



亞洲聯合基建控股有限公司
ASIA ALLIED INFRASTRUCTURE HOLDINGS LIMITED

[Immediate Release]

ASIA ALLIED INFRASTRUCTURE ANNOUNCES 2017/18 ANNUAL RESULTS

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**FUELLED UP FOR TAPPING OPPORTUNITIES IN
“BELT AND ROAD” ROUTES & “GREATER BAY AREA” AS
THE GROUP STEPS INTO ITS 50TH YEAR OF ESTABLISHMENT**

Highlights

- Revenue amounted to HK\$8.23 billion
- Proposed a final dividend of HK1.09 cents per share
- New shareholder SFund International to provide added impetus for realising Group’s goals

(Hong Kong, 28 June 2018) — **Asia Allied Infrastructure Holdings Limited** (“**Asia Allied Infrastructure**” or the “**Group**”) (stock code: 00711) has announced its annual results for the year ended 31 March 2018.

The Group recorded a total revenue of HK\$8.23 billion for the Year. Net profit attributable to shareholders amounted to HK\$150 million, the Board has proposed the payment of a final dividend of HK1.09 cents per share for the Year.

During the year, Asia Allied Infrastructure has established strategic ties with parties that align with and can capitalise on the expertise in large-scale infrastructure, real estate development and investment projects for seizing opportunities arising from China’s “Belt and Road” initiative, particularly the development of the Guangdong-Hong Kong-Macao Bay Area (the “Greater Bay Area”). Towards that end, the Group has invited a new shareholder SFund International Investment Fund Management Limited (“SFund International”), providing added impetus for realising the goals. With the support of SFund International, the Group is able to more effectively explore infrastructure and real estate development opportunities from the Greater Bay Area projects, particularly in relation to education, medical and elderly care services and housing.

Mr Dominic Pang, Chairman of Asia Allied Infrastructure, said, “As the Group marks its 50th anniversary, the arrival of SFund International is most timely given the significance of the coming year. We believe our strategic partnership will help us tap new opportunities in the Greater Bay Area. At the same time, we are looking for fresh prospects for driving future growth as we strive to become a leading multinational enterprise.”

Construction

The construction segment, which is mainly operated under the renowned “Chun Wo” brand, represents the principal business of the Group. The construction segment has continued to be the chief revenue contributor, generating a revenue of HK\$7.68 billion for the Year, with segmental profit totalling HK\$116.3 million.

During the year, the Group has been awarded 12 new projects. Among the significant projects won include construction of Hong Kong International Airport – Terminal 2 Foundation and Structure Works, a Public Rental Housing Redevelopment at Pak Tin Estate in Shek Kip Mei, and Tseung Kwan O - Lam Tin Tunnel - Tseung Kwan O Interchange and Associated Works.

The Group has 27 ongoing projects as at the Year, most of which involve a high degree of technical expertise and world-class construction capabilities. Among the significant projects that are under development include the Central-Wan Chai Bypass: Tunnel (North Point Section) and the Island Eastern Corridor Link, and Liantang/Heung Yuen Wai Boundary Control Point, Site Formation and Infrastructure Works. The Group has also completed 11 projects during the Year, including the Handling of Surplus Public Fill, the Happy Valley Underground Stormwater Storage Scheme, and the Trackwork and Overhead Line System of the Guangzhou-Shenzhen-Hong Kong Express Rail Link (Hong Kong Section).

The Group has taken to seize opportunities from the “Belt and Road” initiative, it has secured a contract with Manila Water Company, Inc through a jointly formed company with two third parties which will be involved in the designing and constructing of water conveying facilities in the Philippines. The group also acquired Ng Kam Kee Construction Company Limited in Macau in October 2017. Besides gaining access to the Macau market, this investment has enabled the Group to establish an important stepping stone for tapping the Greater Bay Area.

Property Development and Assets Leasing

The property development and assets leasing segment contributed a profit of HK\$197.7 million for the Year.

During the Year, the Group has elected to dispose of its interest in the “T PLUS” residential property located at No. 2 Tsing Min Path, Tuen Mun, which is expected to generate favourable returns. Furthermore, recognising the importance of establishing strategic ties to minimise risk, the Group will co-develop with a strategic partner a premium residential property located at Waterloo Road, Ho Man Tin. Elsewhere, the Group expected to commence construction of a residential project at Tung Chung Road, Lantau Island, by the mid of 2019.

Professional Services

City Services Group Limited (“City Services”) has been operating the Group’s security and facility management business for years. The business segment continued to deliver encouraging results, generating revenue of HK\$548 million, and segmental profit of HK\$26.7 million for the Year.

Indicative of the high level of professionalism in which the business conducts its services, the segment has been able to renew a number of contracts with key clients. Just as importantly, City Services has

been awarded several new contracts, including a property management contract for Elegance House in North Point, security contracts with Hong Kong Baptist University and HGC GlobalCentre Limited, a security and car park management contract with the Hospital Authority – Kowloon East Cluster, and a residential security contract for Ocean Shores in Tiu Keng Leng.

Other Business

The Group is committed to diversifying its income streams, this is clearly illustrated by the variety of new businesses that it is engaged in. Though some were at an early stage of development, all possess favourable growth potential, are able to provide the Group with invaluable experience. As at the Year, this dynamic cluster includes the provision of upscale safe deposit box services, operation of an online building materials procurement platform, and provision of construction financing services.

During the Year, the Group has entered into a Memorandum of Understanding (“MOU”) with Guangzhou Nansha Development Zone and Guangzhou Industrial Investment Fund Management Co., Ltd. with the objective of providing education, medical and elderly care services in the Nansha New Area, which is located in the heart of the Greater Bay Area. Given that the Greater Bay Area along the “Belt and Road” route is set to become an integrated financial and technology hub of southern China, the MOU holds tremendous significance for the Group’s future development.

Upon the winning of contracts to manage four more tunnels subsequent to the financial year end, the Group will be managing a total of five tunnels in Hong Kong in the coming years, which is approximately 40% shares in Hong Kong tunnel management market, namely the Cross-Harbour Tunnel, the Shing Mun Tunnels, the Tseung Kwan O Tunnel, the Kai Tak Tunnel and the Lion Rock Tunnel.

Outlook and Prospects

Looking ahead, Asia Allied Infrastructure will maintain efforts to become a regional infrastructure and investment group with an increasing breadth and depth of market exposure and business experiences. In Hong Kong, the Group will further strengthen its foundation for the construction business, and will seize property development opportunities whether directly or through joint ventures. In Asia, the Group will continue invest in high-potential construction related companies, export its project management expertise and transferable skills to increase involvement in large-scale projects, including those in the Greater Bay Area. Taking advantage of the infrastructure construction boom across Asia, the Group will support investee companies in their development. The management believes all of these will enable Asia Allied Infrastructure to realise its long-term goals and bring satisfactory returns to shareholders.

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Asia Allied Infrastructure Holdings Limited (stock code: 00711.HK)

Asia Allied Infrastructure Holdings Limited (“**Asia Allied Infrastructure**”) is listed on the Main Board of the Hong Kong Stock Exchange under stock code 00711. It is engaged in various businesses including construction engineering and management, property development and assets leasing, security services and property management. With Hong Kong as its business development base, **Asia Allied Infrastructure** is also exploring development opportunities with Asia as the main focus, as well as in overseas markets. Its subsidiary “Chun Wo” is a renowned construction contractor and property developer in Hong Kong, which enables **Asia Allied Infrastructure** to capitalise on that company’s solid construction experience and professional capabilities to seize the opportunities for infrastructure development in countries along the area of the “Belt and Road” initiative, and, ultimately, to increase overall profitability and create higher investment value.

*Asia Allied Infrastructure Announces 2017/18 Annual Results
Fuelled up for Tapping Opportunities in “Belt and Road” Routes & “Greater Bay Area” as
the Group Steps into its 50th Year of Establishment
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