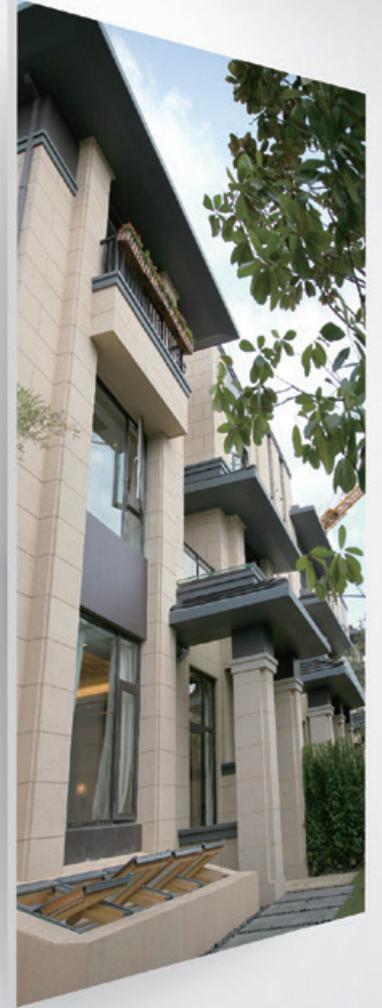


Road King Infrastructure Limited

(Incorporated in Bermuda with limited liability)
(Stock Code : 1098)



2015
INTERIM REPORT





Corporate Profile

ROAD KING INFRASTRUCTURE LIMITED

Road King Infrastructure Limited ("Road King") is a prominent property developer in the People's Republic of China (the "PRC") and focuses on developing quality residential apartments at affordable prices. Road King's existing asset portfolio of property business amounts to approximately HK\$36 billion, comprising a land reserve of over 5,800,000 square metres which is primarily located in the Yangtze River Delta and Bohai Rim regions. Road King is also a leading toll road investor and operator in the PRC with over 20 years of experience in the industry. Road King's current toll road portfolio comprises five expressways spanning about 340 kilometres in the PRC.

20 August 2015

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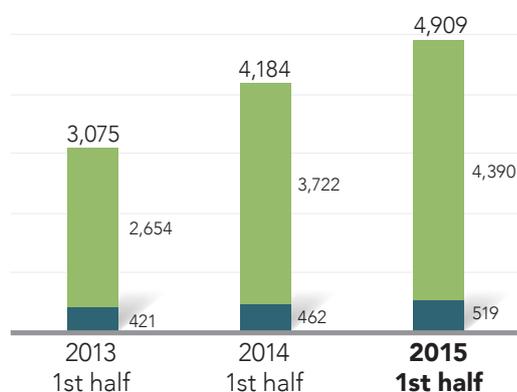
Financial Highlights

(HK\$'million)	For the six months ended 30 June			For the year ended 31 December	
	2015	2014	2013	2014	2013
Revenue from property development	4,390	3,722	2,654	12,730	11,456
Group's share of toll revenue	519	462	421	968	893
Cash received from toll road projects	217	245	247	515	512
Profit before taxation	673	692	764	2,501	2,521
Profit attributable to owners of the Company	228	198	255	1,005	1,002
Basic earnings per share (HK\$)	0.31	0.27	0.34	1.37	1.36
Net assets per share attributable to owners of the Company (HK\$)	17.76	17.29	16.10	18.10	17.24
Dividend per Share (HK\$)	0.13	0.13	0.18	0.58	0.58

Revenue from property development and Group's share of toll revenue

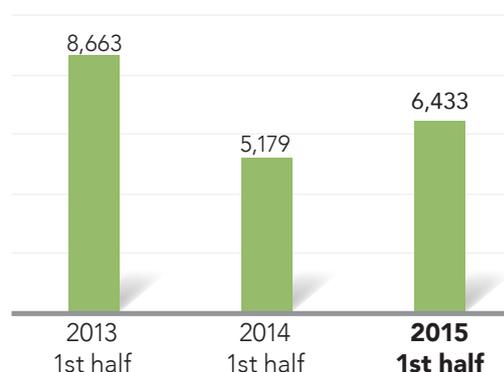
(HK\$ million)

- Property
- Toll Road

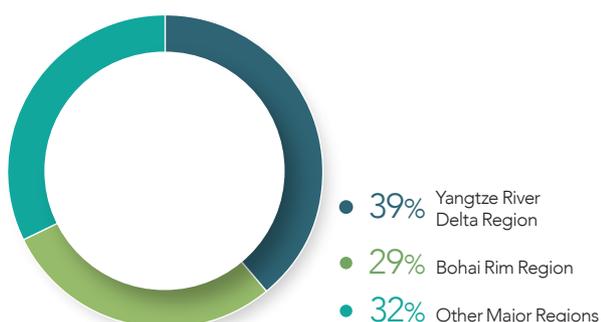


Contracted sales from property development (including joint venture projects)

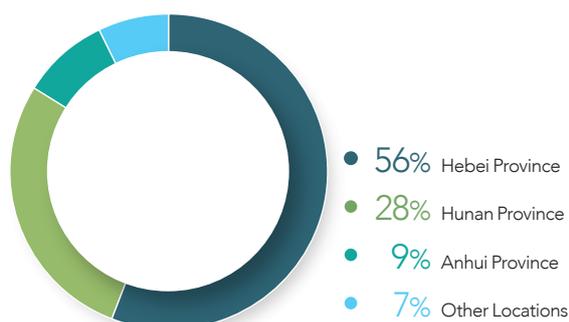
(HK\$ million)



Revenue contribution of property projects in first half of 2015 by location



Revenue contribution of toll road projects in first half of 2015 by location



Major Projects Information



Major Projects Information (continued)

PROPERTIES FOR SALE

As at 30 June 2015

Yangtze River Delta Region

P1	RK Shanghai Villa							
	Floor area (sqm)	105,000	Nature	Residential	Stage of completion (note)	F/S/C	Land area (sqm)	136,000
	Approximate attributable interest	55.00%	Target completion	2017	Location	Shanghai		
	Shanghai Juncheng Real Estate Ltd.							

P2	RK Shanghai Style							
	Floor area (sqm)	130,000	Nature	Residential	Stage of completion (note)	S	Land area (sqm)	61,000
	Approximate attributable interest	75.00%	Target completion	2016	Location	Shanghai		
	Shanghai Junan Real Estate Ltd.							

P3	RK Shanghai Manor							
	Floor area (sqm)	112,000	Nature	Residential	Stage of completion (note)	F/S/C	Land area (sqm)	133,000
	Approximate attributable interest	55.00%	Target completion	2017	Location	Shanghai		
	Shanghai Juncheng Real Estate Ltd.							

P4	Shanghai Anting Changji Road South Project							
	Floor area (sqm)	80,000	Nature	Residential	Stage of completion (note)	M	Land area (sqm)	42,000
	Approximate attributable interest	75.00%	Target completion	2019	Location	Shanghai		
	Shanghai Junan Real Estate Ltd.							

P5	Land Parcel in Anting Jiading District							
	Floor area (sqm)	145,000	Nature	Residential	Stage of completion (note)	M/P/F	Land area (sqm)	72,000
	Approximate attributable interest	49.00%	Target completion	2019	Location	Shanghai		
	Shanghai Junda Real Estate Ltd.							

Major Projects Information (continued)

PROPERTIES FOR SALE

As at 30 June 2015

Yangtze River Delta Region

P6 RK Notting Hill								
	Floor area (sqm)	120,000	Nature	Residential	Stage of completion (note)	S/C	Land area (sqm)	98,000
	Approximate attributable interest	100.00%	Target completion	2016	Location	Zhenjiang, Jiangsu Province		
	Zhenjiang RK Properties Developments Ltd.							
P7 Zhenjiang Dagang Project								
	Floor area (sqm)	522,000	Nature	Residential	Stage of completion (note)	M	Land area (sqm)	257,000
	Approximate attributable interest	100.00%	Target completion	2019	Location	Zhenjiang, Jiangsu Province		
	Zhenjiang RK Dagang Properties Developments Co., Ltd.							
P8 RK City (Changzhou)								
	Floor area (sqm)	647,000	Nature	Residential	Stage of completion (note)	P/F/S/C	Land area (sqm)	280,000
	Approximate attributable interest	100.00%	Target completion	2020	Location	Changzhou, Jiangsu Province		
	Changzhou RK Properties Developments Ltd.							
P9 RK Urban Home Court								
	Floor area (sqm)	232,000	Nature	Residential	Stage of completion (note)	P/F/S	Land area (sqm)	95,000
	Approximate attributable interest	100.00%	Target completion	2017	Location	Changzhou, Jiangsu Province		
	Changzhou RK Hongcheng Properties Developments Ltd.							
P10 RK City Landmark								
	Floor area (sqm)	217,000	Nature	Residential	Stage of completion (note)	P/F	Land area (sqm)	89,000
	Approximate attributable interest	100.00%	Target completion	2020	Location	Changzhou, Jiangsu Province		
	Changzhou RK Hongyuan Properties Developments Ltd.							

Major Projects Information (continued)

PROPERTIES FOR SALE

As at 30 June 2015

Yangtze River Delta Region

P11	RK City Signature							
	Floor area (sqm)	266,000	Nature	Residential	Stage of completion (note)	P/F/S	Land area (sqm)	110,000
	Approximate attributable interest	100.00%	Target completion	2019	Location	Changzhou, Jiangsu Province		
Changzhou RK Hongrun Properties Developments Ltd.								

P12	RK Royal City (Changzhou)							
	Floor area (sqm)	203,000	Nature	Residential	Stage of completion (note)	S/C	Land area (sqm)	487,000
	Approximate attributable interest	100.00%	Target completion	2016	Location	Changzhou, Jiangsu Province		
Changzhou Great Gallop Properties Developments Ltd.								

P13	RK The Providence							
	Floor area (sqm)	180,000	Nature	Residential	Stage of completion (note)	F/S/C	Land area (sqm)	88,000
	Approximate attributable interest	100.00%	Target completion	2017	Location	Wuxi, Jiangsu Province		
Wuxi RK Liyuan Properties Limited								

P14	RK Impression							
	Floor area (sqm)	94,000	Nature	Residential	Stage of completion (note)	S	Land area (sqm)	26,000
	Approximate attributable interest	100.00%	Target completion	2016	Location	Wuxi, Jiangsu Province		
Wuxi RK Binhu Properties Co., Ltd.								

P15	RK Phoenix City							
	Floor area (sqm)	502,000	Nature	Residential	Stage of completion (note)	P/F/S/C	Land area (sqm)	843,000
	Approximate attributable interest	100.00%	Target completion	2018	Location	Suzhou, Jiangsu Province		
Suzhou Junyu Properties Ltd.								

Major Projects Information (continued)

PROPERTIES FOR SALE

As at 30 June 2015

Yangtze River Delta Region

P16	RK Hong Kong Times							
	Floor area (sqm)	85,000	Nature	Residential	Stage of completion (note)	S	Land area (sqm)	46,000
	Approximate attributable interest	100.00%	Target completion	2016	Location	Suzhou, Jiangsu Province		
Suzhou RK Properties Co., Ltd.								

Bohai Rim Region

P17	RK World City							
	Floor area (sqm)	82,000	Nature	Residential and Commercial	Stage of completion (note)	F/S/C	Land area (sqm)	108,000
	Approximate attributable interest	100.00%	Target completion	2017	Location	Beijing		
Beijing RK Junyu Properties Developments Ltd.								

P18	RK Sunny Town							
	Floor area (sqm)	267,000	Nature	Residential	Stage of completion (note)	P/F/S/C	Land area (sqm)	811,000
	Approximate attributable interest	94.74%	Target completion	2017	Location	Tianjin		
Tianjin Sunco Xindi Property Co., Ltd.								

P19	RK Leader of Life							
	Floor area (sqm)	61,000	Nature	Residential	Stage of completion (note)	S/C	Land area (sqm)	327,000
	Approximate attributable interest	94.74%	Target completion	2015	Location	Tianjin		
Tianjin Sunco Rongxin Land Co., Ltd. and Tianjin RK Junyao Properties Investment Co., Ltd.								

P20	Jinan University Project							
	Floor area (sqm)	129,000	Nature	Residential and Commercial	Stage of completion (note)	M	Land area (sqm)	53,000
	Approximate attributable interest	100.00%	Target completion	2019	Location	Jinan, Shandong Province		
Shandong Yudi Properties Developments Co., Ltd.								

Major Projects Information (continued)

PROPERTIES FOR SALE

As at 30 June 2015

Bohai Rim Region

P21	RK City (Jinan)							
	Floor area (sqm)	153,000	Nature	Residential	Stage of completion (note)	P/F/S	Land area (sqm)	42,000
	Approximate attributable interest	100.00%	Target completion	2016	Location	Jinan, Shandong Province		
Jinan RK Juncheng Properties Developments Co., Ltd.								

P22	RK Unusual Landscape							
	Floor area (sqm)	73,000	Nature	Residential	Stage of completion (note)	S/C	Land area (sqm)	249,000
	Approximate attributable interest	94.74%	Target completion	2015	Location	Qingdao, Shandong Province		
Shandong Sunco Rongsheng Land Co., Ltd.								

Other Major Regions

P23	RK Royal City (Luoyang)							
	Floor area (sqm)	379,000	Nature	Residential	Stage of completion (note)	P/F/S/C	Land area (sqm)	147,000
	Approximate attributable interest	100.00%	Target completion	2020	Location	Luoyang, Henan Province		
Luoyang RK Properties Developments Ltd.								

P24	RK J•o•Y Heights							
	Floor area (sqm)	117,000	Nature	Residential	Stage of completion (note)	S/C	Land area (sqm)	103,000
	Approximate attributable interest	100.00%	Target completion	2016	Location	Guangzhou, Guangdong Province		
Guangzhou Junyue Real Estate Limited								

Major Projects Information (continued)

INVESTMENT PROPERTIES

As at 30 June 2015

P25 RK Grand Metropolis								
	Floor area (sqm)	120,000	Nature	Commercial	Stage of completion (note)	C	Land area (sqm)	67,000
	Approximate attributable interest	100.00%	Target completion	Not applicable	Location	Changzhou, Jiangsu Province		
	Changzhou Greatmind Properties Developments Ltd.							

P15 RK Phoenix City								
	Floor area (sqm)	22,000	Nature	Commercial	Stage of completion (note)	C	Land area (sqm)	17,000
	Approximate attributable interest	100.00%	Target completion	Not applicable	Location	Suzhou, Jiangsu Province		
	Suzhou Junyu Properties Ltd.							

P18 RK Joy Park								
	Floor area (sqm)	18,000	Nature	Commercial	Stage of completion (note)	C	Land area (sqm)	9,000
	Approximate attributable interest	94.74%	Target completion	Not applicable	Location	Tianjin		
	Tianjin Sunco Xindi Property Co., Ltd.							

P26 RK Central Special Zone								
	Floor area (sqm)	25,000	Nature	Commercial	Stage of completion (note)	C	Land area (sqm)	9,000
	Approximate attributable interest	94.74%	Target completion	Not applicable	Location	Zhengzhou, Henan Province		
	Zhengzhou Keshu Real Estate Co., Ltd.							

Major Projects Information (continued)

NEW PROJECTS ACQUIRED IN THE FIRST HALF OF 2015

As at 30 June 2015

Bohai Rim Region

P27	Land Parcel in Chao Baihe Development Area in Dachang Hui Autonomous County							
	Floor area (sqm)	723,000	Nature	Residential	Stage of completion (note)	M/P/F/S	Land area (sqm)	495,000
	Approximate attributable interest	40.00%	Target completion	2020	Location	Langfang, Hebei Province		
Dachang Hui Autonomous County Zhongji Shouye Properties Developments Co., Ltd.								

Other Major Regions

P28	Land Parcel in Guo Jia Gaoxin District							
	Floor area (sqm)	54,000	Nature	Residential	Stage of completion (note)	M	Land area (sqm)	54,000
	Approximate attributable interest	100.00%	Target completion	2018	Location	Luoyang, Henan Province		
Luoyang RK Hongjun Properties Developments Co., Ltd.								

Notes:

"M" denotes "Master planning"

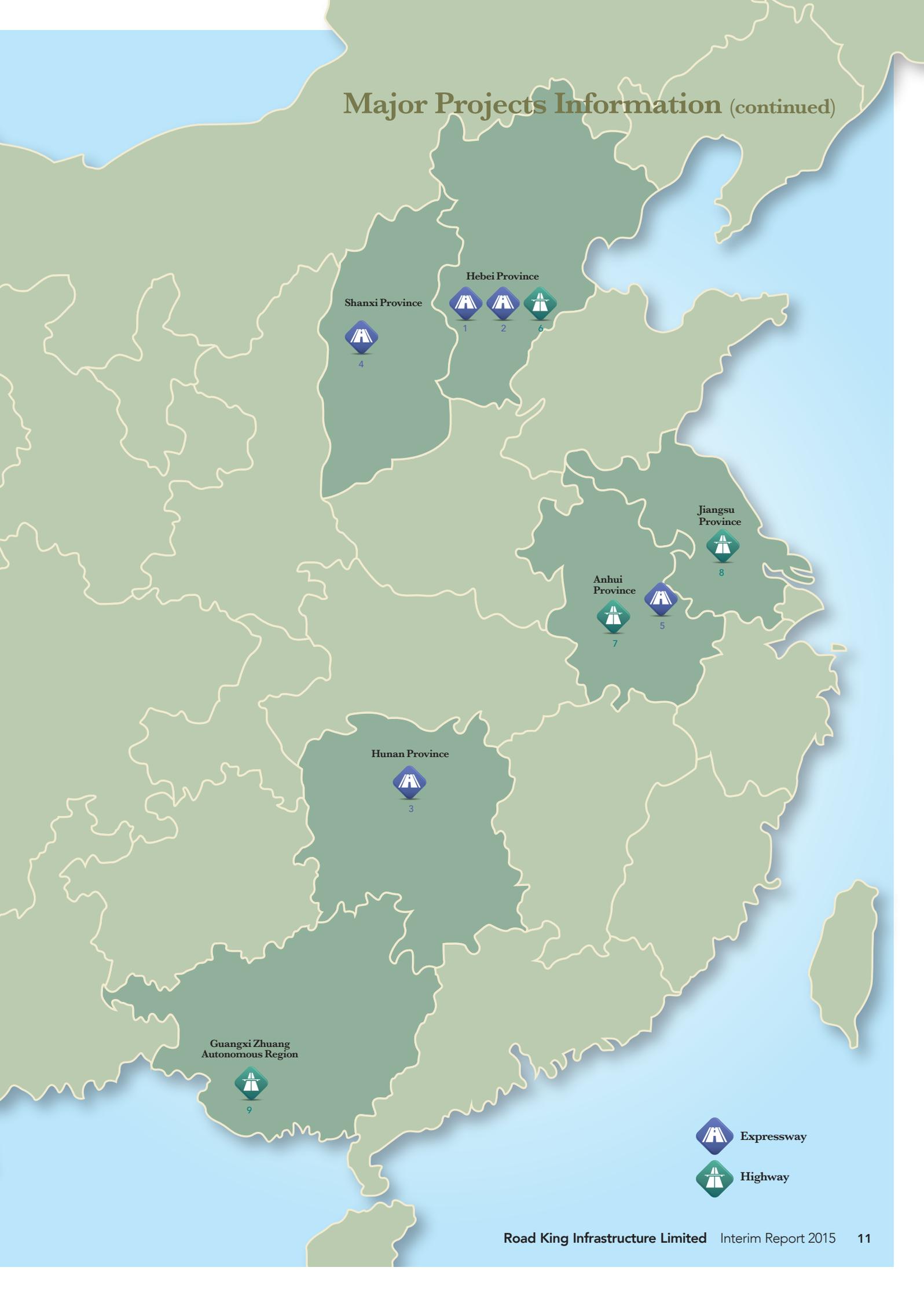
"P" denotes "Planning and design"

"F" denotes "Foundation"

"S" denotes "Superstructure"

"C" denotes "Completed"

Major Projects Information (continued)



Major Projects Information (continued)

TOLL ROAD BUSINESS

As at 30 June 2015

Expressways

	T1 Baojin Expressway					
	Location	Hebei Province	Length	105km	Equity interest	40%
	Route	National Expressway G18 Baoding-Tianjin ~ 4-lane		Road Rise Investments Limited		
	T2 Tangjin Expressway					
	Location	Hebei Province	Length	58km	Equity interest	45%
	Route	National Expressway G25 Tangshan-Tianjin ~ 4/6-lane		Ontex Investments Limited Road Base Investments Limited Road Bond Investments Limited		
	T3 Changyi Expressway					
	Location	Hunan Province	Length	69km	Equity interest	43%
	Route	National Expressway G5513 Changsha-Yiyang ~ 4-lane		Road Crown Investments Limited Road Express Investments Limited Road Famous Investments Limited Road Glorious Investments Limited Road Grand Investments Limited Road Link Investments Limited		
	T4 Longcheng Expressway					
	Location	Shanxi Province	Length	72km	Equity interest	45%
	Route	Provincial Expressway S60 Yuci Longbai Village- Chengzhao, Qixian ~ 6-lane		Intersafe Investments Limited		
	T5 Machao Expressway					
	Location	Anhui Province	Length	36km	Equity interest	49%
	Route	Provincial Expressway S24 Ma'anshan-Chaohu ~ 6-lane		Road King (China) Infrastructure Limited		

Major Projects Information (continued)

TOLL ROAD BUSINESS

As at 30 June 2015

Highways

T6	Shijin Highway					
	Location	Hebei Province	Length	40km	Equity interest	60%
	Route	National Highway 307 Shijiazhuang-Jinzhou ~ Class I/II Highway ~ 2/4-lane		Road Fly Investments Limited Road Sincere Investments Limited		
T7	Heye Highway					
	Location	Anhui Province	Length	55km	Equity interest	50%
	Route	National Highway 312 Hefei-Yeji ~ Class I Highway ~ 4/6-lane		Road Mass Investments Limited Road Team Investments Limited		
T8	Suzhou Shanghai Airport Highway					
	Location	Jiangsu Province	Length	53km	Equity interest	50%
	Route	Provincial Highway 343 Suzhou-Shanghai Hongqiao Airport (Suzhou Section) ~ Super Class II Highway ~ 4-lane		Anwell Investment Limited		
T9	Yulin Highway					
	Location	Guangxi Zhuang Autonomous Region	Length	11km	Equity interest	70%
	Route	National Highway 324 Yulin Section ~ Class I Highway ~ 4/6-lane		Tonston Investments Limited		

Management Discussion and Analysis

BUSINESS REVIEW

The profit attributable to the owners of the Company for the six months ended 30 June 2015 was HK\$228 million (2014: HK\$198 million), and earnings per share was HK\$0.31 (2014: HK\$0.27), which represented a 15% increase over the corresponding period of last year.

Property sales (including joint venture projects) amounted to RMB5,628 million, representing a 17% increase over the corresponding period of last year, of which, the contracted sales and outstanding subscribed sales were approximately RMB5,108 million and RMB520 million, respectively.

Toll revenue of the existing toll road portfolio reached RMB1,035 million in the first half of the year, represented an increase of 13% as compared with the corresponding period of last year. The average daily traffic volume reached 205,000 vehicles.

PROPERTY BUSINESS

Sales and Delivery of Properties

Set out below is an analysis of the Group's property contracted sales and delivery (including those of joint venture projects) by region for the first half of 2015:

Regions (Notes)	Contracted sales		Delivery	
	Amount RMB'million	Area sqm	Amount RMB'million	Area sqm
Yangtze River Delta	3,388	300,000	1,396	125,000
Bohai Rim	924	106,000	1,043	62,000
Other major regions	796	89,000	1,164	113,000
Total	5,108	495,000	3,603	300,000

Notes:

Yangtze River Delta region comprises Shanghai and Jiangsu Province.

Bohai Rim region comprises Beijing, Tianjin, Hebei Province and Shandong Province.

Other major regions comprise Henan Province and Guangdong Province.

In the first half of 2015, property sales of the Group (including joint venture projects) were RMB5,628 million. These comprised contracted sales of RMB5,108 million and outstanding subscribed sales of RMB520 million. As at 30 June 2015, the area of properties sold but yet to be delivered was 820,000 sqm.

Financial Review

Set out below is an analysis of the performance of the Group's property business for the first half of 2015 and 2014:

	For the six months ended 30 June	
	2015 HK\$'million	2014 HK\$'million
Revenue	4,390	3,722
Gross Profit	993	989
Sales and management fees	(395)	(324)
Profit after taxation	188	207

In the first half of 2015, the revenue which mainly derived from the delivery of properties was HK\$4,390 million, represented an increase of 18% as compared with HK\$3,722 million for the corresponding period of last year. The area delivered was 300,000 sqm, with an average price of approximately RMB12,000 per sqm, representing an increase of 19% as compared with that for the corresponding period of last year. Segment profit of the property business was HK\$188 million.

Management Discussion and Analysis (continued)

PROPERTY BUSINESS

Land Reserve

In the first half of 2015, the Group acquired two pieces of land in Luoyang and Langfang through listing-for-sale and subscription for trust units of an investment fund respectively for residential developments with an aggregate floor area of 777,000 sqm, details of which are set out as follows:

City	Attributable interest	Land area sqm	Floor area sqm	Total consideration RMB'million
Luoyang	100%	54,000	54,000	111
Langfang	40%	495,000	723,000	1,364

The Group's land reserve includes properties under planning and construction, properties held for sale and properties held for investment. As at 30 June 2015, the Group's land reserve was over 5,800,000 sqm and was mainly located in the following regions:

Provinces/Municipalities	Number of projects units	Floor Area sqm
Yangtze River Delta region		
Shanghai	5	572,000
Jiangsu Province	12	3,210,000
Bohai Rim region		
Beijing	1	82,000
Tianjin	2	346,000
Hebei Province	1	723,000
Shandong Province	3	355,000
Other major regions		
Henan Province	3	458,000
Guangdong Province	1	117,000

In the first half of 2015, the Group's new construction area was 695,000 sqm while the area of completed projects was 200,000 sqm. New construction area and the area of completed projects in the second half of 2015 are expected to be 790,000 sqm and 997,000 sqm respectively.

Management Discussion and Analysis (continued)

PROPERTY BUSINESS

Overview of Major Projects

Yangtze River Delta Region

RK Phoenix City, Suzhou

In the first half of 2015, the contracted sales of "i-Zone" was RMB584 million, with an average selling price of approximately RMB11,000 per sqm. The contracted sales of "Forest & Valley Villa" was RMB862 million, with an average selling price of approximately RMB13,100 per sqm. In 2015, a substantial part of the project will be delivered in the fourth quarter of the year. It is expected that a total area of 140,000 sqm for "i-Zone" and 11,000 sqm for "Forest & Valley Villa" will be delivered, respectively.

RK Royal City, Changzhou

In the first half of 2015, the contracted sales of RK Royal City was RMB217 million. The value and area of properties delivered were RMB39 million and 8,000 sqm respectively. It is expected that a total area of approximately 143,000 sqm will be delivered in the second half of 2015.

RK City, Changzhou

In the first half of 2015, the contracted sales of RK City was RMB217 million, with an average selling price of approximately RMB7,500 per sqm. In the first half of 2015, the value and area of properties delivered were RMB391 million and 57,000 sqm respectively. It is expected that a total area of approximately 80,000 sqm will be delivered in the second half of 2015.

RK Urban Home Court, Changzhou

In the first half of 2015, the contracted sales of RK Urban Home Court was RMB124 million. It is expected that a total area of approximately 57,000 sqm will be delivered in the second half of 2015.

RK Shanghai Manor, Shanghai

In the first half of 2015, the contracted sales of RK Shanghai Manor was RMB66 million, with an average selling price of villas approximately RMB15,300 per sqm. In the first half of 2015, the value and area of properties delivered were RMB147 million and 9,400 sqm respectively.

RK Shanghai Villa, Shanghai

In the first half of 2015, the contracted sales of RK Shanghai Villa was RMB286 million, with an average selling price of approximately RMB17,600 per sqm. In the first half of 2015, the value and area of properties delivered were RMB277 million and 13,000 sqm respectively. It is expected that a total area of approximately 22,000 sqm will be delivered in the second half of 2015.

RK Shanghai Style, Shanghai

In the first half of 2015, the contracted sales of RK Shanghai Style was RMB753 million, with an average selling price of approximately RMB17,500 per sqm. It is expected that the project will be completed and delivered a total area of approximately 61,000 sqm in the second half of 2015.

Bohai Rim Region

RK World City, Beijing

In the first half of 2015, the contracted sales of RK World City was RMB116 million, with an average selling price of approximately RMB19,700 per sqm. In the first half of 2015, the value and area of properties delivered were RMB845 million and 38,000 sqm respectively. It is expected that a total area of approximately 5,000 sqm will be delivered in the second half of 2015.

Management Discussion and Analysis (continued)

PROPERTY BUSINESS

Overview of Major Projects

Bohai Rim Region

RK Sunny Town, Tianjin

In the first half of 2015, the contracted sales of residential buildings of RK Sunny Town was RMB102 million, with an average selling price of approximately RMB14,300 per sqm. In the first half of 2015, the value and area of properties delivered were RMB44 million and 2,000 sqm respectively.

RK Leader of Life, Tianjin

In the first half of 2015, the contracted sales of RK Leader of Life was RMB212 million, with an average selling price of approximately RMB9,400 per sqm. In the first half of 2015, the value and area of properties delivered were RMB34 million and 2,000 sqm respectively. It is expected that a total area of approximately 45,000 sqm will be delivered in the second half of 2015.

RK City, Jinan

RK City has been launched for sales in the second quarter of 2015. In the first half of 2015, the contracted sales was RMB120 million, with an average selling price of approximately RMB8,500 per sqm for residential buildings. It is expected to be delivered in the second half of 2016.

Other Major Regions

RK Banyan Riverside, Guangzhou

In the first half of 2015, the contracted sales of RK Banyan Riverside was RMB118 million, with an average selling price of approximately RMB12,500 per sqm. In the first half of 2015, the value and area of properties delivered were RMB202 million and 18,000 sqm respectively. It is expected that a total area of approximately 21,000 sqm will be delivered in the second half of 2015.

RK J.o.Y Heights, Guangzhou

In the first half of 2015, the contracted sales of RK J.o.Y Heights was RMB433 million, with an average selling price of approximately RMB10,500 per sqm for residential buildings. In the first half of 2015, the value and area of properties delivered were RMB693 million and 66,000 sqm respectively. It is expected that a total area of approximately 75,000 sqm will be delivered in the second half of 2015.

RK Central Special Zone, Zhengzhou

In the first half of 2015, the value and area of properties delivered were RMB132 million and 10,000 sqm respectively.

New Projects

Acquired in the First Half of 2015:

Land Parcel in Chao Baihe Development Area in Dachang Hui Autonomous County, Langfang

In May 2015, the Group acquired a residential development project located at Chao Baihe Development Area in Dachang Hui Autonomous County, Langfang through subscription for trust units of an investment fund, with a site area and a floor area of 495,000 sqm and 723,000 sqm respectively. It takes around one hour driving from Beijing city to the project. Phase one of the project has been launched for sales. It is expected to be delivered in the first half of 2017.

Land Parcel in Guo Jia Gaoxin District, Luoyang

In May 2015, the Group acquired a piece of land in Guo Jia Gaoxin District, Luoyang, Henan Province mainly for residential development through listing-for-sale. With a site area and a floor area both are 54,000 sqm, the project is planned to be launched for sales in the second half of 2016.

Management Discussion and Analysis (continued)

TOLL ROAD BUSINESS

Analysis of toll revenue and results of infrastructure joint ventures attributable to the Group

	For the six months ended 30 June	
	2015 HK\$'million	2014* HK\$'million
Share of toll revenue		
Expressways	506	437
Highways	13	17
	519	454
Share of results of infrastructure joint ventures		
Expressways	127	124
Highways	(9)	(16)
	118	108

* Only included figures of projects still operating in 2015.

Traffic Volume and Toll Revenue

The traffic volume and toll revenue of the existing toll road for the first half of 2015 are as follows:

Projects	Average daily traffic vehicles	Toll revenue RMB'million
Expressways		
Baojin Expressway	52,000	305
Tangjin Expressway	41,000	260
Changyi Expressway	59,000	285
Longcheng Expressway	12,000	81
Machao Expressway	16,000	73
	180,000	1,004
Highways	25,000	31
	205,000	1,035

The average daily traffic volume and toll revenue of the Group's existing toll road portfolio reached 205,000 vehicles and RMB1,035 million respectively in the first half of 2015, representing an increase of 14% and 13%, respectively. During the period, it was mainly benefited from the substantial increase of toll revenue of Machao Expressway, together with the increase in other expressways of the Group. Overall speaking, there was an increase in share of results of infrastructure joint ventures in the first half of the year as compared with the corresponding period of last year.

Management Discussion and Analysis (continued)

TOLL ROAD BUSINESS

Expressway Projects

Baojin Expressway

In the first half of 2015, the traffic volume of Baojin Expressway increased by 17% while the toll revenue increased by 13%. The increase was benefited from the traffic flow back to Baojin Expressway subsequent to the completion of expansion works for Jingshi Expressway. It was expected that the momentum for the increment of toll income would be maintained in the second half of the year.

Tangjin Expressway

In the first half of 2015, Tangjin Expressway managed to have an increase of 11% and 1% of traffic volume and toll revenue, respectively. The traffic volume increased in the first half of the year as a result of the completion of the expansion works from four lanes to six lanes of Tangjin Expressway – Tianjin Section (not the Group's project) by end of last year. However, the economic development of north-eastern region was below expectation and consequently, the demand of freight transport had been affected. It was expected that the toll revenue would keep stable in the second half of the year.

Changyi Expressway

Changyi Expressway recorded an increase of 18% and 6% of traffic volume and toll income, respectively, in the first half of 2015. Benefited from the economic growth of Changsha-Zhuzhou-Xiangtan region, the vehicles travelling between Hunan and Chongqing through Changyi Expressway has been increasing. It led to the increase of toll revenue and traffic, volume, also increased in a faster pace. It was expected that the growing trend of the toll income in the second half of the year would be maintained.

Longcheng Expressway

Despite being affected by the weak demand for transport of coal in the first half of 2015, the alteration of freight transport route in the region and repairing work conducted in a competing expressway diverted traffic to Longcheng Expressway. These led to the toll revenue raised by 7% compared with the same period of last year. Looking forward, the toll income would maintain at a mild growth in second half of the year.

Machao Expressway

Since Machao Expressway commenced operation by end of 2013, the toll income has been growing on a month by month basis. In the first half of 2015, the toll income of Machao Expressway increased by 68% to RMB73 million, compared with the same period of last year.

In view of the project being an important part of Beiyang Expressway in Anhui Province which connects various major cities such as Nanjing, Yangzhou, Anqing and Wuhan, the prospects and return of the expressway are promising.

Management Discussion and Analysis (continued)

FINANCIAL REVIEW

Unaudited Condensed Consolidated Results

The table below extracted major items from the unaudited condensed consolidated statement of profit or loss of the Group for each of the six months ended 30 June 2015 and 2014.

	Six months ended 30 June	
	2015 HK\$'million	2014 HK\$'million
Revenue	4,390	3,722
Gross profit	993	989
Interest and other income, net	95	28
Selling and operating expenses	(433)	(353)
Share of results of joint ventures	114	122
Finance costs	(96)	(94)
Profit before taxation	673	692
Income tax expenses	(425)	(484)
Profit after taxation	248	208
Non-controlling interests	(20)	(10)
Profit attributable to owners of the Company	228	198

Revenue and Gross Profit

The details of revenue and gross profit for the period under review are included in the subsection headed "Financial Review" under "Property Business".

Interest and Other Income, Net

The increase in net other income was mainly due to the reduction in exchange losses, including the fair value adjustment on certain financial instruments arising from the depreciation of Renminbi, during the period under review.

Selling and Operating Expenses

The increase in selling and operating expenses was mainly due to more promotion and advertising activities stimulating the property sales as well as additional operating expenses incurred for new property development projects.

Share of Results of Joint Ventures

Apart from the decrease of the properties delivered by a property development joint venture resulting in loss making in the first half of 2015, this balance represented share of results of the infrastructure joint ventures of the Group for the period under review. The performance of the infrastructure joint ventures are contained in the section headed "Toll Road Business".

Income Tax Expenses

Income tax expenses comprised mainly profit tax, land appreciation tax and deferred tax. The higher income tax expenses in last corresponding period was mainly attributable to the higher land appreciation tax arising from the clearance of land appreciation tax for several property projects.

Management Discussion and Analysis (continued)

FINANCIAL REVIEW

Unaudited Condensed Consolidated Statement of Financial Position

The table below summarised the major items of the consolidated statement of financial position of the Group as at 30 June 2015 and 31 December 2014.

	30 June 2015 HK\$'million	31 December 2014 HK\$'million
Non-current assets		
– Interests in joint ventures	4,749	4,373
– Investment properties	2,191	2,244
– Other non-current assets	614	561
	7,554	7,178
Current assets		
– Inventory of properties (including prepayment for land leases)	29,077	29,332
– Bank balances and cash (including pledged bank deposits)	4,422	4,046
– Other current assets	2,540	1,928
	36,039	35,306
Current Liabilities		
– Creditors and accrued charges	(5,291)	(6,104)
– Deposits from pre-sale of properties	(7,032)	(5,606)
– Bank and other borrowings (due within one year)	(5,959)	(4,788)
– Other current liabilities	(1,160)	(1,530)
	(19,442)	(18,028)
Non-current liabilities	(10,153)	(10,403)
Total equity	13,998	14,053

Interests in Joint Ventures

Interests in joint ventures mainly represented our interests in the joint ventures relating to our toll road business. The increase in balance was mainly attributable to the acquisition of 40% equity interest in the property project in Langfang through subscription of units in an investment fund.

On 28 May 2015, the Group agreed to subscribe for up to RMB560 million trust units of the fund. The fund is primarily for acquisition of 100% equity interest in and financing of the residential development project located at Langfang for a floor area of 723,000 sqm. Investment in the fund provides an effective means through which the Group can enjoy returns from the property project while limiting its financial commitment/risk towards the project. Details on the transaction were set out in the announcement of the Company dated 28 May 2015.

Management Discussion and Analysis (continued)

FINANCIAL REVIEW

Unaudited Condensed Consolidated Statement of Financial Position

Investment Properties

This comprised carrying value of the investment properties, details of which were set out in note 13 of the unaudited condensed consolidated financial statements. The decrease in balance was mainly attributable to the disposal of certain investment properties located in Guangzhou, but was partially offset by the inclusion of the completed commercial properties located in Suzhou. As of 30 June 2015, the total floor area of the investment properties of the Group was around 185,000 sqm.

Bank Balances and Cash (including Pledged Bank Deposits)

The increase of the bank balances was mainly attributable to the increase in proceeds from pre-sale of properties, offset by the payment of land premiums and investment costs of the new projects acquired.

Other Current Assets

The increase in other current assets mainly represented the increase in tender deposits and prepayments paid for acquisition of new lands as well as 40% equity interests in the property project in Langfang.

Deposits from Pre-sale of Properties

The increase in deposits from pre-sale of properties was mainly attributable to the increase in pre-sale of properties during the period under review. At 30 June 2015, the total area pre-sold but yet to be delivered was around 820,000 sqm.

Bank and Other Borrowings – Due within One Year and Non-current Liabilities

They represented mainly the guaranteed senior notes that the Group issued in the past few years as well as the syndicated loans and the project development loans.

Details of the Group's loan profile are set out as follows:

	30 June 2015 HK\$'million	31 December 2014 HK\$'million
Repayable:		
On demand or within one year (Note)	5,959	4,788
After one year but within two years	5,214	4,054
After two years but within five years	3,633	5,170
More than five years	360	377
Total Borrowings	15,166	14,389

Note:

With the inclusion of the repayment clause based on respective sales progress, a majority of the Group's project development loans were included in repayable on demand or within one year. However, according to the maturity date of the loan agreements, HK\$773 million and HK\$1,815 million would be due after one year but within two years, and after two years but within five years, respectively.

Management Discussion and Analysis (continued)

FINANCIAL REVIEW

SOURCE OF BORROWINGS

	30 June 2015	31 December 2014
Short term loans	39%	33%
Long term loans	61%	67%
	100%	100%

NATURE OF DEBTS

	30 June 2015	31 December 2014
Unsecured loans	66%	72%
Secured loans	34%	28%
	100%	100%

CURRENCY PROFILE OF BORROWINGS

	30 June 2015	31 December 2014
HKD	1%	2%
RMB	53%	49%
USD	46%	49%
	100%	100%

INTEREST RATES BASIS

	30 June 2015	31 December 2014
Floating rate	30%	33%
Fixed rate	70%	67%
	100%	100%

Certain of the Group's borrowings were on a fixed rate basis, which included, among the others, following notes:

- (a) RMB2,200 million 6% guaranteed senior notes due in 2016; and
- (b) US\$350 million 9.875% guaranteed senior notes due in 2017.

At 30 June 2015, the gross gearing ratio and the net gearing ratio of the Group were 108% and 77% respectively. Gross gearing ratio represents total interest bearing borrowings (but excluding loans from non-controlling interests of subsidiaries) to the total equity, whereas net gearing ratio represents the difference of the Group's total interest bearing borrowings (but excluding loans from non-controlling interests of subsidiaries) and the bank balances and cash (including pledged bank deposits) to the total equity.

Interest coverage for the period under review was 9.72 times (2014: 10.04 times).

Management Discussion and Analysis (continued)

FINANCIAL REVIEW

Unaudited Condensed Consolidated Statement of Cash Flows

The table below summarised the major items of the unaudited condensed consolidated statement of cash flows of the Group for each of the six months ended 30 June 2015 and 2014.

	Six months ended 30 June	
	2015 HK\$'million	2014 HK\$'million
Payment for land leases	(532)	(3,220)
Net cash from operating activities, other than payment for land leases	1,119	656
Net cash (used in) from investing activities	(97)	401
Net cash (used in) from financing activities	(13)	218
Effect of change in exchange rates	(21)	(53)
Cash and cash equivalents at 1 January	2,851	5,336
Cash and cash equivalents at 30 June	3,307	3,338

Payment for Land Leases

The payment in first half of 2015 represented the land premiums of the new projects located in Luoyang and Changzhou.

Net Cash from Operating Activities, other than Payment for Land Leases

The increase in net cash from operating activities for the period under review was mainly attributable to the increase in cash proceeds from the pre-sale and sale of properties, as well as the decrease in tax payment. The higher tax payment in last period was mainly attributable to the clearance of land appreciation tax for several property projects in the mainland China.

Net Cash (used in) from Investing Activities

The net cash flow used in investing activities for the period under review mainly represented the investment cost paid for the acquisition of 40% equity interest in the property project in Langfang, as well as further capital contribution to a property joint venture in Shanghai, but offset by the cash distributed or dividends received from the joint venture infrastructure projects and the proceeds received on disposal of investment properties.

In last period, the net cash flow mainly represented the cash distributed or dividends received from the joint venture infrastructure projects, as well as the decrease in restricted bank balance, but offset by the investment cost paid for the acquisition of Machao Expressway.

Net Cash (used in) from Financing Activities

The net cash from financing activities in last period was mainly attributable to the drawdown of several offshore bank loans in Hong Kong as well as property development loans in the PRC, including the loans from non-controlling interests of the Shanghai subsidiaries. Those new borrowings were partly offset by the repayment of certain bank loans and the redemption of RMB1,300 million guaranteed senior notes.

Management Discussion and Analysis (continued)

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 June 2015, the equity attributable to the owners of the Company was HK\$13,140 million (31 December 2014: HK\$13,208 million). Net assets per share attributable to the owners of the Company was HK\$17.76 (31 December 2014: HK\$18.10).

As at 30 June 2015, the Group's total assets were HK\$43,593 million (31 December 2014: HK\$42,484 million) and bank balances and cash were HK\$4,231 million (31 December 2014: HK\$3,724 million), of which 94% was denominated in Renminbi and the remaining 6% was mainly denominated in US dollars or HK dollars.

The Group continues to adopt prudent financing and treasury policies. The entire Group's financing and treasury activities are centrally managed and controlled. Implementation of the Group's related policies is made under collective but extensive considerations on liquidity risk, financing cost and exchange rate risk.

Charges on Assets

As at 30 June 2015, bank balances of HK\$191 million (31 December 2014: HK\$322 million) were pledged as security in favour of banks for certain mortgage facilities granted to customers of the Group's property projects in the mainland China and short-term credit facilities granted to the Group. In addition to these charged bank deposits, properties with carrying value of HK\$5,135 million (31 December 2014: HK\$4,021 million) were pledged as securities for certain loan facilities.

Exposure on Foreign Exchange Fluctuations and Interest Rates

The Group's borrowings are mainly denominated in Renminbi and US dollars but the cash flow is generated from projects whose earnings are denominated principally in Renminbi. As a result, the Group is exposed to foreign currency risk on the fluctuation of Renminbi and US dollars. On 11 August 2015, the People's Bank of China announced a one-off depreciation of Renminbi of nearly 2% against the US dollars as part of the foreign exchange fixing reform. This Renminbi devaluation will have impacts to the 2015 results of the Group, and the volatility of the value of Renminbi will be higher as compared to previous periods.

The Group's exposure to interest rate risk results mainly from fluctuation in interest rates relating to its borrowings denominated in Renminbi and US dollars. Although the monetary policies implemented by the PRC and the US governments continue to have a major impact on the Group's results and operations, the Directors consider that the interest rate fluctuation caused by the fluidity and instability of the global economy and financial systems also has an impact on the operations of the Group.

Save for the aforesaid, the Group has no significant exposure to foreign exchange risk and interest rate risk. The Group will continue to monitor its exposure to these risks closely and may arrange hedging against the risks exposed as and when necessary and appropriate.

Contingent Liabilities

As at 30 June 2015, the Group had provided guarantees of HK\$4,886 million (31 December 2014: HK\$5,476 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 properties. The guarantees would be released after the customers have pledged their property certificates as securities to the banks for the mortgage loans granted.

Management Discussion and Analysis (continued)

FINANCIAL REVIEW

Employees

Excluding the staff of joint ventures, the Group had 2,649 employees as at 30 June 2015. Expenditure on staff (excluding Directors' emoluments and share-based payment) for the period under review amounted to HK\$263 million (2014: HK\$247 million). Employees are remunerated according to their performance and contribution. Other employee benefits include provident fund, insurance, medical cover and training programs, as well as share option schemes. During the period under review, no share option was granted.

PROSPECTS

The Group believes that the property industry in the mainland China is a commodity business as well as a long-lived industry. After experiencing the market adjustment for a period of time, the property industry has become more regulated, developed and rational, and thus benefiting its long-term development. With the continuous economic development of China, rising income per capita and increasing demand from customers in improving their living environment, the prospects of the property industry in the mainland China remain positive in the long run. The Group expects that the real estate market environment shall remain prudently optimistic in the second half of 2015.

With years of implementation and efforts, the Group will continue to adopt the strategy that maintains deeper exploitation, balances between profitability and sales volume, continuously optimises its product quality, and reinforces its position in the property industry in mainland China. At the same time, the Group will also actively seek suitable cooperation opportunity, effectively control the costs to increase its operating profit.

The toll road business keeps on providing steady cash flows. The Group will continue to solicit appropriate expressway projects, with a view to expanding its expressway portfolio further.

Dividend

DIVIDEND

The Board has resolved to declare an interim dividend of HK\$0.13 (2014: HK\$0.13) per share for the six months ended 30 June 2015 to the shareholders of the Company whose names appear on the register of members of the Company on Wednesday, 9 September 2015.

It is expected that the payment of the interim dividend will be made on or before Wednesday, 30 September 2015.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 8 September 2015 to Wednesday, 9 September 2015, both dates inclusive, during which period no transfer of shares will be registered for the purpose of determining the entitlement to the interim dividend.

In order to qualify for the interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:00 p.m. on Monday, 7 September 2015 for registration.

Corporate Governance

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the six months ended 30 June 2015 except for Rule 3.10A of the Listing Rules.

Pursuant to Rule 3.10A, the independent non-executive directors of a listed issuer must represent at least one-third of the board of directors. Following the resignation of Ms. Nie Meisheng as an Independent Non-executive Director of the Company with effect from 3 November 2014, the number of Independent Non-executive Directors of the Company has fallen below the minimum number as required under Rule 3.10A. During the transitional period, the Board believes that there is still a sufficient independent element on the Board, which can effectively exercise independent judgment.

On 16 February 2015, Mr. Zhang Yongliang was appointed as an Independent Non-executive Director of the Company. Following the appointment of Mr. Zhang as an Independent Non-executive Director of the Company, the number of Independent Non-executive Directors of the Company has fulfilled the minimum number as required under Rule 3.10A of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as its own code. All the Directors have confirmed, following specific enquiry, that they have complied with the Model Code throughout the six months ended 30 June 2015.

Disclosure of Interests

DIRECTORS' INTERESTS AND SHORT POSITIONS

As at 30 June 2015, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company 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:

(I) Shares

Name of Directors	Nature of interest	Notes	Number of shares held		Percentage of holding % (Note 4)
			Long position	Short position	
Zen Wei Pao, William	Personal	1	1,500,000	–	0.20
Ko Yuk Bing	Personal	1 & 3	2,410,000	–	0.33
Chan Kam Hung	Personal	1	740,000	–	0.10
		2	1,400,000	–	0.19
Fong Shiu Leung, Keter	Personal	1	400,000	–	0.05
		2	1,200,000	–	0.16
Zen Wei Peu, Derek	Personal	1	12,192,000	–	1.65
		2	1,500,000	–	0.20
Xu Ruxin	Personal	1	150,000	–	0.02
		2	800,000	–	0.11
Lam Wai Hon, Patrick	Personal	1	100,000	–	0.01
		2	50,000	–	0.01
Lau Sai Yung	Personal	1	455,000	–	0.06
		2	150,000	–	0.02
Chow Ming Kuen, Joseph	Personal	2	150,000	–	0.02
Tse Chee On, Raymond	Personal	2	100,000	–	0.01

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 (II) below.
3. Included in the balance is 960,000 shares of the Company held by Ms. Chuk Wing Suet, Josephine, the spouse of Mr. Ko Yuk Bing.
4. The percentage was calculated based on 739,936,566 shares of the Company in issue as at 30 June 2015.

Disclosure of Interests (continued)

DIRECTORS' INTERESTS AND SHORT POSITIONS

(II) Underlying Shares – Share Options

The share option schemes were adopted by the Company on 12 May 2003 and 8 May 2013. Particulars of the share option schemes are set out in note 27 to the consolidated financial statements in the Company's annual report for the year ended 31 December 2014.

A summary of movements during the period under the share option schemes was as follows:

Name	Notes	Number of share options				Balance at 30.06.2015	Weighted average closing price HK\$ (Note 4)
		Balance at 01.01.2015	Granted during the period	Exercised during the period	Lapsed during the period		
Directors							
Zen Wei Pao, William	1	1,400,000	–	(1,400,000)	–	–	7.13
	2	2,000,000	–	(2,000,000)	–	–	8.15
Ko Yuk Bing	1 & 3	2,100,000	–	(2,100,000)	–	–	7.13
	2 & 3	2,600,000	–	(2,600,000)	–	–	8.15
Chan Kam Hung	1	900,000	–	(240,000)	(660,000)	–	7.13
	2	1,400,000	–	–	–	1,400,000	–
Fong Shiu Leung, Keter	1	900,000	–	(200,000)	(700,000)	–	7.13
	2	1,400,000	–	(200,000)	–	1,200,000	8.15
Zen Wei Peu, Derek	1	850,000	–	(850,000)	–	–	7.13
	2	1,500,000	–	–	–	1,500,000	–
Xu Ruxin	1	150,000	–	(150,000)	–	–	7.13
	2	800,000	–	–	–	800,000	–
Lam Wai Hon, Patrick	2	150,000	–	(100,000)	–	50,000	7.99
Lau Sai Yung	1	150,000	–	(150,000)	–	–	7.13
	2	150,000	–	–	–	150,000	–
Chow Ming Kuen, Joseph	1	150,000	–	–	(150,000)	–	–
	2	150,000	–	–	–	150,000	–
Tse Chee On, Raymond	2	100,000	–	–	–	100,000	–
Total		16,850,000	–	(9,990,000)	(1,510,000)	5,350,000	

Disclosure of Interests (continued)

DIRECTORS' INTERESTS AND SHORT POSITIONS

(II) Underlying Shares – Share Options

Name	Notes	Number of share options				Balance at 30.06.2015	Weighted average closing price HK\$ (Note 4)
		Balance at 01.01.2015	Granted during the period	Exercised during the period	Lapsed during the period		
Others							
Employees	1	4,755,000	–	(50,000)	(4,705,000)	–	7.14
	2	5,250,000	–	(200,000)	–	5,050,000	7.93
Total		10,005,000	–	(250,000)	(4,705,000)	5,050,000	
Grand Total		26,855,000	–	(10,240,000)	(6,215,000)	10,400,000	

Notes:

- The share options under this issue were granted on 9 April 2010 with an exercisable period from 9 April 2010 to 8 April 2015 and an exercise price of HK\$6.79 pursuant to the share option scheme adopted on 12 May 2003.
- The share options under this issue were granted on 28 May 2013 with an exercisable period from 29 May 2013 to 28 May 2018 and an exercise price of HK\$7.13 pursuant to the share option scheme adopted on 8 May 2013.
- Included in the balance as at 1 January 2015 is 800,000 share options at an exercise price of HK\$6.79 and 800,000 share options at an exercise price of HK\$7.13 of the Company held by Ms. Chuk Wing Suet, Josephine, the spouse of Mr. Ko Yuk Bing.
- This represents the weighted average closing price of the shares immediately before the dates on which the share options were exercised.

Disclosure of Interests (continued)

DIRECTORS' INTERESTS AND SHORT POSITIONS

(III) Debentures of Associated Corporations

Name of Directors	Name of company	Nature of interest	Type of debenture	Principal amount held
Ko Yuk Bing	RKI Finance (2013) Limited	Personal	RMB2,200 million 6% guaranteed senior notes due 2016	RMB9,000,000 (long position)
Zen Wei Peu, Derek	Road King Infrastructure Finance (2012) Limited	Personal	US\$350 million 9.875% guaranteed senior notes due 2017	US\$4,300,000 (long position)
	RKI Finance (2013) Limited	Personal	RMB2,200 million 6% guaranteed senior notes due 2016	RMB12,000,000 ^(note 1) (long position)
Wong Wai Ho	Road King Infrastructure Finance (2012) Limited	Personal	US\$350 million 9.875% guaranteed senior notes due 2017	US\$200,000 ^(note 2) (long position)

Notes:

1. A principal amount of RMB12,000,000 of RMB2,200 million 6% guaranteed senior notes due 2016 was held by Ms. Luk Chan, the spouse of Mr. Zen Wei Peu, Derek.
2. A principal amount of US\$200,000 of US\$350 million 9.875% guaranteed senior notes due 2017 was held by Ms. Lau Men Ying, the spouse of Mr. Wong Wai Ho.

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

Save as disclosed above, none of the Directors or their spouses or children under 18 years of age was granted or had exercised any rights to subscribe for any securities of the Company or any of its associated corporations.

Disclosure of Interests (continued)

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 June 2015, the interests or short positions of every person, 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 by the Company under section 336 of the SFO were as follows:

Name of shareholders	Nature of interest	Number of shares held		Percentage of holding % (Note 25)
		Long position (Note 1)	Short position	
Wai Kee Holdings Limited (Note 2)	Interest in controlled corporation	297,534,428	–	40.21
Wai Kee (Zens) Holding Limited (Note 3)	Interest in controlled corporation	297,534,428	–	40.21
Groove Trading Limited (Note 4)	Beneficial owner	65,918,000	–	8.91
Wai Kee China Investments (BVI) Company Limited (Note 4)	Interest in controlled corporation	228,616,428	–	30.90
Wai Kee China Investments Company Limited (Note 5)	Interest in controlled corporation	228,616,428	–	30.90
ZWP Investments Limited (Note 6)	Beneficial owner	228,616,428	–	30.90
深業集團有限公司 (Shum Yip Group Limited*) (Note 7)	Interest in controlled corporation	202,334,142	–	27.34
Shum Yip Holdings Company Limited (Note 8)	Interest in controlled corporation	202,334,142	–	27.34
Shenzhen Investment Limited (Note 9)	Interest in controlled corporation	202,334,142	–	27.34
Hover Limited (Note 10)	Beneficial owner	202,334,142	–	27.34
Jacqueline Desmarais (Note 11)	Trustee/ Beneficiary of a Trust	42,148,000	–	5.70
Andre Desmarais (Note 12)	Trustee	42,148,000	–	5.70
Guy Fortin (Note 13)	Trustee	42,148,000	–	5.70
Michel Plessis-Belair (Note 14)	Trustee	42,148,000	–	5.70
Paul Desmarais Jr. (Note 15)	Trustee	42,148,000	–	5.70
Nordex Inc. (Note 16)	Interest in controlled corporation	42,148,000	–	5.70
Gelco Enterprises Ltd. (Note 17)	Interest in controlled corporation	42,148,000	–	5.70

Disclosure of Interests (continued)

SUBSTANTIAL SHAREHOLDERS' INTERESTS

Name of shareholders	Nature of interest	Number of shares held		Percentage of holding % (Note 25)
		Long position (Note 1)	Short position	
Power Corporation of Canada (Note 18)	Interest in controlled corporation	42,148,000	–	5.70
171263 Canada Inc. (Note 19)	Interest in controlled corporation	42,148,000	–	5.70
Power Financial Corporation (Note 20)	Interest in controlled corporation	42,148,000	–	5.70
IGM Financial Inc. (Note 21)	Interest in controlled corporation	42,148,000	–	5.70
Mackenzie Inc. (Note 22)	Interest in controlled corporation	42,148,000	–	5.70
Mackenzie Financial Corporation (Note 23)	Beneficial owner	42,148,000	–	5.70
The Bank of New York Mellon Corporation (Note 24)	Interest in controlled corporation	48,767,000	–	6.59

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; 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 Corporation Limited, which beneficially held 3,000,000 shares of the Company. Both Mr. Zen Wei Pao, William and Mr. Zen Wei Peu, Derek are directors of Wai Kee Holdings Limited.
3. Wai Kee (Zens) Holding Limited is a direct wholly-owned subsidiary of Wai Kee Holdings Limited. Both Mr. Zen Wei Pao, William and Mr. Zen Wei Peu, Derek are directors of Wai Kee (Zens) Holding Limited.
4. Groove Trading Limited and Wai Kee China Investments (BVI) Company Limited are direct wholly-owned subsidiaries of Wai Kee (Zens) Holding Limited. Both Mr. Zen Wei Pao, William and Mr. Zen Wei Peu, Derek are directors of Groove Trading Limited and Wai Kee China Investments (BVI) Company Limited.
5. Wai Kee China Investments Company Limited is a direct wholly-owned subsidiary of Wai Kee China Investments (BVI) Company Limited. Both Mr. Zen Wei Pao, William and Mr. Zen Wei Peu, Derek are directors of Wai Kee China Investments Company Limited.
6. ZWP Investments Limited is a direct wholly-owned subsidiary of Wai Kee China Investments Company Limited. Both Mr. Zen Wei Pao, William and Mr. Zen Wei Peu, Derek are directors of ZWP Investments Limited.
7. 深業集團有限公司 (Shum Yip Group Limited*) (incorporated in the PRC) is deemed to be interested in the shares of the Company through its 100% interests in Shum Yip Holdings Company Limited (incorporated in Hong Kong). Mr. Lu Hua is a director of 深業集團有限公司.

Disclosure of Interests (continued)

SUBSTANTIAL SHAREHOLDERS' INTERESTS

Notes:

8. Shum Yip Holdings Company Limited (incorporated in Hong Kong) is deemed to be interested in the shares of the Company through its 60.70% interests in Shenzhen Investment Limited. Mr. Lu Hua is a director of Shum Yip Holdings Company Limited.
9. 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. Mr. Lu Hua is a director of Shenzhen Investment Limited.
10. Hover Limited is a direct wholly-owned subsidiary of Shenzhen Investment Limited. Mr. Lu Hua is a director of Hover Limited.
11. Jacqueline Desmarais, as trustee and beneficiary of the Desmarais Family Residuary Trust, is deemed to be interested in the shares of the Company through its 68% voting interests in Nordex Inc.
12. Andre Desmarais, as trustee of the Desmarais Family Residuary Trust, is deemed to be interested in the shares of the Company through its 68% voting interests in Nordex Inc.
13. Guy Fortin, as trustee of the Desmarais Family Residuary Trust, is deemed to be interested in the shares of the Company through its 68% voting interests in Nordex Inc.
14. Michel Plessis-Belair, as trustee of the Desmarais Family Residuary Trust, is deemed to be interested in the shares of the Company through its 68% voting interests in Nordex Inc.
15. Paul Desmarais Jr., as trustee of the Desmarais Family Residuary Trust, is deemed to be interested in the shares of the Company through its 68% voting interests in Nordex Inc.
16. Nordex Inc. is deemed to be interested in the shares of the Company through its 94.95% interests in Gelco Enterprises Ltd.
17. Gelco Enterprises Ltd. is deemed to be interested in the shares of the Company through its 53.43% interests in Power Corporation of Canada.
18. Power Corporation of Canada is deemed to be interested in the shares of the Company through its interests in its wholly-owned subsidiary, namely 171263 Canada Inc.
19. 171263 Canada Inc. is deemed to be interested in the shares of the Company through its 65.59% interests in Power Financial Corporation.
20. Power Financial Corporation is deemed to be interested in the shares of the Company through its 59.78% interests in IGM Financial Inc.
21. IGM Financial Inc. is deemed to be interested in the shares of the Company through its interests in its wholly-owned subsidiary, namely Mackenzie Inc.
22. Mackenzie Inc. is deemed to be interested in the shares of the Company through its interests in its wholly-owned subsidiary, namely Mackenzie Financial Corporation.
23. Mackenzie Financial Corporation is a direct wholly-owned subsidiary of Mackenzie Inc.
24. The Bank of New York Mellon Corporation is deemed to be interested in the shares of the Company through its interests in its wholly-owned subsidiary, namely The Bank of New York Mellon. Other than the interest of long position in 48,767,000 shares, The Bank of New York Mellon Corporation is also deemed to be interested in 48,758,000 shares in lending pool.
25. The percentage was calculated based on 739,936,566 shares of the Company in issue as at 30 June 2015.

Save as disclosed above, no other person (other than the Directors of the Company) had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

* For identification purpose only

Other Disclosures

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE GROUP

Neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Group's listed securities during the six months ended 30 June 2015.

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 13.18 of the Listing Rules:

Notes

The Company is obliged to make an offer to repurchase US\$350 million 9.875% guaranteed senior notes due 2017 and RMB2,200 million 6% guaranteed senior notes due 2016 (the "Notes") then outstanding at a purchase price equal to 101% of the principal amount, plus unpaid interest accrued, if any, up to (but not including) the date of repurchase in the occurrence of a change of control triggering event and a decline in the rating of the Notes.

Loan Facility

On 10 January 2014, RKP Overseas Finance 2013 (A) Limited ("RKP Overseas"), a wholly-owned subsidiary of the Company, was granted a US\$230 million term loan facility with final maturity date of 36 months from the first utilisation date of the loan facility (the "US\$230 million Loan Facility"). For so long as the US\$230 million Loan Facility is made available to RKP Overseas, Wai Kee Holdings Limited is required to own at least 30% of beneficial shareholding interest in the issued share capital of the Company and to maintain as the single largest shareholder of the Company.

On 26 August 2014, RKP Overseas Finance 2014 (A) Limited ("RKP Overseas Finance"), a wholly-owned subsidiary of the Company, was granted a US\$200 million term loan facility with final maturity date of 36 months from the first utilisation date of the loan facility (the "US\$200 million Loan Facility"). For so long as the US\$200 million Loan Facility is made available to RKP Overseas Finance, Wai Kee Holdings Limited is required to own at least 30% of beneficial shareholding interest in the issued share capital of the Company and to maintain as the single largest shareholder of the Company.

2. Pursuant to Rule 13.51B(1) of the Listing Rules:

Upon specific enquiry by the Company, save as disclosed below, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published annual report:

Name of Directors	Details of changes
Mr. Lu Hua	His annual emolument was revised from HK\$220,000 to HK\$300,000 for acting as a Non-executive Director of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.
Mr. Lam Wai Hon, Patrick	His annual emolument was revised from HK\$330,000 to HK\$410,000 for acting as a Non-executive Director and a member of the Audit Committee of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.

Other Disclosures (continued)

CONTINUING DISCLOSURE OF THE LISTING RULES

2. Pursuant to Rule 13.51B(1) of the Listing Rules:

Name of Directors	Details of changes
Mr. Gao Shengyuan	<p>He entered into a letter of appointment with the Company for a period commencing from 16 May 2015 to 15 May 2018 or the date of the annual general meeting of the Company held in 2018, whichever is earlier.</p> <p>His annual emolument was revised from HK\$220,000 to HK\$300,000 for acting as a Non-executive Director of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.</p> <p>He was appointed as a member of the Party Working Committee, the deputy secretary and the director of the Administration Committee of Da Peng Xin District, Shenzhen Municipal on 30 April 2015.</p> <p>He resigned as an executive director and the president of Shenzhen Investment Limited with effect from 21 July 2015. He also resigned as a director and the president of both 深業集團有限公司 (Shum Yip Group Limited*) and Shum Yip Holdings Company Limited with effect from 21 April 2015 and 3 August 2015 respectively.</p>
Mr. Lau Sai Yung	<p>His annual emolument was revised from HK\$460,000 to HK\$540,000 for acting as an Independent Non-executive Director, the Chairman of the Audit Committee and a member of the Nomination Committee and the Remuneration Committee of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.</p>
Dr. Chow Ming Kuen, Joseph	<p>He entered into a letter of appointment with the Company for a period commencing from 16 May 2015 to 15 May 2018 or the date of the annual general meeting of the Company held in 2018, whichever is earlier.</p> <p>His annual emolument was revised from HK\$450,000 to HK\$530,000 for acting as an Independent Non-executive Director, the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nomination Committee of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.</p>
Mr. Tse Chee On, Raymond	<p>He was appointed as a member of the Remuneration Committee of the Company with effect from 20 August 2015.</p> <p>His annual emolument was revised from HK\$220,000 to HK\$360,000 for acting as an Independent Non-executive Director and a member of the Remuneration Committee of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.</p>

* For identification purpose only

Other Disclosures (continued)

CONTINUING DISCLOSURE OF THE LISTING RULES

2. Pursuant to Rule 13.51B(1) of the Listing Rules:

Name of Directors	Details of changes
Mr. Wong Wai Ho	<p>He entered into a letter of appointment with the Company for a period commencing from 16 May 2015 to 15 May 2018 or the date of the annual general meeting of the Company held in 2018, whichever is earlier.</p> <p>He was appointed as a member of the Audit Committee and the Nomination Committee of the Company with effect from 20 August 2015.</p> <p>His annual emolument was revised from HK\$220,000 to HK\$450,000 for acting as an Independent Non-executive Director and a member of the Audit Committee and the Nomination Committee of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.</p>
Mr. Zhang Yongliang	<p>He entered into a letter of appointment with the Company for a period commencing from 16 May 2015 to 15 May 2018 or the date of the annual general meeting of the Company held in 2018, whichever is earlier.</p> <p>His annual emolument was revised from HK\$220,000 to HK\$300,000 for acting as an Independent Non-executive Director of the Company for the period from 16 May 2015 to the date of the annual general meeting of the Company held in 2016.</p>

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.

REVIEW OF ACCOUNTS

The Audit Committee of the Company has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2015, including the accounting principles and practices adopted by the Group, in conjunction with the Company's external auditor.

ACKNOWLEDGEMENT

The Board expresses its sincere gratitude to the business partners, customers and shareholders for their enduring support, and thanks all staff for their dedication and hard work.

Corporate Information

EXECUTIVE DIRECTORS

Zen Wei Pao, William (*Chairman*)
Ko Yuk Bing (*Deputy Chairman, Managing Director and Chief Executive Officer*)
Chan Kam Hung (*Chief Operating Officer*)
Fong Shiu Leung, Keter (*Finance Director*)
Zen Wei Peu, Derek
Xu Ruxin

NON-EXECUTIVE DIRECTORS

Lu Hua
Lam Wai Hon, Patrick
Gao Shengyuan

INDEPENDENT NON-EXECUTIVE DIRECTORS

Lau Sai Yung
Chow Ming Kuen, Joseph
Tse Chee On, Raymond
Wong Wai Ho
Zhang Yongliang

MANAGEMENT COMMITTEES

Corporate Management Committee

Ko Yuk Bing (*Chairman*)
Chan Kam Hung
Fong Shiu Leung, Keter
Xu Ruxin
Yu Kam Fat, James

Property Business Management Committee

Ko Yuk Bing (*Chairman*)
Chan Kam Hung
Fong Shiu Leung, Keter
Zen Wei Peu, Derek
Xu Ruxin
Chuk Wing Suet, Josephine
Zen Chung Hei, Hayley
Zhang Nan
Diao Lu, Amy

AUDIT COMMITTEE

Lau Sai Yung (*Chairman*)
Lam Wai Hon, Patrick
Chow Ming Kuen, Joseph
Wong Wai Ho

NOMINATION COMMITTEE

Zen Wei Pao, William (*Chairman*)
Lau Sai Yung
Chow Ming Kuen, Joseph
Wong Wai Ho

REMUNERATION COMMITTEE

Chow Ming Kuen, Joseph (*Chairman*)
Zen Wei Pao, William
Lau Sai Yung
Tse Chee On, Raymond

COMPANY SECRETARY

Fong Shiu Leung, Keter

AUDITOR

Deloitte Touche Tohmatsu

SOLICITORS

Beijing Global Law Office
Conyers, Dill & Pearman
Reed Smith Richards Butler

PRINCIPAL BANKERS

The PRC

Agricultural Bank of China Limited
China Construction Bank Corporation
Industrial and Commercial Bank of China Limited

Hong Kong

China CITIC Bank International Limited
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited

Corporate Information (continued)

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

Suite 501, 5th Floor
Tower 6, The Gateway
9 Canton Road
Tsimshatsui
Kowloon
Hong Kong

SHARE LISTING

The Company's shares are listed on the main board of
The Stock Exchange of Hong Kong Limited
(Stock Code: 1098)

NOTES LISTING

The following notes are listed on The Stock Exchange of
Hong Kong Limited

- US\$350 million 9.875% guaranteed senior notes due 2017 (Stock Code: 4565)
- RMB2,200 million 6% guaranteed senior notes due 2016 (Stock Code: 85935)

INVESTOR RELATIONS

Contact Person: Lee Tak Fai, Kennedy
Telephone: (852) 2957 6800
Facsimile: (852) 2375 2477
E-mail address: rki@roadking.com.hk

WEBSITES

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

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2015

	NOTES	Six months ended 30 June	
		2015	2014
		(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue	4	4,389,664	3,721,848
Cost of sales		(3,396,796)	(2,732,924)
Gross profit		992,868	988,924
Interest income		44,037	24,565
Other income		8,723	46,201
Other gains and losses	6	42,101	(42,725)
Selling expenses		(189,152)	(126,467)
Operating expenses		(243,596)	(226,252)
Share of results of joint ventures	7	114,372	121,768
Finance costs	8	(95,965)	(93,852)
Profit before taxation	9	673,388	692,162
Income tax expenses	10	(425,872)	(484,661)
Profit for the period		247,516	207,501
Profit attributable to:			
Owners of the Company		228,058	198,058
Non-controlling interests		19,458	9,443
		247,516	207,501
Earnings per share	12		
– Basic		HK\$0.31	HK\$0.27
– Diluted		HK\$0.31	HK\$0.27

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2015

	Six months ended 30 June	
	2015 (Unaudited) HK\$'000	2014 (Unaudited) HK\$'000
Profit for the period	247,516	207,501
Other comprehensive (expense) income		
<i>Item that will not be reclassified to profit or loss:</i>		
Exchange difference arising on translation to presentation currency	(40,427)	115,655
Total comprehensive income for the period	207,089	323,156
Total comprehensive income attributable to:		
Owners of the Company	193,341	320,728
Non-controlling interests	13,748	2,428
	207,089	323,156

Condensed Consolidated Statement of Financial Position

At 30 June 2015

		30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
	NOTES		
ASSETS			
Non-current assets			
Property, plant and equipment		39,523	41,214
Investment properties	13	2,190,585	2,243,909
Interests in joint ventures	14	4,749,029	4,372,557
Deferred tax assets		68,176	49,193
Loans to joint ventures	17	506,643	470,525
		7,553,956	7,177,398
Current assets			
Inventory of properties	15	28,372,858	28,446,105
Prepayment for land leases	16	704,463	886,299
Loans to joint ventures	17	174,660	167,614
Debtors, deposits and prepayments	18	1,854,376	1,395,396
Prepaid income tax		509,856	364,450
Pledged bank deposits	19	191,390	322,335
Bank balances and cash	19	4,231,278	3,724,192
		36,038,881	35,306,391
Total assets		43,592,837	42,483,789
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	20	73,994	72,970
Reserves		13,065,531	13,134,921
		13,139,525	13,207,891
Non-controlling interests		858,409	844,661
Total equity		13,997,934	14,052,552
Non-current liabilities			
Bank and other borrowings – due after one year	21	9,206,537	9,600,290
Loans from non-controlling interests of subsidiaries	22	329,416	167,457
Deferred tax liabilities		617,211	634,853
		10,153,164	10,402,600

Condensed Consolidated Statement of Financial Position

At 30 June 2015

		30 June 2015 (Unaudited) HK\$'000	31 December 2014 (Audited) HK\$'000
	NOTES		
Current liabilities			
Creditors and accrued charges	23	5,291,088	6,104,137
Deposits from pre-sale of properties		7,031,974	5,606,260
Income tax payable		655,359	872,346
Bank and other borrowings – due within one year	21	5,959,056	4,788,420
Loans from non-controlling interests of subsidiaries	22	373,371	540,681
Other financial liabilities	24	130,891	116,793
		19,441,739	18,028,637
Total equity and liabilities		43,592,837	42,483,789

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2015

	Attributable to owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Foreign currency translation reserve HK\$'000	Special reserve HK\$'000	Share option reserve HK\$'000	Statutory reserve HK\$'000	Other reserve HK\$'000 (Note)	Retained profits HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total equity HK\$'000
Balance at 1 January 2014 (audited)	73,518	3,111,194	2,258,215	1,260,000	27,112	616,337	(9,794)	5,335,187	12,671,769	691,483	13,363,252
Profit for the period	-	-	-	-	-	-	-	198,058	198,058	9,443	207,501
Exchange difference arising on translation to presentation currency	-	-	122,670	-	-	-	-	-	122,670	(7,015)	115,655
Total comprehensive income for the period	-	-	122,670	-	-	-	-	198,058	320,728	2,428	323,156
Sub-total	73,518	3,111,194	2,380,885	1,260,000	27,112	616,337	(9,794)	5,533,245	12,992,497	693,911	13,686,408
Issue of ordinary shares upon exercise of share options	13	1,002	-	-	(165)	-	-	-	850	-	850
Cancellation of share options	-	-	-	-	(971)	-	-	971	-	-	-
Shares repurchased and not yet cancelled (note)	-	-	-	-	-	-	(8,886)	-	(8,886)	-	(8,886)
Shares repurchased and cancelled (note)	(133)	(9,783)	-	-	-	-	9,794	-	(122)	-	(122)
Capital contribution from non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	125,313	125,313
Dividend (note 11)	-	-	-	-	-	-	-	(293,590)	(293,590)	-	(293,590)
Appropriation	-	-	-	-	-	45,653	-	(45,653)	-	-	-
Balance at 30 June 2014 (unaudited)	73,398	3,102,413	2,380,885	1,260,000	25,976	661,990	(8,886)	5,194,973	12,690,749	819,224	13,509,973
Balance at 1 January 2015 (audited)	72,970	3,072,836	2,207,451	1,260,000	24,472	911,129	-	5,659,033	13,207,891	844,661	14,052,552
Profit for the period	-	-	-	-	-	-	-	228,058	228,058	19,458	247,516
Exchange difference arising on translation to presentation currency	-	-	(34,717)	-	-	-	-	-	(34,717)	(5,710)	(40,427)
Total comprehensive income for the period	-	-	(34,717)	-	-	-	-	228,058	193,341	13,748	207,089
Sub-total	72,970	3,072,836	2,172,734	1,260,000	24,472	911,129	-	5,887,091	13,401,232	858,409	14,259,641
Issue of ordinary shares upon exercise of share options	1,024	80,150	-	-	(9,910)	-	-	-	71,264	-	71,264
Cancellation of share options	-	-	-	-	(8,226)	-	-	8,226	-	-	-
Dividend (note 11)	-	-	-	-	-	-	-	(332,971)	(332,971)	-	(332,971)
Balance at 30 June 2015 (unaudited)	73,994	3,152,986	2,172,734	1,260,000	6,336	911,129	-	5,562,346	13,139,525	858,409	13,997,934

Note: During the six months ended 30 June 2014, a subsidiary of the Company repurchased 1,292,000 ordinary shares of the Company of HK\$0.1 each through The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of HK\$9,008,000, which included 17,000 shares repurchased and cancelled during that period with total consideration of HK\$122,000 and 1,275,000 shares repurchased and cancelled subsequent to 30 June 2014 with total consideration of HK\$8,886,000. There were 1,311,000 ordinary shares repurchased in 2013 with total consideration of HK\$9,794,000 and cancelled during the period ended 30 June 2014.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2015

	NOTE	Six months ended 30 June	
		2015	2014
		(Unaudited) HK\$'000	(Unaudited) HK\$'000
Net cash from (used in) operating activities:			
Payment for land leases		(531,687)	(3,220,112)
(Increase) decrease in debtors, deposits and prepayments		(445,732)	262,154
Decrease in inventory of properties		1,125,895	494,032
Increase in deposits from pre-sale of properties		1,468,079	1,325,612
Income tax paid		(815,597)	(1,663,149)
Other operating cash flows		(214,345)	237,062
		586,613	(2,564,401)
Net cash (used in) from investing activities:			
Cash distributions/dividends received from joint ventures		217,436	245,000
Proceeds on disposal of investment properties		147,226	91,465
Capital contributions to/acquisition of joint ventures		(512,637)	(444,309)
Loans to joint ventures		(73,603)	(2,506)
(Increase) decrease in restricted bank balances		(58,516)	447,573
Decrease (increase) in pledged bank deposits		128,509	(40,099)
Other investing cash flows		54,634	103,963
		(96,951)	401,087
Net cash (used in) from financing activities:			
New borrowings raised		1,926,528	3,956,129
Repayment of borrowings		(1,082,083)	(3,017,970)
Capital contributions from non-controlling interests of subsidiaries		-	125,313
Loans from non-controlling interests of subsidiaries		-	66,495
Repayment of loans from non-controlling interests of subsidiaries		-	(38,972)
Issue of ordinary shares		71,264	850
Repurchase of ordinary shares		-	(9,008)
Interest paid		(595,688)	(571,288)
Dividend paid		(332,971)	(293,590)
		(12,950)	217,959
Net increase (decrease) in cash and cash equivalents		476,712	(1,945,355)
Cash and cash equivalents at 1 January		2,851,433	5,336,386
Effect of foreign exchange rate changes		(21,547)	(53,498)
Cash and cash equivalents at 30 June	25	3,306,598	3,337,533

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

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 (the "Listing Rules") on the Stock Exchange and with Hong Kong Accounting Standard ("HKAS") 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 except for investment properties and certain financial instruments which are measured at fair values.

The accounting policies and methods of computation 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 2014, except for the adoption of amendments to Hong Kong Financial Reporting Standards ("HKFRSs") as described below.

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions

The application of these amendments to HKFRSs in the current interim period has had no material impact on the amounts reported and/or disclosures set out in these condensed consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 14	Regulatory Deferral Accounts ²
HKFRS 15	Revenue from Contracts with Customers ⁴
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle ³
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations ³
Amendments to HKAS 1	Disclosure Initiative ³
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ³
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 27	Equity Method in Separate Financial Statements ³
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception ³

¹ Effective for annual periods beginning on or after 1 January 2018.

² Effective for first annual HKFRS financial statements beginning on or after 1 January 2016.

³ Effective for annual periods beginning on or after 1 January 2016.

⁴ Effective for annual periods beginning on or after 1 January 2017.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

2. PRINCIPAL ACCOUNTING POLICIES (continued)

Except as described below, the directors of the Company (the "Directors") anticipate that the application of the new and revised HKFRSs will have no material impact on the results and financial position of the Group.

HKFRS 15 "Revenue from Contracts with Customers"

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 "Revenue", HKAS 11 "Construction Contracts" and the related interpretations when it becomes effective. The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for goods and services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The Directors anticipate that the application of HKFRS 15 in the future may affect the related disclosures.

Amendments to HKAS 16 and HKAS 38 "Clarification of Acceptable Methods of Depreciation and Amortisation"

The amendments to HKAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances.

- a) When the intangible asset is expressed as a measure of revenue; or
- b) When it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

The amendments apply prospectively for annual periods beginning on or after 1 January 2016. The Directors are in the process of assessing the impact of the amendments to HKAS 38 on the amortisation of toll road operating rights held by the infrastructure joint ventures of the Group.

Other than the above, the Directors anticipate that the application of the above new and revised standards and amendments will have no material impact on the results and the financial position of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

3. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Financial liabilities measured at fair value

The other financial liabilities comprising cross-currency interest rate swap contracts of HK\$130,891,000 (31 December 2014: HK\$116,793,000) are measured subsequent to initial recognition at fair value at the end of each reporting period, which are grouped into Level 2 fair value measurements. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of the swap contracts are determined based on valuation provided by the counterparty financial institutions, which is measured using discounted cash flow analysis based on, inter alia, the applicable exchange rate and yield curves of relevant interest rates and contracted interest rates, discounted at a rate that reflects the credit risk of the Group.

The swap contracts require gross settlement.

During the six months ended 30 June 2015 and 2014, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

Financial liabilities carried at other than fair value

The Directors consider that the carrying amounts of the Group's financial assets and financial liabilities carried at amortised cost in the condensed consolidated financial statements approximate their fair values as at 31 December 2014 and 30 June 2015 except for the following financial liabilities, for which their carrying amounts and fair values (based on the quoted ask price) are disclosed below:

	30 June 2015		31 December 2014	
	Carrying amount HK\$'000	Fair value HK\$'000	Carrying amount HK\$'000	Fair value HK\$'000
2012 Guaranteed senior notes	2,706,496	2,878,960	2,723,744	2,864,891
2013 Guaranteed senior notes	2,757,056	2,781,310	2,773,451	2,733,165

4. REVENUE

	Six months ended 30 June	
	2015 HK\$'000	2014 HK\$'000
Revenue of the Group		
Sale of completed properties held for sale	4,252,573	3,619,088
Gross rental income from properties	33,664	29,376
Property management income	103,427	73,384
	4,389,664	3,721,848
Group's share of toll revenue of infrastructure joint ventures	519,167	461,611
Revenue of the Group and Group's share of toll revenue of infrastructure joint ventures	4,908,831	4,183,459

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

5. SEGMENT INFORMATION

The Group's operating segments, based on the information reported to the Group's chief operating decision maker for the purpose of resources allocation and assessment of performance, are as follows:

Toll road	–	development, operation and management of toll roads through the infrastructure joint ventures
Property development and investment	–	development of properties for sale and for rental income potential and/or capital appreciation

The following is an analysis of the Group's revenue, profit, assets and liabilities by operating segments for the periods under review:

	Six months ended 30 June 2015			Six months ended 30 June 2014		
	Toll road HK\$'000	Property development and investment	Total HK\$'000	Toll road HK\$'000	Property development and investment	Total HK\$'000
		HK\$'000			HK\$'000	
Segment revenue	–	4,389,664	4,389,664	–	3,721,848	3,721,848
Segment profit	85,880	188,090	273,970	84,724	207,357	292,081
	At 30 June 2015			At 31 December 2014		
	Toll road HK\$'000	Property development and investment	Total HK\$'000	Toll road HK\$'000	Property development and investment	Total HK\$'000
		HK\$'000			HK\$'000	
Segment assets (including interests in joint ventures)	4,417,894	36,020,421	40,438,315	4,545,707	35,310,519	39,856,226
Segment liabilities	(47,094)	(28,051,831)	(28,098,925)	(93,397)	(26,846,478)	(26,939,875)

(a) Measurement

Segment profit represents profit earned by each segment, which includes share of results of joint ventures, fair value gains on transfer of completed properties held for sale to investment properties, change in fair value of investment properties, depreciation of property, plant and equipment, relevant interest income and finance costs and income tax expenses attributable to the relevant segment but without allocation of headquarters' income and expenses.

Segment revenue comprises revenue from external customers. There was no inter-segment revenue.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

6. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Gains on disposal of property, plant and equipment	115	216
Fair value gains on transfer of completed properties held for sale to investment properties	44,192	–
Change in fair value of investment properties	24,624	76,543
Change in fair value of other financial liabilities	–	(50,000)
Net exchange losses	(26,830)	(69,484)
	42,101	(42,725)

7. SHARE OF RESULTS OF JOINT VENTURES

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Share of profits of infrastructure joint ventures before amortisation and taxation	274,100	256,965
Less share of: Amortisation of toll road operation rights	(88,169)	(86,125)
Income tax expenses	(68,414)	(63,337)
	117,517	107,503
Share of (losses) profits of other joint ventures	(3,145)	14,265
	114,372	121,768

8. FINANCE COSTS

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Interest on borrowings		
– wholly repayable within five years	568,553	507,323
– not wholly repayable within five years	12,142	13,834
Other finance costs	43,395	58,569
	624,090	579,726
Less: Capitalised in properties under development for sale	(528,125)	(485,874)
	95,965	93,852

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

9. PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	7,351	7,216
Less: Capitalised in properties under development for sale	(743)	(791)
	6,608	6,425
and after crediting:		
Bank interest income	15,613	13,626

10. INCOME TAX EXPENSES

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Current tax:		
PRC enterprise income tax ("EIT")	273,374	294,797
PRC land appreciation tax ("LAT")	105,867	170,468
PRC withholding tax	78,955	35,052
	458,196	500,317
Deferred tax:		
Current period	(32,324)	(15,656)
	425,872	484,661

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

The EIT is calculated at a statutory tax rate of 25%.

The provision of LAT is estimated according to the requirements set forth in the relevant tax laws and regulations of the People's Republic of China (the "PRC"), which is charged at progressive rates ranging from 30% to 60% of the appreciation value, with certain allowable deductions.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

11. DIVIDEND PAID

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
2014 final dividend paid of HK\$0.45 (six months ended 30 June 2014: 2013 final dividend paid of HK\$0.40) per share	332,971	293,590

An interim dividend in respect of 2015 of HK\$0.13 (six months ended 30 June 2014: HK\$0.13) per share amounting to a total of approximately HK\$96 million (six months ended 30 June 2014: HK\$95 million) was declared by the Board on 20 August 2015. This interim dividend has not been included as a liability in these condensed consolidated financial statements as it was declared after the end of the reporting period.

The amount of the interim dividend was calculated on the basis of 739,936,566 shares in issue as at 20 August 2015.

12. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Earnings for the purposes of basic and diluted earnings per share attributable to owners of the Company	228,058	198,058
	Number of shares '000	Number of shares '000
Weighted average number of ordinary shares for the purpose of basic earnings per share	733,422	733,862
Effect of dilutive potential ordinary shares: Share options	317	450
Weighted average number of ordinary shares for the purpose of diluted earnings per share	733,739	734,312

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

13. INVESTMENT PROPERTIES

	HK\$'000
Completed properties, at fair value	
At 1 January 2015	2,243,909
Transfer from completed properties held for sale (note)	42,216
Fair value gains on transfer of completed properties held for sale to investment properties	44,192
Disposal during the period	(147,226)
Change in fair value recognised in profit or loss	24,624
Exchange difference arising on translation to presentation currency	(17,130)
	<hr/>
At 30 June 2015	2,190,585

Note: They were transferred from completed properties held for sale due to the change in use of the properties as evidenced by the commencement of operating leases.

The fair values of completed investment properties at the date of transfer, on 30 June 2015 and 31 December 2014 were determined by reference to valuations carried out by an independent firm of professional valuers not connected with the Group, who had recognised and relevant qualifications. The valuation report on these properties was signed by directors of the firm of professional valuers who are members of The Hong Kong Institute of Surveyors. The fair values of the completed investment properties were determined by reference to capitalised income to be derived from the existing tenancies and the reversionary income potential of the properties or, where appropriate, by reference to market evidence of transaction prices for similar properties in the same locations and conditions.

The investment properties are situated in the PRC and are held under medium term leases. All of the Group's leasehold interests in land held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

14. INTERESTS IN JOINT VENTURES

	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Interests in infrastructure joint ventures		
Cost of investments	5,225,644	5,341,862
Share of post-acquisition profits and other comprehensive income, net of dividends received	2,368,154	2,544,221
Return of cost of investments (note)	(3,397,005)	(3,560,216)
Impairment losses on cost of investments	(321,141)	(321,141)
	3,875,652	4,004,726
Interests in other joint ventures		
Cost of investments	850,800	338,163
Share of post-acquisition profits and other comprehensive income, net of dividends received	22,577	29,668
	873,377	367,831
	4,749,029	4,372,557

Note: The infrastructure joint ventures distribute the cash surplus to the Group and the other ventures including a return of total investment costs. The amount of cash distribution varies from time to time and depends on the toll road performance, the amount of operating expenses and capital expenditure incurred by the joint ventures.

15. INVENTORY OF PROPERTIES

	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Completed properties held for sale	4,761,510	6,294,254
Properties under development for sale (note)	23,611,348	22,151,851
	28,372,858	28,446,105

Note: Included in the amount are properties under development for sale of HK\$16,188,344,000 (31 December 2014: HK\$16,396,070,000) which are expected to be completed and available for delivery to the customers more than twelve months from the end of the reporting period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

16. PREPAYMENT FOR LAND LEASES

As at 30 June 2015, the total consideration of HK\$704,463,000 (31 December 2014: HK\$886,299,000) was prepaid in full according to the sale and purchase agreement entered into with the PRC local government for the acquisition of certain pieces of land in the PRC for property development for sale. Such prepayment is classified as current assets. Upon the delivery of relevant land title document to the Group, the prepaid amount, which represents the land purchase costs of those pieces of land, will be recognised as “properties under development for sale” under “inventory of properties”.

17. LOANS TO JOINT VENTURES

The Group as lenders

	Notes	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Amount due from			
Anhui Machao Expressway Co., Ltd.	a	6,171	6,218
Hunan Changyi Expressway Co., Ltd.	b	230,517	258,084
Jinzhong Longcheng Expressway Co., Ltd.	c	88,161	88,833
上海雋合置業有限公司	d	327,361	264,065
深圳市盛世盈豐投資發展有限公司	e	29,093	20,939
		681,303	638,139
Less: amounts shown as current assets		(174,660)	(167,614)
		506,643	470,525

Notes:

- The amount is unsecured, carrying interest at a fixed rate of 6% per annum and due in August 2015.
- The loans are unsecured, carrying interest at People's Bank of China (“PBOC”) prescribed interest rate plus a 10% margin per annum. The amount included in non-current assets is due in October 2019 and the remaining amount of HK\$51,235,000 (31 December 2014: HK\$51,624,000) is due within one year and included in current asset.
- The amount is unsecured, interest free and due in December 2015.
- The amount is unsecured, carrying interest at a fixed rate of 6.15% per annum and due in September 2017.
- The amount is unsecured, carrying interest at a fixed rate of 10% per annum and due in October 2015.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

18. DEBTORS, DEPOSITS AND PREPAYMENTS

	30 June	31 December
	2015	2014
	HK\$'000	HK\$'000
Aging analysis of trade debtors, presented based on invoice dates (note):		
Within 60 days	13,429	6,083
60 to 90 days	462	783
More than 90 days	19,781	8,944
	33,672	15,810
Deferred consideration on disposal of interests in joint ventures	180,959	180,959
Refundable deposits/prepayment for acquisition of property projects	854,232	467,335
Prepayment of business tax and other taxes	305,189	304,450
Other receivables, deposits and prepayments	480,324	426,842
	1,854,376	1,395,396

Note: The debtors are mainly arisen from sale of properties. Consideration in respect of properties sold is paid in accordance with the terms of the related sale and purchase agreements, normally within 60 days from the agreements. Consideration will be fully received prior to the delivery of the properties to the purchasers.

19. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Pledged bank deposits of HK\$191,390,000 (31 December 2014: HK\$322,335,000) in total are pledged as securities in favour of banks for mortgage facilities granted to the buyers of properties developed by the Group and short-term facilities granted to the Group.

Included in bank balances and cash, bank balances of HK\$1,128,919,000 (31 December 2014: HK\$1,112,801,000) in total were restricted to be used in the development of certain property projects. These bank balances comprised the proceeds received from pre-sale of properties of certain property projects deposited into designated bank accounts of the Group of HK\$924,680,000 (31 December 2014: HK\$872,759,000) according to the relevant requirements of the PRC local government. The remaining cash is received mainly from bank loans of HK\$204,239,000 (31 December 2014: HK\$240,042,000) for property development.

Bank balances carry interest at market rates which range from 0.03% to 4.2% (31 December 2014: 0.01% to 1.1%) per annum.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

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 2015	729,696,566	72,970
Issue of shares upon exercise of share options	10,240,000	1,024
At 30 June 2015	739,936,566	73,994

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

21. BANK AND OTHER BORROWINGS

	30 June 2015 HK\$'000	31 December 2014 HK\$'000
2012 Guaranteed senior notes (note (a))	2,706,496	2,723,744
2013 Guaranteed senior notes (note (b))	2,757,056	2,773,451
Bank loans (note (c))	9,702,041	8,891,515
	15,165,593	14,388,710
The maturity of the above loans and notes is as follows:		
Unsecured borrowings repayable*:		
Within one year	1,091,449	858,249
More than one year but not exceeding two years	5,006,832	4,036,151
More than two years but not exceeding five years	3,546,677	5,090,144
	9,644,958	9,984,544
Secured borrowings repayable*:		
Within one year	4,479,610	3,542,170
More than one year but not exceeding two years	206,864	17,449
More than two years but not exceeding five years	86,587	79,315
More than five years	359,577	377,231
	5,132,638	4,016,165
Carrying amount of unsecured bank loans containing a repayable on demand clause	387,997	388,001
Total borrowings	15,165,593	14,388,710
Less: Amounts classified as current liabilities	(5,959,056)	(4,788,420)
Amount due over one year shown and classified as non-current liabilities	9,206,537	9,600,290

* The amounts due are based on scheduled repayment dates set out in the loan agreements.

Notes:

- (a) The 2012 Guaranteed senior notes with an outstanding principal amounting to US\$350,000,000 (31 December 2014: US\$350,000,000) are listed on the Stock Exchange and were issued in September 2012. The notes, bearing interest at a fixed rate of 9.875% per annum, will mature in September 2017.
- (b) The 2013 Guaranteed senior notes with an outstanding principal amounting to RMB2,200,000,000 (31 December 2014: RMB2,200,000,000) are listed on the Stock Exchange and were issued in December 2013. The notes, bearing interest at a fixed rate of 6% per annum, will mature in December 2016.
- (c) Bank loans with carrying amount of HK\$5,132,638,000 (31 December 2014: HK\$4,117,688,000) bear interest at a fixed rate of 5.46% to 7.26% (31 December 2014: 6.12% to 7.26%) per annum. Interest rates on the remaining bank loans, which carry at floating interest rates based on Hong Kong Interbank Offered Rate or London Interbank Offered Rate plus a specified margin, range from 3.5% to 5% (31 December 2014: 3.5% to 5%) per annum.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

22. LOANS FROM NON-CONTROLLING INTERESTS OF SUBSIDIARIES

At the end of the reporting period, the loans with carrying amount of HK\$373,371,000 (31 December 2014: HK\$540,681,000) are unsecured, interest bearing at fixed rate of 7.2% to 7.38% (31 December 2014: 7.2% to 7.44%) per annum and the entire balance will be repayable within one year.

At the end of the reporting period, loans with carrying amount of HK\$329,416,000 (31 December 2014: HK\$167,457,000) are unsecured and interest bearing at a fixed rate of 6.9% to 7.38% (31 December 2014: 7.2% to 7.38%) per annum. Such amounts are repayable in the second half of 2016 and are classified as non-current liabilities.

23. CREDITORS AND ACCRUED CHARGES

	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Aging analysis of creditors presented based on invoice dates:		
Trade payables		
Within 60 days	231,328	138,268
60 to 90 days	77,061	14,155
More than 90 days	388,718	359,371
	697,107	511,794
Bills payables		
Within 60 days	15,113	67,099
60 to 90 days	19,018	29,442
More than 90 days	143,207	98,440
	177,338	194,981
Accrued construction costs	3,470,406	4,254,405
	4,344,851	4,961,180
Interest payable	94,330	99,034
Accrued taxes (other than EIT and LAT)	21,412	72,209
Other payables and accrued charges	830,495	971,714
	5,291,088	6,104,137

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

24. OTHER FINANCIAL LIABILITIES

The other financial liabilities represent the fair value of the outstanding cross-currency interest rate swap contracts of HK\$130,891,000 (31 December 2014: HK\$116,793,000). The Group will pay United States dollars and receive Renminbi on gross settlement basis at the date specified in the terms of contracts.

Details on the fair value measurement of the swap contracts are set out in note 3.

25. CASH AND CASH EQUIVALENTS

For the purposes of the condensed consolidated statement of cash flows, cash and cash equivalents include cash on hand and in banks except certain restricted bank balances. Cash and cash equivalents at the end of the reporting period as shown in the condensed consolidated statement of cash flows can be reconciled to the related items in the condensed consolidated statement of financial position as follows:

	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Bank balances and cash	4,231,278	3,724,192
Less: restricted bank balances – proceeds from pre-sale of certain property projects (note 19)	(924,680)	(872,759)
	3,306,598	2,851,433

26. CAPITAL COMMITMENTS

	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Investment in property joint ventures authorised but not contracted for or provided in the condensed consolidated financial statements	349,081	–

27. CONTINGENT LIABILITIES

At 30 June 2015, the Group provided guarantees of HK\$4,885,792,000 (31 December 2014: HK\$5,475,928,000) to banks in favour of its customers in respect of the mortgage loans provided by the banks to such customers for the purchase of the Group's developed properties. These guarantees provided by the Group to the banks will 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 consider that the fair value of such guarantees on initial recognition is insignificant.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2015

28. PLEDGE OF ASSETS

At the end of the reporting period, other than the pledged bank deposits as disclosed in note 19, the Group's inventory of properties of HK\$5,135,151,000 (31 December 2014: HK\$4,021,231,000) were pledged to secure the banking facilities granted to the Group.

29. RELATED PARTY TRANSACTIONS

Other than set out in notes 17 and 22, the Group had transactions with the following related parties during the period:

Related parties	Nature	Six months ended 30 June	
		2015	2014
		HK\$'000	HK\$'000
Joint ventures	Interest income	28,424	10,899
Non-controlling interests of subsidiaries	Interest expenses	25,165	25,205

The above transactions did not constitute a connected transaction as defined under the Listing Rules.

Compensation of key management personnel

The remuneration of Directors and other members of key management during the period was as follows:

	Six months ended 30 June	
	2015	2014
	HK\$'000	HK\$'000
Short-term employment benefits	55,463	58,300
Post-employment benefits	2,812	2,742
	58,275	61,042

The remuneration of Directors and key executives is determined by the performance of individuals and market trends.

30. TOTAL ASSETS LESS CURRENT LIABILITIES/NET CURRENT ASSETS

The Group's total assets less current liabilities at 30 June 2015 amounted to HK\$24,151,098,000 (31 December 2014: HK\$24,455,152,000). The Group's net current assets at 30 June 2015 amounted to HK\$16,597,142,000 (31 December 2014: HK\$17,277,754,000).

Report on Review of Condensed Consolidated Financial Statements



TO THE BOARD OF DIRECTORS OF ROAD KING INFRASTRUCTURE LIMITED
(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Road King Infrastructure Limited (the "Company") and its subsidiaries set out on pages F-1 to F-23, which comprise the condensed consolidated statement of financial position as of 30 June 2015 and the related condensed consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows 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 the Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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 these condensed consolidated financial statements consists of making inquiries, 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
20 August 2015



Road King Infrastructure Limited