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ASIA STANDARD INTERNATIONAL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 129)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH 2015

FINANCIAL HIGHLIGHTS

(In HK\$ million, except otherwise indicated)

	2015	2014	Change
Revenue	1,256	1,220	+3%
Operating profit	1,002	1,559	-36%
Profit attributable to shareholders of the Company	967	1,400	-31%
Earnings per share – basic (HK\$)	0.77	1.12	-31%
Total assets	22,994	20,651	+11%
Net assets	15,863	14,983	+6%
Equity attributable to shareholders of the Company	14,918	14,051	+6%
Net debt	5,465	3,918	+39%
Supplementary information with hotel properties in operation at valuation:			
Revalued total assets	30,589	27,359	+12%
Revalued net assets	23,424	21,652	+8%
Equity attributable to shareholders of the Company	20,228	18,724	+8%
Equity attributable to shareholders of the Company per share (HK\$)	15.91	14.92	+7%
Gearing - net debt to revalued net assets	23%	18%	+5%

The Directors of Asia Standard International Group Limited (the “Company”) announce that the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March 2015 together with the comparative figures for the year ended 31st March 2014 were as follows:

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2015

	<i>Note</i>	2015 HK\$'000	2014 HK\$'000
Revenue	2	1,256,294	1,220,319
Cost of sales		(232,772)	(243,934)
Gross profit		1,023,522	976,385
Selling and administrative expenses		(203,188)	(185,420)
Depreciation		(89,676)	(86,305)
Net investment (loss)/gain	3	(594,865)	639,855
Fair value gain of investment properties		865,943	214,289
Operating profit		1,001,736	1,558,804
Net finance costs		(94,252)	(78,793)
Share of profits less losses of			
Joint ventures		(11,144)	(4,542)
Associated companies		127,466	74,907
Profit before income tax		1,023,806	1,550,376
Income tax expense	5	(20,767)	(45,544)
Profit for the year		1,003,039	1,504,832
Attributable to:			
Shareholders of the Company		967,016	1,400,385
Non-controlling interests		36,023	104,447
		1,003,039	1,504,832
Dividends	6	50,849	50,193
Earnings per share (HK\$)			
Basic and diluted	7	0.77	1.12

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2015

	2015 HK\$'000	2014 HK\$'000
Profit for the year	1,003,039	1,504,832
Other comprehensive (charge)/income		
Items that have been reclassified or may be reclassified subsequently to profit or loss:		
Net fair value loss on available-for-sale investments	(31,218)	(4,567)
Cash flow hedges		
- fair value (loss)/gains	(50,537)	10,427
- transfer to finance costs	(468)	3,414
Currency translation differences	(20,963)	(15,754)
Share of currency translation differences of joint ventures	310	13,033
	(102,876)	6,553
Total comprehensive income for the year	900,163	1,511,385
Attributable to:		
Shareholders of the Company	880,606	1,414,582
Non-controlling interests	19,557	96,803
	900,163	1,511,385

CONSOLIDATED BALANCE SHEET

As at 31st March 2015

	<i>Note</i>	2015 HK\$'000	2014 HK\$'000
Non-current assets			
Investment properties		7,627,318	5,567,131
Property, plant and equipment		3,175,896	3,170,244
Properties under development for sale		797,485	-
Joint ventures and associated companies		2,860,805	2,681,378
Available-for-sale investments		216,159	241,078
Financial assets at fair value through profit or loss		296,187	554,844
Derivative financial instruments		-	10,427
Mortgage loans receivable		2,629	2,797
Deferred income tax assets		20,399	3,400
		14,996,878	12,231,299
Current assets			
Properties under development for sale		990,786	1,737,935
Completed properties held for sale		3,617	3,617
Hotel and restaurant inventories		1,290	1,569
Trade and other receivables	8	351,178	291,972
Income tax recoverable		12,565	5,589
Financial assets at fair value through profit or loss		5,566,465	4,917,765
Bank balances and cash		1,071,537	1,461,233
		7,997,438	8,419,680
Current liabilities			
Trade and other payables	9	151,672	141,936
Amounts due to joint ventures		71,767	37,058
Amount due to an associated company		224,400	-
Income tax payable		17,558	37,139
Derivative financial instruments		-	982
Borrowings		1,037,613	919,483
		1,503,010	1,136,598
Net current assets		6,494,428	7,283,082
Total assets less current liabilities		21,491,306	19,514,381

CONSOLIDATED BALANCE SHEET

As at 31st March 2015

	2015 HK\$'000	2014 HK\$'000
Non-current liabilities		
Long term borrowings	4,787,666	3,849,758
Medium term notes	711,020	609,894
Derivative financial instruments	40,110	-
Deferred income tax liabilities	89,428	71,760
	<u>5,628,224</u>	<u>4,531,412</u>
Net assets	<u>15,863,082</u>	<u>14,982,969</u>
Equity		
Share capital	12,712	12,548
Reserves	14,905,359	14,038,261
Equity attributable to shareholders of the Company	14,918,071	14,050,809
Non-controlling interests	945,011	932,160
	<u>15,863,082</u>	<u>14,982,969</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of investment properties, available-for-sale investments, financial assets at fair value through profit or loss and derivative financial instruments, which are carried at fair value, and in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

In accordance with the transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), “Accounts and Audit”, which are set out in sections 76 to 87 of Schedule 11 to that Ordinance, the consolidated financial statements are prepared in accordance with the applicable requirements of the predecessor Companies Ordinance (Cap. 32) for this financial year and the comparative period.

The accounting policies and methods of computation used in the preparation of these annual financial statements are consistent with those used in 2014, except for the adoption of new standards, which are relevant to the Group’s operations and are applicable to the Group’s accounting periods beginning on 1st April 2014.

The following amendments to standards are relevant to the Group’s operations and are mandatory for accounting periods beginning on or after 1st January 2014:

Amendment to HKAS 32	Financial Instruments: Presentation
Amendment to HKAS 36	Impairment of Assets
Amendment to HKAS 39	Financial Instruments: Recognition and measurement

The adoption of amendments in the current year did not have any significant effect on the annual financial statements or result in any substantial changes in the Group’s significant accounting policies.

Certain new and revised standards have been issued but are not yet effective for the year ended 31st March 2015 and have not been early adopted by the Group. The Group has already commenced an assessment of the related impact to the Group. The Group is not yet in a position to state whether they will have substantial changes to the Group’s accounting policies and presentation of the consolidated financial statements.

2 Segment information

Revenue includes revenue from property sales and leasing, hotel and travel operation, management services, interest income and dividend income.

	Property sales HK\$'000	Property leasing HK\$'000	Hotel and travel HK\$'000	Financial investments HK\$'000	Others HK\$'000	Total HK\$'000
2015						
Gross income	-	128,944	726,750	1,898,441	11,158	2,765,293
Segment revenue	<u>-</u>	<u>128,944</u>	<u>535,867</u>	<u>580,325</u>	<u>11,158</u>	<u>1,256,294</u>
Contribution to segment results	6,924	115,779	213,222	577,868	13,139	926,932
Depreciation	-	-	(85,347)	-	(4,329)	(89,676)
Net investment loss	-	-	-	(594,865)	-	(594,865)
Fair value gain of investment properties	-	865,943	-	-	-	865,943
Share of profits less losses of						
Joint ventures	(3,918)	-	-	-	(7,226)	(11,144)
Associated companies	<u>-</u>	<u>127,457</u>	<u>-</u>	<u>-</u>	<u>9</u>	<u>127,466</u>
Segment results	3,006	1,109,179	127,875	(16,997)	1,593	1,224,656
Unallocated corporate expenses						(106,598)
Net finance costs						<u>(94,252)</u>
Profit before income tax						<u>1,023,806</u>
2014						
Gross income	160,000	110,236	729,989	1,689,328	16,315	2,705,868
Segment revenue	<u>160,000</u>	<u>110,236</u>	<u>517,616</u>	<u>416,152</u>	<u>16,315</u>	<u>1,220,319</u>
Contribution to segment results	107,230	101,671	248,747	415,668	5,000	878,316
Depreciation	-	-	(81,727)	-	(4,578)	(86,305)
Net investment gain	-	-	-	639,855	-	639,855
Fair value gain of investment properties	-	214,289	-	-	-	214,289
Share of profits less losses of						
Joint ventures	(3,353)	-	-	-	(1,189)	(4,542)
Associated companies	<u>-</u>	<u>74,935</u>	<u>-</u>	<u>-</u>	<u>(28)</u>	<u>74,907</u>
Segment results	103,877	390,895	167,020	1,055,523	(795)	1,716,520
Unallocated corporate expenses						(87,351)
Net finance costs						<u>(78,793)</u>
Profit before income tax						<u>1,550,376</u>

Notes:

- Management regards gross income of travel operation as gross sales proceeds from the sales of air-ticket, hotel reservation arrangement and incentive travel tours.
- Management regards gross income of financial investments as comprising these revenue as defined under generally accepted accounting principles together with gross consideration from disposal of financial assets at fair value through profit or loss.

2 Segment information (continued)

	Business segments					Unallocated HK\$'000	Total HK\$'000
	Property sales HK\$'000	Property leasing HK\$'000	Hotel and travel HK\$'000	Financial investments HK\$'000	Others HK\$'000		
2015							
Assets	3,102,949	9,229,695	3,256,806	6,221,895	85,637	1,097,334	22,994,316
Assets include:							
Joint ventures and associated companies	1,260,785	1,574,485	-	-	1,025	24,510	2,860,805
Addition to non-current assets*	-	1,200,182	99,793	-	18,521	-	1,318,496
Liabilities							
Borrowings	1,449,808	992,651	1,625,799	1,070,146	-	686,875	5,825,279
Other unallocated liabilities							<u>1,305,955</u>
							<u><u>7,131,234</u></u>
2014							
Assets	2,920,420	7,061,230	3,204,383	5,852,531	91,943	1,520,472	20,650,979
Assets include:							
Joint ventures and associated companies	1,178,592	1,470,128	-	-	931	31,727	2,681,378
Addition to non-current assets*	36,618	287	154,264	-	9,351	26,518	227,038
Liabilities							
Borrowings	1,968,371	444,776	1,410,553	945,541	-	-	4,769,241
Other unallocated liabilities							<u>898,769</u>
							<u><u>5,668,010</u></u>

* These amounts exclude financial instruments and deferred income tax assets.

2 Segment information (continued)

	2015 HK\$'000	2014 HK\$'000
Revenue		
Hong Kong	592,198	788,448
Overseas	<u>664,096</u>	<u>431,871</u>
	<u><u>1,256,294</u></u>	<u><u>1,220,319</u></u>
Non-current assets*		
Hong Kong	13,364,176	10,353,648
Overseas	<u>1,097,328</u>	<u>1,065,105</u>
	<u><u>14,461,504</u></u>	<u><u>11,418,753</u></u>

* These amounts exclude financial instruments and deferred income tax assets.

3 Net investment (loss)/gain

	2015 HK\$'000	2014 HK\$'000
Financial assets at fair value through profit or loss		
- net unrealised (loss)/gain from market price movements	(448,029)	478,592
- net unrealised exchange (loss)/gain	(141,044)	62,622
- net realised (loss)/gain (note)	<u>(5,792)</u>	<u>98,641</u>
	<u><u>(594,865)</u></u>	<u><u>639,855</u></u>
Note:		
Net realised (loss)/gain on financial assets at fair value through profit or loss		
Gross consideration	1,318,116	1,273,176
Cost of investments	<u>(1,174,742)</u>	<u>(1,067,129)</u>
Total gain	143,374	206,047
Less: net unrealised gain recognised in prior years	<u>(149,166)</u>	<u>(107,406)</u>
Net realised (loss)/gain recognised in current year	<u><u>(5,792)</u></u>	<u><u>98,641</u></u>

4 Income and expenses by nature

	2015 HK\$'000	2014 HK\$'000
Income		
Interest income		
- Listed investments	533,340	377,534
- A joint venture	-	2,283
- Other receivables	3,437	3,476
- Bank deposit	6,685	5,677
Dividend income		
- Listed investments	40,098	36,809
Expenses		
Cost of properties and goods sold	71,480	72,953
Operating lease rental expenses for land and buildings	1,387	3,725

5 Income tax expense

	2015 HK\$'000	2014 HK\$'000
Current income tax expense		
Hong Kong profits tax	(23,925)	(51,267)
Over/(under) provision in prior years	3,827	(696)
	(20,098)	(51,963)
Deferred income tax (expense)/credit	(669)	6,419
	(20,767)	(45,544)

Hong Kong profits tax is provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profit for the year. Income tax on overseas profits has been calculated on the estimated assessable profit for the year at the rates of tax prevailing in the countries in which the Group operates.

Share of income tax expense of joint ventures and associated companies for the year of nil (2014: HK\$50,000) and HK\$2,741,000 (2014: HK\$3,588,000) are included in the profit and loss account as share of profits less losses of joint ventures and associated companies respectively.

6 Dividends

	2015	2014
	HK\$'000	HK\$'000
Interim, nil (2014: Nil)	-	-
Final, proposed, of HK4 cents (2014: HK4 cents) per share	50,849	50,193
	50,849	50,193

At a meeting held on 24th June 2015, the Board of Directors has proposed to pay a final dividend for the year ended 31st March 2015 of HK4 cents (2014: HK4 cents) per share with a scrip option. The proposed dividend is not reflected in the financial statements, but will be reflected as an appropriation of revenue reserve in the year ending 31st March 2016.

The amount of HK\$50,849,000 is based on 1,271,235,217 issued shares as at 24th June 2015.

7 Earnings per share

The calculation of basic earnings per share is based on profit attributable to shareholders of the Company of HK\$967,016,000 (2014: HK\$1,400,385,000) and divided by the weighted average number of 1,262,601,165 (2014: 1,245,812,574) shares in issue during the year.

For the years ended 31st March 2015 and 2014, the Company's and its listed subsidiary's outstanding share options did not have a dilution effect on the earnings per share, so the basic and diluted earnings per share were equal.

8 Trade and other receivables

Trade and other receivables of the Group include trade receivables, accrued interest receivable and dividend receivable, loan receivables, prepayments, utility and other deposits.

Trade receivables of the Group amounted to HK\$53,789,000 (2014: HK\$58,016,000). 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 evaluation of customers are performed periodically.

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

	2015	2014
	HK\$'000	HK\$'000
0 day to 60 days	49,336	52,978
61 days to 120 days	994	1,083
More than 120 days	3,459	3,955
	53,789	58,016

9 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\$15,230,000 (2014: HK\$15,821,000).

Aging analysis of trade payables is as follows:

	2015	2014
	HK\$'000	HK\$'000
0 day to 60 days	14,460	15,196
61 days to 120 days	495	243
More than 120 days	275	382
	15,230	15,821

The figures in respect of the Group's consolidated balance sheet, consolidated profit and loss account, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31st March 2015 as set out in this preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

The Group recorded revenue of HK\$1,256 million (2014: HK\$1,220 million) for the financial year with profit attributable to shareholders of the Company at HK\$967 million (2014: HK\$1,400 million). The decrease in profit is mainly due to the mark-to-market valuation loss of the Group's financial investments as compared to last year's gain.

PROPERTIES SALES, DEVELOPMENT AND LEASING

Sales

The Group did not contract any sale nor launch any new development during the year, while a HK\$160 million sale of the inventory in Yau Tong was recognised last year. In Shanghai, the superstructure construction in the traditional high end and low-density residential neighborhood is near completion, providing over 300 villas and apartments with total construction floor area of approximately 1,080,000 sq. ft. Marketing and sales activities are rolling out and following the issuance of pre-sale consent, this 50% joint venture luxurious residential development will be available for sale in the near term.

Development

The luxurious residential joint venture redevelopment at Perkins Road in Hong Kong is currently under foundation construction.

The commercial and residential development at Hung Shui Kiu, Yuen Long is currently undergoing land exchange process. Approval for a development scheme under Town Planning Board was obtained. The 112,000 sq. ft. site will provide approximately 900 residential units and retail shops with an approximate total GFA of 519,000 sq. ft., which are conveniently located adjacent to a light rail station linked to the West Rail network. Another residential development at the Lam Tei station nearby is in the process of land exchange application with the government.

During the year, we have focused and obtained all the building planning permits for the approximately 2,360,000 sq. ft. floor area waterfront residential/commercial development in Beijing. Land clearances and resettlement for this 50% joint venture development in Tongzhou are currently under preparation. Structural and foundation design has commenced and demolition will start once resettlement completes.

Our application for the development of the 190,000 sq. ft. site in Seac Pac Van zoning outline in Macau was submitted. The application is now under process.

Shortly after the year end, the Group completed the acquisition of a 40% joint venture residential re-development project in the mid-levels. This will be another high rise luxurious re-development.

Leasing

During the year, the Group acquired the ownership of a tower in a common complex in Wanchai at the consideration of HK\$1.1 billion, adding approximately 80,000 sq. ft. to the leasing portfolio. The two towers are structurally connected to each other, resulting in a much larger floor plate accommodation, and brand new renovation is under process.

Attributable rental income from the Group's 433,000 sq. ft. retail/commercial buildings leasing portfolio in Central, Wan Chai and Causeway Bay amount to HK\$152 million (2014: HK\$134 million), increased by 13%.

Investment properties revaluation gain (including that generated from a building owned by an associated company) of HK\$978 million (2014: HK\$270 million) was recorded.

HOTEL

During the year, overnight stay visitors to Hong Kong increased 4% to approximately 27 million. Growth has come from short haul markets where Mainland China continues to be the most important inbound source. Hotel rooms supply increased 4% to approximately 73,000 rooms as of March 2015.

Revenue arising from the hotel and travel segment for the year amounted to HK\$536 million (2014: HK\$518 million). Average occupancies for the 3 Hong Kong hotels continued to exceed 95% for both years while average room rates dropped by 8%. As a result, contribution to segment results before depreciation decreased from HK\$249 million to HK\$213 million.

Foundation work of the adjacent new hotel in Causeway Bay was completed during the year and superstructure works have commenced. This will add 94 rooms upon completion in 2016. The foundation work of the other new hotel in Tsimshatsui was also completed at end of the financial year and superstructure construction will soon commence, adding another 90 rooms to the portfolio upon full completion in 2017.

FINANCIAL INVESTMENTS

At 31st March 2015, the Group held financial investments of approximately HK\$6,079 million (2014: HK\$5,714 million), with HK\$1,777 million (2014: HK\$1,810 million) held by the listed hotel subsidiary group. The increase largely arose from a further investment of HK\$985 million, offset by a mark-to-market valuation loss of HK\$620 million. The investment loss is partly due to devaluation of Sterling pounds and Euros and partly due to price changes of equity and debt securities arising from slowdown in Mainland's economy and property market.

Interest and dividend income from these investments amounted to HK\$573 million (2014: HK\$414 million). The increase is mostly due to the increase in portfolio size of our debt securities investment.

Our financial investments comprise 70% by listed debt securities (of which approximately 95% were issued by PRC real estate companies), and 29% by listed equity securities (of which approximately 80% were issued by large banks). They are denominated in different currencies with 68% in United States dollar, 9% in Hong Kong dollar, 10% in Sterling, 10% in Renminbi and 3% in Euro.

At 31st March 2015, an approximate value of HK\$1,490 million (2014: HK\$1,140 million) of these investments were pledged to banks as collateral for credit facilities granted to the Group.

FINANCIAL REVIEW

Save for that of the listed hotel subsidiary group which is independently administered, the Group's financing and treasury activities are centrally managed and controlled at the corporate level. At 31st March 2015, it had over HK\$5 billion cash and undrawn banking facilities.

At 31st March 2015, the Group's total assets were approximately HK\$23.0 billion, compared to HK\$20.7 billion at end of last financial year. The net assets were HK\$15.9 billion (2014: HK\$15.0 billion). Adopting market value of hotel properties, the revalued total assets and revalued net assets of the Group would be HK\$30.6 billion and HK\$23.4 billion, an increase of 12% and 8% compared to HK\$27.4 billion and HK\$21.7 billion respectively at the end of last financial year.

In July 2014, the Group issued HK\$100 million 5-year medium term notes out of its medium term note programme, adding to the existing RMB500 million issued in April 2013. After the year end, the Group issued further HK\$250 million 5-year floating rate medium term notes.

Net debt were HK\$5.5 billion (2014: HK\$3.9 billion), including HK\$1.7 billion (2014: HK\$1.7 billion) which belonged to the separately listed hotel subsidiary group. The increase is mainly due to acquisition of the Wanchai office building and further financial investment. Gearing (net debt to revalued net asset value) is approximately 23% (2014: 18%). 77% of the debts are secured and 82% of the debts are at floating rates. As at 31st March 2015, RMB500 million cross currency swap contracts were held to hedge the repayment of Renminbi medium term notes. Total interest cost increased as a result of increased borrowings during the year.

Currently the maturities of our debts are well spread over a long period of up to 12 years. Revolving loans account for 10% and term loans secured by financial assets repayable between one to five years account for 7%. Term loans secured by property assets account for 62% with 7% repayable within 1 year, 41% repayable between one to five years and 14% repayable after five years. The remaining 21% comprise unsecured club loan and medium term notes. As at 31st March 2015, the Group had net current assets of HK\$6.5 billion (2014: HK\$7.3 billion).

About 75% of the Group's borrowings are in Hong Kong dollar, 10% in Renminbi, 7% in United States dollar, 7% in Euro and the remaining 1% in other currencies.

As at 31st March 2015, property assets with an aggregated net book value of HK\$13,960 million (2014: HK\$11,730 million) were pledged to secure banking facilities of the Group. HK\$617 million (2014: HK\$380 million) guarantee was provided to financial institution against credit facilities granted to joint ventures.

EMPLOYEES AND REMUNERATION POLICIES

As at 31st March 2015, the Group employed approximately 440 (2014: 440) employees. The remuneration packages including basic salary, annual bonus, share options, retirement and other benefits are commensurate with their job nature and level of experience.

FUTURE PROSPECT

With the recovery of US economy, the US Federal Reserve has announced its ending to its asset purchase programme. However, fairly loose monetary conditions are widely expected in major developed economies to be maintained for extended time, with Japan and Europe pushing for easing liquidity. The expected delay in interest rate hikes continues to rally for the local property market.

Management nonetheless have concerns about the disappointment and the impact of the local political turmoil to the hotel operation result during the financial year.

Management holds a cautious stance and is affirmative with the Group's performance.

DIVIDEND

The Directors recommend a final dividend for the year ended 31st March 2015 of HK4 cents (2014: HK4 cents with scrip option) per share. The shareholders will be given 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 final dividend (the "Scrip Dividend Scheme"). No interim dividend was declared during the year (2014: Nil). Total dividend for the year amounts to HK4 cents (2014: HK4 cents) per share.

The Scrip Dividend Scheme will be subject to (i) the approval of the proposed final dividend at the 2015 annual general meeting to be held on 2nd September 2015 (the "Annual General Meeting"); and (ii) 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. Full details of the Scrip Dividend Scheme will be set out in a circular to be despatched to the shareholders.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Monday, 31st August 2015 to Wednesday, 2nd September 2015 both days inclusive, for the purpose of determining the identity of members who are entitled to attend and vote at the Annual General Meeting. During which period no transfer of shares of the Company will be registered and no shares will be allotted and issued on the exercise of the subscription rights attached to the outstanding share options granted by the Company. In order to qualify for attending the Annual General Meeting, all transfers of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms 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 Friday, 28th August 2015.

The proposed final dividend is subject to the approval of the shareholders at the Annual General Meeting. The record date for entitlement to the proposed final dividend is 10th September 2015. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed on both days of Wednesday, 9th September 2015 to Thursday, 10th September 2015, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all transfers of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms 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, 8th September 2015. The final dividend will be paid on 16th October 2015.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, the Company has not redeemed any of its shares. Neither the Company nor any of its subsidiaries have purchased or sold any of the Company's listed securities during the year.

CODE OF CONDUCT REGARDING 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 year, and they all confirmed that they have fully complied with the required standard as set out in the Model Code throughout the year ended 31st March 2015.

CORPORATE GOVERNANCE CODE

During the year, the Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules, except the following deviations :-

- (1) Code Provision A.4.1 of the CG Code provides that non-executive directors should be appointed for a specific term, subject to re-election. All independent non-executive directors of the Company are 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; and
- (2) Code Provision A.5.1 of the CG Code provides that issuers should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors. The Company does not have a nomination committee. The Board as a whole is responsible for assessing the independence of independent non-executive directors, reviewing the structure, diversity, size and composition of the Board, the appointment of new Directors and the nomination of Directors for re-election by shareholders at the general meeting of the Company. Under the Bye-Laws of the Company, the Board may at any time, and from time to time, appoint any person as a Director, either to fill a casual vacancy, or as an addition to the Board. Any Director so appointed shall retire at the next annual general meeting but shall then be eligible for re-election at the meeting.

AUDIT COMMITTEE

The Audit Committee has reviewed the annual results of the Group for the year ended 31st March 2015.

By Order of the Board
Asia Standard International Group Limited
Fung Siu To, Clement
Chairman

Hong Kong, 24th June 2015

As at the date of this announcement, the executive directors of the Company are Mr. Fung Siu To, Clement, Dr. Lim Yin Cheng, Mr. Poon Jing, Mr. Poon Hai, Mr. Lun Pui Kan and Mr. Kwan Po Lam, Phileas; and the independent non-executive directors are Mr. Koon Bok Ming, Alan, Mr. Leung Wai Keung and Mr. Wong Chi Keung.