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Hopewell Highway Infrastructure Limited
合和公路基建有限公司*
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 737)

FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2009

FINANCIAL HIGHLIGHTS

(in million HK dollars, unless otherwise stated)

For the year ended 30 June	2008 (restated)	2009	% Change
Net toll revenue	1,717	**1,809**	+ 5%
Earnings before interest and tax	1,324	**1,428**	+8%
Profit attributable to equity holders of the Company	2,014	**1,059**	- 47%
EPS (HK cents)	67.81	**35.72**	- 47%
Interim DPS (HK cents)	17.0	**17.0**	-
Special Interim DPS (HK cents)	7.0	**-**	-100%
Extraordinary Special DPS (HK cents)	-	**84.0**	N/A
Final DPS (HK cents)	13.0	**18.0**	+38%
Special Final DPS (HK cents)	28.0	**-**	-100%
Total DPS (HK cents)	65.0	**119.0**	+83%

CHAIRMAN'S STATEMENT

I am pleased to report that Hopewell Highway Infrastructure Limited and its subsidiaries (the "Group") achieved satisfactory results for the year ended 30 June 2009, with an increase of 5% in net toll revenue and an increase of 8% in earnings before interest and tax as compared to last year. In the absence of non-recurring exceptional gain in the current year, basic earnings per share for the year decreased to HK35.72 cents, a 47% drop from last year's HK67.81 cents per share (restated).

* *For identification only*

The profit attributable to equity holders of the Company decreased 47% to HK$1,059 million from HK$2,014 million (restated) of the last financial year. Last year, the profit attributable to equity holders was substantially augmented by the exceptional gain of HK$974 million arising from the disposal of the Group's interest in Guangzhou East-South-West Ring Road ("ESW Ring Road") and the exchange gain of HK$439 million resulting from the appreciation of Renminbi ("RMB").

During the year under review, the Guangzhou-Shenzhen Superhighway ("GS Superhighway") and the Phase I of the Western Delta Route ("Phase I West") in The People's Republic of China ("PRC") continued to provide strong recurring profit and cash flow to the Group. In respect of GS Superhighway, the traffic and toll revenue from Class 1 small cars had reached a record high level, while that from Classes 4 and 5 commercial vehicles had stabilized after a drop in the first quarter of 2009.

As to new projects, construction of Phase II of the Western Delta Route ("Phase II West") remains on track and is planned to be completed by the end of June 2010, whereas Phase III of the Western Delta Route ("Phase III West") is planned to start construction in 2010. With the resilient and recovering local economy, together with the Group's strong balance sheet and cash flow profile, these projects remain well funded with the full support from banks. The Group will continue to seek investment opportunities in the Pearl River Delta ("PRD") region and beyond to deliver steady and attractive returns to shareholders.

Final Dividend

In view of the good performance and the strong financial position of the Group, the Board of Directors has recommended a final dividend of HK18 cents per share. Together with the extraordinary special dividend of HK84 cents and the interim dividend of HK17 cents per share already paid, the total dividend for the full year will be HK119 cents per share, a 83% increase as compared to HK65 cents (including a special dividend of HK35 cents) for the last financial year. Excluding the extraordinary special dividend of HK84 cents per share, the total dividend for this year represents a 98% payout of profit attributable to equity holders of the Company.

Subject to the approval of the shareholders at the forthcoming annual general meeting to be held on 13 October 2009, the proposed final dividend will be paid on or about 14 October 2009 to shareholders as registered at the close of business on 13 October 2009. As presented in the last interim report/results announcement, the Group will adhere to a 100% dividend payout target, taking account of the strong earnings and cash flow as well as the strong balance sheet and cash surplus on hand.

Closure of Register

The Register of Members of the Company will be closed from Wednesday, 7 October 2009 to Tuesday, 13 October 2009, both days inclusive, during which no transfer of shares of the Company will be effected. In order to be qualified for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:00 p.m. on Tuesday, 6 October 2009.

Financial Status

The Group maintained a strong financial position throughout the year. The Group's proportionately shared net toll revenue for the year ended 30 June 2009 increased 5% from HK$1,717 million to HK$1,809 million. Re-opening of the Xintang to Dongguan section of GS Superhighway in July 2008 after the completion of its maintenance and improvement works gave rise to a rebound in toll revenue.

Financial Year	2008	**2009**	% Change
GS Superhighway (at joint venture company level)			
Average Daily Traffic (No. of vehicles '000)	320	314	-2%
Average Daily Toll Revenue (RMB '000)	8,713	8,949	3%
Phase I West (at joint venture company level)			
Average Daily Traffic (No. of vehicles '000)	28	28	0%
Average Daily Toll Revenue (RMB '000)	406	409	1%

The Group's balance sheet remains healthy. Save for borrowings of the PRC joint venture companies, the Group has no outstanding corporate debt. As at 30 June 2009, the Group (excluding PRC joint venture companies) had HK$2.8 billion of cash on hand, which would be more than sufficient for the equity injections required for Phase II West and Phase III West. At the project level, the Group's project debts are well covered by the project cash flow. When expressed in terms of project interest coverage, being defined as the ratio of the Group's proportionately shared project EBITDA (*__E__arnings __B__efore __I__nterest __T__axation __D__epreciation and __A__mortization*) for the year ended 30 June 2009 to the corresponding project interest expenses, it would be about 11 times. In addition, the Group's syndicated bank loan facility of HK$3.6 billion remains undrawn. Net current assets as at 30 June 2009 amounted to HK$2,182 million, representing a 61% decrease over the HK$5,661 million as at the last financial year end. The decrease was mainly due to the payment of the extraordinary special dividend of HK$2,495 million during the year. The project debts of the PRC joint venture companies proportionally shared by the Group exceeded the cash on hand at the corporate level after the payment of the extraordinary special dividend.

The cash inflow of the Group is mainly derived from the dividends declared by the joint venture companies of GS Superhighway and Phase I West. The Group's regular dividend payout has been sufficiently covered by such cash inflow.

Business Review and Outlook

During the year under review, the financial tsunami originated from the United States in 2007 continued to affect the global economy and resulted in the collapse of global stock markets in September 2008 and the world-wide credit crunch in the first half of 2009. The economies of PRC and Hong Kong have been affected, with the imports and exports sector being hit hard. Nonetheless, PRC Government has adopted a series of measures to tackle the difficulties brought along by the financial tsunami, including a proactive fiscal policy, a moderately loose monetary policy, and a stimulus package of RMB4 trillion. These measures have obtained initial success so far.

The average daily traffic and toll revenue of GS Superhighway had been gradually rebounding after the completion of the maintenance and improvement works of its north-bound lanes of the Xintang to Dongguan section in July 2008. However, owing to the slump in import and export trades of Guangdong and the Green-Lane policy, the average daily traffic of GS Superhighway for the year recorded a minor decrease as compared to last year. For the breakdown, the traffic and toll revenue from Class 1 small cars had reached a record high level since the opening of GS Superhighway, while that from Classes 4 and 5 commercial vehicles had stabilized after a drop in the first quarter of 2009. Currently, the daily toll revenue has rebounded to a level comparable to that of 2006 when the historical high of daily toll revenue was recorded. Nonetheless, the Group believes that with its strategic location and connecting highway network well established over the past decade, GS Superhighway will continue to be the main artery within the region.

The sustaining growth in traffic and toll revenue of Phase I West was offset by the slump in import and export trades of Guangdong, the loss of traffic due to the mutual recognition of vehicles' annual passes between Guangzhou and Foshan, and the higher base value resulting from the substantial growth in traffic and toll revenue of Phase I West last year after ESW Ring Road became toll-free in September 2007.

It was announced in September 2008 that for the disclosed reasons, the Group entered into agreements with the same joint venture partner as Phase I West to increase the project investment costs for Phase II West and Phase III West and correspondingly to increase the Group's share of the additional capital by an approximate total amount of RMB812 million. The estimated total amount of project investment costs for Phase II West and Phase III West was increased to RMB12.8 billion. The agreements are being processed by the relevant authorities. It is currently planned to complete Phase II West by the end of June 2010 and to commence construction of Phase III West in 2010 with completion in approximately 3 to 4 years. Upon the completion of Phase II West and Phase III West, the total length of toll expressways invested by the Group will be expanded by about 60% to around 220 km. In view of the rapid urbanization, fast growing economic development and transportation demand of the western bank of the PRD region, the Group believes that all these will create synergy for the Western Delta Route as soon as it is fully completed.

Following the announcement of a series of urban integration cooperation between Guangzhou and Foshan, the pace of economic integration of the PRD region will be accelerated. The Group believes that this will foster the economic development of the PRD region, in particular the western bank, and the Group's highway network within the region will benefit.

Change of Director

With effect from 1 July 2009, Professor Chung Kwong POON was appointed as an Independent Non-Executive Director and the Chairman of the Remuneration Committee of the Company. On the same date, Mr. Alan Ming Fai TAM was appointed as an Executive Director of the Company. Moreover, with effect from 1 July 2009, Ir. Leo Kwok Kee LEUNG resigned from the board of the Company to take on other assignments with Hopewell Holdings Limited ("HHL"), and was appointed as a Non-Executive Director of HHL. I would like to take this opportunity to thank Ir. LEUNG for his valuable contribution towards the Company during his tenure of office.

Appreciation

I would like to take this opportunity to thank my fellow directors, management team and all staff for their hard work, dedication and commitment in the past year. I would also like to thank all of our shareholders, financiers and business partners for their continuous support and confidence in the Group which have contributed towards the Group's success last year.

Sir Gordon Ying Sheung WU **GBS, KCMG, FICE**
Chairman

Hong Kong, 26 August 2009

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the year under review, the global economy took a turn for the worse amid the financial tsunami, resulting in credit crunch and stock prices slump. The economies of PRC and Hong Kong were no exception. Economic growth and import and export trades slackened significantly. Factories and enterprises in the PRD region found it hard to make ends meet, leading to the drop in demand for freight and passenger transportation. To confront the negative impacts of the financial tsunami, PRC Government has launched a package of economic stimulus measures since late last year to maintain a steady economic growth, including a proactive fiscal policy, a moderately loose monetary policy, an increase in infrastructure investments, and policies to stimulate domestic demand and support key industries. So far these measures have gained initial success. In the first half of 2009, PRC saw a 7.1% growth in gross domestic product. Capital asset investments surged, consumer confidence regained and domestic demand increased, which in turn helped offset most of the impact caused by the drop in import and export trades. Among various industries, the automobile industry gained major support from the national policy, including a reduction of vehicle sales tax, subsidies on the purchase of new vehicles on a trade-in basis, a replacement of the road maintenance fee with the newly introduced fuel tax and the cancellation of toll charging on grade 2 toll roads. These measures have altogether contributed to bring about a steady growth in car ownership. Both the car production volume and sales volume in PRC have exceeded six million vehicles in the first half of 2009, and are expected to go beyond 10 million for the whole year, setting the stage for PRC to overtake the United States as the country which domestically sells the highest number of vehicles in the world. In spite of the mild growth of car sales in Guangdong in the first half of 2009, its growth in the total number of car ownership remains robust. The Group believes that GS Superhighway and Phase I West are both set to benefit from the sustainable growth in car ownership, the rebound of PRC's economy, and the resurge in transportation needs within the PRD region which will be further driven up by the efforts of Guangzhou Government to perfect its transportation network with peripheral cities prior to the 16th Asian Games to be held in Guangzhou in November 2010.

For the year ended 30 June 2009, GS Superhighway and Phase I West recorded a decrease in aggregate average daily traffic of 2% to 342,000 vehicles and an increase in aggregate average daily toll revenue of 3% to RMB9.36 million. Both the toll revenues of GS Superhighway and Phase I West increased, and the aggregate total annual toll revenue amounted to RMB3,416 million.

In response to the rising operating costs, the Group continued to apply effective measures to control the costs and enhance the operating efficiency of the joint venture companies. These ongoing measures included promoting staff productivity, strengthening energy savings, containing the rise in administrative expenses and so on. In addition, the Group also reduced its finance costs by choosing flexible financial products offered by PRC banks with reasonably low interest rates to refinance loans bearing higher interest rates borrowed by the joint venture companies.

The construction of Phase II West is planned to be completed and ready for operation by the end of June 2010. The opening of Phase II West to traffic will help expand the Group's toll revenue base. The application for the project approval of Phase III West is under review by the National Development and Reform Commission. Subject to the progress of approval, it is currently planned that construction of Phase III West will commence in 2010 and be completed in approximately 3 to 4 years. Although the market prices of construction materials have rebounded recently, they are still lower than those seen in September 2008 when the Group entered into agreements for further investments in Phase II West. Since the prices of the steel required to complete Phase II West have been locked up at levels below which were provided in the increased investment budget in September 2008, it is expected that the final construction cost of Phase II West will be lower than the budgeted cost of RMB7,200 million.

The economic development of the western bank of the PRD region will be integrated, optimized and accelerated in view of the initiatives laid down in the Outline of the Eleventh Five-Year Plan for the National Economic and Social Development in Guangdong Province and the Outline of the Plan for the Reform and Development of the PRD (2008–2020) promulgated by the National Development and Reform Commission in December 2008. Moreover, the construction of the Hong Kong-Zhuhai-Macau Bridge is expected to commence earlier in late 2009. All these will facilitate the further expansion and enhancement of the regional highway network, bringing synergy to the Western Delta Route.

According to media reports, the construction works of the 49 km Dongguan section and the 30 km Shenzhen section of the Guangzhou-Shenzhen Coastal Expressway are planned to be completed by the end of 2010 and by the end of 2012 respectively. The Group will pay attention to its progress. Given GS Superhighway's strategic location in the highway network of the PRD region and its planned expansion into a ten-lane expressway, the Group believes that its leading position as the main artery within the region can hardly be surpassed.

In addition, it was also reported that the authorities concerned in PRC and Hong Kong have actively been studying to introduce a short-term quota for cross-border private cars. It is believed that arrangements are being considered to grant one-off cross-border licenses to Hong Kong registered private cars crossing the border at Shenzhen Bay Port before the end of 2009. The Group believes that such arrangements will be beneficial to GS Superhighway.

The new PRC Enterprise Income Tax Law (the "New Law"), which has been implemented since 1 January 2008, has imposed a gradual increase in applicable tax rate from the current 18% to 25% over the next five years (20% in 2009, 22% in 2010, 24% in 2011 and 25% in 2012) effective 1 January 2008. According to the New Law, the joint venture companies of GS Superhighway and Phase I West which currently enjoy preferential enterprise income tax treatment are entitled to the outstanding preferential tax holidays until their respective expiry. When the tax holiday for GS Superhighway expires at the end of 2009, its applicable enterprise income tax rate will be 22% in 2010, while that for Phase I West will be 24% in 2011 upon the lapse of its tax holiday at the end of 2010. Starting from 2012 until the end of the cooperation period of the joint venture companies, the applicable rate for both GS Superhighway and Phase I West will be 25%. In addition, with effect from 1 January 2008, a 5% withholding tax has been levied on dividends attributable to 2008 and onwards receivable by a Hong Kong enterprise from a PRC joint venture company. Moreover, a newly-built toll expressway project, upon the receipt of toll income, may start to enjoy a three-year exemption on enterprise income tax, followed by another three-year of a 50% tax rate reduction. Phase II West and Phase III West are both eligible to enjoy this tax concession.

To encounter the global financial tsunami and as an incentive for enterprises to increase capital asset investments, PRC Government has lowered the minimum capital requirements since early 2009 for certain qualified projects of which their construction has not yet started. In particular, the capital requirement for expressway project has been lowered from 35% to 25% of the total investment amount. Phase III West is expected to benefit from this change. When the approval of the relevant authorities is obtained, the capital which the Group is required to inject into Phase III West will be reduced by RMB280 million, from RMB980 million to RMB700 million.

As at 30 June 2009, the bank balances and cash of the Group (excluding the joint venture companies) amounted to HK$2,775 million and the Group (excluding the joint venture companies) had no corporate debt outstanding. After taking into account of the Group's attributable share of the assets and liabilities of the joint venture companies, the overall gearing ratio of the Group was 30%. As the majority of the bank loans of the joint venture company of GS Superhighway were denominated in US dollars, the US dollar liabilities accounted for the majority portion of the present total liabilities. In view of the Group's existing projects and the current financing environment in PRC, it is expected that the Group's overall gearing ratio will increase gradually after the completion and operation of Phase II West and Phase III West, leading to a corresponding increase in the proportion of RMB liabilities to the total liabilities.

In view of the abundancy of funds and capital, the Board of Directors declared on 23 October 2008 an extraordinary special dividend of HK84 cents per ordinary share for the financial year ending 30 June 2009 with a view to increasing the return on equity of the shareholders of the Company.

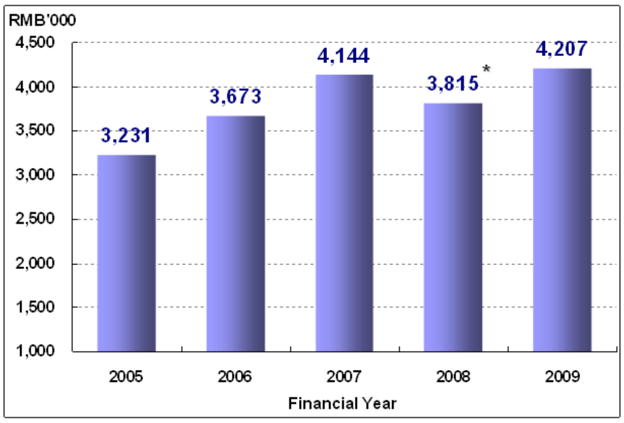
Guangzhou-Shenzhen Superhighway

GS Superhighway is a 122.8 km long, fully lit, closed expressway with a total of six lanes in dual directions. Currently, it is the only expressway connecting Guangzhou, Dongguan, Shenzhen and Hong Kong. It is also the major artery in the PRD highway network with connections to Guangzhou Ring Road, Guangzhou Second Ring Road (northern and eastern sections), Humen Bridge and Changhu Expressway in Dongguan, Jihe Expressway and Nanping Expressway in Shenzhen, as well as some major cities, ports and airports in the region.

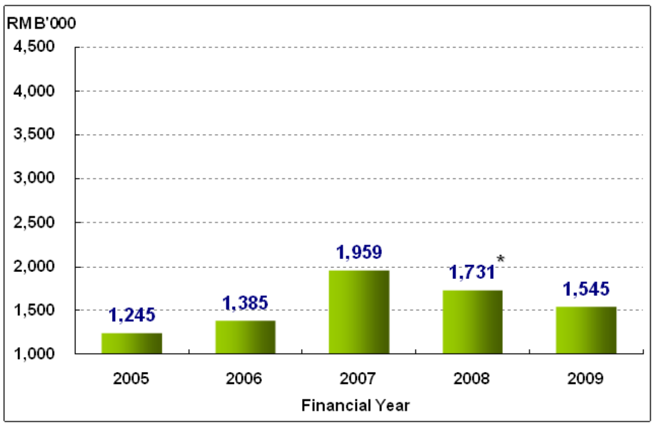
During the year under review, GS Superhighway's average daily traffic slid 2% to 314,000 vehicles as compared to that of last year, while its average daily toll revenue increased 3% to RMB8.95 million. The total annual toll revenue amounted to RMB3,266 million.

The maintenance and improvement works of the north-bound lanes of the Xintang to Dongguan section of GS Superhighway had been completed and the section was re-opened to traffic on 9 July 2008. Its toll revenue and traffic had gradually been rebounding. However, since the fourth quarter of 2008, the import and export trades of Guangdong have slumped due to the financial tsunami and the global economic downturn. In the first half of 2009, the aggregate amount of imports and exports fell 21% as compared to the same period last year. In addition, due to the continuous implementation of the "Green-Lane" policy as well as the traffic diversion caused by the new roads nearby, the toll revenue and traffic of GS Superhighway recovered at a pace slower than expected. The traffic slightly dropped 2% as compared to that of last year. Nevertheless the traffic and toll revenue of Class 1 small cars rose to a historical high level, whereas that from Classes 4 and 5 commercial vehicles had stabilized after a drop in the first quarter of 2009. Currently, the daily toll revenue has rebounded to a level comparable to that of 2006 when the historical high of daily toll revenue was recorded. The Group believes that following the economic recovery of Guangdong, the traffic and toll revenue of GS Superhighway will regain their momentum of growth.

Class 1 – Average Daily Toll Revenue (FY2005-2009)



Classes 4 and 5 – Average Daily Toll Revenue (FY2005-2009)



** Part of GS Superhighway closed for maintenance in phases during October 2007 to July 2008*

From mid-July to December of 2009, the section between Guangqing interchange and Cencun interchange of Guangzhou Northern Ring Road is fully closed for maintenance works. Some vehicles may have to take a detour to enter or exit GS Superhighway. Preliminary observations showed that the closure would have minimal impact on the traffic and toll revenue of GS Superhighway.

The Group and the joint venture companies have always attached great importance to traffic safety. Over the years, ample resources have been deployed to upgrade and enhance the safety and service facilities of GS Superhighway, with a view to providing drivers with a safe, comfortable and speedy expressway. An intelligent traffic management system, jointly installed by the joint venture company and the Traffic Management Department of Guangdong Provincial Public Security Bureau, was completed and put into operation in January 2009. GS Superhighway is now the first model toll expressway in Guangdong to have adopted such an intelligent system. The system helps further enhance the efficiency of traffic surveillance in detecting and handling traffic accidents so as to minimize congestions and casualties. In addition, in collaboration with the traffic police, the close supervision of the 100 plus traffic surveillance cameras along the road and the use of global positioning system installed in GS Superhighway's patrol and rescue vehicles, the joint venture company is able to attain the "4-Fast" principles of traffic accident handling, namely, "Fast Discovery, Fast Arrival, Fast Handling and Fast Clearance", to ensure smooth traffic.

In July 2008, the Group, through GS Superhighway's joint venture company, co-organized a large-scale, province-wide traffic safety educational promotion campaign with the Traffic Management Department of Guangdong Provincial Public Security Bureau. Over 100,000 volumes of Chinese literature «Analects of Confucius» inserted with traffic safety tips were distributed to the general public free of charge, for the dual purpose of promoting traffic safety and traditional Chinese culture.

Since the opening of GS Superhighway over a decade, the joint venture company has developed into one of the most sizeable and well-managed corporations in PRC highway industry. In mid-2009, it sets up a corporate culture department so as to further strengthen its core values, promote management quality, enhance corporate competitiveness, foster cohesion and team spirit among the staff, and bring into full play the corporate mission of delivering quality services.

To meet the rising traffic demand, the feasibility study on widening GS Superhighway to an expressway with a total of ten lanes in dual directions is being conducted and fine-tuned. Upon completion, an application will be submitted to the authorities for approval according to the relevant regulations.

According to media reports, the construction works of the 49 km Dongguan section and the 30 km Shenzhen section of the Guangzhou-Shenzhen Coastal Expressway are planned to be completed by the end of 2010 and by the end of 2012 respectively. The Group will pay attention to its progress. Given GS Superhighway's strategic location in the highway network of the PRD region and its planned expansion into a ten-lane expressway, the Group believes that its leading position as the main artery within the region can hardly be surpassed.

Phase I of the Western Delta Route

The Western Delta Route is scheduled to be built in three phases. Its first phase, Phase I West, has commenced operation since April 2004. Phase I West is a 14.7 km closed expressway with a total of six lanes in dual directions connecting ESW Ring Road to the north, and National Highway 105 and Bigui Road of Shunde to the south. Currently, it is the only expressway linking Guangzhou and Shunde. Phase I West made profits and generated positive cash flow in its first full year of operation in financial year 2004/05.

The growth in traffic and toll revenue of Phase I West slackened during the year, primarily because of the slump in import and export trades in Guangdong and the mutual recognition of vehicles' annual passes between Guangzhou and Foshan since October 2008. Under this mutual recognition, vehicles of either city are exempted from paying toll for using grade 1 toll roads and toll bridges of the other city. Moreover, the substantial growth in traffic and toll revenue of Phase I West last year after ESW Ring Road became toll-free since September 2007 resulted in higher base figures. During the year, Phase I West's average daily traffic was 28,000 vehicles which was comparable to that of last year, and average daily toll revenue rose 1% to RMB409,000. The total annual toll revenue amounted to RMB149 million.

From mid-July to December of 2009, the section between Guangqing interchange and Cencun interchange of Guangzhou Northern Ring Road is completely closed for maintenance works. Some vehicles may detour ESW Ring Road to access GS Superhighway. This may cause traffic congestion in ESW Ring Road at the section linking Phase I West and may affect the latter's traffic and toll revenue. However, since mid-August 2009 to end March 2010, the Sanshan West Bridge leading to the Sanshan Container Port in Nanhai is fully closed for maintenance works. Most vehicles, especially trucks, are to be diverted to Phase I West according to the recent traffic police public notice. Taking into account of the net effect of the two closures, it is expected that the traffic and toll revenue of Phase I West will have a mild growth in the coming year.

According to the highway network planning of Guangzhou and Foshan, several highways currently under planning or construction will be connected to Phase I West upon completion in the next few years. These include Foshan First Ring Road extension link, Pingzhou-Danzao Expressway and Pingzhou-Nansha Expressway as well as Guangzhou-Gaoming Expressway etc, all of which will serve as drivers for the future growth of Phase I West and the entire Western Delta Route. Besides, the largest railway station in Asia situated in Panyu District of Guangzhou, adjacent to Phase I West, is scheduled to commence operation in phases by the end of 2009, and set to boost the passenger car traffic of Phase I West. In the near future, Phase I West is expected to benefit from the robust economic growth of Foshan and the completion of the connecting expressways and railway station nearby. Moreover, as Phase II West is going to commence operation by the end of June 2010, Phase I West will become more competitive and more dynamic in its future growth.

Phase II of the Western Delta Route

Phase II West is a 46 km closed expressway with a total of six lanes in dual directions. It is connected to Phase I West in Shunde at the northern end and extends southwards to Zhongshan, linking with the National Highway 105, the proposed Xiaolan Expressway and the new Qijiang Highway in Zhongshan. Upon completion, Phase I West and Phase II West will be the only expressways linking Guangzhou to the central area of Zhongshan. The construction of Phase II West is currently planned to be completed and operational by the end of June 2010.

According to the reasons stated in the joint announcement made by the Company and HHL on 2 September 2008, the investment budget for Phase II West was adjusted to RMB7,200 million. The Group therefore entered into an amendment agreement for the joint investment in, construction and operation of Phase II West with its PRC partner (the same PRC partner of Phase I West) on the same day to increase the Group's share of the registered capital for the project by approximately RMB402.5 million. The agreement has been submitted to the Ministry of Transport and the National Development and Reform Commission for approval.

Although the market prices of construction materials have rebounded recently, they are still lower than those seen in September 2008 when the Group entered into the agreement for further investment in Phase II West. Moreover, since the prices of the steel required to complete Phase II West have been locked up at levels below which were provided in the increased investment budget, it is expected that the final construction cost of Phase II West will be lower than the budgeted cost of RMB7,200 million.

The difference between the budgeted investment amount and the registered capital of Phase II West is financed by banks in PRC. Loan facility has been obtained by the joint venture company.

Based on the annual toll revenue for the first full year of operation of GS Superhighway and Phase I West, Phase II West is targeted to achieve a breakeven of cash flow in its first full year of operation. Preliminary estimation suggests that if Phase II West's annual toll revenue for its first full year of operation amounts approximately to RMB6.5 million per km, a breakeven of cash flow will be achieved. If it is over RMB9.5 million per km, profits will be attained. During the period under review, the toll revenue of Phase I West amounted to about RMB10 million per km.

Phase III of the Western Delta Route

Phase III West is a 38 km closed expressway with a total of six lanes in dual directions. It is connected to Phase II West in Zhongshan at the northern end and extends southwards to connect to the highway network in Zhuhai.

According to the joint announcement made by the Company and HHL on 2 September 2008, the investment budget for Phase III West was adjusted to RMB5,600 million. Similar to the case of Phase II West, the Group entered into an amendment agreement for the joint investment in, construction and operation of the Phase III West with its PRC partner (the same PRC partner of Phase I West) on the same day to increase the Group's share of the registered capital for the project by approximately RMB409.5 million. The agreement is now being processed by the National Development and Reform Commission. Subject to the progress of approval, Phase III West is currently planned to commence construction in 2010 and to be completed in approximately 3 to 4 years.

To encounter the global financial tsunami and as an incentive for enterprises to invest in the construction of capital asset projects, PRC Government has lowered the minimum capital requirements since early 2009 for certain qualified projects of which their construction has not yet started. In particular, the capital requirement for expressway projects has been lowered from 35% to 25% of the total investment amount. Phase III West is expected to benefit from this change. When the approval of the relevant authorities is obtained, the capital which the Group is required to inject into Phase III West will be reduced by RMB280 million, from RMB980 million to RMB700 million.

The Group will endeavour to expedite the construction of Phase II West and Phase III West and have them completed earlier. It is expected that upon full completion, the Western Delta Route will be the only expressway linking up Guangzhou, Foshan, Zhongshan and Zhuhai, as well as the most direct and convenient expressway leading to Macau. It will become a strategic expressway on the western bank of the PRD region.

Hong Kong-Zhuhai-Macau Bridge Project

Over the past two decades, our Chairman and the Group have devoted tremendous efforts to the development of the Hong Kong-Zhuhai-Macau Bridge project which had won affirmative recognition from the Central Government and relevant local governments, as well as comprehensive support from the general public. The project arrangement has been confirmed by the joint work committee of the governments of Hong Kong, Guangdong and Macau, and its construction will begin soon in 2009 according to press reports.

The Group is confident that the fast-track construction plan of the Hong Kong-Zhuhai-Macau Bridge project will not only accelerate the economic cooperation among Guangdong, Hong Kong and Macau but will also make positive contribution to the economic development of the western bank of the PRD region as well as expanding and enhancing the regional highway network.

Financial Review

For the financial year ended 30 June 2009, the performance of the Group is reported as follows:

	Year ended 30 June	
	2008 HK$ million (restated)	**2009** **HK$ million**
Net toll revenue	1,717	**1,809**
Other income	236	**166**
Toll expressway operation expenses	(163)	**(143)**
Provision for resurfacing charges	(27)	**(13)**
Depreciation and amortization charges	(305)	**(307)**
General and administrative expenses	(134)	**(84)**
Earnings before interest and tax (Note)	1,324	**1,428**
Finance costs	(252)	**(162)**
Income tax expenses	(195)	**(187)**
Recurring profit	877	**1,079**
Net exchange gain (loss)	439	**(2)**
Gain on disposal of a jointly controlled entity	974	**-**
Taxation on gain on disposal of a jointly controlled entity and exchange gain	(167)	**-**
Deferred tax arising from change in PRC tax rate	(90)	**-**
Profit for the year	2,033	**1,077**
Minority interests	(19)	**(18)**
Profit attributable to equity holders of the Company	2,014	**1,059**

Note: Reconciliation to Consolidated Income Statement

	Year ended 30 June	
	2008 HK$ million (restated)	**2009** **HK$ million**
Earnings before interest and tax per Financial Review	1,324	**1,428**
Add:		
Net exchange gain (loss)	439	**(2)**
Finance costs	(252)	**(162)**
Gain on disposal of a jointly controlled entity	974	**-**
Profit before tax per Consolidated Income Statement	2,485	**1,264**

The aggregate net toll revenue of all expressway projects proportionately shared by the Group for the year ended 30 June 2009 recorded an increase of 5% to HK$1,809 million from HK$1,717 million of the last corresponding year. The increase was the net effect of the rise in traffic flow of the Group's expressways especially GS Superhighway upon the re-opening of its north-bound lanes of the Xintang to Dougguan section after the completion of the maintenance and improvement works on 9 July 2008, the appreciation of RMB and the disposal of the Group's entire 45% interest in ESW Ring Road in September 2007. Among the aggregate net toll revenue proportionately shared by the Group, GS Superhighway and Phase I West contributed 95% (or HK$1,727 million) and 5% (or HK$82 million) respectively.

The Group's proportionately shared net toll revenue of all of its toll expressways in PRC is set out as follows:

	Year ended 30 June	
	2008 HK$ million	**2009** **HK$ million**
GS Superhighway	1,594	**1,727**
Phase I West	78	**82**
ESW Ring Road	45	**0**
	1,717	**1,809**

During the year, the toll expressway operation expenses and general and administrative expenses decreased 24% from HK$297 million to HK$227 million, mainly due to the disposal of the entire interest in ESW Ring Road in September 2007 and the effective measures taken by the Group to control the costs and enhance the operating efficiency of the joint venture companies to cope with the rising operating costs in the PRD region.

Despite the disposal of the entire interest in ESW Ring Road, the depreciation and amortization charges increased slightly by 1% from HK$305 million to HK$307 million as a result of the completion of the maintenance and improvement works of the Xintang to Dongguan section of GS Superhighway on 9 July 2008.

Excluding the disposal gain of ESW Ring Road (pre-tax: HK$974 million; after tax: HK$841 million) and the exchange gain (pre-tax HK$439 million; after tax: HK$405 million), the earnings before interest and tax increased 8% from HK$1,324 million of the last corresponding year to HK$1,428 million, mainly due to a rise in net toll revenue by HK$92 million. The savings in the toll expressway operation expenses and general and administrative expenses by HK$70 million were offset by the decrease in other income as a result of the drop in return on bank deposits of the Group.

As the Group had no corporate debt throughout both years ended 30 June 2008 and 2009, the finance costs were mainly comprised the proportionately shared finance costs from the Group's joint venture companies. The finance costs decreased 36% from HK$252 million to HK$162 million for the year ended 30 June 2009 mainly due to the drop in interest rates of the loans of the joint venture companies.

On 16 March 2007, the PRC Government promulgated the New Enterprise Income Tax Law ("New Law") which has been effective since 1 January 2008. According to the New Law, the Group's PRC joint venture companies, namely Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited ("GS Superhighway JV") and Guangdong Guangzhou-Zhuhai West Superhighway Company Limited ("West Route JV") in respect of Phase I West ("West Route JV's Phase I West") are entitled to continue to enjoy the remaining tax holidays until their respective expiry dates. GS Superhighway JV's tax rates for the years 2009, 2010, 2011, 2012 and thereafter will be 10%, 22%, 24%, 25% and 25% respectively, whereas those for West Route JV's Phase I West will be 10%, 11%, 24%, 25% and 25% respectively. Both GS Superhighway JV and West Route JV's Phase I West deferred taxes for the year ended 30 June 2008 were adjusted to reflect the tax rate changes amounting to HK$90 million which were expected to apply to the respective periods when the asset would be realized or the liability would be settled. According to the New Law, effective from 1 January 2008, a 5% withholding tax has been levied on dividends attributable to the year 2008 and onwards, payable by the joint venture companies to the Group. Moreover, both Phase II West and Phase III West are eligible for enterprise income tax preferential treatment. The two projects will be exempted for the first 3 years as from the year when the first toll revenue is received, and will be taxed at a 50% reduced tax rate (i.e. 12.5%) from the fourth to the sixth years.

The appreciation of RMB for the year ended 30 June 2008 resulted in a net exchange gain of HK$439 million, mainly arising from the retranslation of the United States dollar ("USD") and Hong Kong dollar ("HKD") bank loans borrowed by GS Superhighway JV. The net exchange loss recorded for the year ended 30 June 2009 was due to the net effect of the exchange loss on translation of USD deposits held by the Group (excluding PRC joint venture companies) and the relatively mild appreciation of RMB.

The profit attributable to equity holders of the Company decreased 47% from HK$2,014 million to HK$1,059 million for the year ended 30 June 2009, mainly due to the inclusion in the results of last financial year the pre-tax gain of HK$974 million on the disposal of the Company's entire 45% interest in the ESW Ring Road at a consideration of RMB1,712.55 million and the exchange gain of HK$439 million resulting from the 10% appreciation of RMB against USD.

During the year, the Company repurchased 8,788,000 ordinary shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with a view to benefiting the shareholders of the Company as a whole by enhancing the earnings per share and return on equity of the Group.

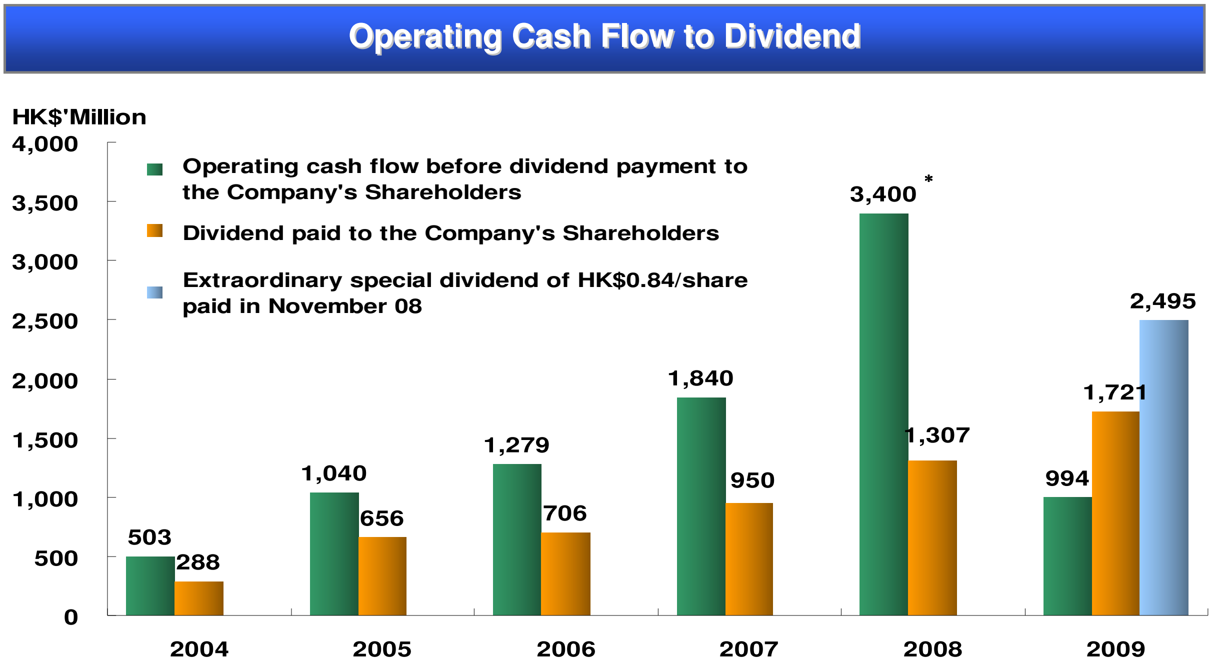
Liquidity and Financial Resources

The Company and its subsidiaries had no corporate debt outstanding as at 30 June 2009 (2008: nil). The Group's debt balance solely comprised its proportionate share of project loans from its PRC joint venture companies. The Group's total debt to total assets ratio and gearing ratio (net debt to equity attributable to the equity holders of the Company) were 37% (2008: 29%) and 30% (2008: nil) respectively. The gearing structure is set out below:

	Year ended 30 June	
	2008 HK$ million (restated)	**2009 HK$ million**
Total debt		
- Company and subsidiaries	0	**0**
- Joint venture companies	5,071	**5,379**
Net debt (Note)	0	**2,482**
Total assets	17,423	**14,588**
Equity attributable to the equity holders of the Company	11,550	**8,341**
Total debt / Total assets ratio	29%	**37%**
Gearing ratio	0%	**30%**

Note: Net debt is defined as total debt less bank balances and cash together with pledged bank balances and deposits. A zero balance of net debt represented that the bank balances and cash together with pledged bank balances and deposits exceeded total debt as at the balance sheet date.

The net debt position as at 30 June 2009 was attributed to the payment of the extraordinary special dividend of HK$2,495 million in November 2008 and the drawdown of bank loans of a joint venture company to finance the construction of Phase II West. The Group's existing cash balance is more than sufficient for its remaining capital contribution for Phase II West and Phase III West. In addition, the Group still has an undrawn 5-year committed and unsecured syndicated bank revolving credit and term loan facility of HK$3,600 million obtained in October 2005. The major source of cash inflow of the Group is the dividends received from its joint venture companies. The major cash outflow is the payment of dividends to the shareholders of the Company. The net operating cash inflow before dividend payment to the Company's shareholders (excluding the cash inflow of the joint venture companies proportionately shared by the Group) amounted to approximately HK$994 million for the year ended 30 June 2009 (2008: HK$3,400 million, including the cash inflow of approximately HK$1,588 million from the disposal of the Group's entire interest in ESW Ring Road). In view of the strong financial position, the Board has set the target dividend payout ratio of the Company as 100%. Taking into account of the operating cash inflow (excluding the proceeds from the Company's IPO) and the dividends paid by the Company since the Company's IPO in August 2003 to 2009, the Company has accumulated a cash surplus of approximately HK$900 million in this period. Based on the current operating cash flow, this target payout ratio is sustainable.



* Including cash inflow of approximately HK$1.6 billion from the disposal of the Group's entire interest in ESW Ring Road

As at 30 June 2009, the bank balances and cash of the Group amounted to HK$2,775 million (2008: HK$5,997 million) and of the joint venture companies proportionately shared by the Group amounted to HK$122 million (2008: HK$240 million). The bank balances and cash of the Group together with the committed undrawn banking facility totalling HK$6,375 million (2008: HK$9,597 million). In addition to the stable cash dividends received and receivable from GS Superhighway JV (from which the Group had received cash dividends of HK$1,065 million, HK$614 million and HK$1,048 million for the years ended 30 June 2009, 2008 and 2007 respectively), the Group has sufficient financial resources to cater for its recurring operating activities, present and potential investment activities.

The Group's proportionately shared project loans from its joint venture companies have been well covered by the cash flow of the respective joint venture companies. Interest coverage (EBITDA to finance costs ratio) of GS Superhighway JV and West Route JV for the year ended 30 June 2009 were 16.8 times and 9.9 times respectively.

As at 30 June 2009, the bank and other borrowings of the joint venture companies proportionately shared by the Group amounted to approximately HK$5,238 million (2008: HK$4,711 million) with the following profile:

(a) 99.9 % (2008: 99.9%) was bank loans and 0.1 % (2008: 0.1%) was other loan; and
(b) 53% (2008: 63%) was denominated in USD; 40% (2008: 30%) was denominated in RMB and 7% (2008: 7%) was denominated in HKD.

The net current assets of the Group decreased 61% from approximately HK$5,661 million as at 30 June 2008 to approximately HK$2,182 million as at 30 June 2009, mainly attributable to the payment of the extraordinary special dividend amounting to HK$2,495 million in November 2008.

Debt Maturity Profile

The maturity profile of bank and other borrowings of the joint venture companies proportionately shared by the Group as at 30 June 2009 as compared to that as at 30 June 2008 is shown as follows:

	As at 30 June			
	2008		**2009**	
	HK$ million	%	**HK$ million**	**%**
Repayable within 1 year	267	6%	**344**	**6%**
Repayable between 1 to 5 years	1,250	26%	**1,350**	**26%**
Repayable beyond 5 years	3,194	68%	**3,544**	**68%**
	4,711	100%	**5,238**	**100%**

Other than the above, the Group had no corporate debt outstanding both as at 30 June 2008 and 2009. All of the bank borrowings of the joint venture companies are from banks in PRC and are carrying interest at floating interest rates.

In June 2009, West Route JV had successfully refinanced the project loan for Phase I West with a long term loan with revolving facility from a bank in PRC. The refinancing helps reduce finance costs by approximately HK$3 million for the year ending 30 June 2010. The new bank loan is more flexible and effective in cash management as well as more responsive to interest rate changes. In addition, West Route JV had financed its payment of Phase II West's construction costs by 6-month commercial bills, which saved finance costs by approximately HK$3 million for the year ended 30 June 2009.

Interest Rate and Exchange Rate Exposures

The Group closely monitors its interest rate and foreign exchange exposure. The use of financial instrument is strictly controlled. Neither the Group nor the joint venture companies have any financial derivative instruments to hedge the interest rate or foreign currency exchange rate exposure.

In prior years, the Company's functional currency was HKD. During the year, the management had re-evaluated the underlying investment activities and strategy of the Company, and determined that the functional currency of the Company needed to be changed from HKD to RMB. The effects of the change in the functional currency of the Company had been accounted for prospectively during the year. Upon the change in the functional currency from HKD to RMB, the Company translated all items into the new functional currency using the exchange rate at the date of the change. The resulting translated amounts for non-monetary items were treated as their historical costs.

Treasury Policies

The Group continues to adopt prudent and conservative treasury policies in financial and funding management. Its liquidity and financial resources are reviewed on a regular basis to minimize the cost of funding and enhance the return on financial assets. All of its cash are generally placed in short-term deposits denominated mainly in HKD and USD. The Group has not invested in any financial derivative instruments nor accumulators.

Capital Commitments

On 2 September 2008, the Group entered into amendment agreements in relation to Phase III West with the PRC partner of the West Route JV. Subject to the approval of the relevant PRC authorities, the total investment amount for Phase III West will be adjusted to RMB5,600 million, instead of RMB3,260 million as contemplated under the previous amendment agreements entered into in 2005. 35% of the total investment amount representing RMB1,960 million (or, if approved, such a lower amount) will be contributed as capital by the Group and the PRC partner in equal share. The total capital contribution thereon to be made by the Group to West Route JV for the development of Phase III West will be RMB980 million (or, if approved, such a lower amount). The amendment agreements are now being processed by the National Development and Reform Commission.

On the same day, the Group also entered into amendment agreements in relation to Phase II West with the PRC partner of the West Route JV. Subject to the approval of the relevant PRC authorities, the total investment amount for Phase II West will be increased by RMB2,300 million to RMB7,200 million. The corresponding increase in the registered capital of West Route JV by RMB805 million will be contributed by the Group and the PRC partner in equal share. The increase in capital contribution thereon to be made by the Group to the West Route JV for the development of Phase II West will be RMB402.5 million. The amendment agreements have been submitted to the Ministry of Transport and the National Development and Reform Commission for approval.

As set out in the "Joint Letter from the HH Board and the HHI Board" in the joint circular of the Company and HHL dated 22 September 2008, the Company had applied to the Stock Exchange for, and the Stock Exchange had granted, a waiver of the requirement to hold a general meeting to seek independent shareholders' approval of the above-mentioned amendment agreements in relation to Phase II West and Phase III West entered into in 2008.

During the year, the Group made capital contribution to West Route JV for the development of Phase II West in an amount of RMB96.1 million (2008: RMB586.3 million). As at 30 June 2009, the Group had outstanding commitments to make capital contribution (the total capital being 35% of the total investment amounted to RMB7,200 million) to West Route JV of RMB402.5 million (2008: RMB96.1 million).

The difference between the total investment amount and the registered capital of Phase II West would be financed by banks in PRC. Loan facility had been obtained by the West Route JV. The Group is currently planned to make additional capital contribution of RMB402.5 million for Phase II West before the end of 30 June 2010. The additional capital contribution to be made by the Group and the PRC partner together with the loan facility shall meet completely the funding requirement for Phase II West. Although the market prices of construction materials have rebounded recently, they are still below the prices in September 2008 when the Group entered into amendment agreements for further investments in Phase II West. In addition, since the prices of the steel required to complete Phase II West have been locked up at the levels below which provided in the increased investment budget, it is expected that the final construction cost of Phase II West will be lower than the budgeted cost of RMB7,200 million.

The Group had agreed, subject to the approval of the relevant PRC authorities, to make capital contribution of RMB980 million (2008: RMB570.5 million) (the total capital being 35% of the total investment amounted to RMB5,600 million) to West Route JV for the development of Phase III West. It is currently planned that the Group will make its capital contribution for Phase III West of RMB980 million before the end of 30 June 2010 and 2011 in the proportion of 35% and 65% respectively.

In the wake of the global financial tsunami and as an incentive for enterprises to invest in the construction of capital assets PRC Government has lowered the minimum capital requirement since early 2009 for certain qualified projects of which construction has not yet started. In particular, the capital requirement for expressway project has been lowered from 35% to 25% of their investment amount. Phase III West is expected to benefit from this change. Subject to the approval of the authorities concerned, the capital which the Group is required to inject into Phase III West will be reduced by RMB280 million, from RMB980 million to RMB700 million.

As at 30 June 2009, GS Superhighway JV and West Route JV had outstanding commitments in respect of the acquisition of property and equipment, as well as the construction of the Phase II West contracted but not provided for, which were proportionately shared by the Group totalling HK$521 million (2008: HK$1,658 million).

Pledge of Assets

As at 30 June 2009, certain assets of the joint venture companies of the Group were pledged to banks for their own banking facilities. The carrying amounts of these assets proportionately shared by the Group are analyzed as follows:

	As at 30 June	
	2008 HK$ million (restated)	**2009 HK$ million**
Concession intangible assets	8,306	**6,597**
Bank balances and deposits	235	**119**
Other assets	374	**740**
	8,915	**7,456**

As at 30 June 2008 and 2009, the toll collection right of GS Superhighway JV and 26% (2008: 65%) of the toll collection right of West Route JV's Phase I West were pledged to banks in PRC for their respective banking facilities.

Contingent Liabilities

As at 30 June 2009, there was no material contingent liabilities for the Group.

Material Acquisition or Disposal

During the year, there was no material acquisition or disposal of the Company's subsidiaries or associated companies.

OTHER DISCLOSURES

Purchase, Sale or Redemption of Securities

During the year, the Company repurchased 8,788,000 shares on the Stock Exchange at an aggregate consideration, including transaction costs, of approximately HK$37,781,000. All the repurchased shares were subsequently cancelled. The nominal value of the cancelled shares of HK$878,800 was debited to share capital and such part of the consideration in excess of the nominal value of the cancelled shares was paid out from the Company's share premium. Details of the repurchases are as follows:

Month of the repurchases	**Total no. of the ordinary shares repurchased**	**Highest price paid per share** *HK$*	**Lowest price paid per share** *HK$*	**Aggregate consideration paid (including transaction costs*)** *HK$'000*
November 2008	400,000	4.15	3.90	1,653
December 2008	4,462,500	4.30	4.09	18,979
January 2009	3,925,500	4.46	4.20	17,149
Total	**8,788,000**			**37,781**

** Transaction costs represent commission, stamp duty, exchange levy and trading fee*

The purchases were made for the benefit of the shareholders with a view to enhancing the earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of its listed securities during the year ended 30 June 2009.

Review of Final Results

The annual results of the Group for the year ended 30 June 2009 have been reviewed by the Audit Committee of the Company.

Compliance with the Code of Corporate Governance Practices

During the year, the Company has met the code provisions set out in the Code of Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2009

	NOTES	2008 HK$'000 (restated)	**2009** **HK$'000**
Toll revenue		1,716,797	**1,809,179**
Revenue on construction		1,193,704	**1,215,977**
Turnover	2	2,910,501	**3,025,156**
Other income and other expense	3	675,510	**163,336**
Construction costs		(1,193,704)	**(1,215,977)**
Provision for resurfacing charges		(26,907)	**(12,674)**
Toll expressway operation expenses		(163,099)	**(143,423)**
Depreciation and amortization charges		(304,732)	**(307,102)**
General and administrative expenses		(134,097)	**(83,513)**
Finance costs	4	(252,374)	**(161,506)**
Gain on disposal of a jointly controlled entity	5	973,594	**-**
Profit before tax		2,484,692	**1,264,297**
Income tax expenses	6	(452,192)	**(187,303)**
Profit for the year	7	2,032,500	**1,076,994**
Attributable to:			
Equity holders of the Company		2,013,957	**1,059,399**
Minority interests		18,543	**17,595**
Profit for the year		2,032,500	**1,076,994**
Dividends paid	8	1,306,980	**4,216,585**
		HK cents (restated)	**HK cents**
Earnings per share	9		
Basic		67.81	**35.72**
Diluted		67.78	**35.72**

CONSOLIDATED BALANCE SHEET

At 30 June 2009

	2008 HK$'000 (restated)	**2009** **HK$'000**
ASSETS		
Non-current Assets		
Property and equipment	183,980	**189,401**
Concession intangible assets	10,361,834	**11,279,829**
Balances with jointly controlled entities	530,645	**141,062**
	11,076,459	**11,610,292**
Current Assets		
Inventories	2,052	**2,370**
Deposits and prepayments	17,212	**15,192**
Other receivables	78,477	**62,666**
Other receivable from a jointly controlled entity	11,714	**-**
Pledged bank balances and deposits of jointly controlled entities	235,265	**118,927**
Bank balances and cash		
- The Group	5,997,274	**2,775,222**
- Jointly controlled entities	4,865	**3,136**
	6,346,859	**2,977,513**
Total Assets	17,423,318	**14,587,805**
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	297,048	**296,169**
Share premium and reserves	11,252,505	**8,044,836**
Equity attributable to equity holders of the Company	11,549,553	**8,341,005**
Minority interests	50,718	**47,930**
Total Equity	11,600,271	**8,388,935**
Non-current Liabilities		
Other payables	55,267	**39,732**
Bank and other loans of jointly controlled entities	4,444,077	**4,893,801**
Balance with a joint venture partner	360,154	**141,010**
Resurfacing obligations	25,920	**8,421**
Deferred tax liabilities	251,731	**320,307**
	5,137,149	**5,403,271**
Current Liabilities		
Other payables, accruals and deposits received	383,145	**387,443**
Bank loans of jointly controlled entities	267,109	**344,344**
Other interest payable	5,677	**3,604**
Tax liabilities	29,967	**32,029**
Resurfacing obligations	-	**28,179**
	685,898	**795,599**
Total Liabilities	5,823,047	**6,198,870**
Total Equity and Liabilities	17,423,318	**14,587,805**

1. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

During the year, the Group has applied the following amendments issued by the International Accounting Standards Board and the following interpretations developed by the International Financial Reporting Interpretations Committee (collectively referred to as the "new IFRSs"), which are or have become effective.

IAS39 & IFRS 7 (Amendments)	Reclassification of Financial Assets
IFRIC 9 & IAS 39 (Amendments)	Embedded Derivatives
IFRIC 12	Service Concession Arrangements
IFRIC 13	Customer Loyalty Programmes
IFRIC 14	IAS 19 — The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new IFRSs resulted in changes to the Group's accounting policies in the following areas that have an effect on how the results and financial position of the Group for the current or prior accounting years had been prepared and presented.

Service Concession Arrangements

During the year, the Group applied IFRIC 12 "Service Concession Arrangements".

The jointly controlled entities of the Group (the "operator") had entered into contractual service arrangements with local government authorities (the "grantor") of the People's Republic of China (the "PRC") to participate in the development, financing, operation and maintenance of toll expressways. Under the arrangements, the jointly controlled entities of the Group carried out the construction of toll expressways for the grantor and received in exchange a right to operate the toll expressways concerned as a public service on behalf of the grantor and an entitlement to the toll fees collected from users of the toll expressways over a specific concession period.

IFRIC 12 provides guidance on the accounting by the operator of a service concession arrangement which involves the provision of public sector services.

In prior years, the construction costs incurred on toll expressways for which the jointly controlled entities of the Group entitled to the operating rights of the toll expressways for a specified concession period, were recorded as property and equipment and were stated at cost less accumulated depreciation and any accumulated impairment loss. Depreciation of the toll expressways other than the repavement costs capitalized was calculated to write off their costs, over their expected useful lives or the remaining concession period, whichever was shorter, commencing from the date of commencement of commercial operation of the toll expressways based on the ratio of actual traffic volume compared to the total expected the traffic volume over the remaining concession period of the respective jointly controlled entities to the carrying values of the assets. The expected traffic volumes were estimated by management or determined by reference to traffic projection reports prepared by independent traffic consultants. Depreciation of repavement costs capitalised was calculated based on a similar basis over an estimated useful life of eight years.

In accordance with IFRIC 12, infrastructure within the scope of this interpretation is not recognised as property and equipment of the operator as the contractual service arrangement does not convey the right to control the use of the public service infrastructure to the operator. If the operator constructs the infrastructure, this interpretation requires the operator to account for its revenue on construction and construction costs in accordance with IAS 11 "Construction Contracts" and to account for the fair value of the consideration received and receivable for the construction services as an intangible asset in accordance with IAS 38 "Intangible Assets" to the extent that the operator receives a right (a licence referred to as "concession intangible assets") to charge users of the public service. In addition, the Group accounts for the services in relation to the operation of the infrastructure in accordance with IAS 18 "Revenue". All construction activities are sub-contracted to third parties and there was no cash realized or realizable for the construction services during the construction phase of toll expressways.

Once the underlying toll expressways are completed, the concession intangible assets are amortized to write off its cost over its expected useful life or the remaining concession period, whichever is shorter, commencing from the date of commencement of commercial operation of the underlying toll expressway using an amortization method which reflects the pattern in which the intangible asset's future economic benefits are expected to be consumed.

As part of its obligations under the arrangements, the jointly controlled entities of the Group assume responsibility for resurfacing of the toll expressways they operate. The resulting resurfacing costs, except for upgrade services, are recognized as resurfacing obligations according to the requirements of IAS 37 "Provisions, Contingent Liabilities and Contingent Assets", when the jointly controlled entities of the Group have a present legal or constructive obligation as a result of past events.

Resurfacing obligations are measured at the present value of the director's best estimate of the expenditures expected to be required to settle the obligation at any date that is proportional to the traffic volume by that date, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the resurfacing obligations due to the passage of time (over the estimated resurfacing work for every twelve years) is recognized as a provision for resurfacing charges in the consolidated income statement.

The deferred tax consequences of the deductible temporary differences are now reassessed on the basis that reflect the tax consequences that would follow the manner in which the Group expects to reverse at each balance sheet date.

For the service arrangements that are impracticable for the Group to apply this interpretation retrospectively, the Group has, in accordance with the transitional provisions stated in IFRIC 12, recognized the intangible assets on 1 July 2007, the beginning of the comparative financial period, by using the previous carrying amounts of the intangible assets, (whatever previously classified) as their carrying amounts as at 1 July 2007. Prepaid lease payments made in conjunction with the service concession arrangements which the jointly controlled entities of the Group have no discretion or latitude to deploy for other services other than the use in the service concession arrangement previously separately presented and amortized on a straight-line basis over the respective service concession period are also reclassified as intangible assets exchanged under the service concession arrangement on 1 July 2007.

The Group incurred additional development expenditure for the construction and development of the toll expressways operated by the jointly controlled entities ("Additional Development Cost"), which were not accounted for by those jointly controlled entities. In prior years, a portion of such costs, calculated based on the Group's proportionate share in the jointly controlled entities based on the profit-sharing ratios or net cash flow sharing ratio (as the case may be) was included in the costs of toll expressways. The balance of such costs was carried as "Additional investment cost in jointly controlled entities" and was amortized on the same basis adopted by the relevant jointly controlled entities in depreciating their toll expressways. On disposal of a jointly controlled entity, the attributable amount of the unamortized Additional Development Cost was included in the determination of the profit or loss on disposal. "Additional investment cost in toll expressway project under development", which represented the development expenditure incurred for the toll expressway project prior to the commencement of construction, was stated at cost less any identified impairment losses. The above additional investment costs were also reclassified as intangible assets under the service concession arrangements on 1 July 2007.

For the current year, except as described above, the Group applied this interpretation retrospectively and the financial impact on the adoption of this interpretation is summarized below.

The effect of changes in accounting policies resulted from the application of IFRIC 12 for the prior and current years by line items presented according to their functions are as follows:

	Year ended 30 June	
	2008	**2009**
	HK$'000	**HK$'000**
Increase in revenue on construction	1,193,704	**1,215,977**
Increase in construction costs	(1,193,704)	**(1,215,977)**
Increase in provision for resurfacing charges	(26,907)	**(12,674)**
Decrease in depreciation and amortization charges	49,996	**28,288**
(Increase) decrease in income tax expenses	(6,199)	**1,204**
Increase in profit for the year	16,890	**16,818**

The effective of the application of IFRIC12 as at 30 June 2008 is summarized below:

	As at 30 Jun 2008 (originally stated) HK$'000	Adjustments HK$'000	As at 30 Jun 2008 (restated) HK$'000
Balance sheet items			
Property and equipment	9,394,586	(9,210,606)	183,980
Additional investment cost in jointly controlled entities	1,113,375	(1,113,375)	-
Additional investment cost in toll expressway project under development	53,903	(53,903)	-
Prepaid lease payments	139,067	(139,067)	-
Concession intangible assets	-	10,361,834	10,361,834
Resurfacing obligations	-	(25,920)	(25,920)
Deferred tax liabilities	(295,965)	44,234	(251,731)
Total effects on assets and liabilities		(136,803)	
Retained profits	3,500,833	(109,366)	3,391,467
Translation reserve	301,057	(27,437)	273,620
Total effects on equity		(136,803)	

The effect of the application of IFRIC12 on the Group's equity at 1 July 2007 are summarized below:

	As at 1 Jul 2007 (originally stated) HK$'000	Adjustments HK$'000	As at 1 Jul 2007 (restated) HK$'000
Retained profits	2,818,880	(126,256)	2,692,624
Translation reserve	201,115	(13,225)	187,890
Total effects on equity		(139,481)	

Impact on basic earnings per share:

	Year ended 30 June 2008 HK Cents	**Year ended 30 June 2009 HK Cents**
Figures before adjustments	67.25	**35.15**
Adjustments	0.56	**0.57**
Adjusted	67.81	**35.72**

Impact on diluted earnings per share:

	Year ended 30 June 2008 HK Cents	**Year ended 30 June 2009 HK Cents**
Figures before adjustments	67.22	**35.15**
Adjustments	0.56	**0.57**
Adjusted	67.78	**35.72**

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

IFRSs (Amendments)	Amendment to IFRS 5 as part of Improvements to IFRSs May 2008[1]
IFRSs (Amendments)	Improvements to IFRSs April 2009[2]
IAS 1 (Revised)	Presentation of Financial Statements[3]
IAS 23 (Revised)	Borrowing Costs[3]
IAS 27 (Revised)	Consolidated and Separate Financial Statements[4]
IAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[3]
IAS 39 (Amendment)	Eligible Hedged Items[4]
IFRS 1 & IAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[3]
IFRS 1 (Amendment)	Additional Exemptions for First-time Adopters[5]
IFRS 2 (Amendment)	Vesting Conditions and Cancellations[3]
IFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions[5]
IFRS 3 (Revised)	Business Combinations[4]
IFRS 7 (Amendment)	Improving Disclosures about Financial Instruments[3]
IFRS 8	Operating Segments[3]
IFRIC 15	Agreements for the Construction of Real Estate[3]
IFRIC 16	Hedges of a Net Investment in a Foreign Operation[6]
IFRIC 17	Distributions of Non-cash Assets to Owners[4]
IFRIC 18	Transfers of Assets from Customers[7]

1 Effective for annual periods beginning on or after 1 January 2009 except the amendments to IFRS 5, effective for annual periods beginning on or after 1 July 2009

2 Amendments that are effective for annual periods beginning on or after 1 January 2009, 1 July 2009 and 1 January 2010, as appropriate

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

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

5 Effective for annual periods beginning on or after 1 January 2010

6 Effective for annual periods beginning on or after 1 October 2008

7 Effective for transfers on or after 1 July 2009

The application of IFRS 3 (Revised) may affect the Group's accounting for business combination for which the acquisition date is on or after 1 July 2009. IAS 27 (Revised) will affect the accounting treatment for changes in a Group's ownership interest in a subsidiary. The directors of the Company anticipate that the application of the other new or revised standards, amendments or interpretations will have no material impact on the results and the financial position of the Group.

IFRS 8 "Operating Segments" sets out requirements for disclosure of information about an entity's operating segments, its products and services, the geographical areas in which it operates, and its major customers. This standard requires identification of operating segments on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance. The directors of the Company considered that the adoption of IFRS 8 will result in a redesignation of the Group's reportable segments, but has had no impact on the reported results or financial position of the Group. This standard is applicable to the Group for the annual periods beginning 1 July 2009 retrospectively.

2. TURNOVER AND SEGMENT INFORMATION

Turnover represents the Group's proportionate share of the jointly controlled entities' toll revenue received and receivable from the operations of toll expressways, net of business tax and revenue on construction and is analyzed as follows:

	2008 HK$'000 (restated)	**2009** **HK$'000**
Toll revenue before business tax	1,769,912	**1,865,145**
Business tax	(53,115)	**(55,966)**
	1,716,797	**1,809,179**
Revenue on construction	1,193,704	**1,215,977**
	2,910,501	**3,025,156**

The Group has only one business segment, namely the construction under service concession, development, operation and management of toll expressways in the PRC through its jointly controlled entities established in the PRC.

No geographical segment analysis is presented as the management considers that the Group has only one geographical segment located in the PRC.

3. OTHER INCOME AND OTHER EXPENSE

	2008 HK$'000	**2009** **HK$'000**
Fair value adjustment on interest-free registered capital contributions made by a joint venture partner	-	**61,262**
Gain from re-estimation of future cash flows on interest-free registered capital contributions made by a joint venture partner (note)	-	**257,221**
Interest income from:		
Loan made by the Group to a jointly controlled entity	10,161	**99**
Bank deposits	210,543	**74,223**
Imputed interest income on interest-free registered capital contributions and loan made to a jointly controlled entity	21,883	**33,484**
Net exchange gain (loss)	439,170	**(2,256)**
Rental income	6,625	**6,873**
Management fee income from jointly controlled entities	2,310	**793**
Gain on disposal of property and equipment	159	**58**
Others	24,627	**17,417**
	715,478	**449,174**
Fair value adjustment on interest-free registered capital contributions made to a jointly controlled entity	(39,968)	**-**
Loss from re-estimation of future cash flows on interest-free registered capital contributions made to a jointly controlled entity (note)	-	**(285,838)**
	675,510	**163,336**

Note: The registered capital contributions made by the Group and the PRC joint venture partner to West Route JV are interest-free and are required to be repaid to both the Group and the PRC joint venture partner. The repayments are required to be approved by the board of directors of West Route JV. Therefore, the registered capital contributions are classified as financial liabilities and subject to fair value measurement at initial recognition and subsequently measured at amortized costs using the effective interest method.

Based on the construction progress of Phase II of the Western Delta Route (“Phase II West”), the directors of the Company reassessed the estimated future cash flows from the West Route JV as at 30 June 2009 and considered that the repayment of the registered capital contributions made by the Group and the PRC joint venture partner to West Route JV, classified as balances with jointly controlled entities and balance with a joint venture partner respectively, are expected to be extended to the expiry dates of the relevant concession periods for both Phase I of the Western Delta Route and Phase II West.

4. FINANCE COSTS

	2008 HK$'000	**2009** **HK$'000**
Interest on bank loans	257,086	**208,259**
Imputed interest on:		
Interest-free registered capital contributions and loans made by joint venture partners	22,645	**27,174**
Other interest-free loan	329	**370**
	280,060	**235,803**
Other financial expenses	12,287	**12,394**
	292,347	**248,197**
Less: Amounts included in toll expressway construction costs (note)	(39,973)	**(86,691)**
	252,374	**161,506**

Note: Borrowing costs capitalized during the year arose on bank borrowings by applying a capitalization rate of 6.91% (2008: a bank borrowing and a loan made by a joint venture partner by applying a capitalization rate of 6.51%) per annum to expenditure on the toll expressway construction costs.

5. DISPOSAL OF A JOINTLY CONTROLLED ENTITY

廣州東南西環高速公路有限公司 Guangzhou E-S-W Ring Road Company Limited ("Ring Road JV") was established to undertake the development, operation and management of an expressway running along the eastern, southern and western fringes of the Guangzhou urban areas ("ESW Ring Road"). The operation period was 30 years commencing from 1 January 2002, ESW Ring Road was officially opened in January 2002 and the Group was entitled to 45% of the net cash flow (that is, gross operating income net of operating expenses and tax) of ESW Ring Road.

On 9 August 2007, the Group entered into an agreement with the PRC joint venture partner of Ring Road JV, a jointly controlled entity of the Group, pursuant to which the Group agreed to sell, and the PRC joint venture partner agreed to purchase, the entire 45% interest of the Group in Ring Road JV and other rights, duties and obligations in the ESW Ring Road for a consideration of RMB1,712,550,000 (equivalent to approximately HK$1,765,907,000). The disposal was completed in late September 2007 and the gain on disposal of a jointly controlled entity of HK$973,594,000 was recognized in the consolidated income statement for the year ended 30 June 2008.

The results of Ring Road JV included in the consolidated income statement were as follows:

	Year ended 30 June	
	2008	**2009**
	HK$'000	**HK$'000**
Turnover	45,516	-
Other income	24,441	-
Toll expressway operation expenses	(16,424)	-
Depreciation and amortization charges	(11,107)	-
General and administrative expenses	(6,451)	-
Finance costs	(21,440)	-
Profit before tax	14,535	-
Income tax expenses	(46,201)	-
Loss for the year	(31,666)	-

The Group's proportionate share of the net assets of Ring Road JV at the date of disposal were as follows:

	HK$'000 (restated)
Net assets disposed of:	
Property and equipment	9,725
Concession intangible assets	2,428,041
Other receivables from joint venture partners	237,801
Bank balances and cash	45,995
Other current assets	2,956
Bank loans	(1,419,061)
Balances with joint venture partners	(111,681)
Deferred tax liabilities	(154,859)
Other payables, accruals and deposits received	(21,941)
Other current liabilities	(2,326)
	1,014,650
Assignment of balance with a jointly controlled entity	129,806
Assignment of other payable to a jointly controlled entity	(275,225)
Release of translation reserve	(76,918)
	792,313
Gain on disposal	973,594
Total consideration	1,765,907
Satisfied by:	
Cash	1,765,907
Net cash inflow (outflow) arising on disposal:	
Cash consideration	1,765,907
Bank balances and cash disposed of	(45,995)
	1,719,912

6. INCOME TAX EXPENSES

	2008 HK$'000 (restated)	**2009** **HK$'000**
The tax charge comprises:		
PRC Enterprises Income Tax		
The Group	155,380	**1,238**
Jointly controlled entities	116,085	**116,941**
Deferred taxation		
Current year	90,898	**69,124**
Attributable to a change in tax rate	89,829	**-**
	452,192	**187,303**

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

The PRC Enterprise Income Tax charge of the Group for the year ended 30 June 2008 represented mainly the PRC Enterprise Income Tax of approximately HK$22,889,000 on the amount received from 廣深珠高速公路有限公司 Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited ("GS Superhighway JV"), a jointly controlled entity of the Group, amounting to RMB725,140,000 in relation to repayment of additional development expenditure for the construction and development of the toll expressway operated by GS Superhighway JV previously incurred by the Group, and the withholding tax in relation to disposal of interest in Ring Road JV amounting to approximately HK$132,376,000 which are calculated at the rates prevailing in the PRC.

The PRC Enterprise Income Tax charge of the jointly controlled entities represents the Group's proportionate share of the provision for the PRC Enterprise Income Tax of GS Superhighway JV amounting to approximately HK$114,896,000 (2008 : HK$114,785,000), which is calculated at 9% for the half year ended 31 December 2008 and 10% for the half year ended 30 June 2009 (2008 : 7.5% for the half year ended 31 December 2007 and 9% for the half year ended 30 June 2008) of the estimated assessable profit for the year and the Group's proportionate share of the provision for the PRC Enterprise Income Tax of 廣東廣珠西綫高速公路有限公司 Guangdong Guangzhou-Zhuhai West Superhighway Company Limited ("West Route JV"), another jointly controlled entity of the Group, amounting to approximately HK$2,045,000 (2008 : HK$1,300,000), which is calculated at 9% for the half year ended 31 December 2008 and 10% for the half year ended 30 June 2009 (2008 : nil for the half year ended 31 December 2007 and 9% for the half year ended 30 June 2008) of estimated assessable profit for the year.

GS Superhighway JV is entitled to a 5-year exemption from income tax commencing from the first profit-making year as computed under PRC accounting standards and tax regulations and 5-years half of the regular tax rate (""5 + 5" exemption). The first year for which GS Superhighway JV recorded profits for PRC tax purposes was the year ended 31 December 2000 and the 5-year exemption from income tax expired in December 2004.

West Route JV is entitled to a 2-year exemption from income tax for income commencing from the first profit-making year as computed under PRC accounting standards and tax regulations and a 3-year concessionary rate half of the regular tax rate ("2 + 3" exemption). The first year for which West Route JV recorded profit for PRC tax purpose was the year ended 31 December 2006 and 2-year exemption from income tax expired in December 2007.

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC, which changed the tax rate from 18% (including 3% local tax) to 25% for the PRC jointly controlled entities of the Group from 1 January 2008. On 26 December 2007, the State Council announced the detailed measures and regulations of the New Law ("Implementation Rules"). The Implementation Rules ratcheted the PRC Enterprise Income Tax 15% rate over five years to 25% for grandfathering of incentives. It has been stated that grandfathering would apply to both the "2+3" exemption or "5+5" exemption and for enterprises enjoying certain geographic incentive rates (often 15%). For those enterprises that paid at this 15% rate, the 15% rate would ratchet up to 18%, 20%, 22%, 24% and 25% in 2008, 2009, 2010, 2011 and 2012 respectively. The deferred tax balances have been adjusted to reflect the tax rates that are expected to apply to the respective periods when the asset is realised or the liability is settled.

7. PROFIT FOR THE YEAR

	2008 HK$'000 (restated)	**2009** **HK$'000**
Profit for the year has been arrived at after charging (crediting):		
Auditor's remuneration	2,086	**1,700**
Staff costs (excluding directors' remuneration)	131,288	**101,419**
Amortization of concession intangible assets	283,339	**277,817**
Depreciation of property and equipment	21,393	**29,285**
Impairment losses recognized (reversed) on other receivables	4,572	**(1,098)**
Gain on disposal of property and equipment	(159)	**(58)**

8. DIVIDENDS

	2008 HK$'000	**2009** **HK$'000**
Dividends paid and recognized as a distribution during the year:		
Interim dividend paid of HK17 cents (2008: HK17 cents) per share	504,981	**503,487**
Special interim dividend paid of HK84 cents (2008: HK7 cents) per share	207,934	**2,495,202**
Final dividend for the year ended 30 June 2008 paid of HK13 cents (2008: year ended 30 June 2007 paid of HK20 cents) per share	594,065	**386,162**
Special final dividend for the year ended 30 June 2008 paid of HK28 cents per share (2008: nil)	-	**831,734**
	1,306,980	**4,216,585**
Final dividend proposed of HK18 cents (2008: HK13 cents) per share	386,162	**533,104**
Special final dividend proposed of nil (2008: HK28 cents) per share	831,734	**-**
	1,217,896	**533,104**

A special interim dividend out of the share premium in respect of the year ended 30 June 2009 of HK84 cents per share to the shareholders on 14 November 2008.

A final dividend in respect of the financial year 2009 of HK18 cents per share totalling approximately HK$533,104,000 is proposed by the Board. The dividend is subject to approval by shareholders at the forthcoming annual general meeting and has not been included as liabilities in these consolidated financial statements. The proposed final dividend is calculated based on the number of shares in issue at the date of approval of these consolidated financial statements.

9. EARNINGS PER SHARE

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

	2008 HK$'000 (restated)	**2009** **HK$'000**
Earnings for the purposes of basic and diluted earnings per share	2,013,957	**1,059,399**

	2008 Number of shares	**2009** **Number of shares**
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,969,807,103	**2,965,771,021**
Effect of dilutive potential ordinary shares:		
Share options	448,461	**-**
Unvested shares awarded	504,444	**216,548**
Weighted average number of ordinary shares for the purpose of diluted earnings per share	2,970,760,008	**2,965,987,569**

The weighted average number of ordinary shares shown above has been arrived at after deducting the shares held by HHI Employee's Share Award Scheme Trust.

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for year ended 30 June 2009.

10. TOTAL ASSETS LESS CURRENT LIABILITIES/NET CURRENT ASSETS

The Group's total assets less current liabilities at 30 June 2009 amounted to approximately HK$13,792,206,000 (2008, as restated: HK$16,737,420,000). The Group's net current assets at 30 June 2009 amounted to approximately HK$2,181,914,000 (2008, as restated: HK$5,660,961,000).

As at the date of this announcement, the Board of Directors of the Company comprises seven Executive Directors namely, Sir Gordon Ying Sheung WU (Chairman), Mr. Eddie Ping Chang HO (Vice Chairman), Mr. Thomas Jefferson WU (Managing Director), Mr. Alan Chi Hung CHAN (Deputy Managing Director), Mr. Cheng Hui JIA, Mr. Barry Chung Tat MOK and Mr. Alan Ming Fai TAM and five Independent Non-Executive Directors namely, Mr. Philip Tsung Cheng FEI, Mr. Lee Yick NAM, Mr. Kojiro NAKAHARA, Dr. Gordon YEN and Professor Chung Kwong POON and one Alternate Director namely, Mr. Nicholas Tai Keung MAY (Alternate Director to Mr. Barry Chung Tat MOK).