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ASIA STANDARD HOTEL GROUP LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code : 292)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31ST MARCH 2016

FINANCIAL HIGHLIGHTS			
<i>(in HK\$ million, except otherwise indicated)</i>			
	2016	2015	Change
Revenue	677	700	-3%
Contribution from hotel operation	158	212	-25%
Contribution from financial investments	189	160	+18%
Net investment gain/(loss)	71	(105)	N/A
Profit for the year attributable to shareholders	251	120	+109%
Net assets	3,455	3,265	+6%
Net debt	1,850	1,567	+18%
Supplementary information with four hotel properties in operation stated at valuation:			
Revalued total assets	13,263	12,709	+4%
Revalued net assets	10,875	10,782	+1%
Gearing – net debt to revalued net assets	17%	15%	+2%

The Directors of Asia Standard Hotel Group Limited (the “Company”) announce that the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March 2016 together with the comparative figures for the year ended 31st March 2015 were as follows:

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For the year ended 31st March 2016

	<i>Note</i>	2016 HK\$'000	2015 HK\$'000
Revenue	2	676,989	699,633
Cost of sales		(231,618)	(226,475)
Gross profit		445,371	473,158
Selling and administrative expenses		(138,540)	(132,990)
Depreciation		(84,153)	(87,428)
Net investment gain/(loss)	3	70,579	(104,763)
Operating profit		293,257	147,977
Net finance costs	5	(33,237)	(10,241)
Share of losses of joint ventures		(140)	-
Profit before income tax		259,880	137,736
Income tax expense	6	(9,268)	(17,675)
Profit for the year attributable to shareholders		250,612	120,061
Earnings per share (HK cents)			
Basic	8	15.96	7.70
Diluted	8	15.95	7.70

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2016

	2016 HK\$'000	2015 HK\$'000
Profit for the year	<u>250,612</u>	<u>120,061</u>
Other comprehensive (charge)/income		
Items that have been reclassified or may be reclassified subsequently to profit or loss:		
Net fair value loss on available-for-sale investments	(53,883)	(34,034)
Currency translation differences	5,359	(20,975)
	<u>(48,524)</u>	<u>(55,009)</u>
Total comprehensive income for the year attributable to shareholders	<u>202,088</u>	<u>65,052</u>

CONSOLIDATED BALANCE SHEET

As at 31st March 2016

	<i>Note</i>	2016 HK\$'000	2015 HK\$'000
Non-current assets			
Property, plant and equipment		3,131,745	3,064,217
Joint ventures		221,124	-
Available-for-sale investments		143,587	190,757
Deferred income tax assets		3,364	5,213
		<u>3,499,820</u>	<u>3,260,187</u>
Current assets			
Inventories		15,342	1,290
Trade and other receivables	9	135,864	127,015
Income tax recoverable		1,949	1,457
Financial assets at fair value through profit or loss		1,817,819	1,586,394
Bank balances and cash		316,981	182,388
		<u>2,287,955</u>	<u>1,898,544</u>
Current liabilities			
Trade and other payables	10	103,920	80,928
Borrowings		268,331	238,143
Income tax payable		14,918	17,437
		<u>387,169</u>	<u>336,508</u>
Net current assets		<u>1,900,786</u>	<u>1,562,036</u>
Non-current liabilities			
Long term borrowings		1,898,481	1,510,968
Deferred income tax liabilities		47,584	46,521
		<u>1,946,065</u>	<u>1,557,489</u>
Net assets		<u>3,454,541</u>	<u>3,264,734</u>
Equity			
Share capital		31,408	31,408
Reserves		3,423,133	3,233,326
		<u>3,454,541</u>	<u>3,264,734</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

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

The accounting policies and methods of computation used in the preparation of these annual financial statements are consistent with those used in 2015. There are no new or revised standards or interpretations that are effective for the first time for this year which are relevant to the Group's operations and have a material impact on the Group's annual financial statements.

Certain new and revised standards have been issued but are not yet effective for the year ended 31st March 2016 and have not been early adopted by the Group. The Group has already commenced an assessment of the related impact to the Group. The Group is not yet in a position to state whether they will have substantial changes to the Group's accounting policies and presentation of the consolidated financial statements.

2. Segment information

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

	Hotel operation HK\$'000	Hotel development HK\$'000	Travel operation HK\$'000	Financial investments HK\$'000	Others HK\$'000	Total HK\$'000
2016						
Gross income	404,049	-	247,895	596,310	2,773	1,251,027
Segment revenue	<u>404,049</u>	<u>-</u>	<u>80,784</u>	<u>189,383</u>	<u>2,773</u>	<u>676,989</u>
Contribution to segment results	158,311	(133)	342	189,058	1,095	348,673
Depreciation	(83,113)	-	(341)	-	(699)	(84,153)
Net investment gain	-	-	-	70,579	-	70,579
Share of losses of joint ventures	-	-	-	-	(140)	(140)
Segment results	<u>75,198</u>	<u>(133)</u>	<u>1</u>	<u>259,637</u>	<u>256</u>	<u>334,959</u>
Unallocated corporate expenses						(41,842)
Net finance costs						(33,237)
Profit before income tax						<u>259,880</u>
2015						
Gross income	460,334	-	266,416	446,035	2,233	1,175,018
Segment revenue	<u>460,334</u>	<u>-</u>	<u>75,533</u>	<u>161,533</u>	<u>2,233</u>	<u>699,633</u>
Contribution to segment results	212,267	(174)	955	160,205	4,389	377,642
Depreciation	(86,426)	-	(335)	-	(667)	(87,428)
Net investment loss	-	-	-	(104,763)	-	(104,763)
Segment results	<u>125,841</u>	<u>(174)</u>	<u>620</u>	<u>55,442</u>	<u>3,722</u>	<u>185,451</u>
Unallocated corporate expenses						(37,474)
Net finance costs						(10,241)
Profit before income tax						<u>137,736</u>

Notes:

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

2. Segment information (continued)

	Business segments						Unallocated HK\$'000	Total HK\$'000
	Hotel operation HK\$'000	Hotel development HK\$'000	Travel operation HK\$'000	Financial investments HK\$'000	Others HK\$'000			
2016								
Assets	2,301,844	879,001	24,694	2,000,416	225,301	356,519	5,787,775	
Assets include:								
Joint ventures	-	-	-	-	221,124	-	221,124	
Addition to non-current assets*	16,148	141,466	22	-	44,036	236	201,908	
Liabilities								
Borrowings	1,065,834	628,955	-	126,896	212,434	132,693	2,166,812	
Other unallocated liabilities							<u>166,422</u>	
							<u>2,333,234</u>	
2015								
Assets	2,364,326	735,100	25,302	1,817,560	27,385	189,058	5,158,731	
Addition to non-current assets*	12,862	86,704	234	-	637	89	100,526	
Liabilities								
Borrowings	1,136,844	488,955	-	123,312	-	-	1,749,111	
Other unallocated liabilities							<u>144,886</u>	
							<u>1,893,997</u>	

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

2. Segment information (continued)

	2016 HK\$'000	2015 HK\$'000
Revenue		
Hong Kong	406,593	454,958
Overseas	270,396	244,675
	<u>676,989</u>	<u>699,633</u>
Non-current assets*		
Hong Kong	2,994,294	2,910,970
Overseas	358,575	153,247
	<u>3,352,869</u>	<u>3,064,217</u>

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

3. Net investment gain/(loss)

	2016 HK\$'000	2015 HK\$'000
Financial assets at fair value through profit or loss		
– net realised gain/(loss) (note)	32,007	(18,606)
– net unrealised gain/(loss) from market price movements	39,948	(32,054)
– net unrealised exchange loss	(1,376)	(54,103)
	<u>70,579</u>	<u>(104,763)</u>

Note:

Net realised gain/(loss) on financial assets at fair value through profit or loss		
Gross consideration	406,927	284,502
Cost of investments	(371,332)	(282,221)
Total gain	35,595	2,281
Less: net unrealised gain recognised in prior years	(3,588)	(20,887)
Net realised gain/(loss) recognised in current year	<u>32,007</u>	<u>(18,606)</u>

4. Income and expenses by nature

	2016 HK\$'000	2015 HK\$'000
Income		
Interest income		
Listed investments	173,594	148,662
Loan receivables	1,875	1,750
Bank deposits	67	224
Dividend income		
Listed investments	<u>12,305</u>	<u>11,458</u>
Expenses		
Cost of goods sold	76,741	71,480
Operating lease rental expense for land and buildings	<u>2,862</u>	<u>2,592</u>

5. Net finance costs

	2016 HK\$'000	2015 HK\$'000
Interest expense		
Long term bank loans	(31,824)	(32,664)
Short term bank loans and overdrafts	(4,227)	(1,091)
Interest capitalised to hotel properties under development	<u>15,774</u>	<u>14,677</u>
	(20,277)	(19,078)
Other incidental borrowing costs	(4,515)	(3,789)
Net foreign exchange (loss)/gain on borrowings	<u>(8,445)</u>	<u>12,626</u>
	<u>(33,237)</u>	<u>(10,241)</u>

6. Income tax expense

	2016 HK\$'000	2015 HK\$'000
Current income tax expense		
Hong Kong profits tax	(11,161)	(20,302)
Over/(under) provision in prior years	<u>4,805</u>	<u>(154)</u>
	(6,356)	(20,456)
Deferred income tax (expense)/credit	<u>(2,912)</u>	<u>2,781</u>
	<u>(9,268)</u>	<u>(17,675)</u>

Hong Kong profits tax is provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the year. No provision for overseas taxation has been made as there are no assessable profits for the year (2015: Nil).

7. Dividends

	2016 HK\$'000	2015 HK\$'000
Interim, nil (2015: Nil)	-	-
Final, proposed, of HK1.25 cents (2015: HK1 cent) per share	<u>19,630</u>	<u>15,704</u>
	<u>19,630</u>	<u>15,704</u>

At a meeting held on 24th June 2016, the Board of Directors has proposed to pay a final dividend for the year ended 31st March 2016 of HK1.25 cents (2015: HK1 cent) per share. The proposed dividend is not reflected in the financial statements, but will be reflected as an appropriation of revenue reserve in the year ending 31st March 2017.

The amount of HK\$19,630,000 is based on 1,570,386,829 issued shares as at 24th June 2016.

8. Earnings per share

The calculation of basic earnings per share is based on the profit for the year attributable to shareholders of the Company of HK\$250,612,000 (2015: HK\$120,061,000) and divided by the weighted average number of 1,570,386,829 (2015: 1,559,636,149) shares in issue during the year.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares arising from exercise of all outstanding dilutive share options granted under the Company's share option scheme. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

The calculation of diluted earnings per share for the year ended 31st March 2016 is based on the profit attributable to shareholders of HK\$250,612,000 and divided by 1,570,828,427 shares equaling to the weighted average number of 1,570,386,829 shares in issue during the year with an increase of 441,598 potential shares deemed to be in issue assuming the Company's all the outstanding dilutive share options had been exercised.

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

9. Trade and other receivables

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

Trade receivables of the Group amounted to HK\$23,913,000 (2015: HK\$33,006,000). 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:

	2016 HK\$'000	2015 HK\$'000
0 month to 6 months	20,673	29,446
7 months to 12 months	-	614
More than 12 months	3,240	2,946
	23,913	33,006

10. Trade and other payables

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

Trade payables of the Group amounted to HK\$13,713,000 (2015: HK\$12,110,000).

Aging analysis of trade payables is as follows:

	2016 HK\$'000	2015 HK\$'000
0 day to 60 days	13,163	11,340
61 days to 120 days	141	495
More than 120 days	409	275
	13,713	12,110

The figures in respect of the Group's consolidated balance sheet, consolidated profit and loss account, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31st March 2016 as set out in this preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

The Group's revenue for the twelve months ended 31st March 2016 amounted to HK\$677 million, decreased by 3% when compared with the same period of last year. Profit attributable to shareholders increased by 109% to HK\$251 million, due mainly to a net gain on investments in financial assets as opposed to a net loss of last year.

BUSINESS REVIEW

Between April 2015 and March 2016, the cumulative arrivals to Hong Kong for all visitors and those who stayed overnight were 58 million and 26 million, respectively, the former had a 6% decrease and the latter a 5% decrease. Although Mainland China dominated the overnight visitor arrivals with a 66% of the total share, this market registered an 8% drop from the same period of last year. Factors that eroded Hong Kong's competitiveness as a tourist destination for mainland tourists include foreign currencies depreciation, relaxation of visa requirements and tax reimbursement measures by some foreign countries.

On the hotel supply front, there were a total supply of about 74,000 hotel rooms as of March 2016, an increase of about 1% over the preceding year.

All our hotels in Hong Kong have been operating at approximately 96% occupancy, although average room rate dropped by 16% from that of last year because of the aforesaid negative factors affecting Hong Kong tourism.

Our hotel in Canada operated at 71% occupancy and achieved an increase of 7% in room rate from last year.

Hotel Development Projects

The development progress of our two sites located adjacent to the Group's two existing hotels in Hong Kong is on schedule. For the site in Causeway Bay, the occupation permit was granted in November 2015. This new 94 rooms' hotel is scheduled for opening in the third quarter of 2016. For the site in Tsim Sha Tsui, the superstructure work has commenced in May 2015. The anticipated opening time for this new 90 rooms' hotel is in first quarter of 2017.

With a total gross floor area of approximate 65,000 sq.ft. or 184 hotel guest rooms upon completion of these two sites in 2016/2017, they will provide greater operational synergies to the Group.

Travel

Revenue for the travel operations during the twelve months ended 31st March 2016 amounted to HK\$81 million (2015: HK\$76 million).

Financial Investments

As at 31st March 2016, the Group's financial investment portfolio consisted entirely of listed securities amounted to HK\$1,962 million (2015: HK\$1,777 million). The increase largely arose from a further investment of HK\$168 million.

Approximately 76% of our investment portfolio comprised listed debt securities (of which approximately 95% were issued by PRC-based real estate companies), and approximately 24% comprised listed equity securities issued by major banks. They were denominated in Hong Kong dollars 8%, United States dollars 81%, Sterling 7% and Euro 4%.

During the period under review, a total of HK\$186 million (2015: HK\$160 million) in interest and dividend income were generated from the investment portfolio. The increase in interest and dividend income was mostly due to the increase in portfolio size of our debt securities investment. The investment portfolio also generated a net investment gain of HK\$71 million (2015: net investment loss of HK\$105 million), which comprised unrealised and realised gain of HK\$39 million and HK\$32 million, respectively (2015: mainly unrealised fair value loss of HK\$86 million). The unrealised gain was largely made up of mark to market valuation gain from debt securities issued by PRC-based real estate companies amid a series of favorable policies such as cuts in interest rates, monetary easing measures, and relaxed restrictions on foreign purchase. Such gain was partially offset by mark to market valuation loss on our equity securities, which comprised major banks, caused by the general downward trend of the global banking sector during the period.

As at 31st March 2016, no listed securities (2015: HK\$113 million listed securities at fair value) pledged as collateral for short term bank loans.

Joint Venture

In December 2015, the Group entered into an agreement to form a joint venture (“JV”) to purchase the land and building located in the vicinity of the hotel owned by the Group in Vancouver, Canada, which is within walking distance to the Central Business District and main retail arterials in Downtown Vancouver. The Group, which owns 40% interest in the JV, together with our partners intend to redevelop the land into a high-end residential development. The total consideration of the acquisition was CAD\$170 million (equivalent to approximately HK\$1,017 million). The acquisition was completed on 1st April 2016.

FINANCIAL REVIEW

The Group’s total assets per book amounted to HK\$5,788 million (2015: HK\$5,159 million). Based on independent valuation, the total revalued amount of our hotel properties in operation as at 31st March 2016 was HK\$9,658 million, decreased by 1% when compared with that as at 31st March 2015. The revalued total assets of the Group with hotel properties in operation at market value would be HK\$13,263 million (2015: HK\$12,709 million).

The shareholders’ funds per book amounted to HK\$3,455 million (2015: HK\$3,265 million), of which the increase was mainly due to profit for the year. Taking into account the market value of the hotel properties in operation, the revalued net asset value of the Group would be HK\$10,875 million (2015: HK\$10,782 million).

The consolidated net debt was HK\$1,850 million (2015: HK\$1,567 million). 97% of the gross bank borrowings or HK\$2,096 million was denominated in Hong Kong dollars, and the remaining 3% or to the equivalent of HK\$71 million were in foreign currencies incurred in operations and investment in financial assets overseas.

The maturity of our debts spread over a long period of up to 6 years. 2% of total borrowings were from revolving credit facilities secured by hotel properties. Term loan secured by hotel properties account for 98% with 10% repayable within 1 year, 6% repayable between 1-2 years, 78% repayable within 3-5 years and 4% after 5 years. At 31st March 2016, the Group had net current assets of HK\$1,901 million (2015: HK\$1,562 million).

The Group’s gearing ratio, expressed as a percentage of net debt over the revalued net asset value, was 17% (2015: 15%).

The aggregate net book value of hotel properties pledged as collateral for banking facilities of the Group as at 31st March 2016 amounted to HK\$2,961 million (2015: HK\$2,891 million).

HUMAN RESOURCES

As at 31st March 2016, the total number of full-time employees of the Company and its subsidiaries was 379 (2015: 386). In addition to salary payment, the Group provides other benefits including insurance, share options, medical scheme and retirement plans and others to its employees.

FUTURE PROSPECTS

In view of the strong US dollar and the decline in mainland visitors to Hong Kong, our average room rates are continually under pressure at least in the short term. We will continue to pursue different short, medium and long-term measures to cope with the changing circumstances, and will devote efforts, leveraging our financial position and operations in Hong Kong, to plan and exercise asset enhancement initiatives to bring long term growth in hotel room numbers and revenue to the Group.

DIVIDEND

The Board of Directors recommend a final dividend for the year ended 31st March 2016 of HK1.25 cents (2015: HK1 cent) per share. No interim dividend was declared during the year (2015: Nil). Total dividend for the year amounts to HK1.25 cents (2015: HK1 cent) per share.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, 6th September 2016 to Thursday, 8th September 2016 both days inclusive, for the purpose of determining the identity of members who are entitled to attend and vote at the Annual General Meeting. During which period no transfer of shares of the Company will be registered and no shares will be allotted and issued on the exercise of the subscription rights attached to the outstanding share options granted by the Company. In order to qualify for attending the Annual General Meeting, all transfers of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 5th September 2016.

The proposed final dividend is subject to the approval of the shareholders at the Annual General Meeting. The record date for entitlement to the proposed final dividend is 19th September 2016. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 15th September 2016 to Monday, 19th September 2016 both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the proposed final dividend, all transfers of shares of the Company, accompanied by the relevant share certificates and the appropriate transfer forms, must be lodged with the Company's Hong Kong Branch Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Wednesday, 14th September 2016. The final dividend will be paid on 24th October 2016.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The Company has made specific enquiry of all directors regarding any non-compliance with the Model Code during the year, and they all confirmed that they have fully complied with the required standard as set out in the Model Code throughout the year ended 31st March 2016.

CORPORATE GOVERNANCE CODE

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

- (1) Code Provision A.4.1 of the CG Code provides that non-executive directors should be appointed for a specific term, subject to re-election. All independent non-executive directors of the Company are not appointed for specific terms, but subject to retirement by rotations and re-elections at the annual general meeting of the Company in accordance with the Bye-Laws of the Company;
- (2) Code Provision A.5.1 of the CG Code provides that issuers should establish a nomination committee which is chaired by the chairman of the board or an independent non-executive director and comprises a majority of independent non-executive directors. The Company does not have a nomination committee. The Board as a whole is responsible for assessing the independence of Independent Non-executive Directors, reviewing the structure, diversity, size and composition of the Board, the appointment of new Directors and the nomination of Directors for re-election by shareholders at the general meeting of the Company. Under the Bye-Laws of the Company, the Board may at any time, and from time to time, appoint any person as a Director, either to fill a casual vacancy, or as an addition to the Board. Any Director so appointed shall hold office until the next following annual general meeting but shall then be eligible for re-election at the meeting;
- (3) Code Provision E.1.2 of the CG Code provides that the chairman of the board of the company should attend the annual general meetings. Mr. Poon Jing, the Chairman of the Board, was unable to attend the annual general meeting of the Company held on 2nd September 2015 due to his other engagements at the relevant time; and
- (4) Code Provision A.6.7 of the CG Code provides that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. Leung Wai Keung, an Independent Non-executive Director, was unable to attend the annual general meeting of the Company held on 2nd September 2015 due to his other engagements at the relevant time.

AUDIT COMMITTEE

The Audit Committee has reviewed the annual results of the Group for the year ended 31st March 2016.

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

Hong Kong, 24th June 2016

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