



Road King Infrastructure Limited

(incorporated in Bermuda with limited liability)

Stock Code : 1098



08

Interim Report

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MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The unaudited profit attributable to shareholders of the Company for the six months ended 30 June 2008 was HK\$464 million (2007: HK\$310 million), representing a growth of 50% to that of the corresponding six months in 2007. Earnings per share for the six months ended 30 June 2008 was HK\$0.62 (2007: HK\$0.43).

Toll Road Business

For the first half of 2008, total traffic volume and toll revenue of toll road projects were 63 million vehicles (2007: 63 million vehicles) and RMB1,295 million (2007: RMB1,101 million), respectively. Cash contributed from the Group's toll road business amounted to HK\$510 million. Compared to the same period of 2007, toll revenue increased 18% and total traffic volume and toll revenue of the Group's expressway projects raised 14% and 40%, respectively.

In line with the Group's long-term development strategy, the Group entered into an agreement in July 2008 to dispose of the Group's entire interest in a Class I highway located in Luoding city, Guangdong, namely the National Highway 324 Luoding-Chonghua Highway. The transaction is proceeding and expected to contribute reasonable profit to the Group.

Property Business

(a) *PRC property market in the first half of 2008*

The market and economic conditions and government's policies had impacted the PRC property market in the first half of 2008. Property transactions in the PRC dropped over 20% compared to the corresponding period of 2007, and property prices had dropped to some extent in many cities. However, PRC's economy continued to perform strongly in the first half of 2008 as GDP growth was above 10%. The Directors believe that the market will remain challenging in the second half of 2008 and there is still downward pressure on the sales volume and prices. The Directors remain optimistic about the long term prospect of the sector.

(b) *Operational review*

During the period under review, the Group had 26 property projects in the PRC. For the six months ended 30 June 2008, revenue and total GFA delivered were HK\$3,102 million and 479,000 sqm, respectively. Total pre-sales were HK\$1,171 million or 178,000 sqm in GFA during the period. The overall performance was however affected by unfavorable market factors and only a thin profit was recorded.

During the period, majority of the area under development and sales were attributable to the projects in Guangzhou, Changzhou, Suzhou and Beijing.

Guangzhou, Guangdong Province

The Group has three projects in Guangzhou, namely Parkrise, Parkvista Phases I and II.

All residential units of Parkrise have already been sold out and delivered. There remain only limited retail shops and parking spaces available for sale.

Parkvista Phases I and II are located in a high-end residential and commercial area in Eastern Zhujiang New City, Guangzhou. The total area of Parkvista Phase I sold and delivered is 35,000 sqm. Pre-sale of Phase II is expected to commence in the second half of 2008.

Changzhou, Jiangsu Province

The project in Changzhou consists of three developments, namely Royal City, Vista Panorama and Grand Metropolis, in the central urban zone of Wujin District.

Delivery of Phase 1 of Royal City continued in the first half of 2008 and pre-sales of Vista Panorama received satisfactory response. Grand Metropolis is a commercial complex. The first phase is an international supermarket store with GFA of 25,000 sqm and is expected to open in the second half of 2008.

Suzhou, Jiangsu Province

The Group has two projects in Suzhou, namely Phoenix City and The Heaven by Lakeside. Both projects are three-phase residential and commercial project and are located in the Suzhou Industrial Park. Phase 1 of Phoenix City is expected to be completed in second half of 2008 to early 2009. Construction of Phase 2 is expected to start in the second half of 2008. The initial two phases of The Heaven by Lakeside have already been completed and delivered. Phase 3 is now under construction and pre-sale.

Beijing

The Group has four projects in Beijing, namely Songs & Sea, Forest Creek, Blues International Apartments and Jianguomen Project.

Songs & Sea is a nine-phase large-scale residential and commercial development project located at the north of Daxing District in Beijing. Delivery of Phase 5 commenced in June 2008 and construction and pre-sales of the remaining phases are underway.

Forest Creek is a low density residential development project located at the Changping District of Beijing. Phases 1 & 2 of the project have been completed. Construction of phase 3 is underway. Pre-sale is expected to commence in the second half of 2008.

Blues International Apartments is a residential and commercial development project located at the Fengtai District of Beijing. Delivery started in the first half of 2008. There remain only limited residential units, retail shops and parking spaces available for sale.

Jianguomen Project is located at the Dongcheng District of Beijing. Initial planning works of the project have been started.

(c) *Spin-off of Property Group*

The Group is reviewing the desirability, viability and timetable, for the implementation of the spin-off proposal of its property business, in light of the capital market in the first half of 2008.

(d) *Disputes with the former management of the two subsidiaries in Tianjin and the former major shareholders of Sunco*

Litigations in the PRC

As disclosed in the Company's announcement dated 30 July 2008 (the "Announcement"), the Group has not yet secured effective management control of the Tianjin Companies. As such, the Group has initiated litigation proceedings against the former management team of the Tianjin Companies. However, the proceedings have been suspended by the Tianjin Nankai District People's Court due to unspecified facts relating to proceedings that may overlap with unspecified matters under investigation by Tianjin authorities. Having received PRC legal advice on the matter, the Group is taking steps in the effective continuation of the litigation proceedings as early as possible.

As at 30 June 2008, the Group had provided guarantees in favour of banks to provide credit facilities to the Tianjin Companies, amounting to RMB300 million (equivalent to HK\$333 million). The bank loans are secured by properties including land and properties under development for sale held by the Tianjin Companies. The maturity dates of the facilities have been extended to June 2009.

Litigations in Hong Kong

In April 2008, the Hong Kong court consolidated the two sets of litigation proceedings in Hong Kong initiated by the Group and a third party (together, the "Plaintiffs") against three former major shareholders of Sunco, and that by two of them against the Plaintiffs. The litigation is still at an early stage. The Group will continue to pursue its claims diligently.

The Group has considered alternative means of seeking appropriate early resolution. To that end, the Group has engaged in discussions initiated by the former major shareholders of Sunco. No resolution has been reached yet as the Directors consider that it is not in the interests of the Company to accede to unreasonable settlement demands.

Details of the above litigations are set out in the Announcement. Further announcement will be made by the Company as and when appropriate.

Financial Review

Financial resources and liquidity

The Group's total assets and net assets amounted to HK\$21,313 million and HK\$9,374 million, respectively as of 30 June 2008. The net asset value per share was HK\$12.5 (31 December 2007: HK\$11.5). During the reporting period, the Group's total cash receipt from toll road projects was HK\$510 million (2007: HK\$456 million). As at 30 June 2008, the Group's bank balances and cash (including pledged deposits) totaled HK\$1,137 million (31 December 2007: HK\$2,091 million).

Debt and gearing

The gearing ratio of the Group increased from 79% at the end of 2007 to 82% as at 30 June 2008 as a result of the drawdown of US\$97.7 million in the first half of 2008. Interest coverage was 10.8 times as at 30 June 2008.

As at 30 June 2008, the Group's total borrowings were HK\$7,539 million (31 December 2007: HK\$6,724 million). The maturity profile of the Group's total borrowings is set out as follows:

	As at 30 June 2008 HK\$'million	As at 31 December 2007 HK\$'million
Repayable:		
Within one year	1,639	609
After one year but within two years	620	602
After two years but within five years	3,755	4,008
After five years	1,525	1,505
Total borrowings	7,539	6,724

The Group's borrowings were primarily denominated in US dollars. Other than the US\$200 million 6.25% fixed rate guaranteed notes due 2011 and the US\$200 million 7.625% fixed rate senior notes due 2014, the Group's borrowings were mainly on a floating rate basis.

Financing and treasury policies

The Group continued to adopt prudent financing and treasury policies. All the Group's financing and treasury activities are centrally managed and controlled. Implementation of the Group's related policies are made under collective but extensive considerations on refinancing risk, interest rate risk and exchange rate risk.

Charges on assets

As at 30 June 2008, bank balances of HK\$284 million were pledged as security in favour of banks for mortgage facilities granted to the buyers of the Group's properties and short-term credit facilities granted to the Group. In addition to these charged deposits, properties valued at HK\$1,282 million were pledged as security for certain loan facilities granted to these projects. The shares of the intermediate subsidiaries holding interests in Baojin Expressway, Jihe Expressway (eastern section) and Heye Highway with aggregate net asset value of not less than US\$220 million were charged to secure the syndicated loan facility of US\$220 million.

Exposure on foreign exchange fluctuations

The Group's borrowings are mainly denominated in US dollars but its cashflow is generated from projects denominated principally in Renminbi. As at 30 June 2008, 89% of cash and bank balances was denominated in Renminbi and the remaining 11% was denominated in US dollars or Hong Kong dollars. The continuous appreciation of Renminbi had contributed to the Group's results. Save for the aforesaid, the Group has no significant exposure to foreign exchange fluctuation.

Exposure on interest rate

Since the Group's borrowings are mainly denominated in Renminbi and US dollars, interest payments have been affected by interest rate fluctuations although to a certain extent the effect of higher interest payments from the Renminbi borrowings is offset by a lower interest payments from US dollar borrowings. The Directors consider that the monetary policies implemented by the PRC and the US Governments will continue to have certain impact on the results and operation of the Group.

Contingent liabilities

As at 30 June 2008, the Group provided guarantees of HK\$3,475 million to banks in favour of its customers in respect of the mortgage loans provided by the banks to such customers for purchase of the Group's developed properties and guarantees of RMB300 million (equivalent to HK\$333 million) to banks in relation to the credit facilities granted to the Group's unconsolidated subsidiaries in Tianjin. The guarantees related to the customers' mortgage loans would be released upon receiving the building ownership certificate of the respective property by the banks from the customers as pledge for security to the mortgage loans granted.

Employees

Excluding the staff of joint ventures, the total number of employees of the Group was 1,497 as at 30 June 2008. Expenditure on staff (excluding Directors' emolument) amounted to HK\$106 million. Employees are remunerated according to their responsibilities, performance and contribution.

Prospects

The Group's toll road projects, in particular the expressway projects, achieved good results in the first half of 2008. The Group will continue to explore new opportunities, including acquiring new expressway projects and divesting the Class I/II highway projects, when appropriate.

The PRC property sector is now in a transitional period as it has been affected by the market condition and government policies. However, the Directors are optimistic with the long-term prospect of the sector and believe that appropriate correction is beneficial to the industry in the long term and can provide opportunities to certain players including the Group. The Group takes additional caution in making new investment decisions. Nonetheless, the Group will exploit this opportunity to enhance and strengthen its operation in light of future expansion.

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Condensed Consolidated Income Statement

For the six months ended 30 June 2008

	NOTES	2008 (Unaudited) HK\$'000	2007 (Unaudited) HK\$'000
Revenue	3	3,102,273	307,763
Cost of sales		(2,711,413)	(236,893)
Gross profit		390,860	70,870
Interest income		11,453	62,209
Other income		296,468	68,981
Selling expenses		(52,483)	(16,897)
Operating expenses		(273,505)	(69,417)
Share of results of joint ventures	5	436,984	360,994
Share of results of an associate		—	29
Finance costs	6	(81,068)	(128,884)
Profit before taxation	7	728,709	347,885
Income tax expenses	8	(223,649)	(38,311)
Profit for the period		505,060	309,574
Attributable to:			
Shareholders of the Company		463,767	309,574
Minority interests		41,293	—
		505,060	309,574
Dividend paid	9	210,752	192,214
Earnings per share	10		
— Basic		HK\$0.62	HK\$0.43
— Diluted		HK\$0.62	HK\$0.42

Condensed Consolidated Balance Sheet

At 30 June 2008

	NOTES	30 June 2008 (Unaudited) HK\$'000	31 December 2007 (Audited) HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		162,523	103,881
Prepaid lease payments for land		51,964	49,912
Interests in joint ventures	11	5,396,944	5,170,093
Loans to joint ventures	12	85,707	81,196
Loans to related companies	13	54,700	54,700
Deferred tax assets		39,472	81,862
Long-term receivables	14	614,505	433,132
Available-for-sale investments	15	625,756	592,821
		7,031,571	6,567,597
Current assets			
Inventory of properties	16	10,786,278	10,379,463
Prepayment for land leases	17	1,409,651	1,393,210
Prepaid lease payments for land		1,441	1,365
Debtors, deposits and prepayments	18	689,090	769,764
Prepaid income tax		257,254	226,432
Pledged deposits	19	283,758	231,583
Bank balances and cash		853,552	1,858,941
		14,281,024	14,860,758
Total assets		21,312,595	21,428,355
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the Company			
Share capital	20	75,269	75,265
Reserves		9,114,539	8,397,151
		9,189,808	8,472,416
Minority interests		184,118	151,527
Total equity		9,373,926	8,623,943
Non-current liabilities			
Bank and other borrowings — due after one year	21	5,900,818	6,114,771
Deferred tax liabilities		122,850	69,155
		6,023,668	6,183,926

Condensed Consolidated Balance Sheet *(continued)*

At 30 June 2008

		30 June 2008 (Unaudited) HK\$'000	31 December 2007 (Audited) HK\$'000
	NOTES		
Current liabilities			
Creditors and accrued charges	22	1,688,262	1,663,877
Deposits from pre-sale of properties		2,393,981	4,127,823
Income tax payable		194,088	219,839
Bank and other borrowings — due within one year	21	1,638,670	608,947
		5,915,001	6,620,486
Total equity and liabilities		21,312,595	21,428,355

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2008

	Attributable to shareholders of the Company									
	Share capital HK\$'000	Share premium HK\$'000	Translation reserve HK\$'000	Special reserve HK\$'000	Share option reserve HK\$'000	Statutory reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000	Minority interests HK\$'000	Total equity HK\$'000
Balance at 1 January 2007 (audited)	69,008	2,522,627	257,722	1,260,000	36,795	—	2,631,416	6,777,568	—	6,777,568
Exchange differences arising on translation to presentation currency recognised directly in equity	—	—	97,577	—	—	—	—	97,577	—	97,577
Profit for the period	—	—	—	—	—	—	309,574	309,574	—	309,574
Total recognised income and expense for the period	—	—	97,577	—	—	—	309,574	407,151	—	407,151
Released upon disposal of interest in a joint venture	—	—	(7,838)	—	—	—	—	(7,838)	—	(7,838)
Issue of ordinary shares	1,089	67,928	—	—	—	—	—	69,017	—	69,017
Placement of new shares	4,500	544,500	—	—	—	—	—	549,000	—	549,000
Expense incurred in relation to the placement of new shares	—	(10,368)	—	—	—	—	—	(10,368)	—	(10,368)
Transfer upon exercise of share options	—	3,045	—	—	(3,045)	—	—	—	—	—
Forfeiture of share options	—	—	—	—	(62)	—	62	—	—	—
Dividends	—	—	—	—	—	—	(192,214)	(192,214)	—	(192,214)
Appropriation	—	—	—	—	—	10,867	(10,867)	—	—	—
Balance at 30 June 2007 (unaudited)	74,597	3,127,732	347,461	1,260,000	33,688	10,867	2,737,971	7,592,316	—	7,592,316
Balance at 1 January 2008 (audited)	75,265	3,184,312	747,478	1,260,000	95,514	10,867	3,098,980	8,472,416	151,527	8,623,943
Exchange differences arising on translation to presentation currency recognised directly in equity	—	—	464,164	—	—	—	—	464,164	8,277	472,441
Profit for the period	—	—	—	—	—	—	463,767	463,767	41,293	505,060
Total recognised income and expense for the period	—	—	464,164	—	—	—	463,767	927,931	49,570	977,501
Issue of ordinary shares	4	209	—	—	—	—	—	213	—	213
Transfer upon exercise of share options	—	2	—	—	(2)	—	—	—	—	—
Forfeiture of share options	—	—	—	—	(2,927)	—	2,927	—	—	—
Acquisition of additional interest of a subsidiary	—	—	—	—	—	—	—	—	(16,979)	(16,979)
Dividends	—	—	—	—	—	—	(210,752)	(210,752)	—	(210,752)
Balance at 30 June 2008 (unaudited)	75,269	3,184,523	1,211,642	1,260,000	92,585	10,867	3,354,922	9,189,808	184,118	9,373,926

Condensed Consolidated Cash Flow Statement

For the six months ended 30 June 2008

	Six months ended 30 June	
	2008 (Unaudited) HK\$'000	2007 (Unaudited) HK\$'000
Net cash used in operating activities:		
Payment for land leases	(1,187,718)	(442,144)
Other operating cash flows	(414,269)	(177,940)
	(1,601,987)	(620,084)
Net cash from (used in) investing activities:		
Distributions from infrastructure joint ventures	507,726	419,940
Proceeds on disposal of interests in infrastructure joint ventures	—	128,000
Additional investments in infrastructure joint ventures	—	(8,911)
Acquisition of an associate	—	(275,741)
Loans to associates	—	(1,360,863)
Receipt of deferred consideration arising from disposal of an infrastructure joint venture	9,152	—
Increase in long-term receivables	(162,588)	—
Purchases of property, plant and equipment	(57,848)	—
Acquisition of additional interest in a subsidiary	(15,000)	—
Other investing cash flows	(22,017)	34,590
	259,425	(1,062,985)
Net cash from financing activities:		
New borrowings raised	1,174,889	4,429,965
Repayment of borrowings	(482,222)	(1,509,746)
Issue of ordinary shares	213	618,017
Expenses incurred in connection with the issue of ordinary shares	—	(10,368)
Interest paid	(248,230)	(119,169)
Dividend paid	(210,752)	(192,214)
	233,898	3,216,485
Net (decrease) increase in cash and cash equivalents	(1,108,664)	1,533,416
Cash and cash equivalents at 1 January	1,858,941	1,113,374
Effect of foreign exchange rate changes	103,275	7,343
Cash and cash equivalents at 30 June	853,552	2,654,133
Analysis of balances of cash and cash equivalents		
Bank balances and cash	853,552	2,654,133

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2008

1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2007.

In the current interim period, the Group has applied, for the first time, new interpretations ("new Interpretations") issued by the HKICPA, which are effective for the Group's financial year beginning on 1 January 2008.

The Directors have made an assessment on the impact of the new Interpretations, especially the HK(IFRIC) – Int 12 "Service Concession Arrangements", and concluded that the adoption of these new Interpretations had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective.

HKAS 1 (Revised)	Presentation of Financial Statements ¹
HKAS 23 (Revised)	Borrowing Costs ¹
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ²
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ¹
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations ¹
HKFRS 3 (Revised)	Business Combinations ²
HKFRS 8	Operating Segments ¹
HK(IFRIC) – Int 13	Customer Loyalty Programmes ³

¹ Effective for annual periods beginning on or after 1 January 2009

² Effective for annual periods beginning on or after 1 July 2009

³ Effective for annual periods beginning on or after 1 July 2008

Notes to the Condensed Consolidated Financial Statements *(continued)*

For the six months ended 30 June 2008

2. Principal Accounting Policies *(continued)*

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions. The Directors of the Company anticipate that the application of the other new or revised standards, amendments or interpretations will not have material impact on the results and the financial position of the Group.

3. Revenue

	Six months ended 30 June	
	2008 HK\$'000	2007 HK\$'000
Revenue of the Group		
Sales of completed properties held for sale	3,102,273	307,763
Share of toll revenue of infrastructure joint ventures	850,214	608,269
Revenue of the Group and share of revenue of infrastructure joint ventures	3,952,487	916,032

4. Segmental Information

The businesses based upon which the Group reports its primary segment information are as follows:

Toll road	—	investment in, development, operation and management of toll roads, bridges and expressways
Property development	—	development and sales of properties

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

4. Segmental Information (*continued*)

The Group's revenue and profit for the six months ended 30 June 2008 and 2007 by business activities are as follows:

	Toll road HK\$'000	Property development HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
For the six months ended 30 June 2008				
Revenue	—	3,102,273	—	3,102,273
Segment results	(7,728)	142,289	—	134,561
Interest income	—	—	11,453	11,453
Corporate income	—	—	262,973	262,973
Corporate expenses	—	—	(36,194)	(36,194)
Share of results of joint ventures	428,561	8,423	—	436,984
Finance costs	—	—	(81,068)	(81,068)
Profit before taxation				728,709
Income tax expenses				(223,649)
Profit for the period				505,060

	Toll road HK\$'000	Property development HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
For the six months ended 30 June 2007				
Revenue	—	307,763	—	307,763
Segment results	4,002	29,026	—	33,028
Interest income	—	—	62,209	62,209
Corporate income	—	—	60,847	60,847
Corporate expenses	—	—	(40,338)	(40,338)
Share of results of joint ventures	360,872	122	—	360,994
Share of results of an associate	—	29	—	29
Finance costs	—	—	(128,884)	(128,884)
Profit before taxation				347,885
Income tax expenses				(38,311)
Profit for the period				309,574

Over 90% of the Group's turnover and contribution to operating profit is attributable to customers in the People's Republic of China ("PRC"). Accordingly, no analysis of geographical segment is presented.

Notes to the Condensed Consolidated Financial Statements *(continued)*

For the six months ended 30 June 2008

5. Share of Results of Joint Ventures

	Six months ended 30 June	
	2008 HK\$'000	2007 HK\$'000
Share of post-acquisition profits of infrastructure joint ventures before amortisation and taxation	590,055	498,643
Less: amortisation of toll highway operation rights	(106,363)	(96,470)
current tax	(50,381)	(37,551)
deferred taxation	(4,750)	(3,750)
	428,561	360,872
Share of post-acquisition profits of other joint ventures	8,423	122
	436,984	360,994

The current tax amount represents the share of PRC enterprise income tax attributable to the PRC infrastructure joint ventures.

Deferred tax has been provided for temporary differences between the carrying amount of toll highway operation rights and the corresponding tax base used in the computation of taxable profits for the PRC infrastructure joint ventures. For the infrastructure joint ventures that enjoyed preferential rate of 15% or lower, the new tax rate is progressively increasing to 25% over five years as grandfathering provision.

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

6. Finance Costs

	Six months ended 30 June	
	2008 HK\$'000	2007 HK\$'000
Interest on :		
Borrowings wholly repayable within five years	174,111	107,927
Borrowings not wholly repayable within five years	60,356	15,624
Total borrowing costs	234,467	123,551
Other finance costs	12,493	15,680
	246,960	139,231
Less: capitalised in properties under development for sale	(165,892)	(10,347)
	81,068	128,884

7. Profit Before Taxation

	Six months ended 30 June	
	2008 HK\$'000	2007 HK\$'000
Profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	4,753	1,746
Less: capitalised in properties under development for sale	(711)	(687)
	4,042	1,059
Amortisation of prepaid lease payments for land	707	—
Cost of inventories recognised as an expense	2,711,413	236,893
Loss on disposal of property, plant and equipment	267	—
and after crediting:		
Gain on disposal of interest in an infrastructure joint venture	—	11,130
Gain on disposal of property, plant and equipment	—	329
Net exchange gain	262,042	55,121

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

8. Income Tax Expenses

	Six months ended 30 June	
	2008 HK\$'000	2007 HK\$'000
Current tax		
PRC enterprise income tax	82,068	20,551
PRC Land Appreciation Tax ("LAT")	42,996	9,420
	125,064	29,971
Deferred taxation		
Current year	60,585	8,340
Withholding tax	38,000	—
	98,585	8,340
	223,649	38,311

No provision for Hong Kong Profits Tax has been made as there was no assessable profit derived from Hong Kong.

The PRC enterprise income tax of subsidiaries is calculated at 25% (six months ended 30 June 2007: 33%) statutory tax rate.

The provision of LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT for six months ended 30 June 2007 has been reclassified from cost of sales to income tax expenses to conform with the current period's presentation.

Deferred tax has been provided for (i) fair value adjustment on properties under development for sale; (ii) temporary differences between the carrying amounts and the tax base of properties under development for sale, arising from the capitalisation of certain interest expenses in properties under development for sale in consolidation level; and (iii) the tax losses.

According to a joint circular of Ministry of Finance and State Administration of Taxation, Cai Shui [2008] No. 1, dividend distributed out of the profits generated since 1 January 2008 held by the PRC entity shall be subject to PRC Enterprise Income Tax pursuant to Articles 3 and 27 of the Income Tax Law Concerning Foreign Investment Enterprises and Foreign Enterprises and Article 91 of the Detailed Rules for the Implementation of the Income Tax Law for Enterprises with Foreign Investment and Foreign Enterprises. Deferred tax liability of HK\$38,000,000 on the undistributed earnings of subsidiaries and joint ventures has been charged to the condensed consolidated income statement for the six months ended 30 June 2008.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 June 2008

9. Dividend Paid

	Six months ended 30 June	
	2008	2007
	HK\$'000	HK\$'000
2007 final dividend paid of HK\$0.28 (six months ended 30 June 2007: 2006 final dividend paid of HK\$0.26) per share	210,752	192,214

An interim dividend in respect of 2008 of HK\$0.05 (six months ended 30 June 2007: HK\$0.24) per share amounting to a total of HK\$38,000,000 (six months ended 30 June 2007: HK\$180,000,000) has been approved by the Board on 21 August 2008. This interim dividend has not been included as a liability in these interim financial statements.

The amount of the interim dividend has been calculated on the basis of 752,686,566 shares in issue as at 21 August 2008.

10. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to the shareholders of the Company is based on the following data:

	Six months ended 30 June	
	2008	2007
	HK\$'000	HK\$'000
Earnings for the purposes of basic and diluted earnings per share attributable to the shareholders of the Company	463,767	309,574

	30 June 2008	30 June 2007
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	752,656,000	722,268,000
Effect of dilutive potential ordinary shares: Share options	1,386,000	10,373,000
Weighted average number of ordinary shares for the purpose of diluted earnings per share	754,042,000	732,641,000

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 June 2008

11. Interests in Joint Ventures

	30 June 2008 HK\$'000	31 December 2007 HK\$'000
Interests in infrastructure joint ventures		
Cost of investments	5,488,303	5,491,426
Share of post-acquisition undistributed profits and reserves	3,457,415	2,965,010
Reduction of cost of investments (note)	(3,576,055)	(3,304,050)
	5,369,663	5,152,386
Interests in other joint ventures		
Cost of investments	16,124	16,124
Share of post-acquisition profits and reserves	11,157	1,583
	27,281	17,707
	5,396,944	5,170,093

Note: The infrastructure joint ventures distribute the cash surplus to the Group on a monthly basis as a return of total investment costs to the Group, the amount of monthly cash distribution varies and depends on the toll road performance and the amount of operating expenses and capital expenditures incurred by the joint ventures.

12. Loans to Joint Ventures

The loans to other joint ventures are unsecured. Included in the balance is an amount of HK\$70,000,000 (31 December 2007: HK\$66,316,000) which carried interest at 5.58% (31 December 2007: 5.58%) per annum and the remaining balance of HK\$15,707,000 (31 December 2007: HK\$14,880,000) was interest-free.

13. Loans to Related Companies

The loans to related companies of HK\$54,700,000 (31 December 2007: HK\$54,700,000) represented the cash advances to former subsidiaries in which one of its shareholders is Wai Kee Holdings Limited which has significant beneficial interest in the Company. The loans to related companies are unsecured, interest bearing at LIBOR/HIBOR plus 1.7% per annum and are wholly payable in 2010.

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

14. Long-term Receivables

	30 June 2008 HK\$'000	31 December 2007 HK\$'000
Minimum income undertakings (note (a))	15,563	14,743
Deferred consideration on disposal of an infrastructure joint venture (note (b))	23,278	27,053
Amount due from Huge Rise Investments Limited ("Huge Rise") (note (c))	575,664	391,336
	614,505	433,132

Notes:

- (a) Included in long-term receivables and debtors aged more than 90 days of the Group are the amounts of HK\$15,563,000 (31 December 2007: HK\$14,743,000) and HK\$1,024,000 (31 December 2007: HK\$970,000) as disclosed in note 18, respectively representing minimum income undertakings due from the PRC joint venture partners. Minimum income undertakings have been recognised in accordance with the terms set out in the relevant joint venture agreements and are settled according to the schedules agreed with the relevant PRC joint venture partners. The revised repayment schedule of minimum income undertakings was agreed with the PRC joint venture partners in 2007 and the amounts will be fully repaid in 2011.
- (b) The balance of HK\$23,278,000 (31 December 2007: HK\$27,053,000) represented the deferred consideration which arose from disposal of an infrastructure joint venture to the PRC joint venture partner in April 2006 in accordance with the agreed repayment schedule of the deferred consideration. The amount due within one year amounting to HK\$12,556,000 (31 December 2007: HK\$15,564,000) (see note 18) has been included in other receivables of the Group. The amounts will be fully repaid in 2010.
- (c) The balance represented the cash advance to Tianjin Sunco Real Estate Company Limited ("Tianjin Sunco WOFE"), a company controlled by Huge Rise, an independent third party of the Group and its subsidiaries (collectively referred to as the "Huge Rise Group"). Huge Rise has agreed that the whole balance will be fully repaid before 31 December 2009. Both Tianjin Sunco WOFE and Sunco Property Holdings Company Limited ("Sunco Property") were previously controlled by Mr. Sun Hongbin ("Mr. Sun"). 49% equity interest in Sunco Property was acquired by the Group in January 2007 and further 39.46% equity interest in Sunco Property was acquired by the Group in July 2007. Tianjin Sunco WOFE was subsequently sold to Huge Rise in August 2007 and the liabilities of Tianjin Sunco WOFE and its subsidiaries due to Sunco Property have been assumed by Huge Rise. During the six months ended 30 June 2008, the Group agreed to provide temporary finance to Tianjin Sunco WOFE amounting to HK\$162,588,000 for the property development in the PRC. The amount is secured by the assets of the Huge Rise Group to the extent of the outstanding amount. The Directors considered that the credit risk of the amount due from Huge Rise is limited as the assets consisted of land and other properties owned by the Huge Rise Group with their fair values are higher than the outstanding balance.

The amount is carried at interest rate which is still subject to negotiation with Huge Rise.

Notes to the Condensed Consolidated Financial Statements *(continued)*

For the six months ended 30 June 2008

15. Available-for-sale Investments

As detailed in notes 22 and 32 of the Group's annual financial statements for the year ended 31 December 2007, 天津順馳新地置業有限公司 and 天津順馳融信置地有限公司 (collectively referred to as the "Tianjin Companies") would have become indirect subsidiaries of the Company.

The PRC legal counsel had confirmed that the legal procedures in respect of the acquisition of the Tianjin Companies had been completed and the acquisition was legally enforceable under the relevant laws in the PRC. However, the Group has not yet obtained effective control over the Tianjin Companies despite the fact that the board of directors of the Tianjin Companies was appointed by the Group as the former management of the Tianjin Companies has not yet allowed the representatives of the Group to access the office of the Tianjin Companies, and has not yet handed over the official seals, the books and records as well as other relevant documents of the Tianjin Companies. Without such access of official seals and books and records, the Group has not yet effectively obtained control of the Tianjin Companies.

The Group has implemented certain preventive measures to preserve the assets of the Tianjin Companies including, but not limited to, (i) issuing a warning letter to the former management preventing them from taking any actions which will be detrimental to the Tianjin Companies; (ii) publishing a notice in a local newspaper in Tianjin to alert the public to take extra care when entering into any transactions with the Tianjin Companies; and (iii) issuing warning letters to the relevant banks in Tianjin to alert them to take extra care when entering into mortgage transactions with the customers and any other bank transactions with the Tianjin Companies.

As the Group has not yet obtained effective control or exercise significant influence over the operating and financing policies of the Tianjin Companies, the Tianjin Companies are not currently considered to be subsidiaries or associates of the Company and therefore they are accounted for as available-for-sale investments. Accordingly, the financial statements of the Tianjin Companies have not been consolidated into the Group's condensed consolidated financial statements. The investments in the Tianjin Companies have been recorded at cost less impairment as at 30 June 2008 and 31 December 2007 because the investments are unquoted equity shares whose range of reasonable fair value estimates is so significant that the Directors are of the opinion that the fair values cannot be measured reliably. Based on the impairment review on the investments in the Tianjin Companies, in the opinion of the Directors of the Company, no impairment on the investment cost in the Tianjin Companies is considered as necessary.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 June 2008

15. Available-for-sale Investments (continued)

The Group commenced legal proceedings in the Tianjin Nankai District People's Court in October 2007 to enforce its rights and to assume effective control over the Tianjin Companies. However, the legal proceedings against the former management of the Tianjin Companies have been temporarily suspended during the current interim period on the basis that unspecified facts which relate to those proceedings may overlap with unspecified matters under investigation by Tianjin authorities. Based on the advice of the Group's PRC legal adviser, the Group is taking steps to lift the suspension of the legal proceedings, which, if successful, will result in the effective continuation of the Group's legal proceedings against the former management of the Tianjin Companies. The Directors, based on advice of the Group's PRC legal adviser, are of the firm belief that the court ruling will be favourable to the Group and accordingly, the Group will be able to assume effective control over the Tianjin Companies in the foreseeable future. The Group will continue its best endeavours to pursue the lawsuit in order to assume effective control over the Tianjin Companies.

16. Inventory of Properties

	30 June 2008 HK\$'000	31 December 2007 HK\$'000
Completed properties held for sale	1,890,813	1,387,063
Properties under development for sale	8,895,465	8,992,400
	10,786,278	10,379,463

Note: Included in the amount are properties under development for sale of HK\$2,511,090,000 (31 December 2007: HK\$4,685,213,000) which are expected to be completed and delivered to the customers within twelve months from the balance sheet date.

17. Prepayment for Land Leases

As at 30 June 2008, a total prepayment of HK\$1,409,651,000 (31 December 2007: HK\$1,393,210,000) was made for the acquisition of certain pieces of land in the PRC. Upon completion of the acquisition and delivery of relevant land title document to the Group, the prepaid amount will be transferred to the account of "Properties under development for sale".

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

18. Debtors, Deposits and Prepayments

	30 June 2008 HK\$'000	31 December 2007 HK\$'000
Aging analysis of debtors:		
Within 60 days	3,979	11,554
60 to 90 days	—	5,477
More than 90 days	3,346	1,064
	7,325	18,095
Deferred consideration on disposal of an infrastructure joint venture (note 14(b))	12,556	15,564
Interest receivable	261	4,941
Prepayments on business tax and other taxes	100,328	191,430
Other receivables, deposits and prepayments (note)	568,620	539,734
	689,090	769,764

Other than the minimum income undertakings as mentioned in note 14(a), the debtors are mainly arisen from sales of properties. Consideration in respect of properties sold are paid in accordance with terms of the related sales and purchase agreement, normally within 60 days from the agreement. Consideration under pre-sale contracts will be fully received prior to the delivery of the properties to the purchasers.

Note:

At 30 June 2008, included in other receivables, deposits and prepayments is an amount of HK\$11,111,000 (31 December 2007: HK\$95,166,000) representing the tender deposits paid to the local government or its agents in several provinces for the tender of several pieces of land through public auctions. The tender deposits will be refunded if the Group fails to acquire the pieces of land during the tender. The public auction of these tender deposits paid will be taking place within one year and the amounts are classified as short-term deposits.

In November 2007, the Group and an independent third party ("Independent Party A") have entered into a cooperative agreement with another independent third party ("Independent Party B"), a state-owned enterprise located in Jinan province, pursuant to which the Group is responsible for carrying out development to render several pieces of land (the "Lands") suitable for commercial, office, tourism and public uses. Such land development works included but is not limited to the removal of the existing buildings situated on the Lands, the relocation of the existing residents, the provision of infrastructure systems including roads, drainage system, water pipes, gas and electricity supply and the construction of public facilities. A prepayment of HK\$377,400,000 (31 December 2007: HK\$357,474,000) has been paid by the Group to the Independent Party B as part of the total cost to be incurred for the development. Pursuant to the cooperative agreement, Independent Party B is responsible for selling the land use right of the Lands through the public tenders or auctions which will be carried out in September 2008. If the Lands were to be sold to the Group at the said public tenders or auctions, the Group is responsible for the payment of the price at which the Lands will be sold at the public tenders or auctions and Independent Party B will reimburse to the Group the actual development costs incurred for the Lands and a development return at the rate of 10% of the total costs incurred by the Group. Pursuant to the cooperative agreement, the Group will be reimbursed for the actual costs incurred in carrying out the development and be entitled to the fixed return of 10% of the total costs incurred irrespective of whether the Group will obtain the land use right of the Lands in the future.

Notes to the Condensed Consolidated Financial Statements (continued)

For the six months ended 30 June 2008

19. Pledged Deposits

At 30 June 2008, the pledged deposits were bank balances of HK\$283,758,000 (31 December 2007: HK\$231,583,000) pledged as security in favour of banks for mortgage facilities granted to the buyers of the Group's properties and short-term credit facilities granted to the Group.

20. Share Capital

	Number of shares	HK\$'000
Authorised:		
Ordinary shares of HK\$0.1 each	20,000,000,000	2,000,000
7.5% convertible preference shares of HK\$0.1 each	518,380	52
Issued and fully paid:		
Ordinary shares		
At 1 January 2008	752,646,566	75,265
Issue of shares upon exercise of share options	40,000	4
At 30 June 2008	752,686,566	75,269

The Company has a share option scheme for Directors and eligible employees of the Group. At 30 June 2008, the number of outstanding share options are 37,689,000 (31 December 2007: 38,715,000).

During the period, 30,000 and 10,000 share options were exercised at HK\$5.15 and HK\$5.80, respectively and 986,000 share options were lapsed.

As a result of the exercise of the Company's share options during the period, 40,000 ordinary shares were issued by the Company during the six months ended 30 June 2008. All the new shares issued rank pari passu in all respects with the existing shares.

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

21. Bank and Other Borrowings

	30 June 2008 HK\$'000	31 December 2007 HK\$'000
Senior notes (note (i))	2,670,579	2,634,176
Guaranteed notes (note (ii))	1,554,880	1,536,075
Bank loans (note (iii))	3,314,029	2,553,467
	7,539,488	6,723,718
The maturity of the above loans is as follows:		
Unsecured borrowings repayable:		
Within one year	859,889	447,368
More than two years but not exceeding five years	2,700,445	2,665,580
More than five years	1,525,014	1,504,671
	5,085,348	4,617,619
Secured borrowings repayable:		
Within one year	778,781	161,579
More than one year but not exceeding two years	620,341	601,788
More than two years but not exceeding five years	1,055,018	1,342,732
	2,454,140	2,106,099
Total borrowings	7,539,488	6,723,718
Less: Amount due within one year shown under current liabilities	(1,638,670)	(608,947)
Amount due over one year shown under non-current liabilities	5,900,818	6,114,771

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

21. Bank and Other Borrowings (*continued*)

Notes:

- (i) The senior notes, which are listed on the Stock Exchange in Singapore, with carrying amount of HK\$1,525,015,000 (31 December 2007: HK\$1,504,671,000) bear interest at a fixed rate of 7.625% per annum which will mature in May 2014. The senior notes with carrying amount of HK\$1,145,564,000 (31 December 2007: HK\$1,129,505,000) bear interest at a floating rate of three month LIBOR plus 2.25% per annum which will mature in May 2012. The fair value of the senior notes based on the quoted asked price at 30 June 2008 was HK\$2,085,040,000 (31 December 2007: HK\$2,476,800,000).
- (ii) The guaranteed notes, which are listed on the Stock Exchange in Singapore, bear interest at a fixed rate of 6.25% per annum and will mature in July 2011. The fair value of the guaranteed notes based on the quoted asked price at 30 June 2008 was HK\$1,299,260,000 (31 December 2007: HK\$1,351,680,000).
- (iii) Bank loans with carrying amount of HK\$766,111,000 (31 December 2007: HK\$789,474,000) bear interest at a fixed rate of 6.89% to 9.07% (31 December 2007: 6.89% to 8.96%) per annum. Interest rates on the remaining bank loans, which carried at variable interest rates, ranged from 2.83% to 5.65% (31 December 2007: 4.98% to 7.60%) per annum.

22. Creditors and Accrued Charges

	30 June 2008 HK\$'000	31 December 2007 HK\$'000
Aging analysis of creditors:		
Within 60 days	—	39,293
60 to 90 days	38,046	2,208
More than 90 days	—	11,840
	38,046	53,341
Interest payable	91,026	74,160
Accrued construction costs	1,314,272	1,149,023
Accrued taxes	36,408	48,231
Other accrued charges	208,510	339,122
	1,688,262	1,663,877

Notes to the Condensed Consolidated Financial Statements (*continued*)

For the six months ended 30 June 2008

23. Total Assets Less Current Liabilities / Net Current Assets

The Group's total assets less current liabilities at 30 June 2008 amounted to HK\$15,397,594,000 (31 December 2007: HK\$14,807,869,000). The Group's net current assets at 30 June 2008 amounted to HK\$8,366,023,000 (31 December 2007: HK\$8,240,272,000).

24. Capital Commitments

The Group had capital commitments in respect of investment costs to be injected into infrastructure joint ventures after the fifth years from the balance sheet date amounted to HK\$40,644,000 (31 December 2007: HK\$38,505,000).

At 30 June 2008, the Group will invest HK\$432,003,000 (31 December 2007: HK\$437,145,000) to develop a shopping mall in Changzhou for investment purpose.

25. Contingent Liabilities

At 30 June 2008, the Group provided guarantees of HK\$3,475,056,000 (31 December 2007: HK\$3,264,795,000) to banks in favour of its customers in respect of the mortgage loans provided by the banks to such customers for purchase of the Group's developed properties. These guarantees provided by the Group to the banks would be released upon receiving the building ownership certificate of the respective property by the banks from the customers as a pledge for security to the mortgage loan granted. The Directors considered that the fair value of such guarantee on initial recognition was insignificant.

At 30 June 2008, the Group provided guarantees in favour of banks to provide credit facilities to the Tianjin Companies, of which the Group is in the process of seeking to obtain effective control as described in note 15, amounting to HK\$333,333,000 (31 December 2007: HK\$315,789,000). The bank loans are pledged by the properties including land and properties under development for sale held by the Tianjin Companies. The fair value of the financial guarantees at the date of inception was HK\$22,000,000 and the amortisation of the fair value of the financial guarantees amounting to HK\$11,167,000 (six months ended 30 June 2007: Nil) has been credited to condensed consolidated income statement and the balance of HK\$1,833,000 (31 December 2007: HK\$13,000,000) has been included in other accrued charges as set out in note 22.

The bank loans of the Tianjin Companies amounted to HK\$333,333,000 will mature in July 2008 and the Tianjin Companies have already agreed with the bank to extend the maturity date of the bank loans to June 2009. The management will closely monitor the financial position of the Tianjin Companies to ensure that adequate provision is made if the financial position of the Tianjin Companies deteriorates which will cause a financial loss to the Group due to the failure to repay the bank loans.

Notes to the Condensed Consolidated Financial Statements *(continued)*

For the six months ended 30 June 2008

26. Litigation

Other than set out in note 15, the Group and Huge Rise has filed a writ of summons against Sunco China Holdings Limited and Sunco Management Holdings Limited (both of which are owned by Mr. Sun Hongbin ("Mr. Sun")), and Mr. Sun, (collectively referred to as the "Defendants"), the former major shareholder of Sunco Property Holdings Company Limited ("Sunco Property"), for which the Group currently has 89.46% interest in shareholding, to claim for the loss and damage related to the payment of certain construction costs, tax expenses and penalty in relation to violation of certain development regulations in the PRC, which were undisclosed by Mr. Sun at the time of negotiation and the conclusion of various agreements leading to the acquisition of Sunco Property and its subsidiaries in late 2006 and early 2007. Certain of these unrecorded liabilities have been recorded in the books of subsidiaries held by Sunco Property upon the completion of the acquisition by the Group.

The litigation in Hong Kong is still at an early stage and discovery (exchange of lists of documents) has not yet started.

27. Pledge of Assets

At 30 June 2008, other than the pledged deposits as disclosed in note 19, the Group's inventory of properties of HK\$1,282,064,000 (31 December 2007: HK\$1,357,231,000) were pledged and the shares of certain of the Company's subsidiaries were pledged to secure the banking facilities granted to the Group.

Notes to the Condensed Consolidated Financial Statements *(continued)*

For the six months ended 30 June 2008

28. Related Party Transactions

Other than set out in notes 12 and 13 to the condensed consolidated financial statements, the Group had significant transactions with the following related parties during the period, details of which are as follows:

Related parties	Nature	Six months ended 30 June	
		2008 HK\$'000	2007 HK\$'000
Infrastructure joint ventures	Dividend received	235,721	258,155
Property construction joint venture	Construction cost paid	62,552	82,347
Sunco Property	Interest income	—	19,830
Related companies (note)	Interest income	1,399	23,423

Note: Loan interest income of HK\$1,399,000 (six months ended 30 June 2007: HK\$1,849,000) was received from subsidiaries of Wai Kee Holdings Limited which has significant beneficial interest in the Company. Loan interest income of HK\$21,574,000 was received from Sunco Real Estate Investment Limited ("Sunco Real Estate") during the six months ended 30 June 2007 and the loan to Sunco Real Estate has been fully repaid in the second half year of 2007. Sunco Real Estate was controlled by Mr. Sun, the former beneficial owner of Sunco Property.

29. Post Balance Sheet Event

On 25 July 2008, the Group entered into an agreement with the PRC joint venture partners to dispose of the Group's entire equity interest in National Highway 324 Luoding-Chonghua Highway in Guangdong, PRC at a cash consideration of HK\$62,000,000. The Directors of the Company have assessed the financial impact of the disposal and considered that the gain on disposal of the infrastructure joint venture is insignificant to the Group.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



TO THE BOARD OF DIRECTORS OF ROAD KING INFRASTRUCTURE LIMITED

(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 8 to 30, which comprises the condensed consolidated balance sheet of Road King Infrastructure Limited as of 30 June 2008 and the related condensed consolidated income statement, statement of changes in equity and cash flow statement for the six-month period then ended and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making enquires, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Without qualifying our review conclusion we draw attention to notes 15 and 25 to the condensed consolidated financial statements. The Group currently has not obtained effective control over 天津順馳新地置業有限公司 and 天津順馳融信置地有限公司 (collectively referred to as the "Tianjin Companies") despite the fact that the board of directors of the Tianjin Companies was appointed by the Group, due to the circumstances described in note 15, and accordingly, the Group has not accounted for the Tianjin Companies as subsidiaries of the Group. The Group has commenced legal proceedings against the former management of the Tianjin Companies with a view to obtain effective control over these companies. However, the legal proceedings against the former management of the Tianjin Companies are temporarily suspended on the basis that unspecified facts which relate to those proceedings may overlap with unspecified matters under investigation by Tianjin authorities. The operation and financial position of the Tianjin Companies under the control of the former management of Tianjin Companies are likely to be in jeopardy, if the present circumstances of the Tianjin Companies are prolonged. Based on the advice of the Group's People's Republic of China ("PRC") legal adviser, the Group is taking steps to lift the suspension of the legal proceedings, which, if successful, will result in the effective continuation of the Group's legal proceedings against the former management of the Tianjin Companies. The directors, based on advice of the Group's PRC legal adviser, are of the firm belief that the court ruling will be favourable to the Group and accordingly, the Group will be able to assume effective control over the Tianjin Companies in the foreseeable future. Accordingly, in the opinion of the directors of the Company, no impairment on the investment cost in the Tianjin Companies is considered as necessary. However, as the timing of re-opening of the court hearing and the eventual outcome of the court proceedings cannot be determined with certainty, there exist significant uncertainties which may affect the following:

- the Group being unable to obtain effective control over the Tianjin Companies or otherwise realise the underlying properties of the Tianjin Companies, thereby impacting the recoverability of the Group's investments in these companies amounting to HK\$625,756,000.
- the banks seeking payment from the Group in relation to credit facilities to the Tianjin Companies amounting to HK\$333,333,000 as at 30 June 2008 which has been guaranteed by the Group as described in note 25, in the event that the Tianjin Companies are not in a position to repay the credit facilities by the maturity date in June 2009.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONTINUED)

Other than the fair value of the guarantees amounting to HK\$22,000,000 as at the date the guarantees were initially given, no provision for any liability or impairment that may result has been made in the condensed consolidated financial statements.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong, 21 August 2008

DIVIDEND

Dividend

The Board has resolved to declare an interim dividend of HK\$0.05 (2007: HK\$0.24) per share for the six months ended 30 June 2008 to the shareholders of the Company whose names appear in the Register of Members of the Company on 26 September 2008, Friday.

It is expected that the payment of interim dividend will be made on or before 15 October 2008, Wednesday.

Closure of Register of Members

The Register of Members of the Company will be closed from 24 September 2008, Wednesday to 26 September 2008, Friday, both days inclusive, during which period no transfer of shares will be registered.

In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrars in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:00 p.m. on 23 September 2008, Tuesday.

CORPORATE GOVERNANCE

Corporate Governance

The Company has complied with the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 June 2008, with a deviation from code provision A.4.1 of the Code in respect of the service term of Non-executive Directors.

Under code provision A.4.1, Non-executive Directors should be appointed for a specific term and subject to re-election. None of the Non-executive Directors of the Company were appointed for a specific term. This constitutes a deviation from code provision A.4.1 of the Code. However, one-third of the Directors of the Company for the time being (or if their number is not a multiple of three, the number nearest to but not less than one-third) are subject to the retirement by rotation at each annual general meeting under the Bye-laws of the Company. As such, the Company considers that this is no less exacting than those provided in the Code.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors by Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Upon enquiry by the Company, all Directors of the Company have confirmed that they have complied with the Model Code during the six months ended 30 June 2008.

DISCLOSURE OF INTERESTS

Directors' Interests and Short Positions

As at 30 June 2008, the interests and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Capacity/ nature of interest	Number of shares held		Percentage of holding (%) (note 3)
		Long position	Short position	
Zen Wei Pao, William	Personal	500,000 (note 1)	—	0.07
		6,000,000 (note 2)	—	0.80
Ko Yuk Bing	Personal	410,000 (note 1)	—	0.05
		5,100,000 (note 2)	—	0.68
Chan Kam Hung	Personal	1,000,000 (note 1)	—	0.13
		3,400,000 (note 2)	—	0.45
Fong Shiu Leung, Keter	Personal	380,000 (note 1)	—	0.05
		3,700,000 (note 2)	—	0.49
Zen Wei Peu, Derek	Personal	5,786,000 (note 1)	—	0.77
		2,300,000 (note 2)	—	0.31
Hu Aimin	Personal	500,000 (note 2)	—	0.07
Zhang Yijun	Personal	500,000 (note 2)	—	0.07
Chow Shiu Kee, Stephen	Personal	255,000 (note 1)	—	0.03
		740,000 (note 2)	—	0.10
Lau Sai Yung	Personal	55,000 (note 1)	—	0.01
		600,000 (note 2)	—	0.08

DISCLOSURE OF INTERESTS (CONTINUED)

Notes:

1. Long position in the shares of the Company (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).
2. Long position in the underlying shares of the Company pursuant to unlisted equity derivatives (including physically settled, cash settled and other equity derivatives). Share options granted to the Directors are included in this category, the particulars of which are set out in the section "Share Option Scheme" below.
3. The percentage was calculated based on 752,686,566 shares of the Company in issue as at 30 June 2008.

Save as disclosed above, as at 30 June 2008, none of the Directors had any interests or short positions in any shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests

As at 30 June 2008, the interests or short positions of persons, other than the Directors of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of shareholder	Capacity/ nature of interest	Number of shares held		Percentage of holding (%) (note 12)
		Long position (note 1)	Short position	
Wai Kee Holdings Limited (note 2)	Corporate	286,317,428	—	38.04
Wai Kee (Zens) Holding Limited (note 3)	Corporate	286,317,428	—	38.04
Groove Trading Limited (note 4)	Personal/ Beneficiary	65,918,000	—	8.76
Wai Kee China Investments (BVI) Company Limited (note 4)	Corporate	217,399,428	—	28.88

DISCLOSURE OF INTERESTS (CONTINUED)

Name of shareholder	Capacity/ nature of interest	Number of shares held		Percentage of holding (%) (note 12)
		Long position (note 1)	Short position	
Wai Kee China Investments Company Limited (note 5)	Corporate	217,399,428	—	28.88
ZWP Investments Limited (note 6)	Personal/ Beneficiary	217,399,428	—	28.88
Shum Yip Holdings Company Limited (note 7)	Corporate	197,914,142	—	26.29
Shenzhen Investment Limited (note 8)	Corporate	197,914,142	—	26.29
Hover Limited (note 9)	Personal/ Beneficiary	197,914,142	—	26.29
Cheah Cheng Hye (note 10)	Founder of Discretionary Trust	57,654,852	—	7.66
Hang Seng Bank Trustee International Limited (note 10)	Trustee	57,654,852	—	7.66
Cheah Company Limited (note 10)	Corporate	57,654,852	—	7.66
Cheah Capital Management Limited (note 10)	Corporate	57,654,852	—	7.66
Value Partners Group Limited (note 10)	Corporate	57,654,852	—	7.66
Value Partners Limited (note 10)	Investment Manager	57,654,852	—	7.66
To Hau Yin (note 11)	Spouse	57,654,852	—	7.66

DISCLOSURE OF INTERESTS (CONTINUED)

Notes:

1. Long position in the shares of the Company (other than pursuant to equity derivatives such as share options, warrants to subscribe or convertible bonds).
2. Wai Kee Holdings Limited is deemed to be interested in the shares of the Company through its interests in (i) its wholly-owned subsidiaries, namely Wai Kee (Zens) Holding Limited, Groove Trading Limited, Wai Kee China Investments (BVI) Company Limited, Wai Kee China Investments Company Limited, ZWP Investments Limited and Top Horizon Holdings Limited respectively; and (ii) its subsidiaries, namely Build King Holdings Limited, Top Tactic Holdings Limited, Amazing Reward Group Limited, Leader Construction Company Limited and Leader Civil Engineering Limited, which beneficially held 3,000,000 shares of the Company, respectively.
3. Wai Kee (Zens) Holding Limited is a direct wholly-owned subsidiary of Wai Kee Holdings Limited.
4. Groove Trading Limited and Wai Kee China Investments (BVI) Company Limited are direct wholly-owned subsidiaries of Wai Kee (Zens) Holding Limited.
5. Wai Kee China Investments Company Limited is a direct wholly-owned subsidiary of Wai Kee China Investments (BVI) Company Limited.
6. ZWP Investments Limited is a direct wholly-owned subsidiary of Wai Kee China Investments Company Limited.
7. Shum Yip Holdings Company Limited is deemed to be interested in the shares of the Company through its 45.7% interest in Shenzhen Investment Limited.
8. Shenzhen Investment Limited is deemed to be interested in the shares of the Company through its interests in its wholly-owned subsidiary, namely Hover Limited.
9. Hover Limited is a direct wholly-owned subsidiary of Shenzhen Investment Limited.
10. Hang Seng Bank Trustee International Limited, the trustee of the C H Cheah Family Trust (the "Trust"), holds 100% interest in Cheah Company Limited which holds 100% interest in Cheah Capital Management Limited, which holds 35.65% interest in Value Partners Group Limited, which in turn holds 100% interest in Value Partners Limited. By virtue of SFO, Cheah Cheng Hye, being the founder of the Trust, is deemed to be interested in the interest held by Value Partners Limited.
11. To Hau Yin is the spouse of Cheah Cheng Hye and is deemed to be interested in the interest held by Cheah Cheng Hye.
12. The percentage was calculated based on 752,686,566 shares of the Company in issue as at 30 June 2008.

Save as disclosed above, as at 30 June 2008, no other persons (other than the Directors) had any interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept pursuant to section 336 of the SFO.

Share Option Scheme

The share option scheme was adopted by the Company on 12 May 2003. Particulars of the share option scheme are set out in note 28 to the consolidated financial statements in the Company's annual report for the year ended 31 December 2007.

A summary of movement under the share option scheme during the period were as follows:

Name	Issue	Number of share options			Balance at 30.6.2008	Weighted average closing price (note 6)
		Balance at 1.1.2008	Granted during the period	Exercised during the period		
<i>Directors</i>						
Zen Wei Pao, William	Note 3	1,000,000	—	—	1,000,000	—
	Note 4	2,500,000	—	—	2,500,000	—
	Note 5	2,500,000	—	—	2,500,000	—
Ko Yuk Bing	Note 3	500,000	—	—	500,000	—
	Note 4	2,300,000	—	—	2,300,000	—
	Note 5	2,300,000	—	—	2,300,000	—
Chan Kam Hung	Note 4	1,800,000	—	—	1,800,000	—
	Note 5	1,600,000	—	—	1,600,000	—
Fong Shiu Leung, Keter	Note 3	700,000	—	—	700,000	—
	Note 4	1,400,000	—	—	1,400,000	—
	Note 5	1,600,000	—	—	1,600,000	—
Zen Wei Peu, Derek	Note 4	800,000	—	—	800,000	—
	Note 5	1,500,000	—	—	1,500,000	—
Hu Aimin	Note 4	250,000	—	—	250,000	—
	Note 5	250,000	—	—	250,000	—
Zhang Yijun	Note 4	250,000	—	—	250,000	—
	Note 5	250,000	—	—	250,000	—
Chan Hing Chiu, Vincent*	Note 4	250,000	—	—	250,000	—
	Note 5	100,000	—	—	100,000	—
Chow Shiu Kee, Stephen	Note 2	140,000	—	—	140,000	—
	Note 3	250,000	—	—	250,000	—
	Note 4	250,000	—	—	250,000	—
	Note 5	100,000	—	—	100,000	—
Lau Sai Yung	Note 3	250,000	—	—	250,000	—
	Note 4	250,000	—	—	250,000	—
	Note 5	100,000	—	—	100,000	—
Total		23,190,000	—	—	—	23,190,000

DISCLOSURE OF INTERESTS (CONTINUED)

Name	Issue	Number of share options			Balance at 30.6.2008	Weighted average closing price (note 6)
		Balance at 1.1.2008	Granted during the period	Exercised during the period		
<i>Other</i>						
Employees	Note 1	135,000	—	30,000	—	9.60
	Note 2	390,000	—	—	—	—
	Note 3	110,000	—	10,000	—	9.48
	Note 4	5,730,000	—	—	276,000	—
	Note 5	9,160,000	—	—	710,000	—
Total		15,525,000	—	40,000	986,000	14,499,000
Grand Total		38,715,000	—	40,000	986,000	37,689,000

Notes:

1. The share options under this issue were granted on 17 October 2003 with an exercisable period from 17 October 2003 to 16 October 2008 and an exercise price of HK\$5.15.
 2. The share options under this issue were granted on 26 August 2004 with an exercisable period from 26 August 2004 to 25 August 2009 and an exercise price of HK\$5.70.
 3. The share options under this issue were granted on 14 December 2005 with an exercisable period from 14 December 2005 to 13 December 2010 and an exercise price of HK\$5.80.
 4. The share options under this issue were granted on 20 December 2006 with an exercisable period from 20 December 2006 to 19 December 2011 and an exercise price of HK\$11.66.
 5. The share options under this issue were granted on 6 November 2007 with an exercisable period from 6 November 2007 to 5 November 2012 and an exercise price of HK\$14.85.
 6. This represents the weighted average closing price of the Company's shares immediately before the date on which the share options were exercised.
- * Mr. Chan Hing Chiu, Vincent retired in the annual general meeting held on 26 May 2008.

OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

During the period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Continuing Disclosure of the Listing Rules

In compliance with continuing disclosure obligations of the Listing Rules, the following information is disclosed:

1. Pursuant to rule 13.16 of the Listing Rules:
 - (a) The Group has altogether 42 infrastructure joint ventures and two property joint ventures. All these are regarded as joint ventures irrespective of whether the Group's interests exceed 50% or not. Investments in these joint ventures are in the form of both registered capital and loans. The size of loans made by the Group and by the other joint venture partner(s) to each joint venture is in proportion to the respective interests in each joint venture.
 - (b) During the period, the Group has not provided guarantees in respect of bank facilities utilised by the joint ventures.
 - (c) The total amount of loans to the joint ventures was HK\$3.44 billion which in aggregate exceeds 8% of the Group's adjusted unaudited total assets of HK\$21.27 billion (being the Group's total assets as at 30 June 2008 adjusted for the dividend declared for the six months ended 30 June 2008 by the Company) as at 30 June 2008. The loans are part of the Group's investments in the joint ventures. Save for the shareholder's loan of HK\$70 million to a property joint venture which carries an interest of 5.58% per annum, all loans to the Group's joint ventures are unsecured, interest free and have no definite repayment terms.
 - (d) The loans to the infrastructure joint ventures are reflected in the accounts as part of the cost of investment. All loans to the joint ventures were funded by equities raised at the listing of the Company or by borrowings or by internal resources of the Group.

2. Pursuant to rule 13.18 of the Listing Rules:

The Company are obliged to make an offer to repurchase all US\$200,000,000 fixed rate senior notes due 2014 and US\$150,000,000 floating rate senior notes due 2012 ("Notes") then outstanding at a purchase price equal to 101% of the principal amount, plus accrued and unpaid interest, if any, to (but not including) the date of repurchase in the occurrence of a change of control triggering event and a decline in rating of the Notes.

OTHER INFORMATION (CONTINUED)

3. Pursuant to rule 13.22 of the Listing Rules:

- (a) A summary of aggregate financial information of the joint ventures, based on the adjusted unaudited financial statements prepared under the accounting principles generally accepted in Hong Kong as at 30 June 2008, is as follows:

Balance sheet	As at 30 June 2008 (Unaudited) HK\$'000
Non-current assets	10,731,759
Current assets	1,926,730
Current liabilities	(1,463,088)
Net current assets	463,642
Non-current liabilities	(1,330,054)
Net assets	9,865,347

OTHER INFORMATION (CONTINUED)

(b) Details of the joint ventures are as follows:

	% of interest held indirectly by the Company	Loan to joint venture HK\$'000	Outstanding loan to be injected HK\$'000
Infrastructure Joint Ventures			
Anhui Road Universe Hefei Highway Development Co., Ltd.	50%	124,677	—
Anhui Road Universe Hehuai Highway Dayang Section Development Co., Ltd.	60%	80,118	—
Anhui Road Universe Hehuai Highway Yangjin Section Development Co., Ltd.	60%	71,707	—
Anhui Road Universe Liuan Highway Development Co., Ltd.	50%	64,705	—
Bengbu Road King Chaoyanglu Huaihe Highway Bridge Development Co., Ltd.	35%	36,349	—
Bengbu Road King Huaihe Bridge Highway Development Co., Ltd.	35%	43,253	—
Bengbu Road King Huaimeng Highway Development Co., Ltd.	35%	31,686	—
Guangxi Hengjing Highway Development Co., Ltd.	70%	61,513	21,850
Guangxi Lutong Highway Development Co., Ltd.	70%	81,800	18,794
Handan Rongguang Highway Development Co., Ltd.	70%	79,223	—

OTHER INFORMATION (CONTINUED)

	% of interest held indirectly by the Company	Loan to joint venture HK\$'000	Outstanding loan to be injected HK\$'000
Handan Xinguang Highway Development Co., Ltd.	70%	80,474	—
Hebei Baofa Expressway Co., Ltd.	40%	54,064	—
Hebei Baofeng Expressway Co., Ltd.	40%	54,111	—
Hebei Baohui Expressway Co., Ltd.	40%	53,907	—
Hebei Baojie Expressway Co., Ltd.	40%	54,994	—
Hebei Baojin Expressway Co., Ltd.	40%	54,377	—
Hebei Baoli Expressway Co., Ltd.	40%	55,049	—
Hebei Baoming Expressway Co., Ltd.	40%	50,550	—
Hebei Baosheng Expressway Co., Ltd.	40%	54,187	—
Hebei Baoyi Expressway Co., Ltd.	40%	54,445	—
Hebei Baoyu Expressway Co., Ltd.	40%	54,703	—
Hebei Tanghui Expressway Co., Ltd.	45%	182,778	—
Hebei Tangjin Expressway Co., Ltd.	45%	159,225	—
Hebei Tangrun Expressway Co., Ltd.	45%	109,749	—
Hunan Changyi (Baining) Expressway Co., Ltd.	43.17%	58,635	—
Hunan Changyi (Cangyi) Expressway Co., Ltd.	43.17%	59,832	—

OTHER INFORMATION (CONTINUED)

	% of interest held indirectly by the Company	Loan to joint venture HK\$'000	Outstanding loan to be injected HK\$'000
Hunan Changyi Expressway Co., Ltd.	43.17%	59,567	—
Hunan Changyi (Hengcang) Expressway Co., Ltd.	43.17%	61,465	—
Hunan Changyi (Ningheng) Expressway Co., Ltd.	43.17%	59,510	—
Hunan Changyi (Zijiang No. 2 Bridge) Expressway Co., Ltd.	43.17%	47,346	—
Liuan Road Universe Liuye Highway Development Co., Ltd.	50%	68,487	—
Liuan Road Universe Pihe Bridge Development Co., Ltd.	50%	63,286	—
Luodingshi Luochong Highway Co., Ltd.	61%	114,725	—
Pingdingshan Road King Xuchang-Nanyang Highway (Xiangcheng Section) Development Co., Ltd.	50%	68,352	—
Pingdingshan Road King Xuchang-Nanyang Highway (Yexian Section) Development Co., Ltd.	50%	59,025	—
Shanxi Lutong Dongguan Highway Co., Ltd.	65%	99,693	—
Shanxi Lutong Taiyu Highway Co., Ltd.	65%	75,938	—

OTHER INFORMATION (CONTINUED)

	% of interest held indirectly by the Company	Loan to joint venture HK\$'000	Outstanding loan to be injected HK\$'000
Shanxi Lutong Yuci Highway Co., Ltd.	65%	60,460	—
Shenzhen Airport-Heao Expressway (Eastern Section) Co., Ltd.	45%	377,028	—
Shijiazhuang Luhui Road & Bridge Development Co., Ltd.	60%	96,657	—
Shijiazhuang Luxin Road & Bridge Development Co., Ltd.	60%	54,040	—
Suzhou Road King Shanghai-Suzhou Airport Road Development Co., Ltd.	50%	120,874	—
Property Joint Ventures			
常州利駿建築工程有限公司 ("Changzhou Value Ahead")	60%	15,707*	—
上海順馳方城置業有限公司	31.50%**	70,000	—
		3,438,271	40,644

* The loan was advanced to the immediate holding company of Changzhou Value Ahead, Value Ahead Limited, which then on-lent it to Changzhou Value Ahead.

** The joint venture is held by a 89.46% owned subsidiary of the Company.

4. Save as disclosed above, there is no other continuing disclosure required to be made by the Company pursuant to Chapter 13 of the Listing Rules.

Audit Committee

The Audit Committee has reviewed with management and external auditors the accounting principles and policies adopted by the Group and the unaudited interim financial statements for the six months ended 30 June 2008.

Acknowledgement

On behalf of the Board, we express our sincere gratitude to our business partners, customers and shareholders for their enduring support, and thank all staff for their dedication and hard work.

By Order of the Board

Ko Yuk Bing

Managing Director & CEO

Hong Kong, 21 August 2008

CORPORATE INFORMATION

Executive Directors

Zen Wei Pao, William (*Chairman*)
Ko Yuk Bing (*Managing Director & CEO*)
Chan Kam Hung (*Chief Operating Officer*)
Fong Shiu Leung, Keter (*Finance Director*)
Zen Wei Peu, Derek

Non-executive Directors

Hu Aimin
Zhang Yijun

Independent Non-executive Directors

Chow Shiu Kee, Stephen
Lau Sai Yung
Chow Ming Kuen, Joseph
Choy Kwok Hung, Patrick

Audit Committee

Lau Sai Yung (*Chairman*)
Chow Shiu Kee, Stephen
Chow Ming Kuen, Joseph
Choy Kwok Hung, Patrick

Remuneration Committee

Chow Shiu Kee, Stephen (*Chairman*)
Zen Wei Pao, William
Lau Sai Yung
Chow Ming Kuen, Joseph
Choy Kwok Hung, Patrick

Company Secretary and Qualified Accountant

Fong Shiu Leung, Keter

Auditors

Deloitte Touche Tohmatsu

Solicitors

Richards Butler in association with
Reed Smith LLP
Sidley Austin
Conyers, Dill & Pearman

Principal Bankers

CITIC Ka Wah Bank Limited
China Construction Bank Corporation
Industrial and Commercial Bank of China
(Asia) Limited
The Bank of East Asia, Limited

Principal Share Registrar and Transfer Office

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke, HM 08, Bermuda

Hong Kong Branch Share Registrar and Transfer Office

Tricor Secretaries Limited
26th Floor, Tesbury Centre
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Hamilton HM 11
Bermuda

Principal Place of Business

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Kowloon
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Website

<http://www.roadking.com.hk>

Share Listing

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited

Stock Codes

The Stock Exchange of Hong Kong Limited — 1098
Reuters — 1098.HK
Bloomberg — 1098 HK

Investor Relations

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