring Directors and authorize the board of directors (“Board”) to fix the remuneration of the Directors;
4. To appoint auditors and authorize the Board to fix their remuneration;
5. As special business to consider and, if thought fit, pass with or without amendments, the following Resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

A. “THAT

- (a) subject to paragraph 5A(c) of this Resolution and without prejudice to Resolution 5C 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 5A(d)) of this Resolution all the powers of the Company to issue, allot or otherwise deal with shares of HK\$0.01 each in the capital of the Company (“Shares”)

* For identification purposes only

NOTICE OF ANNUAL GENERAL MEETING

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 (including bonds, warrants, and debentures convertible into Shares) which might require the exercise of such powers, subject to and in accordance with all applicable laws;

- (b) the approval in paragraph 5A(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;
- (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 5A(a) and 5A(b) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph 5A(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

NOTICE OF ANNUAL GENERAL MEETING

- (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 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 5B(b) of this Resolution, the Board be and is generally and unconditionally authorised to exercise during the Relevant Period (as defined in paragraph 5A(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 in accordance with the provisions of, and in the manner specified in, 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 5B(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 Resolutions 5A and 5B in the Notice of which this Resolution forms part being passed, 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 5A 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 5B 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 5B and the said approval shall be limited accordingly.”

NOTICE OF ANNUAL GENERAL MEETING

- D. **“THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, every Share to be issued pursuant to the exercise of options which may be granted under the Refreshed Scheme Mandate Limit (as defined below), the existing limit on the grant of options under the share option scheme adopted by the Company on 27 August 2004 (the “Share Option Scheme”) be and is hereby refreshed so that the total number of Shares to be allotted and issued upon exercise of any options to be granted under the Share Option Scheme and any other share option scheme of the Company (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme or such other share option schemes of the Company) shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution (the “Refreshed Scheme Mandate Limit”) and the Directors be and are hereby authorised to do such acts and incidental things and execute such documents to effect the Refreshed Scheme Mandate Limit and to exercise all powers of the Company to allot, issue and deal with the Shares pursuant to the exercise of such options”.
- E. **“THAT** subject to and conditional upon (a) the passing of an ordinary resolution by the shareholders of Asia Standard Hotel Group Limited (“ASHGL”), a non-wholly owned subsidiary of the Company, at a general meeting of ASHGL approving the Refreshed ASHGL Scheme Mandate Limit (as defined below); and (b) the Listing Committee of the Stock Exchange granting approval of the listing of, and permission to deal in, every share (“ASHGL Share”) of HK\$0.02 each in the capital of ASHGL to be issued pursuant to the exercise of options which may be granted under the Refreshed ASHGL Scheme Mandate Limit, the existing limit on the grant of options under the share option scheme adopted by ASHGL on 28 August 2006 (the “ASHGL Scheme”) be and is hereby refreshed so that the total number of ASHGL Shares to be allotted and issued upon exercise of any options to be granted under the ASHGL Scheme and any other share option scheme of ASHGL (excluding options previously granted, outstanding, cancelled, lapsed or exercised in accordance with the ASHGL Scheme or such other share option schemes of ASHGL) shall not exceed 10% of the total number of ASHGL Shares in issue as at the date of the passing of this resolution (the “Refreshed ASHGL Scheme Mandate Limit”)”.

By Order of the Board
Asia Standard International Group Limited
Chiu Yuk Ching
Secretary

Hong Kong, 31 July 2007

NOTICE OF ANNUAL GENERAL MEETING

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 executive Directors are Mr. Fung Siu To, Clement, Dr. Lim Yin Cheng, Mr. Poon Jing, Mr. Lun Pui Kan, Mr. Kwan Po Lam, Phileas and Mr. Nicholas James Loup; the non-executive Directors are Mr. Liang Shangli and Mr. Au Yat Chuen, Raymond and the independent non-executive Directors are Mr. Koon Bok Ming, Alan, Mr. Leung Wai Keung, Richard and Mr. Wong Chi Keung.

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 holders of any Shares, any one of such persons may vote at the meeting, personally or by proxy or by a duly authorized corporate representative (as defined in the Bye-Laws), in respect of such Shares as if he was solely entitled thereto provided that if more than one of such joint holders be present at the meeting personally or by proxy or by a duly authorized corporate representative, the person 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.