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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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

**If you have sold or transferred** all your shares in Asia Standard International Group Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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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,  
RE-ELECTION OF DIRECTORS,  
ADOPTION OF NEW SHARE OPTION SCHEME,  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

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A letter from the Board of Asia Standard International Group Limited (the “**Company**”) is set out on pages 6 to 15 of this circular.

A notice convening the Annual General Meeting of the Company to be held on Wednesday, 4 September 2024 at Empire Grand Room, 1st Floor, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong at 10:30 a.m. is set out on pages 37 to 43 of this circular. A form of proxy for use at the Annual General Meeting is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)).

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 Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, 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 Annual General Meeting or any adjournment thereof should you so desire, and in such event, the form of proxy shall be deemed to be revoked.

\* *For identification purposes only*

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## DEFINITIONS

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

“2023 Issue Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 25 August 2023 to allot, issue and deal with additional Shares not exceeding 20% of the issued share capital of the Company as at 25 August 2023;
“2023 Repurchase Mandate”	the general mandate granted to the Directors at the annual general meeting of the Company held on 25 August 2023 to repurchase Shares not exceeding 10% of the issued share capital of the Company as at 25 August 2023;
“Adoption Date”	the date on which the New Share Option Scheme is adopted by a resolution of the Shareholders at a general meeting of the Company and by a resolution of the AO shareholders at a general meeting of Asia Orient, whichever is later;
“Annual General Meeting”	the 2024 annual general meeting of the Company to be held on Wednesday, 4 September 2024 at Empire Grand Room, 1st Floor, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong at 10:30 a.m.;
“AO AGM”	the 2024 annual general meeting of Asia Orient to be held on Wednesday, 4 September 2024 at Empire Grand Room, 1st Floor, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong at 11:00 a.m.;
“AO Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of Asia Orient;
“AO Shareholder(s)”	holder(s) of the AO Shares from time to time;
“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 non-wholly-owned Subsidiary of the Company;
“AS Hotel AGM”	the 2024 annual general meeting of AS Hotel to be held on Wednesday, 4 September 2024 at Empire Grand Room, 1st Floor, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong at 10:00 a.m.;
“AS Hotel Directors”	the directors of AS Hotel;

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## DEFINITIONS

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“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 (excluding Treasury Shares, if any) as at the date of passing of the relevant ordinary 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 (excluding Treasury Shares, if any) 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)”	holder(s) of the AS Hotel Shares from time to time;
“Asia Orient”	Asia Orient Holdings Limited, an exempted company incorporated under the laws of Bermuda with limited liability whose AO Shares are listed on the Main Board of the Stock Exchange and the holding company of the Company;
“Auditors”	the auditors for the time being of the Company;
“Board”	the board of Directors;
“Bye-Laws”	the bye-laws of the Company, as amended from time to time;
“CCASS”	The Central Clearing and Settlements System established and operated by the Hong Kong Securities Clearing Company Limited;
“Close Associate(s)”	has the same meanings as defined in Rule 1.01 of the Listing Rules;
“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;
“Controlling Shareholder(s)”	has the same meanings as defined in Rule 1.01 of the Listing Rules;
“Core Connected Person(s)”	has the same meanings as defined in Rule 1.01 of the Listing Rules;
“Corporate Governance Code”	the corporate governance code as set out in Appendix C1 to the Listing Rules;

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## DEFINITIONS

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“Date of Grant”	the date (which must be a business day) on which the Board resolves to grant an Option to an Eligible Participant under the New Share Option Scheme;
“Director(s)”	the director(s) of the Company;
“Eligible Participants”	any persons who satisfy the eligibility criteria for participating in the New Share Option Scheme as set out in such scheme;
“Existing Share Option Scheme”	the existing share option scheme adopted by the Company on 29 August 2014;
“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;
“Grantee”	any Eligible Participant who accepts an Offer in accordance with the terms of the New Share Option Scheme or (where the context so permits) his Personal Representative(s);
“Group”	the Company and its Subsidiaries;
“HKSCC Nominees”	HKSCC Nominees Limited;
“HK\$”	Hong Kong dollars;
“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 (excluding Treasury Shares, if any) as at the date of passing of the relevant resolution approving such grant;
“Latest Practicable Date”	6 August 2024, 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 of Hong Kong Limited;
“Memorandum of Association”	the memorandum of association of the Company;
“New Share Option Scheme”	the new share option scheme of the Company proposed to be approved and adopted by the Shareholders at the Annual General Meeting, a summary of the principal terms of which is set out in Appendix III to this circular;

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## DEFINITIONS

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“Nomination Committee”	the nomination committee of the Company;
“Notice of Annual General Meeting”	the notice convening the Annual General Meeting as set out on pages 37 to 43 of this circular;
“Offer”	an offer for the grant of an Option made under the New Share Option Scheme;
“Option(s)”	share option(s) to subscribe for new Shares granted pursuant to the New Share Option Scheme;
“Option Period”	in respect of any particular Option, the period within which the Option must be exercised as determined and notified by the Board to the Grantee at the time of making an offer, which shall not commence less than twelve (12) months after the Date of Grant of that Option and shall not expire later than ten (10) years from the Date of Grant of that Option;
“Personal Representatives”	in respect of a Grantee, the person or persons who, in accordance with the laws of succession applicable in respect of the death of that Grantee, is or are entitled to exercise the Option granted to such Grantee (to the extent not already exercised);
“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 (excluding Treasury Shares, if any) as at the date of passing of the relevant ordinary resolution approving such grant, as described in the explanatory statement set out in Appendix I to this circular;
“Remuneration Committee”	the remuneration committee of the Company;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“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;
“Subscription Price”	the price per Share at which a Grantee may subscribe for Shares on the exercise of an Option;

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## DEFINITIONS

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“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. 622 of the Laws of Hong Kong) or the Companies Act 1981 of Bermuda (as amended)), whether incorporated in Hong Kong, Bermuda or elsewhere;
“Substantial Shareholder(s)”	has the same meanings as defined in Rule 1.01 of the Listing Rules;
“Supplementary Guidance”	together, (i) the supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005, (ii) the supplementary guidance on Listing Rule 17.03(13) and the note immediately after the rule, attached to the Frequently Asked Question No. 072-2020 in November 2020 (and updated in January 2023) and (iii) any other guidance and interpretation issued from time to time by the Stock Exchange relating to share option schemes;
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs;
“Termination Date”	the tenth anniversary of the Adoption Date;
“Treasury Shares”	has the meaning ascribed to it in the Listing Rules; and
“%”	per cent.

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LETTER FROM THE BOARD

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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)**

*Executive Directors:*

Mr. Fung Siu To, Clement (*Chairman*)  
Mr. Poon Jing (*Managing Director and Chief Executive*)  
Mr. Poon Hai  
Mr. Poon Yeung, Roderick  
Mr. Lun Pui Kan  
Mr. Kwan Po Lam, Phileas

*Registered Office:*

Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Independent non-executive Directors:*

Mr. Ip Chi Wai  
Mr. Leung Wai Keung, *JP*  
Mr. Wong Chi Keung

*Head office and principal place of  
business in Hong Kong:*

30th Floor, YF Life Tower  
33 Lockhart Road  
Wanchai  
Hong Kong

13 August 2024

*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,  
RE-ELECTION OF DIRECTORS,  
ADOPTION OF A NEW SHARE OPTION SCHEME  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**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;

\* For identification purposes only



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## LETTER FROM THE BOARD

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- (ii) the grant of the AS Hotel Issue Mandate to the AS Hotel Directors;
- (iii) the re-election of the retiring Directors; and
- (iv) the adoption of the New Share Option Scheme.

This circular will further give the 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 the Shareholders held on 25 August 2023, approval was given by the Shareholders for the granting of, *inter alia*, to the Directors (i) the 2023 Repurchase Mandate; and (ii) the 2023 Issue Mandate. In accordance with the terms of the approval, the 2023 Repurchase Mandate and the 2023 Issue Mandate will shortly expire on 4 September 2024 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 the 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 the Shareholders in connection with the proposed resolution on the Repurchase Mandate is set out in Appendix I to this circular. If the Company repurchase any Shares pursuant to the Repurchase Mandate, the Company will either (i) cancel the Shares repurchased and/or (ii) hold such Shares in treasury, subject to the Bye-Laws, market conditions and the Company's capital management needs at the relevant time any repurchases of Shares are made. Subject to the Bye-Laws, if the Company holds any Shares in treasury, any sale or transfer of Shares in treasury will be made pursuant to the terms of the share issuance mandate in Ordinary Resolution no. 4A as set out in the Notice of Annual General Meeting and in accordance with the Listing Rules and applicable laws and regulations of Bermuda.

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 1,319,782,288 Shares. Assuming there is no change in the issued share capital of the Company 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 263,956,457 and 131,978,228 Shares respectively, representing 20% and 10%, respectively, of the Company's issued share capital (excluding Treasury Shares, if any) as at the date of the Annual General Meeting. As at the Latest Practicable Date, the Company does not hold any Treasury Shares.

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## LETTER FROM THE BOARD

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The Issue Mandate is conditional upon (a) the passing of an ordinary resolution of the Shareholders at the Annual General Meeting approving the grant of the Issue Mandate; and (b) the passing of an ordinary resolution by the AO Shareholders at the AO AGM approving the grant of the Issue Mandate to the Directors.

The General Mandates if granted to the Directors will be valid for the period from the date of passing of the relevant resolutions up to the conclusion of the next annual general meeting in 2025, or the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable laws to be held, or the revocation or variation of the General Mandates by an ordinary resolution of the Shareholders 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 25 August 2023, 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 ordinary resolution approving such grant. Such general mandate will shortly expire on 4 September 2024 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 2,018,040,477 AS Hotel Shares. Assuming there is no change in the issued share capital of AS Hotel 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 403,608,095 AS Hotel Shares, representing 20% of the issued share capital of AS Hotel (excluding Treasury Shares, if any) 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; (b) the passing of an ordinary resolution of the Shareholders at the Annual General Meeting approving the grant of the AS Hotel Issue Mandate; and (c) the passing of an ordinary resolution of the AO Shareholders at the AO AGM 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 conclusion of the next annual general meeting of AS Hotel in 2025, 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.

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## LETTER FROM THE BOARD

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### 4. RE-ELECTION OF DIRECTORS

In accordance with Bye-Laws 104 and 105 of the Bye-Laws, one-third of the Directors (other than the Chairman and Managing Director) who shall retire from office by rotation at the Annual General Meeting are Messrs. Poon Yeung, Roderick and Leung Wai Keung. In compliance with the Corporate Governance Code, Mr. Fung Siu To, Clement shall be subject to retirement. Messrs. Poon Yeung, Roderick, Leung Wai Keung and Fung Siu To, Clement, being eligible, will 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.

Each proposed re-election of a Director will be assessed and/or considered by the Nomination Committee with reference to the Company's board diversity policy and corporate strategy, their contributions to the Board as well as the relevant requirements under the Listing Rules. The Nomination Committee will review the overall contribution and service to the Company, expertise and professional qualifications of the retiring Directors, who offer themselves for re-election at the Annual General Meeting, to determine whether such Directors continue to meet the criteria set out by the Board and to recommend re-election of such Directors to the Board.

Mr. Leung Wai Keung has served as an independent non-executive Director for more than nine years. In addition to his confirmation of independence pursuant to Rule 3.13 of the Listing Rules, Mr. Leung continues to demonstrate the attributes of an independent non-executive director and there is no evidence that his tenure has had any impact on his independence. Mr. Leung is not involved in the daily management of the Group nor in any relationships or circumstances which would interfere with the exercise of his independent judgment. The Nomination Committee (excluding Mr. Leung who has abstained from voting on the resolution in relation to his re-election as Director), after considering Mr. Leung's role in the Company and his independence confirmation, his background and experience, among others, being a Barrister-at-Law and a member of The Hong Kong Institute of Certified Public Accountants, The Hong Kong Chartered Governance Institute, The Association of Chartered Certified Accountants, The Chartered Governance Institute and The Chartered Institute of Arbitrators, as well as the Company's board diversity policy and corporate strategy, is of the view that Mr. Leung remains independent and has a wide range of legal, accounting, financial management and corporate governance experience and knowledge which are invaluable to the Board for its efficient and effective functioning and diversity, and therefore recommended re-election of Mr. Leung as Director. In view of the above, the Board (excluding Mr. Leung who has abstained from voting on the resolution in relation to his re-election as Director) is also of the view that Mr. Leung remains independent and believes that his professional knowledge and experience continue to generate significant contribution to the diversity of the Board, the Company and the Shareholders as a whole.

The Board (excluding Messrs. Poon Yeung, Roderick, Leung Wai Keung and Fung Siu To, Clement who have each abstained from voting on the relevant resolution in relation to his re-election as Director), after reviewing its composition, the qualifications, skill and experience, time commitment and contributions of the retiring Directors, proposes the re-election of each of Messrs. Poon Yeung, Roderick, Leung Wai Keung and Fung Siu To, Clement as Directors, and recommends each of Messrs. Poon Yeung, Roderick, Leung Wai Keung and Fung Siu To, Clement for re-election at the Annual General Meeting.

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## LETTER FROM THE BOARD

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Save for the information set out in Appendix II to this circular, there is no information to be disclosed pursuant to any of the requirements 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.

### 5. ADOPTION OF THE NEW SHARE OPTION SCHEME

#### (1) General

At the Annual General Meeting, an ordinary resolution will be proposed for the Company to approve the adoption of the New Share Option Scheme as the new share option scheme of the Company pursuant to which the Eligible Participants may be granted Options to subscribe for Shares and subject to the terms and conditions of the provisions of the New Share Option Scheme. If adopted, the New Share Option Scheme will continue in force until the Termination Date.

A summary of the principal terms of the New Share Option Scheme is set out in Appendix III to this circular. A copy of the New Share Option Scheme is available for inspection at the Company's head office at 30th Floor, YF Life Tower, 33 Lockhart Road, Wanchai, Hong Kong during normal business hours from the date of this circular up to and including 4 September 2024 and at the Annual General Meeting.

The Existing Share Option Scheme was adopted by the Company on 29 August 2014. Under the terms of the Existing Share Option Scheme, the Existing Share Option Scheme would remain in force for a period of ten (10) years from the date of its adoption and will expire on 28 August 2024. The Company had no other subsisting share option scheme as at the Latest Practicable Date. Pursuant to the Existing Share Option Scheme, options to subscribe for an aggregate of up to 10% of the issued share capital of the Company as at the adoption date of the Existing Share Option Scheme could be granted and accordingly under the Existing Share Option Scheme, options to subscribe for 7,000,000 Shares have been granted and remain outstanding and the exercisable period of such options to subscribe for such 7,000,000 Shares will expire latest by 10 December 2025.

The New Share Option Scheme is conditional upon (a) the passing of an ordinary resolution by the AO Shareholders at the AO AGM approving the adoption of the New Share Option Scheme; and (b) the passing of an ordinary resolution by the Shareholders at the Annual General Meeting approving the adoption of the New Share Option Scheme and authorising the Board to grant Options to subscribe for Shares thereunder and to allot and issue Shares pursuant to the exercise of any Options granted under the New Share Option Scheme. No Shareholders are required to abstain from voting in favour of the resolution to approve the New Share Option Scheme. The grant of Options under the New Share Option Scheme is conditional upon the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of subscription rights attaching to the Options to be granted under the New Share Option Scheme. The Company does not intend to use any Treasury Shares for the purposes of the New Share Option Scheme.

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## LETTER FROM THE BOARD

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### **(2) Purposes of the New Share Option Scheme**

The New Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions which the Eligible Participants have made or will make to the Group.

The New Share Option Scheme will provide the Eligible Participants with an opportunity to have a personal stake in the Company with a view to achieving the following objectives:

- (a) motivating the Eligible Participants to utilise their performance and efficiency for the benefit of the Group; and
- (b) attracting and retaining or otherwise maintaining an ongoing relationship with the Eligible Participants whose contributions are or will be beneficial to the long term growth of the Group.

In view of the above, the Board considers, and the Board agrees that the adoption of the New Share Option Scheme is in the best interests of the Company and the Shareholders as a whole. The Board therefore proposes to recommend to the Shareholders at the Annual General Meeting to approve the adoption of the New Share Option Scheme.

### **(3) How the terms of the New Share Option Scheme will serve the purpose of the New Share Option Scheme**

#### ***(a) Eligible Participants***

Eligible Participants include Directors and employees of the Company or its Subsidiaries, excluding the independent non-executive Directors.

In determining the basis of eligibility of each Eligible Participant, the Board would mainly take into account of the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group, and the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.

Assessing factors include: the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the individual contribution or potential contribution to the development and growth.

#### ***(b) Vesting Period***

The vesting period for Options under the New Share Option Scheme shall not be less than twelve (12) months.

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## LETTER FROM THE BOARD

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*(c) Performance targets and clawback mechanism*

Unless otherwise determined by the Directors and stated in the relevant Offer letter, there is no performance target which must be satisfied or achieved before the Options can be exercised.

If performance targets are imposed on a Grantee upon the grant of Options, the Board will have regard to the purpose of the New Share Option Scheme in assessing such performance targets with reference to factors including but not limited to, as and when appropriate, (a) business performance (e.g. revenue of the Group for the relevant financial year); (b) operating performance (e.g. operation efficiency in terms of cost control); (c) financial performance (e.g. net profit of the Group for the relevant financial year); (d) market value of the Company; (e) individual performance appraisal results for the relevant year (e.g. work capabilities, discipline and integrity); and/or (f) other targets to be determined in the sole discretion of the Board, the satisfaction of which shall be assessed and determined by the Board at its sole discretion.

In relation to the clawback mechanism of the New Share Option Scheme, all Options which have not yet been exercised in full shall lapse under certain circumstances specified in the New Share Option Scheme, such as the Grantee ceasing to be a director or employee of the Company or a Subsidiary (and therefore ceasing to be an Eligible Participant) on one or more of the following grounds: he has been guilty of persistent or serious misconduct, he appears either to be unable to pay or to have no reasonable prospect of being able to pay his debts, he has committed any act of bankruptcy or has become bankrupt or insolvent or has made any arrangement or composition with his creditors generally or he has been convicted or any criminal offence (other than an offence which in the opinion of the Board does not bring the Grantee or the Group into disrepute) and a material misstatement in the Company's financial statements. Unless otherwise imposed by the Board and stated in the relevant Offer letter, and save as disclosed above, there is no clawback mechanism under the New Share Option Scheme for the Company to recover or withhold any remuneration (which may include Options granted to any Grantee) to any Eligible Participant.

The Board believes that it is in the best interests of the Company to retain the flexibility to impose appropriate conditions in light of the particular circumstances of each grant, which would then be a more meaningful reward for the Eligible Participant's contribution or potential contribution. Further, by allowing the Company to grant Options under the New Share Option Scheme at a Subscription Price which will be determined on a fair basis according to market value of the Shares and to impose such clawback mechanism and/or require the Eligible Participant to achieve such performance targets as may be stipulated in the Offer letter on a case by case basis, the Company may be in a better position to retain such Eligible Participant to continue serving the Company whilst at the same time providing these Eligible Participants further incentive in achieving the goals of the Group, and therefore aligns with the purpose of the New Share Option Scheme.

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## LETTER FROM THE BOARD

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*(d) Basis of determination of the Subscription Price*

Eligible Participants to who Options may be granted are entitled to subscribe for the number of Shares at the Subscription Price as determined on the Date of Grant. The basis for determining the Subscription Price is also specified in the rules of the New Share Option Scheme. The Directors consider that such basis will serve to preserve the value of the Company and encourage the Eligible Participants to acquire proprietary interests in the Company.

**(4) Valuation of the Options**

The Directors believe that any calculation of the fair value of the Options as at the Latest Practicable Date before the Options are actually granted would not be meaningful and would be misleading to the Shareholders, because any valuation of the fair value of the Options would have to be based on the circumstances as at the Latest Practicable Date, but Options would not be granted until the New Share Option Scheme is approved, which will be after the Latest Practicable Date. Given also the fact that there are various factors relevant to each individual grant, such as the timing of grant, the Subscription Price, the vesting period (if any) and any other conditions that the Board may impose on the Options, such valuation figure cannot be relied upon as being an accurate measure of the fair value of all Options that may, in the future, be granted.

**(5) Maximum number of Shares available for subscription**

Subject to the adoption of the New Share Option Scheme by the Shareholders at the Annual General Meeting, the total number of Shares which may be issued upon the exercise of all Options to be granted under the New Share Option Scheme and options and/or awards granted under any other share schemes (including share option schemes, share award schemes and other share schemes) must not, in aggregate, exceed 10% of the total issued Shares as at the date of adoption of the New Share Option Scheme. Based on 1,319,782,288 Shares in issue as at the Latest Practicable Date and assuming that there is no change in the issued share capital of the Company before the Annual General Meeting, the maximum number of Shares to be issued upon the exercise of Options that may be granted under the New Share Option Scheme is 131,978,228 Shares (“**Scheme Mandate Limit**”). The Company may seek approval of the Shareholders in general meetings to refresh the Scheme Mandate Limit. Notwithstanding that the Scheme Mandate Limit may be refreshed, the Board shall not grant Options which would result in the maximum aggregate number of Shares which may be issued upon exercise of all Options granted and to be granted under the New Share Option Scheme and options and/or awards granted under any other share schemes (including share option schemes, share award schemes and other share schemes) exceeding, in aggregate, 10% of the Shares in issue as at the date of approval of the refreshed limit (excluding Treasury Shares, if any).

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## LETTER FROM THE BOARD

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### **(6) Application for listing**

Application will be made to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Shares which may fall to be issued pursuant to the exercise of the Options granted under the New Share Option Scheme.

### **(7) Compliance with the Listing Rules**

The provisions of the New Share Option Scheme will comply with the requirements of Chapter 17 of the Listing Rules. Information required under Rule 17.07 of the Listing Rules will be disclosed in the annual report and interim report of Asia Orient and the Company. Information required under Rule 17.09 of the Listing Rules will also be disclosed in the annual report of Asia Orient and the Company.

None of the Directors is a trustee of the New Share Option Scheme or has any direct or indirect interest in such trustee.

## **6. ANNUAL GENERAL MEETING**

The Notice of Annual General Meeting (as appearing on pages 37 to 43 of this circular) sets out the proposed resolutions for the approval of (a) the granting of the General Mandates to the Directors and adding the number of Shares repurchased by the Company to the Issue Mandate; (b) the granting of the AS Hotel Issue Mandate to the AS Hotel Directors and adding the number of AS Hotel Shares repurchased by AS Hotel to the AS Hotel Issue Mandate; (c) the re-election of Directors; and (d) the adoption of the New Share Option Scheme. For the avoidance of doubt, holders of Treasury Shares (if any) are prohibited by law or the Listing Rules from exercising their right to vote the Treasury Shares at the Company's general meeting(s).

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 Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, 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 or any adjournment thereof. Completion and deposit of the form of proxy will not preclude you from attending and voting at the Annual General Meeting or any adjournment thereof if you so wish, and in such event, the form of proxy shall be deemed to be revoked.



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## LETTER FROM THE BOARD

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### 7. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the Chairman of the Annual General Meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted upon by a show of hands. The Chairman of the Annual General Meeting will therefore demand a poll for every resolution put to the vote of the Annual General Meeting in accordance with Bye-Law 70 of the Bye-Laws. The results of the poll will be published after the conclusion of the Annual General Meeting on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and of the Company ([www.asiastandard.com](http://www.asiastandard.com)).

### 8. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in Appendix I (Explanatory Statement on the Repurchase Mandate); Appendix II (Biographical information of Directors to be re-elected at the Annual General Meeting); and Appendix III (Principal Terms of the New Share Option Scheme) to this circular.

### 9. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this document is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

### 10. RECOMMENDATION

The Directors believe that the proposed resolutions in respect of (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 re-election of the retiring Directors; and (iv) the adoption of the New Share Option Scheme 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 to be proposed at the Annual General Meeting.

Yours faithfully,

For and on behalf of

**ASIA STANDARD INTERNATIONAL GROUP LIMITED**

**Fung Siu To, Clement**

*Chairman*

*This appendix serves as the explanatory statement required to be sent to the 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 the 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 the 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 purpose in accordance with the provisions of the Memorandum of Association and the 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 2024) 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 or the gearing levels of the Company which in the opinion of the Directors are from time to time appropriate for the Company.

### **2. REASONS FOR REPURCHASE**

Repurchases of Shares will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole. 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 total number of Shares in issue was 1,319,782,288 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 1,319,782,288 Shares in issue at the date of the Annual General Meeting (assuming no change in the issued share capital of 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 131,978,228 Shares, being 10% of the total number of Shares (excluding Treasury Shares, if any), 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 applicable laws to be held or when revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company, whichever occurs first.

If the Company repurchase any Shares pursuant to the Repurchase Mandate, the Company may cancel any repurchased Shares or hold them as Treasury Shares, subject to the Bye-Laws, market conditions and the Group's capital management needs at the relevant time of the repurchases.

For any Treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC Nominees to vote at general meetings of the Company for the Treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the Treasury Shares from CCASS, and either re-register them in its own name as Treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in its own name as Treasury Shares.

#### 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 <i>HK\$</i>	Lowest <i>HK\$</i>
<b>2023</b>		
July	0.650	0.520
August	0.600	0.490
September	0.500	0.420
October	0.500	0.410
November	0.500	0.400
December	0.450	0.415
<b>2024</b>		
January	0.450	0.370
February	0.415	0.335
March	0.425	0.375
April	0.420	0.370
May	0.420	0.350
June	0.550	0.385
July	0.425	0.365
August (up to the Latest Practicable Date)	0.400	0.365

**5. UNDERTAKING****(a) Directors, their Close Associates and Core Connected Persons of the Company**

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 Close Associates, has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

No Core Connected Person of the Company has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

**(b) Undertaking of the Directors**

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases 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.

Neither this explanatory statement contained in Appendix I to this circular nor the proposed share repurchase has any unusual features.

**(c) Effect of Takeovers Code**

If as the result of a repurchase of Shares, 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. To the best of the knowledge of the Directors, having made all reasonable enquiries, as at the Latest Practicable Date, Asia Orient, together with its Subsidiaries held 683,556,392 Shares, representing approximately 51.79% of the issued share capital of the Company. Mr. Poon Jing (an executive Director and having a controlling interest in Asia Orient) is personally interested in 1,308,884 Shares, representing approximately 0.099% of the issued share capital of the Company. Assuming the full exercise of the power under the Repurchase Mandate (and if the present shareholdings remain the same and there is no other change in the issued share capital of the Company), the aggregate 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 57.66%. As such, an exercise of the Repurchase Mandate in full will not result in Asia Orient or Mr. Poon Jing becoming obliged to make a mandatory offer under Rule 26 of the Takeovers Code. The Company is not aware of any consequences which may arise under the Takeovers Code as a

result of any repurchase of Shares made under the Repurchase Mandate. In addition, as at the Latest Practicable Date, the Company complied with the minimum public float requirements under the Listing Rules. 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 the Shares had been made by the Company during the previous six months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

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

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Pursuant to the Listing Rules, the biographical and other details of the retiring Directors standing for re-election at the Annual General Meeting are set out below:

**POON YEUNG, RODERICK – EXECUTIVE DIRECTOR**

Aged 35, is an executive director of the Company, Asia Orient and AS Hotel. He is also a director of certain subsidiaries of the Company. Mr. Poon holds a Bachelor of Commerce degree with a major in Real Estate from the University of British Columbia. He is responsible for the project management, investment and business development of the Group. He is the son of Mr. Poon Jing and the brother of Mr. Poon Hai, the Managing Director and an executive Director of the Company respectively. He is also the nephew of Mr. Fung Siu To, Clement and Dr. Lim Yin Cheng, the Chairman of the Company and the Deputy Chairman of AS Hotel respectively. He joined the Group in 2012.

As at the Latest Practicable Date, Mr. Poon held options to subscribe for 3,500,000 Shares at the subscription price of HK\$1.38 per Share, options to subscribe for 3,500,000 AO Shares at the subscription price of HK\$1.42 per AO Share and options to subscribe for 14,400,000 AS Hotel Shares at the subscription price of HK\$0.343 per AS Hotel Share. Save as disclosed above, Mr. Poon did not have any interest in the Shares within the meaning of Part XV of SFO as at the Latest Practicable Date. There is no service contract between the Company and Mr. Poon. Mr. Poon 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. No director's fee is payable to Mr. Poon for his services as an executive Director but 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 2024, Mr. Poon received emolument in the total amount of HK\$18,541,438.

Save as disclosed above, as at the Latest Practicable Date, (a) Mr. Poon did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management, Substantial Shareholders or Controlling Shareholders of the Company; (c) there is no other information which is discloseable pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (d) there is no other matter that needs to be brought to the attention of the Shareholders.

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

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**LEUNG WAI KEUNG – INDEPENDENT NON-EXECUTIVE DIRECTOR**

Aged 61, is an independent non-executive director, a member of the audit committee, the remuneration committee and the nomination committee of the Company and Asia Orient. He is also an independent nonexecutive director and a member of the audit committee and the nomination committee of AS Hotel. He joined the Group in 2004.

Mr. Leung is currently a Barrister-at-Law and was appointed as a Justice of the Peace by the Hong Kong Government on 1 July 2018. He has about 10 years of experience in accounting and financial management in several firms and thereafter been practicing as a barrister since 1996. Mr. Leung is a member of The Hong Kong Institute of Certified Public Accountants, The Hong Kong Chartered Governance Institute (“**HKCGI**”), The Association of Chartered Certified Accountants, The Chartered Governance Institute and The Chartered Institute of Arbitrators (“**CI Arb**”). He was admitted to the High Court of Hong Kong as a barrister in 1994. He holds a Master degree in Accounting and Finance from University of Lancaster and obtained a Bachelor of Laws from Manchester Metropolitan University. He was the President of HKCGI in 2006 and the Chairman of the CI Arb (East Asia Branch) in 2015/16 and 2016/17. Mr. Leung sat on various statutory tribunals such as the Board of Review, the Guardianship Board and the Registration of Persons Tribunal. From 2012 to 2018, Mr. Leung held the position as the Chairman of the Appeal Board for the Hotel and Guesthouse Accommodation, the Clubs (Safety of Premises) and Bedspace Apartments. From 27 June 2019 to 26 June 2021, Mr. Leung held the position as a member of the Disciplinary Board Panel (Land Survey). Mr. Leung currently is the Chairman of the Appeal Tribunal (Buildings) and a member of the Torture Claims Appeal Board.

As at the Latest Practicable Date, Mr. Leung did not have any interest in the Shares within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Leung. Mr. Leung is not appointed for a specific term and is subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. He is entitled to a director’s fee, the amount of which is to be determined 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 2024, Mr. Leung received a director’s fee of HK\$550,000. It is proposed that upon re-election, the director’s fee of Mr. Leung would be HK\$550,000.

Save as disclosed above, as at the Latest Practicable Date, (a) Mr. Leung did not hold any directorships in other listed public companies in the past three years; (b) he does not have any relationship with any other directors, senior management, Substantial Shareholders or Controlling Shareholders of the Company; (c) there is no other information which is discloseable pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (d) there is no other matters that need to be brought to the attention of the Shareholders.

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

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**FUNG SIU TO, CLEMENT – EXECUTIVE DIRECTOR**

Aged 75, is the chairman, an executive director, the chairman of the nomination committee and a member of the remuneration committee of the Company. He is also the chairman, an executive director, the chairman of the nomination committee and a member of remuneration committee of Asia Orient, a substantial shareholder of the Company within the meaning of Part XV of the SFO, and an executive director of its listed subsidiary, AS Hotel. He is also a director of certain subsidiaries of the Company. Mr. Fung is a holder of a Bachelor of Applied Science (Civil Engineering) degree and is also a fellow member of the Hong Kong Institution of Engineers. He joined the Group in 1988 and has over 40 years of experience in project management and construction. He is the uncle of Mr. Poon Hai and Mr. Poon Yeung, Roderick, both of them are executive directors of the Company. He is also the brother-in-law of Mr. Poon Jing and Dr. Lim Yin Cheng, the Managing Director of the Company and the Deputy Chairman of AS Hotel respectively.

As at the Latest Practicable Date, Mr. Fung did not have any interest in the Shares within the meaning of Part XV of SFO. There is no service contract between the Company and Mr. Fung. Mr. Fung 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 Corporate Governance Code. No director's fee is payable to Mr. Fung for his services as executive Director but 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 2024, Mr. Fung received emolument in the total amount of HK\$3,014,816.

Save as disclosed above, as at the Latest Practicable Date, (a) Mr. Fung 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, Substantial Shareholders or Controlling Shareholders of the Company; (c) there is no other information which is discloseable pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and (d) there is no other matters that need to be brought to the attention of the Shareholders.



**NEW SHARE OPTION SCHEME**

The following is a summary of the principal terms of the New Share Option Scheme proposed to be approved at the Annual General Meeting.

**1 CONDITIONS**

- 1.1 The New Share Option Scheme is conditional upon the passing of an ordinary resolution by the Shareholders resolving to approve and adopt the New Share Option Scheme at a general meeting of the Company and to authorise the Board to grant Options under the New Share Option Scheme and to allot and issue Shares pursuant to the exercise of any Options.
- 1.2 The grant of Options under the New Share Option Scheme is conditional upon the Listing Committee (as defined in the Listing Rules) of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares which may fall to be issued upon the exercise of subscription rights attaching to the Options to be granted under the New Share Option Scheme.

**2 PURPOSE**

- 2.1 The New Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions which the Eligible Participants have made or will make to the Group.
- 2.2 The New Share Option Scheme will provide the Eligible Participants with an opportunity to have a personal stake in the Company with a view to achieving the following objectives:
  - 2.2.1 motivating the Eligible Participants to utilise their performance and efficiency for the benefit of the Group; and
  - 2.2.2 attracting and retaining or otherwise maintaining an ongoing relationship with the Eligible Participants whose contributions are or will be beneficial to the long term growth of the Group.

**3 COMMENCEMENT, DURATION AND ADMINISTRATION**

- 3.1 Subject to the satisfaction of all the conditions in paragraph 1, the New Share Option Scheme shall be deemed to commence on the Adoption Date and shall continue in force until the Termination Date, subject to paragraph 15.

**4 ELIGIBLE PARTICIPANTS**

- 4.1 The Eligible Participants include Directors and employees of the Company or its Subsidiaries, excluding the independent non-executive Directors.
- 4.2 In determining the basis of eligibility of each Eligible Participant, the Board would mainly take into account of the experience of the Eligible Participant on the Group's businesses, the length of service of the Eligible Participant with the Group, and the amount of support, assistance, guidance, advice, efforts and contributions the Eligible Participant has exerted and given towards the success of the Group and/or the amount of potential support, assistance, guidance, advice, efforts and contributions the Eligible Participant is likely to be able to give or make towards the success of the Group in the future.
- 4.3 Assessing factors include: the individual performance, time commitment, responsibilities or employment conditions according to the prevailing market practice and industry standard, the length of engagement with the Group and the individual contribution or potential contribution to the development and growth.

**5 MAXIMUM NUMBER OF SHARES AVAILABLE FOR SUBSCRIPTION**

- 5.1 The overall limit on the number of Shares which may be issued upon exercise of all outstanding Options granted under the New Share Option Scheme and options and/or awards granted under any other share schemes (including share option schemes, share award schemes and other share schemes) for the time being of the Company shall not, in aggregate, exceed 131,978,228, representing 10% of the Shares in issue (excluding Treasury Shares, if any) as at the Adoption Date. Options lapsed in accordance with the terms of the New Share Option Scheme will not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.
- 5.2 Notwithstanding paragraph 5.1, the Company may grant Options beyond the Scheme Mandate Limit to Eligible Participants if:
- 5.2.1 separate Shareholders' approval has been obtained for granting Options beyond the Scheme Mandate Limit to Eligible Participants specifically identified by the Company before such Shareholders' approval is sought; and
- 5.2.2 the Company, in connection with the seeking of such separate Shareholders' approval, has first sent a circular to Shareholders containing such information in relation to any such proposed grant to such Eligible Participants as may be required by the Listing Rules then prevailing to be included in such circular.

- 5.3 The Scheme Mandate Limit may, with the prior approval of the Shareholders at a general meeting, be refreshed at any time after three (3) years from the date of Shareholders' approval for the last refreshment (or the Adoption Date) but in any event, the total number of Shares which may be issued upon exercise of all Options granted and to be granted under the New Share Option Scheme and options and awards granted under any other share scheme of the Company (including share option schemes, share award schemes and any other share schemes) must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit (excluding Treasury Shares, if any). Options lapsed in accordance with the terms of the New Share Option Scheme will not be regarded as utilised for the purpose of calculating the refreshed Scheme Mandate Limit.
- 5.4 Notwithstanding paragraph 5.3, a refreshment of the Scheme Mandate Limit may be approved by the Shareholders within three (3) years after the date of Shareholders' approval for the last refreshment (or the Adoption Date) if:
- 5.4.1 any controlling shareholders (as such term is defined in the Listing Rules) of the Company and their Associates abstain from voting; and
- 5.4.2 in compliance with Listing Rules 13.39(6), 13.39(7), 13.30, 13.41 and 13.42, the Company establishes an independent board committee, and appoint an independent financial adviser,
- provided that the requirements of paragraphs 5.4.1 and 5.4.2 shall not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis in accordance with Listing Rule 13.36(2)(a) such that the unused part of the Scheme Mandate Limit as a percentage of the issued share capital of the Company is the same as that immediately before such issue of securities, rounded to the nearest whole share.
- 5.5 No Option may be granted to any Eligible Participant which, if exercised in full, would result in the total number of Shares issued and to be issued upon exercise of all Options already granted or to be granted to such Eligible Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of such new grant exceeding 1% of the Shares in issue as at the date of such new grant. Any grant of further Options above this limit shall be subject to the following requirements:
- 5.5.1 approval of the Shareholders at a general meeting, with such Eligible Participant and his Close Associates (or his Associates if such Eligible Participant is a Connected Person) abstaining from voting;
- 5.5.2 a circular in relation to the proposal for such further grant having been sent by the Company to its Shareholders with such information from time to time required by the Listing Rules;

- 5.5.3 the number and terms of the Options to be granted to such proposed Grantee shall be fixed before the approval of the Shareholders as mentioned in paragraph 5.5.1 and
- 5.5.4 for the purpose of calculating the Subscription Price for the Shares in respect of the further Options proposed to be granted, the date of the Board meeting for proposing such grant of further Options shall be taken as the Date of Grant for the purposes of paragraph 7.
- 5.6 The maximum number of Shares referred to in paragraph 5 shall be adjusted, in such manner as the Auditors or an independent financial adviser appointed by the Company shall certify as fair and reasonable in accordance with paragraph 10.

## 6 GRANT OF OPTIONS

- 6.1 Subject to paragraph 6.2, the Board shall, in accordance with the provisions of the New Share Option Scheme, be entitled but shall not be bound to, at any time within ten (10) years after the Adoption Date, make an Offer to such Eligible Participants as it may in its absolute discretion select. The Offer shall specify the terms on which the Option is to be granted.
- 6.2 No Offer shall be made to, nor shall any Offer be capable of acceptance by, any Eligible Participant at a time when the Eligible Participant would or might be prohibited from dealing in the Shares by the Listing Rules, the Company's own code for securities transactions by Directors or by any other applicable rules, regulations or law. In particular, no Offer shall be made by the Board in the following circumstances:
- 6.2.1 after inside information has come to the knowledge of the Company until the Company has announced such inside information; and
- 6.2.2 during the period commencing one (1) month immediately before the earlier of:
- (a) the date of the Board meeting (or such date as is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules); and
  - (b) the deadline for the Company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules);

and ending on the date of the results announcement. The period during which no Option may be granted will cover any period of delay in the publication of the results announcement.

- 6.3 Any grant of Options to a Director, chief executive or Substantial Shareholder or any of their respective Associates under the New Share Option Scheme must be subject to the prior approval of the independent non-executive Directors.
- 6.4 Where any grant of Options to a Substantial Shareholder or any of their respective Associates would result in the Shares issued and to be issued in respect of all Options granted and to be granted (including Options exercised, cancelled and outstanding) to such person in the twelve (12) month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue (excluding Treasury Shares, if any), such further grant of Options then such further grant must be subject to the approval by Shareholders at a general meeting. The Grantee, his Associates and all Core Connected Persons of the Company must abstain from voting in favour of such resolution in such general meeting. The Company shall issue a circular to the Shareholders containing such information from time to time required by the Stock Exchange, including a recommendation from the independent non-executive Directors on whether or not to vote in favour of the proposed grant.
- 6.5 An Offer letter shall state the following:
- 6.5.1 the name, address and position of the Eligible Participant;
  - 6.5.2 the number of Shares in respect of which the Offer is made and the Subscription Price for such Shares;
  - 6.5.3 the Option Period in respect of which the Offer is made or, as the case may be, the Option Period in respect of separate parcels of Shares comprised in the Offer;
  - 6.5.4 the last date by which the Offer must be accepted;
  - 6.5.5 the procedures for acceptance;
  - 6.5.6 the performance targets (if any) that must be reached before the Options in respect of which the Offer is made can be exercised;
  - 6.5.7 the terms of any clawback (if any) applicable to the Options;
  - 6.5.8 such other terms and conditions of the Offer as may be imposed by the Board as are consistent with the New Share Option Scheme; and
  - 6.5.9 a statement requiring the Eligible Participant to undertake to hold the Option on the terms on which it is to be granted and to be bound by the provisions of the New Share Option Scheme.

- 6.6 If performance targets are imposed on a Grantee upon the grant of Options, the Board will have regard to the purpose of the New Share Option Scheme in assessing such performance targets with reference to factors including but not limited to, as and when appropriate, (a) business performance (e.g. revenue of the Group for the relevant financial year); (b) operating performance (e.g. operation efficiency in terms of cost control); (c) financial performance (e.g. net profit of the Group for the relevant financial year); (d) market value of the Company; (e) individual performance appraisal results for the relevant year (e.g. work capabilities, discipline and integrity); and/or (f) other targets to be determined in the sole discretion of the Board, the satisfaction of which shall be assessed and determined by the Board at its sole discretion.
- 6.7 An Offer shall be deemed to have been accepted by an Eligible Participant for all the Options which are offered to such Eligible Participant (save in the case of paragraph 6.8 when acceptance of a lesser number of Options is clearly stated in the duplicate letter comprising acceptance of the Offer) when the duplicate letter comprising acceptance of the Offer duly signed by the Eligible Participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the secretary of the Company at the principal place of business of the Company in Hong Kong within twenty-one (21) days from the Offer date (or such longer or shorter period as the Board may specify in Offer letter). Such remittance shall in no circumstances be refundable.
- 6.8 Any Offer may be accepted by an Eligible Participant for less than the number of Options are offered provided that the number of Options for which it is accepted would correspond to a number of Shares constituting a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the Offer duly signed by such Eligible Participant.
- 6.9 Upon an Offer being accepted by an Eligible Participant in whole or in part in accordance with paragraphs 6.7 or 6.8, Options for which the Offer was so accepted will be deemed to have been granted by the Company to such Eligible Participant on the Date of Grant. To the extent that the Offer is not accepted in the manner indicated in paragraphs 6.7 or 6.8, it will be deemed to have been irrevocably declined and the Options in respect of which the Offer is not accepted shall be regarded as never having been granted and accordingly such Options would neither be considered as lapsed nor cancelled. If the Eligible Participant ceases to be eligible before the Offer is accepted, the Offer shall lapse and cease to be capable of acceptance.
- 6.10 No Offer shall be made which is capable of or open for acceptance such that an Option will be granted after the Termination Date.

**7 SUBSCRIPTION PRICE**

Subject to adjustments made in a situation contemplated under paragraph 10, the Subscription Price in respect of any Option shall be at the discretion of the Board, provided that it shall not be less than the highest of:

- (a) the closing price of a Share as shown in the daily quotations sheet of the Stock Exchange on the Date of Grant (which must be a business day) in respect of such Option;
- (b) the average of the closing prices of the Shares as shown in the daily quotations sheet of the Stock Exchange for the five (5) business days immediately preceding the relevant Date of Grant in respect of such Option; and
- (c) the nominal value of a Share on the Date of Grant.

**8 EXERCISE OF OPTIONS**

- 8.1 An Option shall be personal to the Grantee and shall not be assignable or transferable and no Grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest whatsoever in favour of any third party over or in relation to any Option or enter into any agreement so to do. Any breach of the foregoing by a Grantee shall entitle the Company to cancel any Option or part thereof granted to such Grantee without compensation to the extent not already exercised without incurring any liability on the part of the Company in accordance with paragraph 9.1.5.
- 8.2 An Option may be exercised in accordance with the terms of the New Share Option Scheme at any time during an Option Period to be notified by the Board to each Grantee (subject to paragraph 8.7, subject to the attainment of any performance targets which the Offer states must be satisfied or achieved before the Options can be exercised and subject to the absence of any event which may trigger clawback of such Options, in each case, as stated in the Offer letter). The Option Period will be determined by the Board in its absolute discretion, provided that the Option Period must commence no earlier than twelve (12) months after the Date of Grant and that no Option may be exercised later than ten (10) years from the Date of Grant. Any Option not exercised within the Option Period shall lapse and determine.
- 8.3 The minimum period for which an Option must be held before such an Option can be exercised shall be twelve (12) months under the terms of the New Share Option Scheme.

- 8.4 An Option shall be exercisable in whole or in part by a Grantee giving notice in writing (in a form prescribed by the Board) to the secretary of the Company at the principal place of business of the Company in Hong Kong stating that the Option is thereby exercised and the number of Shares in respect of which it is so exercised (which, except where the number of Shares in respect of which the Option remains unexercised is less than one board lot or where the Option is exercised in full, must be for a board lot for dealings in Shares on the Stock Exchange or an integral multiple thereof). Each such notice must be accompanied by a remittance for the full amount of the Subscription Price for Shares in respect of which the notice is given. Within twenty-one (21) days after receipt of the notice (and, where appropriate, receipt of the certificate of the Auditors or the independent financial adviser to the Company pursuant to paragraph 10) and subject to the Company obtaining value for the payment of the Subscription Price in full, the Company shall accordingly allot the relevant number of Shares to the Grantee (or, in the event of an exercise of Option by a Personal Representative pursuant to paragraph 8.5.1, to the estate of the Grantee) fully paid and issue to the Grantee (or his estate in the event of an exercise by his Personal Representative as aforesaid) a share certificate or certificates in respect thereof.
- 8.5 Subject as hereinafter provided and/or any restrictions applicable under the Listing Rules, an Option which have vested may (and may only) be exercised by the Grantee at any time or times during the Option Period provided that:
- 8.5.1 in the event of the Grantee ceasing to be an Eligible Participant by reason of his death before exercising his Option in full and none of the events for termination of employment or engagement under paragraph 9.1.3 then exists with respect to such Grantee, his Personal Representative(s) may exercise such Option (to the extent not already exercised) in whole or in part in accordance with the provisions of paragraph 8.6 within a period of six (6) months (or such other period as the Board may determine) from the date of his death and any Option not so exercised shall lapse and determine at the expiry of such period;
- 8.5.2 in the event of the employing company of a Grantee ceasing to be a Subsidiary or in the event of the Grantee ceasing to be a director or employee of the Company or a Subsidiary by reason of his resignation, whether or not in accordance with the provisions of his contract of employment, then the Grantee may exercise his option in whole or in part at any time within a period of three (3) months (or such other period as the Board may determine) commencing on the date of the cessation and any Options not so exercised shall lapse and determine at the end of such period;
- 8.5.3 in the event of the Grantee ceasing to be a director or employee of the Company or a Subsidiary (and therefore ceasing to be an Eligible Participant) on one or more of the grounds specified in paragraph 9.1.3 before exercising his Option in full, such Option (to the extent not already exercised) shall lapse on the date of cessation and not be exercisable. The Board may within one (1) month from the date of such cessation otherwise determine that such Option shall become exercisable within such period as the Board may determine following the date of such cessation;



- 8.5.4 in the event of the Grantee ceasing to be an Eligible Participant as and when determined by the Board by resolution for any reason other than as described in this paragraph 8, then all his Options shall lapse and determine on the date he so ceases (to the extent not already exercised);
- 8.5.5 if, in consequence of any general offer made to all the Shareholders (or all such Shareholders other than the offeror, any person controlled by the offeror and any person acting in concert with the offeror) (including an offer made in the first instance on a condition such that, if it is satisfied, the offeror will have control of the Company) or otherwise, and such offer becomes or is declared unconditional prior to the expiry date of the relevant Option, then the Board shall as soon as practicable thereafter notify every Grantee accordingly and each Grantee (or his Personal Representative) shall be entitled at any time within the period of twenty-one (21) days after such offer becomes or is declared unconditional, to exercise all or any of his outstanding Option (to the extent that such Options have been vested and have not lapsed or been cancelled), and such Option shall, to the extent not having been exercised, lapse and determine without compensation upon the expiry of such period;
- 8.5.6 in the event a notice is given by the Company to the Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution for the voluntary winding up of the Company, the Company shall as soon as possible give notice thereof to every Grantee and the Grantee (or his Personal Representative) shall be entitled by notice in writing to the Company (such notice to be received by the Company not later than four (4) business days prior to the proposed general meeting) to exercise all or any of his Option (to the extent that such Options have been vested and have not lapsed or been cancelled);
- 8.5.7 in the event of a compromise or arrangement between the Company and its members or creditors is proposed for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies, the Company shall give notice thereof to every Grantee on the same day as it despatches to each Shareholder or creditor of the Company a notice summoning the meeting to consider such a compromise or arrangement, and thereupon each Grantee (or his Personal Representative) shall be entitled by notice in writing to the Company accompanied by the remittance for the Subscription Price in respect of his Option (such notice to be received by the Company not later than two (2) business days prior to the proposed meeting) to exercise all or any of his Option (to the extent that such Options have been vested and have not lapsed or been cancelled). With effect from the date of such meeting, the rights of all Grantees to exercise their respective Options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all Options shall, to the extent not having been exercised, thereupon lapse and determine without compensation.

- 8.6 The Shares to be allotted upon the exercise of an Option will be subject to all the provisions of the Bye-Laws and will rank *pari passu* in all respects with the existing fully paid Shares in issue on the date on which the Option is duly exercised or, if that date falls on a day when the register of members of the Company is closed, the first day of the re-opening of the register of members of the Company and accordingly will entitle the holders thereof to participate in all dividends or other distributions (including distributions made upon the liquidation of the Company) paid or made on or after that date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before that date. A Share allotted and issued upon the exercise of an Option shall not carry voting rights until the name of the Grantee has been duly entered onto the register of members of the Company as the holder thereof.
- 8.7 A Grantee shall not be entitled to exercise any Option until any restriction or condition imposed by the applicable laws and regulations in relation to the subscription for, holding of, dealing in, shares by such Grantee have been abolished, removed or ceased to be applicable to the Grantee or the Grantee has obtained approval, exemption or waiver from the relevant regulatory authorities, or complied with applicable laws, regulations and notices, for the subscription for, holding of or dealing in the Shares.

## **9 EARLY TERMINATION OF OPTION PERIOD**

- 9.1 The Option Period in respect of any Option shall automatically terminate and that Option (to the extent not already exercised) shall lapse on the earliest of:
- 9.1.1 the expiry of the Option Period (subject to the provisions of the New Share Option Scheme);
  - 9.1.2 any expiry date or the expiry of any period (as the case may be) referred to in paragraphs 8.5.1 to 8.5.7;
  - 9.1.3 the date on which the Grantee ceases to be an Eligible Participant by reason of a termination of his employment with the Company or a Subsidiary on the grounds that:
    - 1. he has been guilty of persistent or serious misconduct;
    - 2. he appears either to be unable to pay or to have no reasonable prospect of being able to pay debts;
    - 3. he has committed any act of bankruptcy or has become bankrupt or insolvent or has made any arrangement or composition with his creditors generally; or
    - 4. he has been convicted of any criminal offence (other than an offence which in the opinion of the Board does not bring the Grantee or the Group into disrepute);

- 9.1.4 the date of commencement of the winding up of the Company;
- 9.1.5 the date on which the Grantee commits a breach of paragraph 8.1;
- 9.1.6 the date on which any of the following events, unless otherwise waived by the Board, happen:
- (a) a bankruptcy order has been made against the Grantee in any jurisdiction; or
  - (b) a petition for bankruptcy has been presented against the Grantee in any jurisdiction;
- 9.1.7 the date on which the Grantee commits a breach of any terms and conditions of the New Share Option Scheme or the grant of his Option, if the Board shall exercise the Company's right to cancel the Option without compensation;
- 9.1.8 the date on which the Board considers that the Grantee fails to meet the continuing eligibility criteria as provided in the New Share Option Scheme, if the Board shall exercise the Company's right to cancel the Option without compensation.
- 9.2 If any of the events set out in paragraph 9.1.6 happen or the Grantee commits a breach of any terms and conditions of the New Share Option Scheme or the grant of his Option, the Board shall have the right to cancel his Option without compensation.
- 9.3 If an Option lapses as contemplated hereunder, the Grantee shall not be entitled to any compensation from the Company.

## **10 REORGANISATION OF CAPITAL STRUCTURE**

- 10.1 In the event of any alteration in the capital structure of the Company (other than an issue of Shares as consideration in respect of a transaction to which the Company is a party) whilst any Option remains exercisable or the New Share Option Scheme remains in effect as a result of any capitalisation of profits or reserves, bonus issue, rights issue, open offer, consolidation or sub-division of Shares or reduction of share capital of the Company in accordance with legal requirements and requirements of the Stock Exchange, then, in any such case the number or nominal amount of Shares to which the New Share Option Scheme or any Option(s) relates (insofar as it is/they are unexercised) and/or the Subscription Price thereunder and/or the relevant maximum limits determined under paragraph 5 may be adjusted in such manner as the Board may deem appropriate provided always that:
- 10.1.1 any such adjustment shall be made to give a Grantee the same proportion of the equity capital of the Company as that to which that Grantee was previously entitled (as interpreted in accordance with the Supplementary Guidance);

- 10.1.2 if the Company conducts a share consolidation or subdivision, the maximum number of Shares that may be issued in respect of all Options granted under the New Share Option Scheme and options and awards granted under any other share scheme of the Company (including share option schemes, share award schemes and other share schemes) as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same, rounded to the nearest whole Share;
- 10.1.3 any such adjustment shall be made on the basis that the aggregate Subscription Price payable by a Grantee on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event;
- 10.1.4 no such adjustment shall be made the effect of which would be to enable a Share to be issued at less than its nominal value; and
- 10.1.5 any adjustments as a result of a rights issue, open offer or capitalisation issue, shall be made in accordance with the acceptable adjustments set forth in the Supplementary Guidance and such other guidelines or supplementary guidance as may be issued by the Stock Exchange from time to time.
- 10.2 If any adjustments occur pursuant to paragraph 10.1 above (save where an adjustment arises by way of a capitalisation issue) the Board shall instruct the Auditors or an independent financial adviser to certify in writing that in their fair and reasonable opinion the adjustments proposed complies with Rule 17.03(13) of the Listing Rules (as amended from time to time) and the note thereto and the Supplementary Guidance.
- 10.3 If there has been any alteration in the capital structure of the Company as referred to in paragraph 10.1, the Company shall, upon receipt of a notice from a Grantee in accordance with paragraph 8.4, inform the Grantee of such alteration and shall either inform the Grantee of the adjustment to be made in accordance with the certificate of the Auditors or the independent financial adviser obtained by the Company for such purpose or, if no such certificate has yet been obtained, inform the Grantee of such fact and instruct the Auditors or the independent financial adviser as soon as practicable thereafter to issue a certificate in that regard in accordance with paragraph 10.2.
- 10.4 In giving any certificate under this paragraph 10, the Auditors or the independent financial adviser shall be deemed to be acting as experts and not as arbitrators and their certificate shall, in the absence of manifest error, be final, conclusive and binding on the Company and all persons who may be affected thereby.

## **11 CANCELLATION OF OPTIONS**

- 11.1 Any Options granted but not exercised may not be cancelled except with the prior sanction of the Board or by an ordinary resolution of the Shareholders. Any Options granted but subsequently renounced by the Grantee may be cancelled by the Board.

- 11.2 Cancelled Options may be re-issued after such cancellation has been approved, provided that re-issued Options shall only be granted in compliance with the terms of the New Share Option Scheme.
- 11.3 If an Option is cancelled under paragraph 11.1, the Grantee shall not be entitled to any compensation from the Company.
- 11.4 Where the Company cancels Options and issue new Options to the same Grantee, the issue of such new Options may only be made with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit and/or the refreshed limit(s) as referred to in paragraph 5 (as the case may be).

## **12 SHARE CAPITAL**

- 12.1 The exercise of any Option shall be subject to the Shareholders in a general meeting approving any necessary increase in the authorised share capital of the Company. Subject thereto, the Board shall make available sufficient authorised but unissued share capital of the Company so as to allow the allotment of the Shares on the exercise of any Option.
- 12.2 The Options do not carry any right to vote in general meeting of the Company, or any right, dividend, transfer or any other rights, including those arising on the liquidation of the Company.
- 12.3 No Grantee shall enjoy any of the rights of a Shareholder by virtue of the grant of an Option pursuant to the New Share Option Scheme, unless and until Shares are actually issued to the Grantee pursuant to the exercise of such Option.

## **13 DISPUTES**

Any dispute arising in connection with the number of Shares of an Option, any of the matters referred to in paragraph 10.4, or any adjustment under paragraph 10.1 shall be referred to the decision of the Auditors who shall act as experts and not as arbitrators and whose decision shall, in the absence of manifest error, be final, conclusive and binding on all persons who may be affected thereby. In the event that the Auditors refuse to act, the expert shall be appointed, upon the application of either party to the dispute, by the Hong Kong International Arbitration Centre in accordance with its rules.

## **14 ALTERATION OF THE NEW SHARE OPTION SCHEME**

- 14.1 The Board may from time to time in their absolute discretion waive or amend such of the provisions of the New Share Option Scheme as they deem desirable, provided that, except with the prior sanction of a resolution of the Shareholders in a general meeting of the Company no alteration shall be made to the New Share Option Scheme altering to the advantage of Grantees or prospective Grantees any of the provisions of the New Share Option Scheme as to the definitions of “Eligible Participants” and “Option Period”, any terms and conditions of the New Share Option Scheme which are of a material nature and any matter set out in Rule 17.03 of the Listing Rules.

- 14.2 Any change to the terms of the Options granted to an Eligible Participant must be approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or Shareholders (as the case may be) if the initial grant of the Options was approved by the Board, the Remuneration Committee, the independent non-executive Directors and/or the Shareholders (as the case may be). This requirement does not apply where the alterations take effect automatically under the existing terms of the New Share Option Scheme.
- 14.3 The amended terms of the New Share Option Scheme and all Options shall continue to comply with the relevant requirements of the Listing Rules.
- 14.4 The Board shall be entitled to amend the terms of the New Share Option Scheme so as to comply with the Listing Rules and any Supplementary Guidance or any future guidance or interpretation of the Listing Rules from time to time applicable to the New Share Option Scheme, provided that such amendments are allowed by the Listing Rules and any Supplementary Guidance.
- 14.5 Any change to the authority of the Board in relation to any alteration to the terms of the New Share Option Scheme must be approved by the Shareholders in a general meeting.
- 14.6 Where a change is proposed to the terms of any Options granted to an Eligible Participant who is a Substantial Shareholder or any of their respective Associates, then the proposed change must be subject to the approval by Shareholders at a general meeting. The Grantees, his Associates and all Core Connected Persons of the Company must abstain from voting in favour of such resolution in such general meeting. The Company shall issue a circular to the Shareholders containing such information from time to time required by the Stock Exchange, including a recommendation from the independent non-executive Directors on whether or not to vote in favour of the proposed change.

## **15 TERMINATION**

The Company by an ordinary resolution by the Shareholders in a general meeting or the Board may at any time terminate the operation of the New Share Option Scheme and in such event no further Options will be offered but in all other respects the provisions of the New Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any Options granted prior thereto or otherwise as may be required in accordance with the provisions of the New Share Option Scheme and any Options granted prior to such termination shall continue to be valid and exercisable in accordance with the New Share Option Scheme.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the shareholders (the “**Shareholders**”) of Asia Standard International Group Limited (the “**Company**”) will be held at Empire Grand Room, 1st Floor, Empire Hotel Hong Kong, 33 Hennessy Road, Wanchai, Hong Kong on Wednesday, 4 September 2024 at 10:30 a.m. for the purpose of considering and, if thought fit, passing the following resolutions (the “**Resolutions**”):

#### ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements and the reports of the directors of the Company (the “**Directors**”) and auditors for the year ended 31 March 2024;
2.
  - (a) To re-elect Mr. Poon Yeung, Roderick as an executive Director;
  - (b) To re-elect Mr. Leung Wai Keung (who has served for more than nine years) as an independent non-executive Director;
  - (c) To re-elect Mr. Fung Siu To, Clement as an executive Director; and
  - (d) To authorise the board of Directors (the “**Board**”) to fix the remuneration of the Directors;
3. To re-appoint PricewaterhouseCoopers as auditors for the ensuing year and to authorise 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 (i) paragraph 4A(c) of this Resolution; and (ii) the passing of resolution 5A as set out in the notice dated 13 August 2024 convening the annual general meeting of Asia Orient Holdings Limited to be held on 4 September 2024 (the “**AO AGM Notice**”) and without prejudice to Resolution

\* For identification purposes only

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## NOTICE OF ANNUAL GENERAL MEETING

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4C set out in the notice of this meeting (the “**Notice**”), the Directors be and are 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 the 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;

- (b) the approval in paragraph 4A(a) of this Resolution shall authorise the Directors 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 number of Shares to be allotted or agreed conditionally, or unconditionally, to be allotted (whether pursuant to an option or otherwise) by the Directors 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 (the “**Bye-Laws**”);

shall not exceed 20 per cent of the share capital of the Company in issue (excluding treasury shares, if any) at the date of passing of this Resolution and the said approval shall be limited accordingly;



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## NOTICE OF ANNUAL GENERAL MEETING

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(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 in general meeting.

“**Rights Issue**” means the allotment, issue or grant of Shares pursuant to an offer of Shares open for a period fixed by the Directors 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 recognised regulatory body or any stock exchange in, or in any territory outside, Hong Kong).

Any reference to an allotment, issue, grant, offer or disposal of Shares shall include the sale or transfer of treasury shares in the capital of the Company (including to satisfy any obligation upon the conversion or exercise of any convertible securities, options, warrants or similar rights to subscribe for Shares) to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and applicable laws and regulations.”

B. “**THAT**

- (a) subject to paragraph 4B(b) of this Resolution, the Directors be and are 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 or any other stock exchange on which the securities of the Company may be listed and recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange under The Codes on Takeovers and Mergers and Share Buy-backs, 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

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## NOTICE OF ANNUAL GENERAL MEETING

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- (b) the aggregate number of 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 share capital of the Company in issue (excluding treasury shares, if any) at the date of passing of this Resolution and the said approvals shall be limited accordingly.”
    - C. “**THAT** subject to (i) the passing of Resolutions 4A and 4B in the Notice of which this Resolution forms part; and (ii) the passing of resolution 5B in the AO AGM Notice, the aggregate number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors 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 number of 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 number of Shares repurchased pursuant to the said Resolution 4B and the said approval shall be limited accordingly.”
- 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 (i) paragraph 5A(c) of this Resolution; (ii) the passing of resolution 6A as set out in the AO AGM Notice; and (iii) the passing of resolution 4A (“**AS Hotel Resolution 4A**”) as set out in the notice dated 13 August 2024 convening the annual general meeting of Asia Standard Hotel Group Limited (“**AS Hotel**”) to be held on 4 September 2024 (the “**AS Hotel AGM Notice**”) and without prejudice to Resolution 5B set out in the Notice, the directors of AS Hotel (the “**AS Hotel Directors**”) be and are 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 Directors 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;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (c) the aggregate number of AS Hotel Shares to be allotted or agreed conditionally, or unconditionally, to be allotted (whether pursuant to an option or otherwise) by the AS Hotel Directors pursuant to the approval in paragraphs 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 (the “**AS Hotel Bye-Laws**”);

shall not exceed 20 per cent of the share capital of AS Hotel in issue (excluding treasury shares, if any) 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 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 AS Hotel Resolution 4A by an ordinary resolution of the shareholders of AS Hotel in general meeting.

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## NOTICE OF ANNUAL GENERAL MEETING

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“**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 Directors 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 recognised 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; (b) the passing of resolution 6B as set out in the AO AGM Notice; and (c) AS Hotel Resolution 4A and resolution 4B (“**AS Hotel Resolution 4B**”) as set out in the AS Hotel AGM Notice, the aggregate number of AS Hotel Shares that may be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the AS Hotel Directors 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 number of 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 number of AS Hotel Shares repurchased pursuant to the said AS Hotel Resolution 4B and the said approval shall be limited accordingly.”
6. As special business, to consider and, if thought fit, pass with or without amendments, the following Resolutions as an ordinary resolution:

“**THAT** conditional upon the Stock Exchange granting approval for the listing of, and permission to deal in, the Shares (up to 10% of the total number of Shares in issue as at the date hereof) falling to be issued pursuant to the exercise of any options granted under the share option scheme referred to in the circular of the Company dated 13 August 2024, the terms of which are set out in the document marked “A” and produced to this meeting and for the purpose of identification initialed by the Chairman hereof (the “**New Share Option Scheme**”), the New Share Option Scheme be and is hereby approved and adopted to be the share option scheme of the Company **AND THAT** the Board be and is hereby authorised to grant options thereunder and to allot and issue Shares falling to be issued upon the exercise of the option granted under the New Share Option Scheme and take all such steps as may be necessary, expedient or desirable in order to implement the New Share Option Scheme.”

By Order of the Board  
**Asia Standard International Group Limited**  
**Tung Kwok Lui**  
*Company Secretary*

Hong Kong, 13 August 2024

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## NOTICE OF ANNUAL GENERAL MEETING

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*Registered Office:*  
Victoria Place, 5th Floor  
31 Victoria Street  
Hamilton HM 10  
Bermuda

*Head office and principal place of  
business in Hong Kong:*  
30th Floor, YF Life Tower  
33 Lockhart Road  
Wanchai  
Hong Kong

*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.
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, either personally or by proxy or by a duly authorised 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 authorised corporate representative, that one of the said persons whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof. For the avoidance of doubt, any holders of treasury shares (if any) have no right to vote at the Company's general meeting(s).
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 Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event 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 dated 13 August 2024 containing information concerning the Resolutions proposed in this Notice.
6. The register of members of the Company will be closed from Friday, 30 August 2024 to Wednesday, 4 September 2024 (both days inclusive) for the purpose of identifying the Shareholders who are entitled to attend and vote at the annual general meeting and no transfer of Shares will be registered during such period. In order to qualify for the right to attend the annual general meeting, completed transfer forms with the relevant share certificates 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 for registration not later than 4:30 p.m. on Thursday, 29 August 2024.
7. The Shareholders should decide themselves whether they will attend the physical meeting in bad weather conditions bearing in mind their personal circumstances. In case Typhoon Signal No. 8 or above is hoisted, or a Black Rainstorm Warning Signal or "extreme conditions caused by a super typhoon" announced by the Hong Kong Government is in force in Hong Kong at any time on the date of the meeting, the meeting may be adjourned or the time and/or place of the meeting may be changed. If the Company chooses to adjourn or change the time and/or place of the meeting, it will publish an announcement on its website at [www.asiastandard.com](http://www.asiastandard.com) and the HKEx news website at [www.hkexnews.hk](http://www.hkexnews.hk) to notify the shareholders of the date, time and place of the adjourned or postponed Meeting. The Meeting will be held as scheduled when an Amber or a Red Rainstorm Warning Signal and/or a Typhoon Warning Signal No. 3 or below is in force.

*As at the date hereof, the executive Directors are Mr. Fung Siu To, Clement, Mr. Poon Jing, Mr. Poon Hai, Mr. Poon Yeung, Roderick, Mr. Lun Pui Kan and Mr. Kwan Po Lam, Phileas; the independent non-executive Directors are Mr. Ip Chi Wai, Mr. Leung Wai Keung and Mr. Wong Chi Keung.*