



ASIA STANDARD INTERNATIONAL GROUP LIMITED

Stock Code: 129



Corporate Information

Directors

Executive

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. Loup, Nicholas James

Non-executive

Mr. Au Yat Chuen

Independent non-executive

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

Audit committee

Mr. Koon Bok Ming, Alan (*Chairman*)
Mr. Leung Wai Keung
Mr. Wong Chi Keung

Remuneration committee

Mr. Fung Siu To, Clement (*Chairman*)
Mr. Loup, Nicholas James
Mr. Koon Bok Ming, Alan
Mr. Leung Wai Keung
Mr. Wong Chi Keung

Authorised representatives

Mr. Fung Siu To, Clement
Mr. Lun Pui Kan

Company secretary

Ms. Man Sau Ying

Registered office

Canon's Court, 22 Victoria Street,
Hamilton HM12, Bermuda

Principal office in Hong Kong

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

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Facsimile 2866 3772
Website <http://www.asiastandard.com>
E-mail as_info@asia-standard.com.hk

Principal bankers

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
Hang Seng Bank Limited
Industrial and Commercial Bank of China (Asia) Limited
The Bank of East Asia Limited

Legal advisers

Stephenson Harwood
35th Floor,
Bank of China Tower,
1 Garden Road,
Central, Hong Kong

Appleby
8th Floor, Bank of America Tower
12 Harcourt Road, Central
Hong Kong

Auditor

PricewaterhouseCoopers
Certified Public Accountants
22nd Floor, Prince's Building,
Central, Hong Kong

Share registrar in Bermuda

Butterfield Fulcrum Group (Bermuda) Limited
Rosebank Centre,
11 Bermudiana Road,
Pembroke HM08, Bermuda

Hong Kong branch share registrar and transfer office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor,
Hopewell Centre,
183 Queen's Road East,
Wanchai,
Hong Kong

Financial Highlights

	Six months ended 30th September		
	2010	2009	Change
(in HK\$ million, except otherwise indicated)			
Consolidated profit and loss account			
Revenue	595	892	-33%
Operating profit	1,359	1,284	+6%
Profit attributable to shareholders of the Company	1,397	1,115	+25%
Earnings per share (HK\$) – basic and diluted	1.12	0.97	+15%
	30th September 2010	31st March 2010	Change
Consolidated balance sheet			
Total assets	12,783	10,934	+17%
Net assets	9,407	7,986	+18%
Equity attributable to shareholders of the Company	8,647	7,239	+19%
Net debt	2,401	2,145	+12%
Supplementary information with hotel properties at valuation (note):			
Revalued total assets	16,667	13,557	+23%
Revalued net assets	12,652	10,178	+24%
Equity attributable to shareholders of the Company	10,912	8,717	+25%
Equity attributable to shareholders of the Company per share (HK\$)	8.77	7.00	+25%
Gearing – net debt to revalued net assets (%)	19%	21%	-2%
<p>Note: According to the Group's accounting policies, hotel properties were carried at cost less accumulated depreciation. To give further information on the economic substance of its hotel properties investments, the Group hereby presents supplementary unaudited financial information taking into account the fair market value of hotel properties and the corresponding deferred income tax.</p> <p>The hotel properties in Hong Kong and Canada were revalued by Vigers Appraisal & Consulting Limited and Grant Thornton Management Consultants respectively, independent professional valuers, on an open market value basis as at 30th September 2010.</p>			

Management Discussion and Analysis

The Westminster Terrace



Results

The Group recorded a revenue of HK\$595 million for the first half of the financial year (2009: HK\$892 million) with profit attributable to shareholders of the Company at HK\$1,397 million (2009: HK\$1,115 million).

Increase in profit is mainly due to revaluation gain of investment properties over the corresponding period which have no cash flow impact to the Group. The drop in the Group's revenue however is mainly due to accounting convention that only revenue from subsidiaries is included while those from jointly controlled entities are excluded.

Properties Sales, Development and Leasing

Sales

Revenue from property sales amounted to HK\$133 million with operating profit of HK\$64 million as compared to operating profit of HK\$183 million against revenue of HK\$533 million

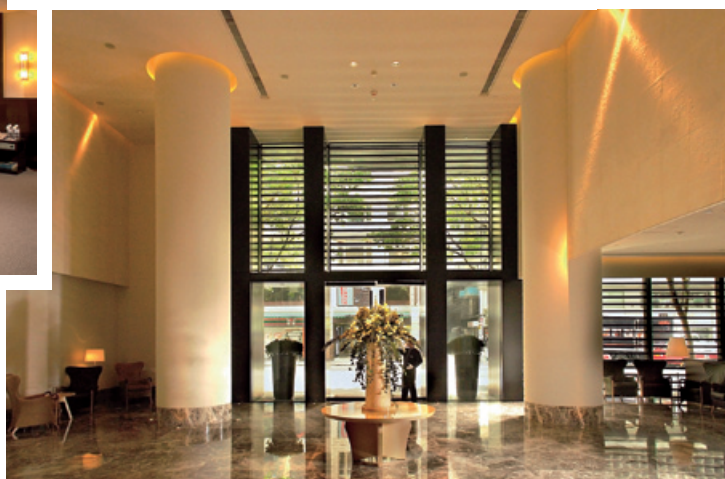
in last period. HK\$277 million sales at Westminster Terrace, a luxurious residential development, was recognised by the 50% joint venture company during the period and contributed HK\$95 million to its operating profit.

Development

The lease modification discussion of the residential development at Hung Shui Kiu, New Territories, which may yield approximately 540,000 sq. ft. GFA has been in progress with Government. Another similar development at Lam Tei, New Territories, is also at discussion with Government. Planning clearance is ongoing at our 50% joint venture in Beijing for an approximately 2 million sq. ft. GFA residential/commercial development. After the interim period, we have completed the acquisition of a site in Macau which is under planning application for residential development.

Management Discussion and Analysis

Empire Hotel Hong Kong



Leasing

Rental income attributable to the Group was approximately HK\$46 million, compared to HK\$42 million over the same period last year.

Revaluation gain net of deferred tax (including that generated from properties owned by an associated company) of HK\$806 million was recorded, compared to HK\$47 million of interim period last year.

Hotel

Revenue arising from the hotel operation increased by 35% from HK\$232 million of last interim period to HK\$314 million of current period, mainly due to full operation of the new opening of 280 rooms hotel in Causeway Bay. Operating profit of HK\$98 million before depreciation was registered for the period compared to HK\$50 million of interim period last year.

An investment gain of HK\$103 million (2009: HK\$325 million) from its financial asset investment was registered. Net profit of HK\$151 million (2009: HK\$313 million) on overall revenue of HK\$346 million (2009: HK\$260 million) was recorded.

During the period, our Group's shareholdings in the hotel subsidiary increased by 2.4% to 69.8% following the exercise of hotel warrants, a negative goodwill of HK\$43 million is recognised in reserves.

Management Discussion and Analysis

Investments

At 30th September 2010, the Group held financial investments of approximately HK\$4,015 million (31st March 2010: HK\$3,257 million), with HK\$1,396 million (31st March 2010: HK\$1,157 million) held by the listed hotel subsidiary group. The Group recorded a net unrealised fair value gain of HK\$404 million (2009: HK\$838 million), together with a net realised gain of HK\$6 million (2009: HK\$140 million). Income during the period from these investments amounted to HK\$96 million (2009: HK\$88 million).

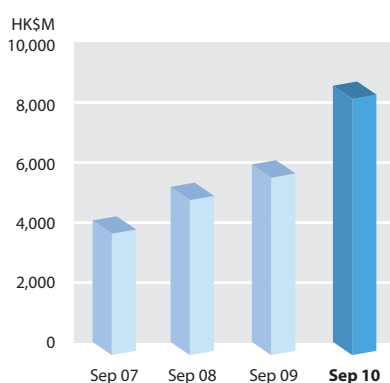
At 30th September 2010, an approximate value of HK\$294 million of these investments were pledged to banks as collateral for credit facilities granted to the Group.

Financial Review

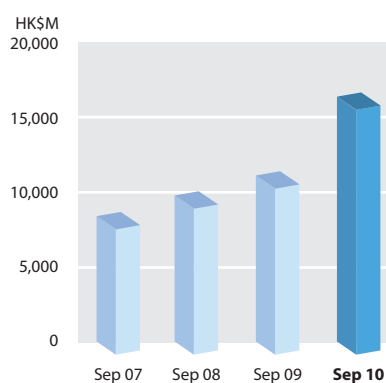
At 30th September 2010, the Group's total assets were approximately HK\$12.8 billion, compared to HK\$10.9 billion at end of last financial year. The net assets increased by 18% to HK\$9.4 billion. Adopting market value of hotel properties, the revalued total assets and revalued net assets of the Group would be HK\$16.7 billion and HK\$12.7 billion, an increase of 23% and 24% compared to HK\$13.6 billion and HK\$10.2 billion respectively at the end of last financial year.

Net debt increased to HK\$2.4 billion (31st March 2010: HK\$2.1 billion), including HK\$1.4 billion (31st March 2010: HK\$1.4 billion) which belonged to the separately listed hotel subsidiary group. Net debt to revalued net asset value is approximately 19% (31st March 2010: 21%). Total interest costs are approximately the same for the two periods.

Equity attributable to shareholders



Revalued total assets



Management Discussion and Analysis

About 87% of the Group's borrowings are in Hong Kong dollar. All the debts are at floating rates and interest rate fluctuation is partly managed through interest rate swaps. As at 30th September 2010, a total of HK\$300 million interest rate swap contracts were held for hedging purpose against our borrowings. The maturity of our debts spread over a long period of up to twelve years, with approximately 46% repayable within one year and 34% repayable after five years. As at 30th September 2010, the Group had net current assets of HK\$3,573 million (31st March 2010: HK\$2,960 million).

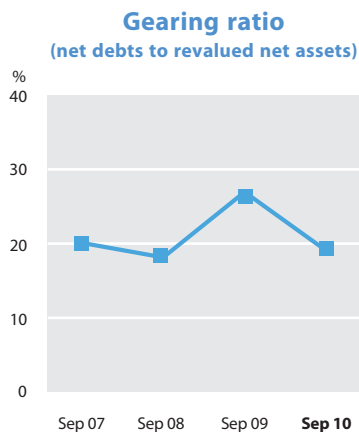
As at 30th September 2010, property assets with an aggregated net book value of HK\$6,883 million (31st March 2010: HK\$6,022 million) were pledged to secure banking facilities of the Group. There were no guarantees provided to financial institutions (31st March 2010: HK\$108 million to a jointly controlled entity).

Employees and Remuneration Policies

As at 30th September 2010, the Group employed 507 employees and approximately 90% worked for the separately listed hotel subgroup. 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

Hong Kong properties have witnessed an unprecedented growth in capital values in recent years due to investors hedging for inflation and international capital inflows seeking capital protection and gains in the face of abundant credit supply at historically low interest rates. The Group continues to hold a cautious approach in seeking investment opportunities.



Report on Review of Interim Financial Information

To the Board of Directors of
Asia Standard International Group Limited
(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 7 to 27, which comprises the condensed consolidated balance sheet of Asia Standard International Group Limited (the "Company") and its subsidiaries (together, the "Group") as at 30th September 2010 and the related condensed consolidated profit and loss account, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The Directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26th November 2010

Condensed Consolidated Profit and Loss Account – Unaudited

	Note	Six months ended 30th September	
		2010 HK\$'000	2009 HK\$'000
Revenue	4	595,182	892,377
Cost of sales		(246,899)	(485,401)
Gross profit		348,283	406,976
Selling and administrative expenses		(80,535)	(89,781)
Depreciation and amortisation		(43,362)	(47,162)
Net investment gain	5	410,183	952,260
Fair value change of investment properties		711,800	55,860
Other income and charges	6	12,664	5,806
Operating profit		1,359,033	1,283,959
Finance costs	8	(42,260)	(30,017)
Share of profits less losses of			
Jointly controlled entities		46,879	(287)
Associated companies		217,748	4,255
Profit before income tax		1,581,400	1,257,910
Income tax expense	9	(137,413)	(42,317)
Profit for the period		1,443,987	1,215,593
Attributable to:			
Shareholders of the Company		1,396,532	1,115,138
Non-controlling interests		47,455	100,455
		1,443,987	1,215,593
Dividend	10	6,222	12,471
Earnings per share (HK\$)			
Basic	11	1.12	0.97
Diluted	11	1.12	0.97

Condensed Consolidated Statement of Comprehensive Income – Unaudited

	Six months ended 30th September	
	2010	2009
	HK\$'000	HK\$'000
Profit for the period	1,443,987	1,215,593
Other comprehensive (charge)/income		
Net fair value (loss)/gain on available-for-sale investments	(3,386)	157,228
Impairment of available-for-sale investments charged to profit and loss account	112	1,531
Currency translation differences	(2,480)	27,023
	(5,754)	185,782
Total comprehensive income for the period	1,438,233	1,401,375
Attributable to:		
Shareholders of the Company	1,392,514	1,243,173
Non-controlling interests	45,719	158,202
	1,438,233	1,401,375

Condensed Consolidated Balance Sheet – Unaudited

	<i>Note</i>	30th September 2010 HK\$'000	31st March 2010 HK\$'000 (Restated)
Non-current assets			
Property, plant and equipment	12	2,639,076	2,672,342
Investment properties	13	3,169,650	2,419,600
Jointly controlled entities		680,095	674,409
Associated companies		872,044	654,581
Available-for-sale investments		228,424	228,258
Goodwill		–	5,103
Mortgage loans receivable		84,649	143,035
Deferred income tax assets		5,475	9,764
		7,679,413	6,807,092
Current assets			
Properties under development for sale		438,063	431,322
Completed properties held for sale		94,046	159,127
Mortgage loans receivable		50,366	35,315
Hotel and restaurant inventories		2,296	2,206
Trade and other receivables	14	452,818	241,590
Financial assets at fair value through profit or loss		3,786,812	3,028,862
Income tax recoverable		219	880
Bank balances and cash		278,644	227,657
		5,103,264	4,126,959
Current liabilities			
Trade and other payables	15	139,410	145,919
Amount due to an associated company		51,150	51,150
Derivative financial instruments		28,118	17,961
Warrant liabilities	16	–	17,000
Short term borrowings	19	1,087,405	756,014
Current portion of long term borrowings	19	154,852	114,706
Income tax payable		69,282	64,382
		1,530,217	1,167,132
Net current assets		3,573,047	2,959,827
Total assets less current liabilities		11,252,460	9,766,919

Condensed Consolidated Balance Sheet – Unaudited

	<i>Note</i>	30th September 2010 HK\$'000	31st March 2010 HK\$'000 (Restated)
Non-current liabilities			
Long term borrowings	<i>19</i>	1,437,868	1,501,907
Deferred income tax liabilities		407,407	279,355
		1,845,275	1,781,262
<hr style="border-top: 1px dashed black;"/>			
Net assets		9,407,185	7,985,657
Equity			
Share capital	<i>17</i>	12,444	12,471
Reserves	<i>18</i>	8,634,664	7,226,466
Equity attributable to shareholders of the Company		8,647,108	7,238,937
Non-controlling interests		760,077	746,720
		9,407,185	7,985,657

Condensed Consolidated Statement of Cash Flows – Unaudited

	Six months ended 30th September	
	2010 HK\$'000	2009 HK\$'000
Net cash generated before working capital changes	160,421	204,381
Change in working capital	(416,494)	(204,899)
Net cash used in operating activities	(256,073)	(518)
Net cash generated from/(used in) investing activities	16,915	(220,031)
Net cash generated from financing activities	293,032	195,090
Net increase/(decrease) in cash and cash equivalents	53,874	(25,459)
Cash and cash equivalents at the beginning of the period	221,614	226,768
Changes in exchange rates	104	2,084
Cash and cash equivalents at the end of the period	275,592	203,393
Analysis of the balances of cash and cash equivalents		
Bank balances and cash (excluding restricted bank balances)	275,592	203,393

Condensed Consolidated Statement of Changes in Equity – Unaudited

	Shareholders of the Company HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 31st March 2009	4,669,975	605,690	5,275,665
Profit for the period	1,115,138	100,455	1,215,593
Currency translation differences	18,295	8,728	27,023
Fair value gain on available-for-sale investments	108,703	48,525	157,228
Impairment of available-for-sale investments charged to profit and loss account	1,037	494	1,531
Total comprehensive income for the period	1,243,173	158,202	1,401,375
Conversion of warrants	98,000	350	98,350
Share repurchase	(3,183)	–	(3,183)
Acquisition of additional interest in subsidiaries	–	(57,507)	(57,507)
	94,817	(57,157)	37,660
At 30th September 2009	6,007,965	706,735	6,714,700
At 31st March 2010	7,238,937	746,720	7,985,657
Profit for the period	1,396,532	47,455	1,443,987
Currency translation differences	(1,732)	(748)	(2,480)
Fair value loss on available-for-sale investments	(2,364)	(1,022)	(3,386)
Impairment of available-for-sale investments charged to profit and loss account	78	34	112
Total comprehensive income for the period	1,392,514	45,719	1,438,233
Conversion of warrants	–	14,087	14,087
2010 final dividend	(16,222)	(3,459)	(19,681)
Share repurchase	(6,008)	–	(6,008)
Net increase in shareholding in a listed subsidiary	37,887	(42,990)	(5,103)
	15,657	(32,362)	(16,705)
At 30th September 2010	8,647,108	760,077	9,407,185

Notes to the Interim Financial Information

1 Basis of preparation

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

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

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

HKAS 17 (Amendment) deletes specific guidance regarding classification of leases of land, so as to eliminate inconsistency with the general guidance on lease classification. As a result, leases of land should be classified as either finance or operating using the general principles of HKAS 17. Prior to the amendment, land interest which title is not expected to pass to the Group by the end of the lease term was classified as operating lease under “Leasehold land”, and amortised over the lease term. HKAS 17 (Amendment) has been applied retrospectively for annual periods beginning 1st January 2010 in accordance with the effective date and transitional provisions of the amendment. The Group has reassessed the classification of leasehold land on the basis of information existing at the inception of those leases, and recognised the leasehold land in Hong Kong as finance lease retrospectively. As a result of the reassessment, the Group has reclassified the leasehold land from operating lease to finance lease. Since the property interest is held for own use, that land interest classified as finance lease is accounted for as land and hotel buildings and is depreciated from the land interest available for its intended use over the lease term. In addition, leasehold land included in properties under development for sale and completed properties held for sale would be accounted for in accordance with HKAS 2. No amortisation on leasehold land was recognised and the leasehold land was measured at the lower of cost and net realisable value. However, no retrospective adjustment was made to prior year financial statements as this change had no material impact to the unaudited condensed consolidated interim financial information.

HKAS 27 (Revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value and a gain or loss is recognised in the profit and loss account. The change in the accounting policy in respect of the adoption of HKAS 27 (Revised) has been applied prospectively to transactions during the year ending 31st March 2011.

Notes to the Interim Financial Information

1 Basis of preparation (continued)

The impact of the adoption of these amendments are as follows:

	HKAS 17 (Amendment)	
	30th September 2010 HK\$'000	31st March 2010 HK\$'000
Increase/(decrease) in:		
Property, plant and equipment	1,672,282	1,685,605
Leasehold land	(1,672,282)	(1,685,605)
	-	-

	Six months ended 30th September 2010			Six months ended 30th September 2009
	HKAS 17 (Amendment) HK\$'000	HKAS 27 (Revised) and HKFRS 3 (Revised) HK\$'000	Total HK\$'000	HKAS 17 (Amendment) HK\$'000
(Decrease)/increase in profit and loss:				
Depreciation	(13,323)	-	(13,323)	(13,323)
Amortisation	13,323	-	13,323	13,323
Other income and charges	-	(37,887)	(37,887)	-
	-	(37,887)	(37,887)	-

The HKICPA has issued certain new and revised standards, interpretations and amendments to existing standards that are not yet effective for the year ending 31st March 2011. The Group has not early adopted these above standards, interpretations and amendments. 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 change to the Group's accounting policies and presentation of the financial statements.

2 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and price risk), credit risk, liquidity risk and interest rate risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Notes to the Interim Financial Information

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include those related to investment properties, impairment of trade and other receivables, income taxes, fair value of derivative financial instruments and impairment of available-for-sale investments.

At 30th September 2010, the Group had investment properties with fair value of HK\$3,169,650,000 (31st March 2010: HK\$2,419,600,000). The best evidence of fair value is current prices in an active market for similar properties. In the absence of such information, the amount is determined within a range of reasonable fair value estimates. Information from a variety of sources are considered in making the judgement:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences.
- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and
- (iii) the current rent from the existing tenancies, the potential rents for vacant units and the capitalisation rates of comparable transactions.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

4 Turnover and segment information

The Company is a limited liability company incorporated in Bermuda and listed on The Stock Exchange of Hong Kong Limited. The address of its registered office is 30th Floor, Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong.

The Group is principally engaged in property development and investment, hotel, travel agency and catering operations and securities investments. Turnover comprises revenue from property sales and leasing, hotel and travel agency, management services, interest and dividend income, together with gross proceeds from disposal of financial assets at fair value through profit or loss. Revenue includes revenue from property sales and leasing, hotel and travel agency operation, management services, interest and dividend income.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments. The operating segments were determined based on the reports reviewed by the chief operating decision-maker. The Group is organised into four main operating segments, comprising property sales, property leasing, hotel and travel and investments. Segment assets consist primarily of property, plant and equipment, investment properties, available-for-sale investments, other non-current assets, hotel inventories, properties, trade and other receivables and financial assets at fair value through profit or loss. Segment liabilities comprise mainly borrowings.

Notes to the Interim Financial Information

4 Turnover and segment information (continued)

	Property sales HK\$'000	Property leasing HK\$'000	Hotel and travel HK\$'000	Investments HK\$'000	Others HK\$'000	Total HK\$'000
Six months ended 30th September 2010						
Turnover	132,910	38,271	313,761	630,131	13,919	1,128,992
Segment revenue	132,910	38,271	313,761	96,321	13,919	595,182
Contribution to segment results	63,537	34,628	97,939	96,321	13,919	306,344
Depreciation and amortisation	-	-	(42,947)	-	(415)	(43,362)
Net investment gain	-	-	-	410,183	-	410,183
Fair value change of investment properties	-	711,800	-	-	-	711,800
Other income and charges	-	-	-	-	12,664	12,664
Segment results	63,537	746,428	54,992	506,504	26,168	1,397,629
Unallocated corporate expenses						(38,596)
Operating profit						1,359,033
Finance costs						(42,260)
Share of profits less losses of						
Jointly controlled entities	46,883	-	-	-	(4)	46,879
Associated companies	257	217,501	-	-	(10)	217,748
Profit before income tax						1,581,400
Income tax expense						(137,413)
Profit for the period						1,443,987
Six months ended 30th September 2009						
Turnover	532,880	35,365	232,167	696,653	3,724	1,500,789
Segment revenue	532,880	35,365	232,167	88,241	3,724	892,377
Contribution to segment results	182,810	32,316	49,808	88,241	3,724	356,899
Depreciation and amortisation	(4,661)	-	(42,101)	-	(400)	(47,162)
Net investment gain	-	-	-	952,260	-	952,260
Fair value change of investment properties	-	55,860	-	-	-	55,860
Other income and charges	2,069	-	-	-	3,737	5,806
Segment results	180,218	88,176	7,707	1,040,501	7,061	1,323,663
Unallocated corporate expenses						(39,704)
Operating profit						1,283,959
Finance costs						(30,017)
Share of profits less losses of						
Jointly controlled entities	(283)	-	-	-	(4)	(287)
Associated companies	(1,844)	6,103	-	-	(4)	4,255
Profit before income tax						1,257,910
Income tax expense						(42,317)
Profit for the period						1,215,593

Notes to the Interim Financial Information

4 Turnover and segment information (continued)

	Property sales HK\$'000	Property leasing HK\$'000	Hotel and travel HK\$'000	Investments HK\$'000	Others HK\$'000	Total HK\$'000
As at 30th September 2010						
Segment assets	1,568,200	3,987,521	2,714,991	4,091,432	249,507	12,611,651
Other unallocated assets						171,026
						12,782,677
Segment assets include:						
Jointly controlled entities and associated companies	783,097	768,109	–	–	933	1,552,139
Addition to non-current assets for the six months ended 30th September 2010						
	–	10,225	14,100	–	237	24,562
Segment liabilities						
Borrowings	140,000	494,166	938,554	1,107,405	–	2,680,125
Other unallocated liabilities						695,367
						3,375,492
As at 31st March 2010						
Segment assets	1,425,165	3,018,642	2,719,831	3,319,728	294,879	10,778,245
Other unallocated assets						155,806
						10,934,051
Segment assets include:						
Jointly controlled entities and associated companies	777,435	550,607	–	–	948	1,328,990
Addition to non-current assets for the six months ended 30th September 2009						
	–	1,640	39,193	–	20	40,853
Segment liabilities						
Borrowings	–	499,239	967,374	906,014	–	2,372,627
Other unallocated liabilities						575,767
						2,948,394

Notes to the Interim Financial Information

4 Turnover and segment information (continued)

	Six months ended 30th September	
	2010	2009
	HK\$'000	HK\$'000
Revenue		
Hong Kong	446,419	763,393
Overseas	148,763	128,984
	595,182	892,377
	30th	31st
	September	March
	2010	2010
	HK\$'000	HK\$'000
Non-current assets*		
Hong Kong	6,798,404	5,882,105
Overseas	562,461	543,930
	7,360,865	6,426,035

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

Notes to the Interim Financial Information

5 Net investment gain

	Six months ended 30th September	
	2010 HK\$'000	2009 HK\$'000
Financial assets at fair value through profit or loss		
– net unrealised gain from market value movements	336,632	809,533
– net unrealised exchange gain	78,096	24,180
– net realised gain	5,865	142,052
– provision for interest receivable	–	(24,262)
Available-for-sale investments		
– net realised gain	–	1,114
– impairment	(112)	(1,531)
Derivative financial instruments		
– net unrealised (loss)/gain	(10,298)	4,740
– net realised loss	–	(3,566)
	410,183	952,260

6 Other income and charges

	Six months ended 30th September	
	2010 HK\$'000	2009 HK\$'000
Net write back of provision for diminution in value of properties under development for sale/completed properties held for sale	–	2,069
Net fair value gain on warrant liabilities (note 16)	12,664	3,737
	12,664	5,806

Notes to the Interim Financial Information

7 Income and expenses by nature

	Six months ended 30th September	
	2010 HK\$'000	2009 HK\$'000
Income		
Net rental income (note (a))	34,628	32,316
Interest income		
– Listed investments	72,541	35,326
– Unlisted investments	345	153
– A jointly controlled entity	8,793	–
– Other receivables	2,020	1,824
– Bank deposit	443	121
Dividend income		
– Listed investments	23,435	52,673
– Unlisted investments	–	89
Expenses		
Operating lease rental expense for land and buildings	3,001	3,099
Employee benefit expense, including Directors' emoluments (note (b))	78,858	70,191
Cost of properties and goods sold	164,327	369,971
Notes:		
(a) Net rental income		
Gross rental income		
– Investment properties	35,480	32,633
– Properties held for sale	2,791	2,732
	38,271	35,365
Outgoings	(3,643)	(3,049)
	34,628	32,316
(b) Employee benefit expense		
Wages and salaries	76,564	68,753
Retirement benefits costs	2,294	1,438
	78,858	70,191

Notes to the Interim Financial Information

8 Finance costs

	Six months ended 30th September	
	2010 HK\$'000	2009 HK\$'000
Interest expense		
Long term bank loans	14,439	18,325
Loans from non-controlling interests of subsidiaries	–	1,240
Short term bank loans and overdrafts	6,291	3,733
Other incidental borrowing costs	1,644	2,423
Net foreign exchange loss on borrowings	20,026	8,828
Fair value gain on interest rate swaps	(140)	(4,532)
	42,260	30,017

9 Income tax expense

	Six months ended 30th September	
	2010 HK\$'000	2009 HK\$'000
Current income tax		
Hong Kong profits tax	(5,071)	(18,296)
Overseas profits tax	–	(785)
	(5,071)	(19,081)
Deferred income tax	(132,342)	(23,236)
	(137,413)	(42,317)

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

Notes to the Interim Financial Information

9 Income tax expense (continued)

Share of income tax of jointly controlled entities and associated companies for the period of HK\$7,828,000 (2009: HK\$4,000) and HK\$42,909,000 (2009: HK\$709,000) are included in the share of profits less losses of jointly controlled entities and associated companies in the profit and loss account respectively.

10 Dividend

	Six months ended 30th September	
	2010	2009
	HK\$'000	HK\$'000
Interim, of HK0.5 cent (2009: HK1.0 cent) per share	6,222	12,471

At a meeting held on 26th November 2010, the Board of Directors recommended to pay an interim dividend of HK0.5 cent per share with a scrip option (2009: HK1.0 cent per share in cash). The interim dividend is not reflected in the interim financial information, but will be reflected as an appropriation of revenue reserve in the year ending 31st March 2011.

The amount of HK\$6,222,000 is based on 1,244,366,797 issued shares as at 26th November 2010.

11 Earnings per share

The calculation of basic earnings per share is based on profit attributable to shareholders of the Company of HK\$1,396,532,000 (2009: HK\$1,115,138,000) and divided by the weighted average number of 1,245,420,493 (2009: 1,151,345,529) shares in issue during the period.

For the six months ended 30th September 2010, the Company's outstanding share options and its listed subsidiary's warrants and outstanding share options did not have a diluted effect on the earnings per share, the basic and diluted earnings per share were equal.

The calculation of diluted earnings per share for the six months ended 30th September 2009 was based on HK\$1,114,799,000 equalling to the profit attributable to shareholders of the Company of HK\$1,115,138,000 with a decrease in share of profit after tax of HK\$339,000 from the Company's listed subsidiary arising from potential conversion of its warrants and divided by the weighted average number of 1,151,345,529 shares in issue during the period. The outstanding share options of the Company and its listed subsidiary did not have a diluted effect on the earnings per share.

Notes to the Interim Financial Information

12 Property, plant and equipment

	Freehold land of a hotel in Canada HK\$'000	Leasehold land in Hong Kong HK\$'000	Hotel buildings HK\$'000	Other buildings HK\$'000	Other equipment HK\$'000	Total HK\$'000
Cost						
At 31st March 2010 (Restated)	78,018	2,018,320	1,484,287	16,449	40,442	3,637,516
Currency translation difference	(1,119)	–	(6,683)	–	102	(7,700)
Additions	–	–	13,865	–	472	14,337
Disposals	–	–	(1,527)	–	(1,470)	(2,997)
At 30th September 2010	76,899	2,018,320	1,489,942	16,449	39,546	3,641,156
Accumulated depreciation						
At 31st March 2010 (Restated)	–	332,715	587,893	5,540	39,026	965,174
Currency translation difference	–	–	(3,795)	–	84	(3,711)
Charge for the period	–	13,323	29,635	157	247	43,362
Disposals	–	–	(1,275)	–	(1,470)	(2,745)
At 30th September 2010	–	346,038	612,458	5,697	37,887	1,002,080
Net book value						
At 30th September 2010	76,899	1,672,282	877,484	10,752	1,659	2,639,076
At 31st March 2010 (Restated)	78,018	1,685,605	896,394	10,909	1,416	2,672,342

13 Investment properties

Investment properties were revalued by Prudential Surveyors International Limited, independent professional valuers, on an open market value basis as at 30th September 2010 (31st March 2010: by Vigers Appraisal & Consulting Limited).

Notes to the Interim Financial Information

14 Trade and other receivables

Trade and other receivables of the Group include trade receivables, utility and other deposits, interest receivable, dividend receivable and stakeholders' accounts.

Trade receivables of the Group amounted to HK\$146,507,000 (2010: HK\$70,608,000). The credit terms given to the customers vary and are generally based on the financial strengths of individual customers. In order to effectively manage the credit risks associated with trade receivables, credit evaluations of customers are performed periodically.

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

	30th September 2010 HK\$'000	31st March 2010 HK\$'000
0 day to 60 days	145,914	69,651
61 days to 120 days	325	957
More than 120 days	268	–
	146,507	70,608

15 Trade and other payables

Trade and other payables of the Group include trade payables, rental and management fee deposits, other payables, retentions payable of construction costs and various accruals. Trade payables of the Group amounted to HK\$16,073,000 (2010: HK\$15,808,000).

Aging analysis of trade payables is as follows:

	30th September 2010 HK\$'000	31st March 2010 HK\$'000
0 day to 60 days	16,005	15,593
61 days to 120 days	39	12
More than 120 days	29	203
	16,073	15,808

Notes to the Interim Financial Information

16 Warrant liabilities

On 7th September 2007, Asia Standard Hotel Group Limited ("Asia Standard Hotel"), the Company's listed subsidiary, issued warrants to shareholders on the basis of one warrant for every five shares of Asia Standard Hotel. The initial subscription price was at HK\$0.146 per share and the warrants are exercisable at any time within three years from the date of issue. Apart from the adjustments upon occurrence of the usual adjustment events, the subscription price is subject to the reset adjustment at the end of each six months period from the date of issue of the warrants and a final reset adjustment on the tenth business day before the date of expiration of the warrants. The warrants expired on 6th September 2010.

Movement of the warrant liabilities during the period is as follows:

	HK\$'000
At 31st March 2010	17,000
Fair value gain credited to profit and loss account (note 6)	(12,664)
Set off against non-controlling interests upon conversion of warrants	(4,336)
At 30th September 2010	–

17 Share capital

Shares of HK\$0.01 each	Number of shares	Amount HK\$'000
Authorised:		
At 31st March 2010 and 30th September 2010	400,000,000,000	4,000,000
Issued and fully paid:		
At 31st March 2010	1,247,129,646	12,471
Scrip dividend (note (i))	1,789,151	18
Share repurchase (note (ii))	(4,552,000)	(45)
At 30th September 2010	1,244,366,797	12,444

Note:

- (i) In September 2010, 1,789,151 new shares were allotted and issued at HK\$1.36 per share in lieu of final dividend for the year ended 31st March 2010.
- (ii) All of the repurchased shares were cancelled in July and August 2010.

Notes to the Interim Financial Information

18 Reserves

	Share premium HK\$'000	Capital redemption reserve HK\$'000	Share option reserve HK\$'000	Available- for-sale investments reserve HK\$'000	Contributed surplus HK\$'000	Revenue reserve HK\$'000	Total HK\$'000
At 31st March 2010	2,008,811	43,902	16,638	67,916	2,782,836	2,306,363	7,226,466
Fair value loss on available- for-sale investments	-	-	-	(2,364)	-	-	(2,364)
Impairment of available-for-sale investments charged to profit and loss account	-	-	-	78	-	-	78
Currency translation differences	-	-	-	-	-	(1,732)	(1,732)
Profit for the period	-	-	-	-	-	1,396,532	1,396,532
2010 final dividend	2,415	-	-	-	-	(18,655)	(16,240)
Share repurchase	-	45	-	-	-	(6,008)	(5,963)
Net increase in shareholding in a listed subsidiary	-	-	-	-	-	37,887	37,887
At 30th September 2010	2,011,226	43,947	16,638	65,630	2,782,836	3,714,387	8,634,664
Representing:							
2010 interim dividend proposed	-	-	-	-	-	6,222	6,222
Others	2,011,226	43,947	16,638	65,630	2,782,836	3,708,165	8,628,442
At 30th September 2010	2,011,226	43,947	16,638	65,630	2,782,836	3,714,387	8,634,664

19 Borrowings

	30th September 2010 HK\$'000	31st March 2010 HK\$'000
Short term bank loans		
Secured	1,057,405	676,014
Unsecured	30,000	80,000
	1,087,405	756,014
Long term bank loans, secured	1,592,720	1,616,613
	2,680,125	2,372,627
The maturity of the long term bank loans is as follows:		
Repayable within one year	154,852	114,706
Repayable between one and two years	183,105	198,764
Repayable between two and five years	342,903	355,822
Repayable after five years	911,860	947,321
	1,592,720	1,616,613
Current portion included in current liabilities	(154,852)	(114,706)
	1,437,868	1,501,907

Notes to the Interim Financial Information

20 Capital commitments

Capital commitments at the balance sheet date are as follows:

	30th September 2010 HK\$'000	31st March 2010 HK\$'000
Property, plant and equipment		
Contracted but not provided for	9,424	10,084
Authorised but not contracted for	5,650	13,982
	15,074	24,066

21 Financial guarantees

	30th September 2010 HK\$'000	31st March 2010 HK\$'000
Guarantees for the banking and loan facilities of:		
A jointly controlled entity	–	108,190

22 Comparative figures

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

Pro Forma Combined Balance Sheet of Affiliated Companies

The Group had amounts due from and loans to certain affiliated companies in a total sum of HK\$1,098 million (before Group's provisions) as at 30th September 2010 which exceed 8% of the Group's consolidated total assets. A pro forma combined balance sheet of certain affiliated companies with major financial assistance from the Group and the Group's attributable interest in these affiliated companies are presented below:

	Pro forma combined balance sheet HK\$'000	Group's attributable interest HK\$'000
Property, plant and equipment	2,476	1,143
Investment properties	2,600,000	858,000
Properties under development for sale	1,431,759	711,217
Deferred income tax assets	3,973	1,987
Other current assets	580,026	254,992
Current liabilities	(251,039)	(118,500)
Long term borrowings	(130,200)	(42,966)
Deferred income tax liabilities	(333,850)	(111,657)
Non-controlling interests	(4,151)	(2,076)
Shareholders' advance	(2,209,883)	(532,547)
	1,689,111	1,019,593

Other Information

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

As at 30th September 2010, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Hong Kong Securities and Futures Ordinance (the "SFO") which (a) are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which are taken or deemed to have under such provisions of the SFO); or (b) were recorded in the register required to be kept under Section 352 of the SFO; or (c) were required to be notified to the Company and the Stock Exchange pursuant to 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") were as follows:

(I) Long positions in shares

(a) The Company

Director	Number of shares held			Percentage of shares in issue (%)
	Personal Interest	Corporate interest	Total	
Poon Jing	1,173,615	613,365,030	614,538,645	49.39

Note:

By virtue of his controlling interest (44.6%) in Asia Orient Holdings Limited ("Asia Orient"), Mr. Poon Jing is deemed to be interested in the shares of the Company held by Asia Orient as disclosed under the heading "Substantial shareholders and other persons' interests and short positions in shares and underlying shares" below.

(b) Associated corporations

Director	Associated corporation	Number of shares held			Percentage of shares in issue (%)
		Personal interest	Corporate interest	Total	
Poon Jing	Asia Standard Hotel Group Limited ("Asia Standard Hotel")	49,337	1,116,470,997 (Note)	1,116,520,334	72.82
Fung Siu To, Clement	Mark Honour Limited	9	–	9	0.01

Notes:

- By virtue of his controlling interest in the Company, Mr. Poon Jing is deemed to be interested in the shares of Asia Standard Hotel held by the Company and its subsidiaries.
- By virtue of his interest in the Company, Mr. Poon Jing is deemed to be interested in the shares of all the Company's subsidiaries and associated corporations.

Other Information

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures

(continued)

(II) Long positions in underlying shares

Interests in share options

(a) The Company

Director	Outstanding as at 1st April 2010 and 30th September 2010 (Note 1)
Fung Siu To, Clement	2,062,176
Lim Yin Cheng	2,062,176
Poon Jing	515,544
Lun Pui Kan	2,062,176
Kwan Po Lam, Phileas	2,062,176
Loup, Nicholas James	2,062,176

Notes:

- Options were granted on 30th March 2005 and exercisable during the period from 30th March 2005 to 29th March 2015 at exercise price of HK\$3.15 (as adjusted) per share.
- During the period, no option was granted to the Directors and the options granted to the Directors have not been exercised, lapsed or cancelled.

Other Information

Directors' and chief executive's interests and short positions in shares, underlying shares and debentures
(continued)

(II) Long positions in underlying shares (continued)

Interests in share options (continued)

(b) *Associated corporation – Asia Standard Hotel*

Director	Date of grant	Exercise price (HK\$)	Exercise period	Outstanding as at 1st April 2010 and 30th September 2010
Fung Siu To, Clement	29th March 2007	1.296	29th March 2007 to 28th March 2017	8,000,000
Lim Yin Cheng	2nd April 2007	1.300	2nd April 2007 to 1st April 2017	8,000,000
Lun Pui Kan	2nd April 2007	1.300	2nd April 2007 to 1st April 2017	8,000,000
Kwan Po Lam, Phileas	2nd April 2007	1.300	2nd April 2007 to 1st April 2017	8,000,000

Note:

During the period, no option was granted to the Directors and the options granted to the Directors have not been exercised, cancelled or lapsed.

Save as disclosed above, as at 30th September 2010, none of the Directors or chief executive (including their spouse and children under 18 years of age) of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of the SFO) which (a) are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which are taken or deemed to have under such provisions of the SFO); or (b) were recorded in the register required to be kept under Section 352 of the SFO; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information

Substantial shareholders and other persons' interests and short positions in shares and underlying shares

The register of substantial shareholders maintained under section 336 of the SFO shows that as at 30th September 2010, the Company had been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and chief executive.

Long positions in shares of the Company

Name of substantial shareholders	Capacity	Number of shares held		Percentage (%)
			Total	
Asia Orient (Note 1)	Beneficial owner	46,817,836		
	Interests in controlled corporation	566,547,194	613,365,030	49.29
Asia Orient Holdings (BVI) Limited ("Asia Orient BVI") (Note 1)	Interests in controlled corporation	566,547,194	566,547,194	45.53
Asia Orient Company Limited ("AOCL") (Note 2)	Beneficial owner	272,904,998		
	Interests in controlled corporation	2,205,003	275,110,001	22.11
Kingfisher Inc. and Lipton Investment Limited ("Kingfisher and Lipton") (Note 2)	Interests in controlled corporation	254,985,479	254,985,479	20.49
Dalton Investments LLC	Investment manager	62,468,726	62,468,726	5.02

Notes:

1. Asia Orient BVI is a wholly-owned subsidiary of Asia Orient. In addition, as disclosed under the heading "Directors and chief executive's interests and short positions in shares, underlying shares and debentures" above, Mr. Poon Jing is deemed to be interested in the shares held by Asia Orient and its subsidiaries by virtue of his controlling interest in Asia Orient. Accordingly, Mr. Poon Jing is deemed to have interest and duplicate the interest in the 613,365,030 shares held by Asia Orient and Asia Orient are deemed to have interest and duplicate the interest in the same 566,547,194 shares held by Asia Orient BVI.
2. AOCL, companies controlled by AOCL, Kingfisher and Lipton are wholly-owned subsidiaries of Asia Orient BVI. Asia Orient BVI is deemed to be interested in and duplicate the interest held by AOCL, Kingfisher and Lipton.

Other Information

Substantial shareholders and other persons' interests and short positions in shares and underlying shares (continued)

Save as disclosed above, as at 30th September 2010, the Directors are not aware of any other persons who had interests or short positions in the shares or underlying shares of the Company which are required to be recorded in the register required to be kept under section 336 of the SFO.

Share option schemes

The Company

The share option scheme of the Company was adopted by the Company on 27th August 2004. As at 30th September 2010, there were 13,404,141 share options outstanding. Movements of the share options of the Company during the period are as follows:

Grantee	Outstanding as at 1st April 2010 and 30th September 2010
Directors	10,826,424
Other employees	2,577,717
	13,404,141

Notes:

1. These share options were granted on 30th March 2005 and exercisable from 30th March 2005 to 29th March 2015 at an exercise price of HK\$3.15 (as adjusted) per share.
2. During the period, no option was granted, exercised, cancelled or lapsed.

Other Information

Associated corporation – Asia Standard Hotel

The share option scheme of Asia Standard Hotel was adopted by Asia Standard Hotel on 28th August 2006. As at 30th September 2010, there were 78,999,999 share options outstanding. Movement of the share options of Asia Standard Hotel during the period are as follows:

Grantee	Date of grant	Exercise price (HK\$) (Note 1)	Exercise period	Outstanding as at 1st April 2010 and 30th September 2010
Director	29th March 2007	1.296	29th March 2007 to 28th March 2017	8,000,000
	2nd April 2007	1.300	2nd April 2007 to 1st April 2017	24,000,000
Director of an associated corporation	29th March 2007	1.296	29th March 2007 to 28th March 2017	8,000,000
	2nd April 2007	1.300	2nd April 2007 to 1st April 2017	8,000,000
Employees	2nd April 2007	1.300	2nd April 2007 to 1st April 2017	30,999,999
				78,999,999

Note:

During the period, no option was granted, exercised, lapsed or cancelled.

Other Information

Interim dividend

The Board of Directors recommends an interim dividend for the six months ended 30th September 2010 of HK0.5 cent per share with an option to elect to receive shares of the Company credited as fully paid in lieu of cash in respect of part or all of the proposed interim dividend (the "Scrip Dividend Scheme") (2009: HK1.0 cent) to shareholders whose names appear on the Register of Members of the Company on Friday, 14th January 2011 (the "Record Date").

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

Closure of register of members

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

Purchase, sale or redemption of listed securities

In July and August 2010, the Company purchased a total of 4,552,000 shares of HK\$0.01 each on the Stock Exchange at an aggregate consideration of HK\$6,008,580 with the highest and lowest price paid per share being HK\$1.36 and HK\$1.25 respectively. All the purchased shares had been cancelled in July and August 2010.

The Directors considered that the aforesaid shares were purchased at a discount to the net asset value per share and resulted in an increase in the net asset value per share then in issue.

Save as disclosed herein, the Company had not redeemed any of its shares. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the period.

Other Information

Code of corporate governance practices

During the period, the Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules, except for the deviation from code provision A.4.1 which states that non-executive directors should be appointed for a specific term, subject to re-election. All non-executive director and 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.

Code of conduct regarding securities transactions by directors

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules. The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the period, and they all confirmed that they have fully complied with the required standard as set out in the Model Code throughout the period ended 30th September 2010.

Audit committee

The Audit Committee members are Mr. Koon Bok Ming, Alan, Mr. Leung Wai Keung and Mr. Wong Chi Keung who have reviewed the unaudited interim results of the Group for the six months ended 30th September 2010.

On behalf of the Board

Asia Standard International Group Limited

Fung Siu To, Clement

Chairman

Hong Kong, 26th November 2010



ASIA STANDARD INTERNATIONAL GROUP LIMITED

Stock Code: 129