

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.



中國天溢控股有限公司
China Tianyi Holdings Limited
(incorporated in the Cayman Islands with limited liability)
(Stock code: 00756)

ADOPTION OF SHARE AWARD SCHEME

ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that it has approved the adoption of the Share Award Scheme on 11 September 2015. The purpose of the Share Award Scheme is to recognize and motivate the contribution of the Eligible Participants, to provide incentives or rewards for their commitment and/or contribution to the Group and to provide them with a direct economic interest in attaining the long-term business objectives of the Group.

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 to the Listing Rules.

ADOPTION OF SHARE AWARD SCHEME

The Board is pleased to announce that it has approved the adoption of the Share Award Scheme on 11 September 2015. A summary of the principal terms of the Share Award Scheme is set out herein below.

THE SHARE AWARD SCHEME

Purpose and Objectives

The purpose of the Share Award Scheme is to recognize and motivate the contribution of the Eligible Participants, to provide incentives or rewards for their commitment and/or contribution to the Group and to provide them with a direct economic interest in attaining the long-term business objectives of the Group.

Duration

Subject to any earlier termination by the Board in accordance with the Scheme Rules, the Share Award Scheme shall be valid and effective for a period of ten years commencing on the Adoption Date.

Administration

The Share Award Scheme shall be subject to the administration of the Board in accordance with the Scheme Rules and the Trustee in accordance with the Trust Deed.

Operation of the Share Award Scheme

(a) Contribution of funds to the Trust

The Company may from time to time cause to be paid the Reference Amount to the Trustee from the Company's resources, after having regard to the requirement that no payment shall be made to the Trustees and no instructions to acquire Shares shall be given to the Trustees under the Share Award Scheme where any Director or relevant Eligible Participant is in possession of any inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

With effect from the Adoption Date, within 20 Business Days on which the trading of shares has not been suspended (or such longer period as the Trustee and the Board may agree from time to time having regard to the circumstances of the purchase concerned), after receiving the Reference Amount from the Company or the cash income or deemed cash income of the Shares held upon the Trust and/or Further Shares, the Trustee shall apply the same towards the purchase of the number of Awarded Shares in the manner prescribed by the Company upon receiving the Company's written instruction stating the number of Awarded Shares and/or Further Shares and prices. The Shares so purchased shall form part of the capital of the trust fund of the Trust.

(b) Selection of Eligible Participants as Selected Participants

The Board may, from time to time, at its absolute discretion select any Eligible Participants (other than any Excluded Person) for participation in the Share Award Scheme as a Selected Participant. However, until so selected, no Eligible Participant shall be entitled to participate in the Share Award Scheme.

Unless recommended by the Remuneration Committee and approved by the Board, the Share Award Scheme shall not form part of any contract of employment between the Company or any of its subsidiaries and any Eligible Participant, and the rights and obligations of any Eligible Participant under the terms of his office or employment shall not be affected by his participation in the Share Award Scheme or any right which he may have to participate in it and the Share Award Scheme shall afford such Eligible Participant no conditional rights to compensation or damages in consequence of the termination of such office or employment for any reason.

For any award of Shares to Selected Participants who are connected persons (excluding directors whose service contracts include the Award under the Share Award Scheme as part of their remuneration package), such award must be approved by all the independent non-executive Directors, and the Company shall comply with the relevant requirements under the Listing Rules.

(c) *Vesting of Awarded Shares*

Unless otherwise determined by the Board at its discretion, the Awarded Shares and Related Income held by the Trustee upon the Trust and which are referable to a Selected Participant shall vest in that Selected Participant at such time and upon such conditions as the Board may determine at its discretion on the Reference Date, provided that the Selected Participant remains at all time after the Reference Date and or before on each of the following Vesting Dates an Eligible Participant of the Company or its subsidiary.

Prior to the Vesting Date, any Award made under the Share Award Scheme shall be personal to the Selected Participant to whom it is made and shall not be assignable and 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 either the Reference Amount or the Awarded Shares referable to him pursuant to such Award.

Other Terms and Conditions

The Trustee shall not exercise the voting rights in respect of any Shares held under the Trust (including but not limited to the Awarded Shares, Further Shares, Returned Shares, any bonus Shares and scrip Shares).

No payment shall be made by the Board to the Trustee under the Share Award Scheme and no instructions to acquire any Shares shall be given to the Trustee under the Share Award Scheme where any Director or Eligible Participant is in possession of inside information in relation to the Company or where dealings in the Shares are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

If there occurs an event of change in control of the Company, whether by way of offer, merger, scheme of arrangement or otherwise, all the Awarded Shares and the Related Income shall immediately vest on the date when such change of control event becomes or is declared unconditional and such date shall be deemed the Vesting Date.

In the event the Company undertakes a consolidation of the Shares, all fractional share arising out of such consolidation in respect of the Awarded Shares and the Related Income of a Selected Participant shall be deemed as Returned Shares for the purposes of the Share Award Scheme and shall not be transferred to the relevant Selected Participant on the relevant Vesting Date.

Limit of the Share Award Scheme

The Board shall not make any further Award which will result in the number of Shares awarded by the Board under the Share Award Scheme would represent in excess of 10 per cent of the issued share capital of the Company as at the Adoption Date.

The maximum aggregate number of Awarded Shares which may be awarded to a Selected Participant under the Share Award Scheme shall not exceed 1 per cent of the issued Share capital of the Company at the Adoption Date.

Returned Shares

The Trustee shall hold all the Returned Shares exclusively for the benefit of all or one or more of the Eligible Participants (excluding any Excluded Person), whether the awardee is a Selected Participant at the time of the Award, as the Trustee in its reasonable discretion shall at any time determine, after having taken into consideration recommendation of the Board.

When any Returned Shares have been awarded, the Company shall notify the Trustee accordingly.

Termination

The Share Award Scheme shall terminate on the earlier of:

- (a) on the 10th anniversary date of the Adoption Date; and
- (b) such date of early termination of the Share Award Scheme as determined by the Board, provided that such termination shall not affect any subsisting rights of any Selected Participant under the Share Award Scheme.

Other Information

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“Adoption Date”	11th September 2015, being the date on which the Share Award Scheme is adopted by the Company;
“Award”	an award of Awarded Shares to a Selected Participant by the Board or by the Trustee pursuant to the Share Award Scheme;

“Awarded Share(s)”	in respect of a Selected Participant, such number of Shares determined by the Board and purchased by the Trustee out of cash paid by the Company by way of settlement to the Trustee or such number of Returned Shares awarded by the Trustee;
“Board”	the board of Directors of the Company;
“Business Day”	a day (other than Saturday) on which the Stock Exchange is open for trading and on which banks are open for business in Hong Kong;
“Company”	China Tianyi Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 756);
“connected person”	has the meaning ascribed to it in the Listing Rules;
“Director”	the directors of the Company;
“Eligible Participant”	any employee (including without limitation any Director) of the Company or of any Subsidiary;
“Excluded Person”	any Eligible Participant who is resident in a place where (a) the award of Awarded Shares, the award of the Returned Shares or the vesting or transfer of Shares pursuant to the terms of the Share Award Scheme is not permitted under the laws and regulations of such place or (b) in the view of the Board, the need to comply with applicable laws and regulations in such place makes it necessary or expedient to exclude such Eligible Participant, in each case as determined by the Board in its absolute discretion;
“Further Shares”	Shares purchased by the Trustee out of cash income or net proceeds of sale of non-cash or non-scrip distributions declared and distributed by the Company in respect of Shares held upon the Trust;
“Group”	the Company and its subsidiaries from time to time, and “member of the Group” means any or a specific one of them;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;

“Partial Lapse”	the event in which (i) a Selected Participant is found to be an Excluded Person or (ii) a Selected Participant fails to return duly executed transfer documents prescribed by the Trustee for the relevant Awarded Shares and the Related Income within the stipulated period and as a result of any of this event, the relevant part of an Award made to such Selected Participant shall automatically lapse forthwith and the relevant Awarded Shares and Related Income shall not vest on the relevant Vesting Date but shall become Returned Shares for the purpose of this Scheme;
“Reference Amount”	being the sum of (i) the aggregate consideration of the Awarded Shares as at the Reference Date (being the closing price of a Share as at the Reference Date multiplied by the number of Awarded Shares) and (ii) the related purchase expenses;
“Reference Date”	the date of final approval by the Board of the total number of Shares to be awarded to the Selected Participants in a single occasion pursuant to the Scheme or the date of an Award by the Trustee pursuant to the Trust Deed;
“Related Income”	all income derived from a Share since the date of the relevant Award(s) and held upon the Trust in the form of the Shares (including but not limited to, the Further Shares, and any bonus Shares and scrip Shares received in respect of the Share and for the avoidance of doubt, excluding any nil paid right, bonus warrant, non-cash and non-scrip distribution or proceeds of sale of the same or Residual Cash);
“Remuneration Committee”	the remuneration committee comprising the independent non-executive Directors of the Company as a majority of its members as designated by the Board from time to time;
“Residual Cash”	being cash remaining in the trust fund in respect of an Awarded Shares (including interest income derived from deposit maintained with licensed banks in Hong Kong, cash income and cash income and sale proceeds which have not been applied in the acquisition of Further Shares);
“Returned Shares”	such Awarded Shares and Related Income of the relevant Awarded Shares which are referable to a Selected Participant and which are not vested in accordance with the Scheme Rules (whether as a result of a Total Lapse or a Partial Lapse or otherwise), or forfeited in accordance with the terms of the Scheme Rules, or such Shares been deemed to be Returned Shares;

“Scheme Rules”	the rules to the Share Award Scheme in its present or any amended form;
“Selected Participant(s)”	Eligible Participant(s) selected by the Board for participation in the Share Award Scheme;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong);
“Share Award Scheme”	the “China Tianyi Holdings Limited Share Award Scheme” adopted by the Company on the Adoption Date;
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company (or, if there has been a consolidation, reduction, re-classification, sub-division or reconstruction of the share capital of the Company, shares forming part of the equity share capital of the Company of such revised amount as shall result from such sub-division, consolidation, reduction, re-classification or reconstruction of such ordinary shares from time to time);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary”	has the meaning ascribed to it in the Listing Rules;
“Total Lapse”	<p>each of the following events pursuant to which the Award shall automatically lapse forthwith and all the Awarded Shares and Related Income of such Award shall not vest on the relevant Vesting Date but shall become Returned Shares for the purposes of the Share Award Scheme:</p> <ul style="list-style-type: none"> (i) a Selected Participant ceases to be an Eligible Participant; (ii) the subsidiary by which a Selected Participant is employed ceases to be a subsidiary of the Company (or of a member of the Group); (iii) any of the vesting conditions upon an Award to the relevant Selected Participant as determined by the Board on the Reference Date under the Share Award Scheme were not fulfilled; or

(iv) an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company (otherwise than for the purposes of, and followed by, an amalgamation and reconstruction in such circumstances that substantially the whole of the undertaking, assets and liabilities of the Company pass to successor company);

“Trust”	the trust constituted by the Trust Deed;
“Trust Deed”	a trust deed dated 11th September 2015 entered into between the Company and the Trustee (as restated, supplemented and amended from time to time);
“Trustee”	Core Pacific-Yamaichi International (H.K.) Nominees Limited, and any additional or replacement trustees, being the trustee or trustees for the time being of the trusts declared in the Trust Deed; and
“Vesting Date”	in respect of a Selected Participant, the date on which his entitlement to the Awarded Shares is vested in such Selected Participant.

By order of the Board
China Tianyi Holdings Limited
Sin Ke
Chairman

Hong Kong, 11 September 2015

As at the date of this announcement, the Board comprises: Mr. SIN Ke and Mr. SAN Kwan as executive Directors; Mr. TSANG Sze Wei as non-executive Director; and Mr. ZENG Jianzhong, Mr. ZHUANG Weidong and Mr. ZHUANG Xueyuan as independent non-executive Directors.