

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



亞洲聯合基建控股有限公司

ASIA ALLIED INFRASTRUCTURE HOLDINGS LIMITED

(Incorporated in Bermuda with Limited Liability)
(Stock Code: 00711.HK)

ADOPTION OF RESTRICTED SHARE AWARD SCHEME

The Board is pleased to announce that it has adopted the Scheme on 1 August 2017. The Scheme will be valid and effective for a period of 10 years commencing on the Adoption Date. Pursuant to the Scheme, the Company shall transfer cash to the Trustee from time to time for it to acquire Shares to be held upon trust for the benefit of Selected Participants. Shares granted to the Selected Participants shall be Restricted Shares which shall become unrestricted upon vesting at the end of each vesting period and/or satisfaction of specified vesting criteria set out in the grant letters issued to such Selected Participants. No Shares shall be granted under the Scheme if, as a result of such grant, the number of Shares administered under the Scheme would reach 10% or more of the issued share capital of the Company from time to time.

The Scheme does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules. No shareholders' approval is required for the adoption of the Scheme.

The Board is pleased to announce that it has adopted the Scheme on 1 August 2017. The Scheme will be valid and effective for a period of 10 years commencing on the Adoption Date. The Company believes that being able to attract and retain talented resources within the Group is vital to its success. The introduction of the Scheme will facilitate the Company's objectives of attracting new and motivating existing talents and retaining both in the Group.

A summary of the Scheme Rules is set out below:

Purposes, Duration and Administration

The purposes of the Scheme are to encourage and retain Selected Participants, including the Directors, to work with the Company and to provide incentive for them to achieve performance goals with a view to achieving the objectives of increasing the value of the Company and aligning the interests of Selected Participants directly to the shareholders of the Company through ownership of Shares.

Subject to any early termination of the Scheme and without prejudicing the subsisting rights of any Selected Participant, the Scheme shall be valid for the Scheme Period.

The Scheme shall be administered by the Administration Committee and the Trustee in accordance with the Scheme Rules.

The Scheme does not constitute a share option scheme within the meaning of Chapter 17 of the Listing Rules. No shareholders' approval is required for the adoption of the Scheme.

Maximum Limit

The maximum number of Shares administered under the Scheme shall not reach 10% or more of the Company's issued share capital from time to time. As at the date hereof, the number of issued Shares of the Company is 1,619,293,787 Shares and the maximum number of Shares which may be administered under the Scheme is 161,929,378 Shares.

Restrictions

No grant of Restricted Shares shall be made to any Selected Participant:

- (i) after inside information has come to the Company's knowledge, until such information has been announced in accordance with the SFO, the Listing Rules or any other applicable rules, regulations or laws;
- (ii) on any day on which the Company's financial results are published and: (a) during the period of 60 days immediately preceding the publication date of the Company's annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and (b) during the period of 30 days immediately preceding the publication date of the Company's quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results, unless there are circumstances of the Company that fall within the exceptions under the SFO, the Listing Rules or any other applicable rules, regulations or laws; and
- (iii) in any circumstances which are prohibited under the Listing Rules or where the requisite approval from any applicable regulatory authorities has not been granted.

Operations

Subject to the Scheme Rules, the Administration Committee may from time to time at its absolute discretion select any Eligible Person to be a Selected Participant and determine the number of Restricted Shares to be granted. After the Administration Committee has determined the Selected Participants and the number of Grant Shares and vesting conditions for each Selected Participant, it shall notify the Selected Participants by way of a grant letter. Where any grant of Restricted Shares is proposed to be made to any Selected Participant who is a Director, chief executive, substantial shareholder of the Company or a member of the Administration Committee, or any of their respective associates, such grant must first be approved by all the independent non-executive Directors (excluding independent non-executive Director who is the proposed Selected Participant of such grant).

The Administration Committee may, from time to time before each Vesting Date under the relevant Grant, cause to be paid to the Trustee a sum of money sufficient for purchasing the Grant Shares on the market of the Hong Kong Stock Exchange together with all related purchase expenses required for the completion of the purchase of the Grant Shares (the “**Referable Amount**”) from the Company’s resources to purchase the Grant Shares. The Trustee shall purchase the relevant number of Shares on the Hong Kong Stock Exchange and shall hold such Shares upon trust for the benefits of the Selected Participants until they are vested in accordance with the Scheme Rules. If the Referable Amount is not sufficient to purchase all the necessary Shares to cover the Grant Shares, the Trustee shall purchase the maximum number of board lots of Shares and notify the Administration Committee and the Administration Committee shall cause to be paid to the Trustee additional sum of money to top up the Referable Amount in order to allow the Trustee to purchase the sufficient amount of Grant Shares.

The Trustee is an independent third party within the definition of the Listing Rules. The grant of Restricted Shares is subject to acceptance by the Selected Participants. Restricted Shares granted to but not accepted by the Selected Participants shall become Unaccepted Shares.

All cash, non-cash income or sale proceeds of non-cash and non-scrip distributions declared during the period from the Grant Date to the Vesting Date in respect of a Grant Share held by the Trustee shall be transferred to the relevant Selected Participant upon vesting. The Trustee may use any remainder of cash and non-cash income received by the Trustee in respect of Unaccepted Shares, Additional Shares or Unvested Shares held upon trust to purchase Additional Shares after defraying all expenses of the Trust. The Trustee shall hold the Additional Shares, Unaccepted Shares and Unvested Shares upon trust and make any grant to existing or new Selected Participants upon notification by the Administration Committee.

Upon confirmation received from the Administration Committee that the vesting conditions have been satisfied, the Trustee shall transfer the vested Restricted Shares to the relevant Selected Participants.

Vesting

The Administration Committee may from time to time while the Scheme is in force determine such vesting criteria or periods for the Restricted Shares to be vested or credited thereunder, including, without limitation, (i) the passage of time after the grant of the Restricted Shares, (ii) the amount of money that the Selected Participant has to pay to the Company upon vesting and when the payment is to be made, (iii) the satisfaction of specified performance criteria relating generally to the Company or particularly to a Selected Participant or (iv) the satisfaction or fulfilment of any other conditions (including any combination of the foregoing), and such other restrictions or conditions in respect thereof as the Administration Committee may in its discretion determine to be appropriate. Vesting of Restricted Shares shall be subject to the conditions that the Selected Participant shall remain as an Eligible Person at all times after the Grant Date and on the Vesting Date.

Lapse

A grant of Restricted Shares that have not vested shall automatically lapse if a Selected Participant ceases to be an Eligible Person:

- (a) as a result of termination by the Company or any Subsidiary for cause;
- (b) if he is an employee of the Company or any Subsidiary, by reason of redundancy, severance or dismissal or his own resignation;
- (c) by reason of the Subsidiary by or with which such Selected Participant is employed or contracted (as the case may be) ceasing to be a Subsidiary;
- (d) by reason of an order for the winding up of the Company having been made or a resolution having been passed for the voluntary winding up of the Company; or
- (e) by reason of death.

In the event that (i) a Selected Participant fails to return the acceptance notice to the Administration Committee to confirm his acceptance of the Grant within 10 Business Days after the Grant Date; or (ii) a Selected Participant fails to make the payment by the deadline set out in vesting notice to be sent to the Selected Participant not less than 21 Business Days prior to each Vesting Date, where the vesting conditions include a payment to be made by the Selected Participant, the relevant Restricted Shares granted to such Selected Participant shall also automatically lapse.

Where Shares, referable to a Selected Participant, (i) are not accepted by such Selected Participant within the stipulated time in accordance with the provisions of the Scheme Rules and become Unaccepted Shares; or (ii) do not vest in accordance with the relevant provisions therein and become Unvested Shares, the Trustee shall hold such Unaccepted Shares or Unvested Shares and for the benefit of all or one or more of the Eligible Persons, until such time when the Administration Committee requires the Trustee to sell such amount of Unaccepted Shares and/or Unvested Shares as notified by the Administration Committee and then the Trustee shall remit the proceeds of sale of the same to the Company forthwith after the sale. The Administration Committee may make any Grant of any Unaccepted Shares or Unvested Shares and notify the Trustee in accordance with provisions of the Scheme Rules.

Limitation of Restricted Shares

Any grant of Restricted Shares shall be personal to the Selected Participant to whom it is made and shall not be assignable. No Selected Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest in favour of any other person over or in relation to the Referable Amount or the Restricted Shares pursuant to such grant or the Unaccepted Shares, Additional Shares or any of the Unvested Shares under the Scheme.

A Selected Participant shall have no rights in (a) any cash and non-cash income in respect of a Share administered under the Scheme except in respect of the vesting of all cash, non-cash income or sale proceeds of non-cash and non-scrip distributions declared during the period from the Grant Date to the Vesting Date in relation to the vested Shares; and (b) any cash remaining in the trust fund of the Trust in respect of a Share administered under the Scheme. All restrictions and limitations on the Restricted Shares shall be removed upon vesting.

The Trustee or a Selected Participant shall not exercise any voting rights in respect of any Shares held under the Trust.

Termination

The Scheme shall terminate on the earlier of the 10th anniversary of the Adoption Date or such date of early termination as determined by a resolution of the Board. Any termination shall be without prejudice to any subsisting rights of any Selected Participant. Upon termination (whether due to early termination or upon expiry of the Scheme Period), no further Restricted Shares shall be granted. The Company shall notify the Trustee of such termination.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Additional Shares”	additional Shares purchased by the Trustee which are funded by the cash and non-cash income received by the Trustee in respect of the Shares held upon trust
---------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------

“Administration Committee”	a committee of the Board comprising the chief executive officer/managing director, the chief financial officer and the head of human resources of the Company, delegated with the power and authority by the Board to administer the Scheme
“Adoption Date”	1 August 2017 (the date on which the Scheme is adopted by the Board upon recommendation of the Remuneration Committee of the Board)
“associate(s)”	has the meaning ascribed to such term under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays, Sundays and public holidays)
“chief executive”	has the meaning ascribed to such term under the Listing Rules
“Company”	Asia Allied Infrastructure Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 00711)
“Directors”	the directors of the Company
“Eligible Person”	any individual being a director (including executive and non-executive director), officer or employee of the Company or any Subsidiary
“Grant”	individually or collectively, a grant of Restricted Shares under the Scheme
“Grant Date”	in relation to any Restricted Share, the date on which the Restricted Share is, was or is to be granted
“Grant Shares”	the Restricted Shares to be granted to the Selected Participant under the Scheme
“Group”	the Company and the Subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region in the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited

“inside information”	has the meaning defined in the SFO as amended from time to time
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Restricted Shares”	Shares which are subject to restrictions and limitations under the Scheme
“Scheme”	the restricted share award scheme in its present or any amended form
“Scheme Period”	the period of 10 years commencing from the Adoption Date
“Scheme Rules”	the rules of the Scheme adopted by the Board
“Selected Participant”	any Eligible Person selected by the Administration Committee in accordance with the terms of and entitled to receive a Grant under the Scheme
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) as amended from time to time
“Share(s)”	ordinary share(s) HK\$0.10 each (or such other nominal amount as shall result from a sub-division or a consolidation of such shares from time to time) in the share capital of the Company
“Subsidiary”	a subsidiary of the Company; and “Subsidiaries” shall be construed accordingly
“substantial shareholder”	has the meaning ascribed to such term under the Listing Rules
“Trust”	the Asia Allied Infrastructure Holdings Limited Restricted Share Award Scheme Trust established pursuant to the Trust Deed from which Restricted Shares may be granted to a Selected Participant pursuant to the Scheme
“Trust Deed”	the trust deed constituting the Trust, as restated, supplemented and amended from time to time
“Trustee”	Acheson Limited, being the trustee for the time being of the Trust or any additional or replacement trustee(s)
“Unaccepted Shares”	such Shares pursuant to a Grant which are not accepted by the Selected Participants within 10 Business Days after the Grant Date and have been or will be dealt with in accordance with the Scheme Rules

“Unvested Shares”	such Shares which do not vest in the Selected Participants and have been or will be forfeited in accordance with the Scheme Rules
“Vesting Date”	the date on which Restricted Shares shall vest in the Selected Participants in accordance with the Scheme Rules
“%”	per cent

By Order of the Board
**ASIA ALLIED INFRASTRUCTURE
HOLDINGS LIMITED**
Pang Yat Ting, Dominic
Chairman

Hong Kong, 1 August 2017

As at the date of this announcement, the executive directors of the Company are Mr. Pang Yat Ting, Dominic, Mr. Xu Jianhua, Ir Dr. Pang Yat Bond, Derrick, JP and Mr. Shea Chun Lok, Quadrant (alias Martin), and the independent non-executive directors of the Company are Mr. Ho Gilbert Chi Hang, Mr. Lam Yau Fung, Curt and Mr. Wu William Wai Leung.