
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Asia Standard 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 Bermuda with limited liability)

(Stock Code: 129)

**GENERAL MANDATES TO ISSUE
SHARES AND REPURCHASE SHARES,
GENERAL MANDATES FOR ASIA STANDARD HOTEL GROUP LIMITED
TO ISSUE SHARES,
PROPOSED DIVIDEND AND SCRIP DIVIDEND SCHEME,
AMENDMENTS TO THE BYE-LAWS,
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 5 to 12 of this circular.

A notice convening the annual general meeting of the Company to be held on Wednesday, 27 August 2008 at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 10:00 a.m. is set out on pages 19 to 29 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 2008 annual general meeting of the Company to be held on Wednesday, 27 August 2008 at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 10:00 a.m.;
“AS Hotel”	Asia Standard Hotel Group Limited, an exempted company incorporated under the laws of Bermuda with limited liability whose AS Hotel Shares are listed on the Main Board of the Stock Exchange and a 67.7% owned subsidiary of the Company;
“AS Hotel AGM”	the 2008 annual general meeting of AS Hotel to be held on Wednesday, 27 August 2008 at Basement 1, Empire Hotel, 33 Hennessy Road, Wanchai, Hong Kong at 9:30 a.m.;
“AS Hotel Board”	the board of directors of AS Hotel;
“AS Hotel Directors”	the directors of AS Hotel;
“AS Hotel Issue Mandate”	a general mandate proposed to be granted to the AS Hotel Directors at the AS Hotel AGM to allot, issue and deal with AS Hotel Shares not exceeding 20% of the issued share capital of AS Hotel as at the date of passing of the relevant resolution approving such grant;
“AS Hotel Repurchase Mandate”	a general mandate proposed to be granted to the AS Hotel Directors at the AS Hotel AGM to repurchase AS Hotel Shares not exceeding 10% of the issued share capital of AS Hotel as at the date of passing of the relevant ordinary resolution approving such grant,
“AS Hotel Share(s)”	ordinary share(s) of HK\$0.02 each in the share capital of AS Hotel;
“AS Hotel Shareholder(s)”	registered holder(s) of the AS Hotel Shares from time to time;
“Associates”	has the same meanings as defined in the Listing Rules;
“Board”	the board of Directors of the Company;
“Bonus Issue of Warrants”	the proposed bonus issue of warrants on the basis of one warrant for every five Shares held by the Shareholders at the close of business on the Record Date as more particularly set out in the announcement of the Company dated 15 July 2008;
“Bye-Laws”	the bye-laws of the Company, as amended from time to time;

DEFINITIONS

“Company”	Asia Standard International Group Limited, an exempted company incorporated under the laws of Bermuda with limited liability whose Shares are listed on the Main Board of the Stock Exchange;
“Directors”	the directors of the Company;
“Dividend”	the dividend of the Company for the year ended 31 March 2008 of HK0.2 cent per Share to be paid to Shareholders whose names appear in the register of members of the Company as at the Record Date by way of Scrip Dividend Shares;
“Excluded Shareholders”	Overseas Shareholders who are excluded from the Scrip Dividend Scheme by the reason that the Directors, upon making enquiry, consider such exclusion to be necessary or expedient on account of either of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory body or stock exchange in those places;
“General Mandates”	the Issue Mandate and the Repurchase Mandate to be sought at the Annual General Meeting as set out in the Notice of Annual General Meeting;
“Group”	the Company and its Subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issue Mandate”	a general mandate proposed to be granted to the Directors at the Annual General Meeting to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the relevant resolution approving such grant;
“Latest Practicable Date”	23 July 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Memorandum of Association”	the memorandum of association of the Company;
“Notice of Annual General Meeting”	the notice convening the Annual General Meeting as set out on pages 19 to 29 of this circular;

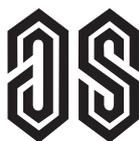
DEFINITIONS

“Overseas Shareholders”	Shareholders whose addresses as shown on the register of members of the Company at the close of business on the Record Date are outside Hong Kong;
“Qualifying Shareholders”	Shareholders whose names are shown on the register of members of the Company at the close of business on the Record Date, other than the Excluded Shareholders;
“PRC”	People’s Republic of China;
“Record Date”	26 August 2008;
“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, as described in the explanatory statement set out in Appendix I to this circular;
“Scrip Dividend Scheme”	the scheme proposed by the Directors on 10 July 2008 in relation to the Dividend pursuant to which the Qualifying Shareholders will receive the Dividend wholly by allotment of new Shares credited as fully paid-up Shares in lieu of cash;
“Scrip Dividend Shares”	new Shares to be allotted, issued and credited as fully paid-up Shares under the Scrip Dividend Scheme;
“Share(s)”	ordinary shares of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Shares;
“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;
“%”	per cent;

DEFINITIONS

“2007 Issue Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 31 August 2007 to allot, issue and deal with additional Shares not exceeding 20% of the issued share capital of the Company as at 31 August 2007; and
“2007 Repurchase Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 31 August 2007 to repurchase Shares not exceeding 10% of the issued share capital of the Company as at 31 August 2007.

LETTER FROM THE BOARD



ASIA STANDARD INTERNATIONAL GROUP LIMITED

(泛海國際集團有限公司)*

(incorporated in Bermuda with limited liability)

(Stock Code: 129)

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 Director:

Mr. Au Yat Chuen, Raymond

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

30 July 2008

To the Shareholders

Dear Sir/Madam,

**GENERAL MANDATES TO ISSUE
SHARES AND REPURCHASE SHARES,
GENERAL MANDATES FOR ASIA STANDARD HOTEL GROUP LIMITED
TO ISSUE SHARES,
PROPOSED DIVIDEND AND SCRIP DIVIDEND SCHEME,
AMENDMENTS TO THE BYE-LAWS,
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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 of the General Mandates to the Directors;
- (ii) the grant of the AS Hotel Issue Mandate to the AS Hotel Directors;
- (iii) the proposed Dividend and the Scrip Dividend Scheme;
- (iv) the proposed amendments to the Bye-Laws; and
- (v) 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

At the annual general meeting of Shareholders held on 31 August 2007 approval was given by Shareholders for the granting of, inter alia, to the Directors (i) the 2007 Repurchase Mandate; and (ii) the 2007 Issue Mandate. In accordance with the terms of the approval, the 2007 Repurchase Mandate and the 2007 Issue Mandate will shortly expire on 27 August 2008 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 ordinary resolutions to grant the General Mandates 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.

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

As at the Latest Practicable Date, the total number of Shares in issue was 10,875,834,822 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 that can be issued pursuant to the Issue Mandate and that can be purchased by the Company under the Repurchase Mandate will be 2,175,166,964 and 1,087,583,482 Shares respectively, representing 20% and 10% of the Company's issued share capital as at the date of the Annual General Meeting.

The General Mandates if granted to Directors will be valid for the period from the date of passing of the relevant resolutions up to the date of the next annual general meeting in 2009, or the expiration

LETTER FROM THE BOARD

of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws to be held, or the revocation or variation of the General Mandates by an ordinary resolution in a general meeting of the Company, whichever of these three events occurs first.

3. GENERAL MANDATES FOR AS HOTEL TO ISSUE AS HOTEL SHARES

At the annual general meeting of AS Hotel Shareholders held on 31 August 2007, approval was given by the AS Hotel Shareholders for the granting to the AS Hotel Directors of, inter alia, a general mandate to allot, issue and deal with AS Hotel Shares not exceeding 20% of the issued share capital of AS Hotel as at the date of passing of the relevant resolution approving such grant. Such general mandate will shortly expire on 27 August 2008 upon the conclusion of the forthcoming AS Hotel AGM. To keep in line with its current corporate practice, AS Hotel proposes to grant the AS Hotel Issue Mandate to the AS Hotel Directors for the same purpose at the forthcoming AS Hotel AGM.

As at the Latest Practicable Date, the total number of AS Hotel Shares in issue was 12,908,206,641 AS Hotel Shares. Assuming there is no issue of AS Hotel Shares or repurchase of AS Hotel Shares from the Latest Practicable Date up to the date of the AS Hotel AGM, the number of AS Hotel Shares that can be issued pursuant to the AS Hotel Issue Mandate will be 2,581,641,328 AS Hotel Shares, representing 20% of the issued share capital of AS Hotel as at the date of the AS Hotel AGM.

The AS Hotel Issue Mandate is conditional upon (a) the passing of an ordinary resolution of the AS Hotel Shareholders at the AS Hotel AGM approving the grant of the AS Hotel Issue Mandate; and (b) the passing of an ordinary resolution of the Shareholders at the Annual General Meeting approving the grant of the AS Hotel Issue Mandate. An ordinary resolution will also be proposed at the AS Hotel AGM to approve the addition to the AS Hotel Issue Mandate such number of AS Hotel Shares purchased by AS Hotel in accordance with the AS Hotel Repurchase Mandate.

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

4. PROPOSED DIVIDEND AND THE SCRIP DIVIDEND SCHEME

Introduction

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

LETTER FROM THE BOARD

Particulars of the Dividend

The Dividend of HK0.2 cent per Share will be paid to the Qualifying Shareholders by way of Scrip Dividend Shares.

Particulars of the Scrip Dividend Scheme

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

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

For the purpose of calculating the number of Scrip Dividend Shares to be allotted, the market value of the Scrip Dividend Shares has been fixed at the average of the closing prices of one Share traded on the Stock Exchange for the three consecutive trading days up to and including the Record Date or the par value of each Share of HK\$0.01, whichever is higher. Accordingly, the number of Scrip Dividend Shares which the Qualifying Shareholders will receive in respect of the existing Shares registered in their names at the close of business on the Record Date will be calculated as follows:

$$\text{Number of Scrip Dividend Shares to be received} = \frac{\text{Number of existing Shares held on the Record Date} \times \text{HK0.2 cent (Dividend per Share)}}{\text{the average of the closing prices per Share for the three consecutive trading days up to and including the Record Date or the par value of each Share of HK\$0.01, whichever is higher}}$$

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

Conditions to the Dividend and the Scrip Dividend Scheme

The Dividend and the Scrip Dividend Scheme is conditional upon:

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

LETTER FROM THE BOARD

Advantage of the Scrip Dividend Scheme

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

Book closure

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

Overseas Shareholders

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

As at the Latest Practicable Date, there were 12 Overseas Shareholders residing in four jurisdictions, namely Canada, Macau, Malaysia and Singapore, who together held an aggregate of 2,726,097 Shares, representing approximately 0.025% of the entire issue share capital of the Company. The aggregate amount of the Dividend to which these Overseas Shareholders are entitled is approximately HK\$5,452.19.

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

The Directors also note that, without complying with local approval and/or registration requirements and/or other formalities under the laws of Malaysia, the Scrip Dividend Scheme may not be offered to Overseas Shareholders with registered addresses in Malaysia as at the Record Date (“**Excluded Shareholders**”). As it would not be cost-effective or expedient for the Company to

LETTER FROM THE BOARD

comply with the approval and/or registration requirements and/or other formalities under the laws of Malaysia, the Directors have decided that it would be expedient to exclude the Excluded Shareholders from the Scrip Dividend Scheme. Accordingly, the Company will not extend the Scrip Dividend Scheme to the Excluded Shareholders. Arrangements will be made for the Scrip Dividend Shares which would otherwise have been allotted to the Excluded Shareholders to be sold in the open market as soon as practicable, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid pro rata to the relevant Excluded Shareholders in Hong Kong dollars and the Company will retain individual amounts of HK\$100 or less for its own benefit. The Excluded Shareholders will be entitled to vote at the Annual General Meeting on the resolution to approve the Scrip Dividend Scheme.

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

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

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

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

5. PROPOSED AMENDMENTS TO THE BYE-LAWS

The Board proposes to seek the approval of the Shareholders at the Annual General Meeting to amend Bye-Laws 134 and 144 to permit the Board to resolve, without requiring prior sanction by the Company at general meeting, that the payment of any dividends declared by the Board or by the Company at general meeting are to be satisfied wholly in the form of an allotment and issuance of Shares credited as fully paid up without offering any right to Shareholders to elect to receive such dividends in cash in lieu of such allotment and issuance.

The details of the proposed amendments to the Bye-Laws are set out in special resolution no. 7 of the Notice of Annual General Meeting.

LETTER FROM THE BOARD

6. RE-ELECTION OF DIRECTORS

In accordance with Bye-Laws 104 and 105, one-third of the Directors (other than the Chairman and Managing Director) shall retire from office by rotation. According to the Code of Corporate Governance Practices, every Director shall be subject to rotation at least once every three years. At the Annual General Meeting, Messrs. Lun Pui Kan, Kwan Po Lam, Phileas and Wong Chi Keung shall retire by rotation and 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 the 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 the retiring Directors.

7. ANNUAL GENERAL MEETING

The Notice of Annual General Meeting (as appearing on pages 19 to 29 of this circular) sets out the proposed resolutions for the approval of (a) the granting of the General Mandates to the Directors; (b) the granting of the AS Hotel Issue Mandate to the AS Hotel Directors; (c) the Dividend and the Scrip Dividend Scheme; 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.

8. PROCEDURE BY WHICH A POLL MAY BE DEMANDED

Pursuant to Bye-Law 70, 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

LETTER FROM THE BOARD

- (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.

In addition:

- (i) if the aggregate proxies held by (a) the chairman of such meeting, and (b) the Directors, account for 5% or more of the total voting rights at such meeting, and
- (ii) if on a show of hands in respect of any resolution, the Shareholders at the meeting vote in the opposite manner to that instructed in the proxies referred to in (i) above,

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

9. 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) to this circular.

10. 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

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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

1. FUNDING OF REPURCHASE

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

2. REASONS FOR REPURCHASE

Repurchases of securities will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders. Such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net 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 10,875,834,822 Shares. Subject to the passing of Ordinary Resolution no. 4B set out in the Notice of Annual General Meeting approving the Repurchase Mandate on the basis of 10,875,834,822 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 1,087,583,482 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.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

4. SHARE PRICES

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

	Traded Market Price	
	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2007		
July	0.340	0.285
August	0.335	0.201
September	0.300	0.255
October	0.315	0.270
November	0.315	0.270
December	0.290	0.248
2008		
January	0.285	0.179
February	0.202	0.175
March	0.189	0.132
April	0.157	0.136
May	0.160	0.139
June	0.152	0.124
July (up to the Latest Practicable Date)	0.138	0.123

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.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

(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 ("Asia Orient"), together with its Subsidiaries held 4,888,401,048 Shares, representing approximately 44.95% of the issued share capital of the Company. Mr. Poon Jing (an executive Director and having controlling interest in Asia Orient) is personally interested in 9,397,533 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 Asia Orient together with its Subsidiaries and Mr. Poon Jing in the issued share capital of the Company will be increased to approximately 50.04%. Asia Orient 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:

LUN Pui Kan

Age 45. Finance Director, an executive Director and a member of Executive Committee of the Company. He is also finance director of Asia Orient, a company whose shares are listed on the Main Board of the Stock Exchange and associated company of the Company holding approximately 44.95% of the issued share capital of the Company. Mr. Lun has over 20 years of experience in accounting and finance. He is a holder of a Bachelor of Science (Engineering) degree and is an associate member of the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and a fellow member of The Association of Chartered Certified Accountants (“ACCA”). He joined the Group in 1994.

As at the Latest Practicable Date, Mr. Lun held options to subscribe for 20,621,761 Shares at the subscription price of HK\$0.315 per Share, options to subscribe for 2,126,301 shares of Asia Orient at the subscription price of HK\$1.4315 per share of Asia Orient and options to subscribe for 80,000,000 AS Hotel Shares, at the subscription price of HK\$0.13 per AS Hotel Share. Save as disclosed above, Mr. Lun did not have any interest in the Company within the meaning of Part XV of SFO as at the Latest Practicable Date. There is no service contract between the Company and Mr. Lun. Mr. Lun 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. 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 2008, Mr. Lun received emolument in the total amount of HK\$5,081,000.

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

KWAN Po Lam, Phileas

Age 49. An executive Director of the Company and Asia Orient. Mr. Kwan is a holder of a Bachelor of Business Administration degree. He joined the Group in 1986 and is responsible for property sales and leasing. He has over 20 years of experience in property sales, leasing and real estate management.

As at the Latest Practicable Date, Mr. Kwan held options to subscribe for 20,621,761 Shares at the subscription price of HK\$0.315 per Share, options to subscribe for 2,126,301 shares of Asia Orient at the subscription price of HK\$1.4315 per share of Asia Orient and options to subscribe for 80,000,000 AS Hotel Shares at the subscription price of HK\$0.13 per AS Hotel Share. Save as disclosed above, as at the Latest Practicable Date, Mr. Kwan did not have any interest in the Company within the meaning of Part XV of SFO. There is no service contract between the Company and Mr.

Kwan. Mr. Kwan 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. 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 2008, Mr. Kwan received emolument in the total amount of HK\$3,683,000.

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

WONG Chi Keung

Age 53. An independent non-executive Director and a member of Audit Committee and Remuneration Committee of the Company. Mr. Wong holds a master's degree in business administration from the University of Adelaide in Australia. He is a fellow member of HKICPA, ACCA and CPA Australia; an associate member of Institute of Chartered Secretaries and Administrators and The Chartered Institute of Management Accountants. Mr. Wong is also a responsible officer for asset management, advising on securities and corporate finance activities for Legend Capital Partners, Inc. under the Securities and Futures Ordinance of Hong Kong.

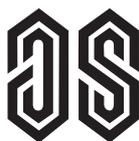
Mr. Wong was an executive director, the deputy general manager, group financial controller and company secretary of Guangzhou Investment Company Limited, which is a listed company on the Stock Exchange, for over ten years. He is also an independent non-executive director and a member of the audit committee of Asia Orient, Century City International Holdings Limited, China Nickel Resources Holdings Company Limited, China Ting Group Holdings Limited, First Natural Foods Holdings Limited, FU JI Food and Catering Services Holdings Limited, Golden Eagle Retail Group Limited, Great Wall Motor Company Limited, International Entertainment Corporation, PacMOS Technologies Holdings Limited, Paliburg Holdings Limited, Regal Hotels International Holdings Limited and TPV Technology Limited, all of these companies are listed on the Stock Exchange. Mr. Wong has over 30 years of experience in finance, accounting and management. He joined the Group in 2004.

As at the Latest Practicable Date, Mr. Wong 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. Wong. He is entitled to a director's fee, the amount of which is to be determined by the Board with reference to his experience together with his work and contribution to the Company. During the financial year ended 31 March 2008, Mr. Wong received a director's fee of HK\$100,000. Mr. Wong 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.

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

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

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: 129)

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 Wednesday , 27 August 2008 at 10:00 a.m., for the purpose of considering and, if thought fit, passing the following resolutions (“**Resolutions**”):

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

A. “**THAT**

- (a) subject to paragraph 4A(c) of this Resolution and without prejudice to Resolution 4C set out in the notice of this meeting (“**Notice**”), the Board be and is generally and unconditionally authorised to exercise during the Relevant Period (as defined in paragraph 4A(d)) of this Resolution all the powers of the Company to issue, allot or otherwise deal with shares of HK\$0.01 each in the capital of the Company (“**Shares**”) and to issue, allot or grant securities convertible into Shares or options, warrants or similar rights to subscribe for any Shares or such convertible securities and to make or grant offers, agreements and options (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;

NOTICE OF ANNUAL GENERAL MEETING

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

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

- (d) for the purpose of this Resolution:

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

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

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

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

NOTICE OF ANNUAL GENERAL MEETING

5. As special business to consider and, if thought fit, pass with or without amendments, the following Resolutions as ordinary resolutions:

A. **“THAT**

- (a) subject to paragraph 5A(c) of this Resolution and without prejudice to Resolution 5B set out in the Notice, the board (the **“AS Hotel Board”**) of directors (the **“AS Hotel Directors”**) 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 AS Hotel to issue, allot or otherwise deal with shares of HK\$0.02 each in the capital of AS Hotel (the **“AS Hotel Shares”**) and to issue, allot or grant securities convertible into AS Hotel Shares or options, warrants or similar rights to subscribe for any AS Hotel Shares or such convertible securities and to make or grant offers, agreements and options (including bonds, warrants, and debentures convertible into AS Hotel 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 AS Hotel 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 AS Hotel 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 AS Hotel Shares;
 - (iii) the exercise of subscription or conversion right under the terms of any warrants of AS Hotel 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 AS Hotel and/or any of its subsidiaries of options to subscribe for or rights to acquire AS Hotel Shares; and
 - (iv) any scrip dividend or similar arrangement providing for the allotment of AS Hotel Shares in lieu of the whole or part of a dividend on AS Hotel Shares in accordance with the bye-laws of AS Hotel (**“AS Hotel Bye-Laws”**);

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

NOTICE OF ANNUAL GENERAL MEETING

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

“**Rights Issue**” means the allotment, issue or grant of AS Hotel Shares pursuant to an offer of AS Hotel Shares open for a period fixed by the AS Hotel Board made to holders of AS Hotel Shares whose names appear on the register of members of AS Hotel on a fixed record date in proportion to their then holdings of such AS Hotel Shares (subject to such exclusions or other arrangements as the AS Hotel 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** subject to the passing of (a) Resolution 5A in the Notice of which this Resolution forms part; and (b) resolution 4B (“**AS Hotel Resolution 4B**”) as set out in the notice dated 30 July 2008 convening the annual general meeting of AS Hotel to be held on 27 August 2008, 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 AS Hotel 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 AS Hotel Shares which may be repurchased by AS Hotel pursuant to and in accordance with the approval given in AS Hotel Resolution 4B provided that such amount shall not exceed the aggregate nominal amount of the AS Hotel Shares repurchased pursuant to the said AS Hotel Resolution 4B and the said approval shall be limited accordingly.”

NOTICE OF ANNUAL GENERAL MEETING

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

“**THAT** a final dividend for the year ended 31 March 2008 of HK0.2 cent per Share (the “Dividend”) be paid to Shareholders whose names appear in the register of members of the Company at the close of business on 26 August 2008 and THAT conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Scrip Dividend Shares (as described in the circular (the “Circular”) of the Company to the Shareholders dated 30 July 2008 of which this Notice forms part):

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

7. As special business, to consider and, if thought fit, pass the following Resolution as a special resolution:

“**THAT** the existing Bye-Laws of the Company be and are hereby amended in the following manner:

- (a) by deleting existing Bye-Law 134 in its entirety and substituting therefor with the following new Bye-Law 134:

“134. (A) Whenever the Board or the Company in general meeting has resolved that a dividend be paid or declared on the share capital of the Company, the Board may further resolve:

either

- (i) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted shall be of the same

NOTICE OF ANNUAL GENERAL MEETING

class or classes as the class or classes already held by the allottee, provided that the shareholders entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment. In such case, the following provisions shall apply:

- (a) the basis of any such allotment shall be determined by the Board;
- (b) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the shareholders of the right of election accorded to them and shall send with such notice forms of election and specify the procedure to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;
- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (d) the dividend (or that part of the dividend to be satisfied by the allotment of shares as aforesaid) shall not be payable in cash on shares in respect whereof the cash election has not been duly exercised ("the non-elected shares") and in lieu and in satisfaction thereof shares shall be allotted credited as fully paid up to the holders of the non-elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company's reserve accounts (including any special account, contributed surplus account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the non-elected shares on such basis.

or

- (ii) that shareholders entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted shall be of the same class or classes as the class or classes of shares already held by the allottee. In such case, the following provisions shall apply:
 - (a) the basis of any such allotment shall be determined by the Board;
 - (b) the Board, after determining the basis of allotment, shall give not less than two weeks' notice in writing to the shareholder of the right of election accorded to them and shall send with such notice forms of election and specify the procedure

NOTICE OF ANNUAL GENERAL MEETING

to be followed and the place at which and the latest date and time by which duly completed forms of election must be lodged in order to be effective;

- (c) the right of election may be exercised in respect of the whole or part of that portion of the dividend in respect of which the right of election has been accorded; and
- (d) the dividend (or that part of the dividend in respect of which a right of election has been accorded) shall not be payable on shares in respect whereof the share election has been duly exercised (“the elected shares”) and in lieu thereof shares shall be allotted credited as fully paid up to the holders of the elected shares on the basis of allotment determined as aforesaid and for such purpose the Board shall capitalise and apply out of any part of the undivided profits of the Company or any part of any of the Company’s reserve accounts (including any special account, contributed surplus account, share premium account and capital redemption reserve fund (if there be any such reserve)) as the Board may determine a sum equal to the aggregate nominal amount of the shares to be allotted on such basis and apply the same in paying up in full the appropriate number of shares for allotment and distribution to and amongst the holders of the elected shares on such basis.

or

- (iii) that such dividend be satisfied wholly in the form of an allotment and issue of shares credited as fully paid up without offering any right to members to elect to receive such dividend in cash in lieu of such allotment and issuance.

(B) The shares allotted pursuant to the provisions of paragraph (A) of this Bye-Law shall rank *pari passu* in all respects with the shares then in issue save only as regards participation:

- (i) in the relevant dividend (or the right to receive or to elect to receive an allotment of shares in lieu thereof as aforesaid); or
- (ii) in any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneously with the payment or declaration of the relevant dividend;

unless, contemporaneously with the announcement by the Board of its proposal to apply the provisions of sub-paragraph (i) or (ii) or (iii) of paragraph (A) of this Bye-Law in relation to the relevant dividend or contemporaneously with its announcement of the distribution, bonus or rights in question, the Board shall specify that the shares to be allotted pursuant to the provisions of paragraph (A) of this Bye-Law shall rank for participation in such distribution, bonus or rights.

NOTICE OF ANNUAL GENERAL MEETING

(C) The Board may do all acts and things considered necessary or expedient to give effect to any capitalisation pursuant to the provisions of paragraph (A) of this Bye-Law with full power to the Board to make such provisions as they think fit in the case of shares becoming distributable in fractions (including provisions whereby, in whole or in part, fractional entitlements are aggregated and sold and the net proceeds distributed to those entitled, or are disregarded or rounded up or down or whereby the benefit of fractional entitlements accrues to the Company rather than to the shareholders concerned). The Board may authorise any person to enter into on behalf of all shareholders interested an agreement with the Company providing for such capitalisation and matters incidental thereto and any agreement made pursuant to such authority shall be effective and binding on all concerned.

(D) The Board may on any occasion determine that rights of election and the allotment of shares under paragraph (A) of this Bye-Law shall not be made available or made to any shareholders with registered addresses in any territory where in the absence of a registration statement or other special formalities the circulation of an offer of such rights of election or the allotment of shares would or might be unlawful, and in such event the provisions aforesaid shall be read and construed subject to such determination.”

- (b) by deleting existing Bye-Law 144 in its entirety and substituting therefor with the following new Bye-Law 144:

“144. (A) The Board may resolve to capitalise any part of the Company’s reserves (including any contributed surplus account and also including any share premium account or other undistributable reserve, but subject to the provisions of the law with regard to unrealised profits) or undivided profits not required for the payment or provision of the dividend on any shares with a preferential right to dividend, and accordingly that such part be sub-divided amongst the shareholders in such proportion as may be approved by the Board, whether pro-rata to all shareholders or otherwise, on condition that the same be not paid in cash but be applied either in or towards paying up any amounts for the time being unpaid on any shares held by such shareholders respectively or paying up in full unissued shares or debentures or other securities of the Company to be allotted and distributed credited as fully paid to and amongst such shareholders in such proportion as may be approved by the Board as aforesaid, or partly in one way and partly in the other provided that for the purpose of this Bye-Law, any amount standing to the credit of any share premium account may only be applied in the paying up of unissued shares to be issued to shareholders of the Company as fully paid and provided further that any sum standing to the credit of the share premium account may only be applied in crediting as fully paid shares of the same class as that from which the relevant share premium was derived.

NOTICE OF ANNUAL GENERAL MEETING

(B) Whenever such a resolution as aforesaid shall have been passed the Board shall make all appropriations and applications of the reserves or undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, debentures, or other securities and generally shall do all acts and things required to give effect thereto. For the purpose of giving effect to any resolution under this Bye-Law, the Board may settle any difficulty which may arise in regard to a capitalisation issue as it thinks fit, and in particular may disregard fractional entitlements or round the same up or down and may determine that cash payments shall be made to any shareholders in lieu of fractional entitlements or that fractions of such value as the Board may determine may be disregarded in order to adjust the rights of all parties or that fractional entitlements shall be aggregated and sold and the benefit shall accrue to the Company rather than to the shareholders concerned. The Board may appoint any person to sign on behalf of the persons entitled to share in a capitalisation issue a contract for allotment and such appointment shall be effective and binding upon all concerned, and the contract may provide for the acceptance by such persons of the shares, debentures or other securities to be allotted and distributed to them respectively in satisfaction of their claims in respect of the sum so capitalised.””

By Order of the Board
Asia Standard International Group Limited
Lun Pui Kan
Secretary

Hong Kong, 30 July 2008

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

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

As at the date hereof, the 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 Director is 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.

* *For identification purposes only*

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Every Shareholder entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a Shareholder of the Company.
2. A form of proxy for use at the above meeting is enclosed herewith.
3. Where there are joint 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.