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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)

**PLACING UNDER THE GENERAL MANDATE
OF NEW SHARES
TO BE TRADED IN RENMINBI
AND
RESUMPTION OF TRADING**

PLACING AGENT



BOC INTERNATIONAL

BOCI Asia Limited

On 24 October 2012, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has appointed the Placing Agent, and the Placing Agent has conditionally agreed, to place to independent Placées (expected to be not less than six) 120 million Placing Shares, at the Placing Price of RMB3.22 per Placing Share on a fully underwritten basis.

The Placing Price represents (i) a discount of approximately 6.9% to the closing price of HK\$4.290 per Share as quoted on the Stock Exchange on 22 October 2012, being the last trading day prior to the publication of this announcement; (ii) a discount of approximately 10.9% to the average closing price of HK\$4.484 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 22 October 2012; (iii) a discount of approximately 8.0% to the average closing price of HK\$4.340 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 22 October 2012; and (iv) a discount of approximately 3.1% to the average closing price of HK\$4.120 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including 22 October 2012.

The Placing Shares will be allotted and issued under the general mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the Company's annual general meeting held on 18 October 2012. Under such general mandate, the maximum number of Shares which may be issued by the Company is 592,338,056 Shares. Up to the date of this announcement, no Share has been issued under the general mandate.

As at the date of this announcement, HHL held approximately 70.87% of the existing issued share capital of the Company. Immediately after completion of the Placing, the shareholding interest of HHL in the Company will be diluted to approximately 68.11%.

The Company intends to use the estimated net proceeds of the Placing of approximately RMB375 million as the Group's general working capital.

Completion of the Placing is subject to the satisfaction of a number of conditions as set out below.

Following the listing of the Placing Shares (being RMB-traded Shares), the Company will have Shares listed on the Main Board of the Stock Exchange that are traded on two different counters and in two different currencies with two different stock codes:

- RMB-traded Shares will be priced, traded and settled in RMB, and traded on a separate trading counter of the Main Board of the Stock Exchange (the RMB Counter) under the stock code (80737), ISIN (KYG459951268) and SEDOL (B6TVYC5), and using the English stock short name (HOPEWELL INFR-R) and Chinese stock short name (合和公路基建-R).

- HKD-traded Shares (which include all Existing Shares that have not been converted into RMB-traded Shares by their holders, as described below) will be priced, traded and settled in HKD, and traded on a separate counter of the Main Board of the Stock Exchange (the HKD Counter) under the existing stock code (737), the existing ISIN (KYG459951003) and the existing SEDOL (6665016), and using the existing Chinese stock short name (合和公路基建) but using a new English stock short name (HOPEWELL INFR).

As described in further details in this announcement, subject to the completion of the Placing and the commencement of dealings in RMB-traded Shares on the RMB Counter (expected to commence at 9:00 a.m. on 29 October 2012):

- Investors holding HKD-traded Shares can convert their HKD-traded Shares into RMB-traded Shares beginning from 9:00 a.m. on 26 October 2012 (for investors holding HKD-traded Shares in the form of physical share certificates) or 8:00 a.m. on 29 October 2012 (for investors holding HKD-traded Shares through brokers or custodians who are CCASS Clearing Participants or CCASS Custodian Participants) or 9:00 a.m. on 29 October 2012 (for investors holding HKD-traded Shares through CCASS as CCASS Investor Participants).
- Investors holding RMB-traded Shares can convert their RMB-traded Shares into HKD-traded Shares beginning from 9:00 a.m. on 29 October 2012.

Free Conversion Service will be available to Shareholders and investors whereby, during the Free Conversion Period, if you convert your HKD-traded Shares into RMB-traded Shares, you will not be charged by the Hong Kong Share Registrar or HKSCC (as the case may be) the fee which is otherwise payable to them.

The RMB Counter and trading of RMB-traded Shares thereon, and conversion of HKD-traded Shares into RMB-traded Shares, are subject to the completion of the Placing.

This announcement sets out, among others, (i) information regarding the RMB-traded Shares and HKD-traded Shares, (ii) arrangements for the trading and settlement of the RMB-traded Shares and HKD-traded Shares, (iii) procedures for conversion between RMB-traded Shares and HKD-traded Shares; and (iv) arrangements to provide investors awareness of the conversion processes between RMB-traded Shares and HKD-traded Shares.

At the request of the Company, trading in the Shares has been suspended from 9:00 a.m. on 24 October 2012 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 25 October 2012.

PLACING AGREEMENT

Date

24 October 2012

Parties

- (i) the Company; and
- (ii) the Placing Agent.

Number of Placing Shares

120 million Placing Shares, representing approximately 4.05% of the Company's existing issued share capital as at the date of the Placing Agreement, and approximately 3.89% of the Company's issued share capital as enlarged by the allotment and issue of the Placing Shares.

Placing

The Placing Agent has conditionally agreed to place to independent Placees 120 million Placing Shares on a fully underwritten basis.

Independence of Placing Agent and Placees

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Placing Agent and its ultimate beneficial owners are third parties independent of the Group and the connected persons (as defined in the Listing Rules) of the Company.

It is expected that there will be not less than six Placees, and the Placees (and their ultimate beneficial owners, if applicable) will be third parties independent of the Group and the connected persons (as defined in the Listing Rules) of the Company.

Placing Price

RMB3.22 (equivalent to approximately HK\$3.994, calculated based on the exchange rate of HK\$1=RMB0.8062 as published on Bloomberg at 8:00 a.m. (Hong Kong time) on 24 October 2012) per Placing Share. The Placing Price represents:

- (i) a discount of approximately 6.9% to the closing price of HK\$4.290 per Share as quoted on the Stock Exchange on 22 October 2012, being the last trading day prior to the publication of this announcement;
- (ii) a discount of approximately 10.9% to the average closing price of HK\$4.484 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 22 October 2012;
- (iii) a discount of approximately 8.0% to the average closing price of HK\$4.340 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 22 October 2012; and
- (iv) a discount of approximately 3.1% to the average closing price of HK\$4.120 per Share as quoted on the Stock Exchange for the last 30 consecutive trading days up to and including 22 October 2012.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to, among others, recent trading prices of the HKD-traded Shares. The Board considers that the Placing Price is fair and reasonable.

Placing Commission

The Placing Agent will receive a commission of 2% of the gross proceeds of the Placing upon completion of the Placing.

General Mandate

The Placing Shares are to be allotted and issued under the general mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at

the Company's annual general meeting held on 18 October 2012. Under such general mandate, the maximum number of Shares which may be issued by the Company is 592,338,056 Shares. Up to the date of this announcement, no Share has been issued under the general mandate.

Accordingly, the issue of the Placing Shares is not subject to any approval by the Shareholders.

Ranking of the Placing Shares

The Placing Shares, when issued and fully paid, will rank equally in all respects with the other Shares in issue on the Closing Date, and in particular will rank in full for all dividends and other distributions declared, made or paid the record dates for which are on or after the Closing Date. For the avoidance of doubt, holders of the Placing Shares will not be entitled to the final dividend of the Company for the year ended 30 June 2012 of 16 HK cents per Share, the record date for which is on 25 October 2012.

Conditions of the Placing

The Placing is conditional upon, among other things:

1. the approval by the Shareholders of the general mandate to allot, issue and deal with Shares mentioned in the paragraph headed "Placing Agreement – General Mandate" above not having been or proposed to be withdrawn, amended or revoked prior to the delivery of definitive share certificates representing the Placing Shares;
2. there not having occurred any breach of, or any event rendering untrue or inaccurate, any of the representations, warranties or undertakings of the Company under the Placing Agreement that makes it, in the Placing Agent's sole judgment, impracticable or inadvisable to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement;
3. the Placing Agent not becoming aware, after the date of the Placing Agreement, of any information or other matter affecting the Company or any of its subsidiaries or the Placing that (in the Placing Agent's sole judgment) is inconsistent in a material and adverse manner with any such information or other matter disclosed to the Placing Agent prior to the date of the Placing Agreement or would reasonably be expected to impair the Placing;

4. trading generally not having been suspended or materially limited on, or by, the stock exchanges of New York, London, Frankfurt, Hong Kong and the PRC in a manner that makes it, in the Placing Agent's sole judgment, impracticable or inadvisable to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement;
5. trading of any securities of the Company not being suspended on any exchange or in any over the counter market;
6. any material disruption in securities settlement, payment or clearance services in the United States, Hong Kong or the PRC not having occurred;
7. any moratorium on commercial banking activities not having been declared by Federal or New York State, the United Kingdom, German, Hong Kong or PRC authorities;
8. there not having occurred (A) any event, or series of events, including any outbreak or escalation of hostilities, declaration of a national emergency or war, economic sanctions, epidemic, pandemic, terrorism or acts of God, or any change in financial markets, currency exchange rates or controls or any calamity or crisis or (B) any adverse change, or development (including the introduction of any new law or regulation or change in existing laws or regulations (or the judicial interpretation thereof) or any other similar event) (whether or not permanent) involving a prospective adverse change, in the condition, financial or otherwise, or in the earnings, business affairs, trading position or prospects of the Company or the Group as a whole that, in the Placing Agent's sole judgment, is material and adverse or which, singly or together with any other event mentioned above, makes it, in the Placing Agent's sole judgment, impracticable or inadvisable to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement; and
9. the Listing Committee of the Stock Exchange granting listing of and permission to deal in all of the Placing Shares (and such listing and permission not subsequently revoked prior to the delivery of definitive share certificates representing the Placing Shares).

Application has been made by the Company to the Listing Committee of the Stock Exchange for the approval of the listing of, and permission to deal in, the Placing Shares.

If the conditions set out in the Placing Agreement (which are summarised above) are not

fulfilled by 2 November 2012 (or such other date as the Company and the Placing Agent may mutually agree), then the Placing shall cease and lapse.

Completion of the Placing

Completion of the Placing shall take place, if the conditions set out in the Placing Agreement (which are summarised above) have been satisfied, on 29 October 2012 (or such other date as may be agreed between the Company and the Placing Agent).

The set up of the RMB Counter, trading of RMB-traded Shares on the RMB Counter and conversion of HKD-traded Shares to RMB-traded Shares are subject to the completion of the Placing.

As completion of the Placing is subject to the satisfaction of a number of conditions, the Placing may or may not proceed. Shareholders and the public are reminded to exercise caution when dealing in the Shares.

Lock-up

The Company has undertaken to the Placing Agent not to (except for (i) the allotment and issue of the Placing Shares pursuant to the Placing Agreement; (ii) any new Shares or options to be issued or granted pursuant to the share option scheme of the Company that was approved by the Company on 16 July 2003; (iii) any new Shares to be issued pursuant to the share award scheme of the Company that was approved by the Board on 25 January 2007; and (iv) any Shares or other securities or rights issued or granted to Shareholders by way of bonus or under any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company or on the exercise of rights existing at the date of the Placing Agreement), during a period of 90 days from the date of the Placing Agreement (without the prior written agreement of the Placing Agent):

- (a) allot, issue, offer to allot or issue, grant any option, right or warrant to subscribe, offer, lend, pledge, charge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests therein or any securities convertible into or exercisable or exchangeable for any such Shares or interests; or

(b) enter into any swap or similar agreement that transfers to another, in whole or in part, the economic risk of ownership of such Shares or a derivative instrument related to such Shares,

whether any such transaction described in (a) or (b) above is to be settled by delivery of Shares or such other securities, in cash or otherwise; or

(c) agree or announce any intention to enter into or effect any transaction described in (a) or (b) above.

Changes in Shareholding Structure

The shareholding structures of the Company (i) as at the date of this announcement and (ii) immediately after completion of the Placing are summarised as follows (*Note 1*):

	As at the date of this announcement		Immediately after completion of the Placing	
	<i>No. of Shares</i>	<i>% of issued share capital</i>	<i>No. of Shares</i>	<i>% of issued share capital</i>
HHL (<i>Note 2</i>)	2,098,850,098	70.87%	2,098,850,098	68.11%
Public Shareholders				
Places	-	-	120,000,000	3.89%
Other public Shareholders	862,840,185	29.13%	862,840,185	28.00%
Total	2,961,690,283	100%	3,081,690,283	100%

Notes:

- The table assumes no changes in shareholding other than as a result of the Placing.*
- The 2,098,850,098 shares in the Company are held by Anber Investments Limited, a wholly-owned subsidiary of Delta Roads Limited, which is wholly-owned by Dover Hill Investments Limited. Dover Hill Investments Limited is in turn 100% owned by Supreme Choice Investments Limited, a wholly-owned subsidiary of HHL.*

REASONS FOR THE PLACING AND USE OF PROCEEDS

In view of the strong market interest for the Shares and for RMB investment products, the Board believes that the Placing represents a good opportunity for the Company to raise capital in RMB on the new RMB-trading counter introduced by the Stock Exchange

for existing listed companies. The Group's current operations focus on the PRC and the Group uses RMB as its functional currency. As such, raising long-term capital in RMB is beneficial to the Company for the development of its projects in the PRC.

Although the Placing will have some dilutive effects on the shareholding of existing Shareholders, the Company considers that, given the confidence from investors in the Company's future prospects, the Placing represents a good opportunity to raise capital in RMB and broaden the Shareholders base, which will benefit the Company and all Shareholders.

After deduction of the placing commission and other costs and expenses, the net proceeds from the Placing are expected to be approximately RMB375 million (equivalent to approximately HK\$465 million, calculated based on the exchange rate of HK\$1=RMB0.8062 as published on Bloomberg at 8:00 a.m. (Hong Kong time) on 24 October 2012). Based on such estimated net proceeds, the net subscription price per Placing Share is approximately RMB3.13 (equivalent to approximately HK\$3.88, calculated based on the exchange rate of HK\$1=RMB0.8062 as published on Bloomberg at 8:00 a.m. (Hong Kong time) on 24 October 2012).

The Company intends to use the net proceeds of the Placing as the Group's general working capital.

TRADING OF RMB-TRADED SHARES AND HKD-TRADED SHARES WILL BE ON SEPARATE COUNTERS AND IN DIFFERENT CURRENCIES

Following the listing of the Placing Shares, the Company will have Shares listed on the Main Board of the Stock Exchange that are traded on two different counters and in two different currencies with two different stock codes:

- RMB-traded Shares (which include the Placing Shares) will be priced, traded and settled in RMB. They will be traded on a separate RMB Counter under the stock code (80737), ISIN (KYG459951268) and SEDOL (B6TVYC5), and using the English stock short name (HOPEWELL INFR-R) and the Chinese stock short name (合和公路基建-R).
- HKD-traded Shares (which include all Existing Shares that have not been converted into RMB-traded Shares by their holders, as described below) will be priced, traded and settled in HKD. They will be traded on a separate HKD Counter under the existing stock code (737), the existing ISIN (KYG459951003) and the

existing SEDOL (6665016), and using the existing Chinese stock short name (合和公路基建) but using a new English stock short name (HOPEWELL INFR).

If the Placing does not proceed to completion, then the Existing Shares will continue to be traded on the Stock Exchange under the existing English stock short name (HOPEWELL INFRA) and no change will be made to such English stock short name.

Only RMB-traded Shares may be traded on the RMB Counter. Only HKD-traded Shares may be traded on the HKD Counter.

Both RMB-traded Shares and HKD-traded Shares will be traded in board lots of 500 (which is the same board lot size for trading of the Existing Shares).

RMB-TRADED SHARES AND HKD-TRADED SHARES WILL BE RECORDED IN DIFFERENT SHARE REGISTERS AND REPRESENTED BY SHARE CERTIFICATES IN DIFFERENT COLOURS

Following the listing of the Placing Shares, the Company will maintain two separate registers of members of the Company in Hong Kong:

- Holdings of RMB-traded Shares and other details of RMB Shareholders will be registered on the RMB-traded Shares Register.
- Holdings of HKD-traded Shares and other details of HKD Shareholders will be registered on the HKD-traded Shares Register.

Shareholders holding their Shares in physical share certificates can identify whether their Shares are RMB-traded Shares or HKD-traded Shares by the colour of their share certificates:

- If your share certificate is red in colour (which is the same colour as the share certificates for all Existing Shares), your Shares that are represented by that share certificate are HKD-traded Shares.
- If your share certificate is blue in colour, your Shares that are represented by that share certificate are RMB-traded Shares.

RMB-TRADED SHARES AND HKD-TRADED SHARES ARE THE SAME CLASS OF SHARES WITH THE SAME SHAREHOLDERS' RIGHTS, INCLUDING THE RIGHT TO DIVIDENDS

RMB-traded Shares and HKD-traded Shares together constitute one and the same class of shares in the share capital of the Company. They will rank equally in all respects, including in relation to dividends, distributions and voting. Shareholders holding HKD-traded Shares and Shareholders holding RMB-traded Shares will have identical shareholders' rights and enjoy the same treatment under all corporate actions of the Company.

The policy of the Company to date has been to pay dividends in HKD. If the Placing is completed, going forward, the Company may elect to pay dividends (if any) in RMB or HKD in its discretion. Shareholders (including RMB Shareholders and HKD Shareholders) will receive any dividend payable by the Company in the currency in which it is declared, but may be given the option by the Company to elect to receive the dividend in the alternative currency. Any such option, if given, will be given by the Company to all Shareholders and Shareholders who have validly made such election will be paid the relevant dividend in the alternative currency they elect.

It is the current intention of the Company that, subject to completion of the Placing and compliance with applicable legal and regulatory requirements, if any future dividends declared by the Company are in HKD, all Shareholders will be given the option to elect to receive such dividends in RMB, and that if any future dividends declared by the Company are in RMB, all Shareholders will be given the option to elect to receive their dividends in HKD.

SECONDARY TRADING AND SETTLEMENT

Commencement of Dealings of RMB-traded Shares

Subject to completion of the Placing, dealings in RMB-traded Shares (including the Placing Shares) on the RMB Counter are expected to commence at 9:00 a.m. on 29 October 2012.

RMB-traded Shares as Eligible Securities

Subject to completion of the Placing and compliance with the stock admission requirements of HKSCC, RMB-traded Shares will be accepted as eligible securities by

HKSCC for deposit, clearance and settlement in CCASS from the date of commencement of dealings in the RMB-traded Shares on the RMB Counter or any other date that HKSCC chooses. All necessary arrangements will be made for the RMB-traded Shares to be admitted into CCASS.

Renminbi Equity Trading Support Facility (the “TSF”)

The TSF was launched on 24 October 2011 by HKEx to provide a facility to enable investors who wish to purchase RMB-traded equity in the secondary market to make such purchases with HKD if they do not have sufficient RMB or have difficulty obtaining RMB from other channels. Following the listing of the Placing Shares and the commencement of dealings in RMB-traded Shares on the RMB Counter, the RMB-traded Shares are eligible for the TSF. Investors should consult their financial advisers if they have any questions concerning the TSF. More information with regard to the TSF is available on the Stock Exchange’s website at the following link :-

www.hkex.com.hk/eng/market/sec_tradinfra/TSF/TSF.htm

Conversion / Inter-counter Transfer between HKD-traded Shares and RMB-traded Shares

Subject to completion of the Placing and the commencement of dealings in RMB-traded Shares on the RMB Counter, investors holding HKD-traded Shares can convert their HKD-traded Shares into RMB-traded Shares, and investors holding RMB-traded Shares can convert their RMB-traded Shares into HKD-traded Shares on a one-to-one basis.

Please refer to the paragraph headed “Procedures for Conversion / Inter-counter Transfer” below for details regarding the procedures an investor should follow for converting HKD-traded Shares into RMB-traded Shares, and for converting RMB-traded Shares into HKD-traded Shares.

Investors should note that conversion between HKD-traded Shares and RMB-traded Shares may be suspended if the Company needs to perform book-closure in order to effect certain types of corporate actions. The Company will disclose details of any suspension of conversion between HKD-traded Shares and RMB-traded Shares in the Company’s relevant book-closure announcement prior to such suspension taking place.

Dealings and Settlement

Commencing on the date of commencement of dealings in the RMB-traded Shares on the

RMB Counter or any other date that HKSCC chooses, you may settle your trades of RMB-traded Shares on the RMB Counter through your broker or custodian, or through CCASS directly if you are a CCASS Investor Participant and have your RMB designated bank account set up with CCASS.

Settlement of trades in RMB-traded Shares on the Stock Exchange is required to take place in CCASS in accordance with the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time. Trades in RMB-traded Shares on the Stock Exchange must be settled on the second business day following the date of trade if it is a day on which the settlement services of CCASS are open for use by CCASS Participants (also known as “T+2” day), which is the same timing as for the settlement of trades in HKD-traded Shares on the Stock Exchange.

Regarding the settlement and trading of RMB-traded Shares on the Stock Exchange following the listing of the RMB-traded Shares, you should refer to the relevant information available in the frequently asked questions published on the Stock Exchange’s website at the following link :-

http://www.hkex.com.hk/eng/market/sec_tradinfra/rmbequity/faqrmbequity.htm.

CCASS Investor Participants who wish to settle the payment in relation to their trades in RMB-traded Shares using their CCASS Investor Participant account should make sure that they have set up an RMB designated bank account with CCASS.

Investors intending to purchase RMB-traded Shares from the secondary market should consult their brokers or custodians as to the RMB funding requirement for such purchase. Investors may need to open and maintain an RMB account with the broker or custodian first before effecting any dealing in RMB-traded Shares.

Same-counter Dealing

Following the listing of the Placing Shares, there will be no change in the trading and settlement arrangements for investors holding HKD-traded Shares who sell their HKD-traded Shares on the HKD Counter, or for investors who purchase HKD-traded Shares on the HKD Counter.

Inter-counter Sales

Following the listing of the Placing Shares, investors may conduct inter-counter sales, which effectively enables them to sell their HKD-traded Shares on the RMB Counter or

sell their RMB-traded Shares on the HKD Counter. Where an investor buys HKD-traded Shares on the HKD Counter and sells them on the same day by placing a sell order on the RMB Counter for the same or lesser number of RMB-traded Shares (or an investor buys RMB-traded Shares on the RMB Counter and sells them on the same day by placing a sell order on the HKD Counter for the same or lesser number of HKD-traded Shares), such trade conducted by him will not be regarded as short-selling.

Holding HKD-traded Shares, but selling on the RMB Counter

(i) *For investors holding HKD-traded Shares through brokers or custodians who are CCASS Clearing Participants or CCASS Custodian Participants*

- (A) Request your broker or custodian to place or arrange to place a sell order on the RMB Counter for RMB-traded Shares of the same or lesser number as the number of your HKD-traded Shares held through such broker or custodian.
- (B) After validating your request (for example, check that you have sufficient HKD-traded Shares held through it), your broker or custodian will place or arrange to place a sell order for RMB-traded Shares on the RMB Counter for you.
- (C) After placing the sell order, but before 3:45 p.m. on the second business day following the day on which your broker or custodian places or arranges to place that sell order (also known as “T+2” day), your broker or custodian will need to execute an inter-counter transfer in CCASS as described in sub-paragraphs (i)(B) and (i)(C) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” below, to convert HKD-traded Shares into RMB-traded Shares and ensure that there are sufficient RMB-traded Shares in its CCASS stock account to settle that sell order with CCASS on the second business day following the date of that sell order (that is, “T+2” day).

(ii) *For investors holding HKD-traded Shares through CCASS as CCASS Investor Participants*

- (A) Execute an inter-counter transfer to transfer and convert your holding of HKD-traded Shares in your CCASS stock account into RMB-traded Shares

in your CCASS stock account, as described in sub-paragraph (ii) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” below.

- (B) Then request your broker or custodian who is a CCASS Clearing Participant or CCASS Custodian Participant to place or arrange to place a sell order for RMB-traded Shares on the RMB Counter.
- (C) Transfer your RMB-traded Shares from your CCASS stock account to your broker’s or custodian’s CCASS stock account by 3:45 p.m. on the second business day following the date of that sell order (also known as “T+2” day), so that your broker or custodian can settle the trade with CCASS. But subject to the arrangement between your broker or custodian and you, you may be required to transfer your RMB-traded Shares to your broker or custodian before it places or arranges to place the sell order for you.

(iii) For investors holding HKD-traded Shares in the form of physical share certificates effecting inter-counter transfer through brokers or custodians who are CCASS Clearing Participants or CCASS Custodian Participants

- (A) Submit the share certificates for your HKD-traded Shares to your broker or custodian, and request it to place or arrange to place a sell order on the RMB Counter for RMB-traded Shares of the same or lesser number as the number of HKD-traded Shares held by you.
- (B) Your broker or custodian will perform credit assessment on you according to its internal compliance policies. If the requirements are met, your broker or custodian will place or arrange to place a sell order of RMB-traded Shares on the RMB Counter for you.
- (C) Your broker or custodian will need to deposit the share certificates of your HKD-traded Shares into its own CCASS stock account before the second business day following the date of the sell order (also known as “T+2” day).
- (D) After placing the sell order, but before 3:45 p.m. on “T+2” day, your broker or custodian will need to execute an inter-counter transfer in CCASS as described in sub-paragraph (iii) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of

HKD-traded Shares into RMB-traded Shares” below, to convert HKD traded Shares into RMB-traded Shares and ensure that there are sufficient RMB-traded Shares in its CCASS stock account to settle that sell order with CCASS on the second business day following the date of that sell order (that is, “T+2” day).

You should note that for their internal compliance policies reason, some brokers or custodians may not place or arrange to place a sell order for their clients on the day when they receive the share certificates from their clients, but hold-on to the order placing until the Shares evidenced by the share certificates are re-registered in the relevant share register. You should consult your broker or custodian for the arrangement and the time required to effect any sell order.

- (iv) For investors holding HKD-traded Shares in the form of physical share certificates who submit share certificates to the Hong Kong Share Registrar directly to effect conversion*
- (A) Take the share certificates for your HKD-traded Shares to the Hong Kong Share Registrar and request conversion of your HKD-traded Shares into RMB-traded Shares, as described in sub-paragraph (iv) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” below.
 - (B) After collecting the new share certificates for your RMB-traded Shares from the Hong Kong Share Registrar, submit the new share certificates to your broker or custodian who is a CCASS Clearing Participant or CCASS Custodian Participant and request it to place or arrange to place a sell order on the RMB Counter for the same or lesser number of RMB-traded Shares as the number of RMB-traded Shares held by you.
 - (C) Your broker or custodian will perform credit assessment on you according to its internal compliance policies. If the requirements are met, your broker or custodian will place or arrange to place a sell order for RMB-traded Shares on the RMB Counter for you.
 - (D) Your broker or custodian will need to deposit the new share certificates for your RMB-traded Shares into its own CCASS stock account before the second business day following the date of the sell order (also known as “T+2” day).

You should note that for their internal compliance policies reason, some brokers or custodians may not place a sell order for their clients on the day when they receive the share certificates from their clients, but hold-on to the order placing until the Shares evidenced by the share certificates are re-registered in the relevant share register. You should consult your broker or custodian for the arrangement and the time required to effect any sell order.

Holding RMB-traded Shares, but selling on the HKD Counter

If you are an investor holding RMB-traded Shares, and would like to sell your RMB-traded Shares on the HKD Counter, you should follow the same conversion / inter-counter transfer procedures (depending on whether you hold your RMB-traded Shares in physical share certificate form, or through CCASS Clearing Participants or CCASS Custodian Participants, or through CCASS as a CCASS Investor Participant) described under the paragraph headed “Secondary Trading and Settlement – Inter-counter Sales - Holding HKD-traded Shares, but selling on the RMB Counter” above (except where the Shares being sold are RMB-traded Shares and the counter on which the sale is effected is the HKD Counter).

Currency of Payment of Stamp Duty and other Transaction Costs on trading of RMB-traded Shares

As in the case of trading of HKD-traded Shares, Hong Kong stamp duty will be payable by the purchaser on every purchase of, and by the seller on every sale of, RMB-traded Shares, whether the purchase or sale takes place on or off the Stock Exchange. Stamp duty is currently charged at the rate of 0.2% of the higher of the consideration paid or the value of the RMB-traded Shares transferred (the buyer and seller each being liable for one-half of the amount of Hong Kong stamp duty payable upon such transfer). In addition, a fixed duty (currently of HK\$5) is payable on any instrument of transfer of RMB-traded Shares. Stamp duty is payable in HKD.

As dealings in RMB-traded Shares will be carried out in RMB, the amount of stamp duty payable in HKD on every purchase and every sale of RMB-traded Shares will be calculated by converting the transaction value (higher of the consideration paid or the value of the Shares transferred) from RMB to HKD based on the Designated Exchange Rate on the trade day.

As in the case of a Stock Exchange trade of HKD-traded Shares, in respect of every Stock Exchange trade of RMB-traded Shares:

- Stock Exchange trading fee (currently at 0.005%), Securities and Futures Commission transaction levy (currently at 0.003%) and CCASS stock settlement fee (currently 0.002%) payable by each counterparty to a Stock Exchange trade will be collected by the Stock Exchange in HKD and calculated based on the Designated Exchange Rate on the date of the trade.
- Any brokerage commission that may be payable in respect of such trade (including the payment currency) is freely negotiable.

If you execute trades through brokers or custodians, you should consult your own broker or custodian as to how and in what currency the stamp duty, trading related fees and charges and brokerage commission should be paid.

PROCEDURES FOR CONVERSION / INTER-COUNTER TRANSFER

Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares

(i) For investors holding HKD-traded Shares through brokers or custodians who are CCASS Clearing Participants or CCASS Custodian Participants

- (A) Request your broker or custodian through whom your HKD-traded Shares are held to transfer and convert your HKD-traded Shares into RMB-traded Shares.
- (B) After validating your request (for example, check that you have sufficient HKD-traded Shares held through it), your broker or custodian will need to execute an instruction to transfer its holding of HKD-traded Shares in its CCASS stock account from the HKD Counter to the RMB Counter on a one-to-one basis:
 - (1) Beginning from 8:00 a.m. on 29 October 2012, your broker or custodian will need to submit an electronic Multi-counter Transfer Instruction to HKSCC before 3:45 p.m. through CCASS Terminals.
 - (2) In the electronic Multi-counter Transfer Instruction, your broker or custodian should specify, among others, the number of HKD-traded

Shares to be transferred, the stock code of HKD-traded Shares (being 737) as the delivering counter and its CCASS stock account to deliver the HKD traded Shares and the stock code of RMB-traded Shares (being 80737) as the receiving counter and its CCASS stock account to receive the RMB-traded Shares.

- (3) After your broker or custodian inputs the electronic Multi-counter Transfer Instruction, the instruction will be effected immediately, subject to the availability of the requisite number of HKD-traded Shares in your broker's or custodian's specified delivering account. Your broker or custodian can input or cancel Multi-counter Transfer Instructions via CCASS Terminals between 8:00 a.m. and 3:45 p.m. on any business day.
- (C) HKSCC will collect a fee (currently being HK\$5) from your broker or custodian for effecting each electronic Multi-counter Transfer Instruction. Your broker or custodian may recover the cost from you, and may impose further processing fees on the inter-counter transfer.

You should contact your broker or custodian to find out when it will begin accepting requests for inter-counter transfers of HKD-traded Shares into RMB-traded Shares and details regarding the procedures, costs and timeline for handling such requests for the inter-counter transfer.

(ii) For investors holding HKD-traded Shares through CCASS as CCASS Investor Participants

- (A) Beginning from 9:00 a.m. on 29 October 2012, submit (in person or by your authorised representatives) a duly completed and signed Multi-counter Transfer Instruction Input Request Form to the Customer Service Centre at 2/F, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong before 3:00 p.m. on any business day.
- (B) In the Multi-counter Transfer Instruction Input Request Form, you should specify, among others, the number of HKD-traded Shares to be transferred, the stock code of the HKD-traded Shares (being 737) as the delivering counter, the stock short name and currency; the stock code of the RMB-traded Shares (being 80737) as the receiving counter, the stock short name and currency.

- (C) If there is sufficient number of shares in your CCASS stock account available for transfer, the instruction will be effected immediately by HKSCC upon receipt of the form. Otherwise, HKSCC will make one more attempt to effect the transfer again before 3:45 p.m. on the same business day. You can cancel the instructions before 3:00 p.m. on any business day if such instruction is not yet effected in CCASS. Any Multi-counter Transfer Instruction Input Request Form that reaches HKSCC after 3:00 p.m. on a business day will be treated as a next day instruction and will be processed on the next business day.
- (D) HKSCC will collect a fee (currently being HK\$5) from you for effecting each Multi-counter Transfer Instruction.

(iii) For investors holding HKD-traded Shares in the form of physical share certificates effecting inter-counter transfer through brokers or dealers who are CCASS Clearing Participants or CCASS Custodian Participants

- (A) Submit the share certificate for your HKD-traded Shares to your broker or custodian, and request your broker or custodian to transfer and convert your HKD-traded Shares into RMB-traded Shares.
- (B) Your broker or custodian will take the share certificate for your HKD-traded Shares to HKSCC and deposit the share certificate into its CCASS stock account (as holdings of HKD-traded Shares).
- (C) Beginning from 8:00 a.m. on 29 October 2012, your broker or custodian will then need to execute an inter-counter transfer instruction to transfer its holding of HKD-traded Shares in its CCASS stock account representing your HKD-traded Shares to holding of RMB-traded Shares in its CCASS stock account, as described in sub-paragraph (i)(B) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above.
- (D) HKSCC will collect a fee (currently being HK\$5) from your broker or custodian for effecting each such transfer. Your broker or custodian may recover the cost from you, and may impose further processing fees on the inter-counter transfer.

You should contact your broker or custodian to find out when it will begin accepting requests for inter-counter transfers of HKD-traded Shares to RMB-traded Shares and details regarding the procedures, costs and timeline for handling such requests for inter-counter transfer.

(iv) *For investors holding HKD-traded Shares in the form of physical share certificates who submit a conversion request to the Hong Kong Share Registrar directly¹*

(A) Beginning from 9:00 a.m. on 26 October 2012, bring the share certificate representing your HKD-traded Shares (red in colour) to the Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-16, 17/F, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong during its office hours (from 9:00 a.m. to 4:30 p.m., Monday to Friday (excluding public holidays)).

(B) Pay the Hong Kong Share Registrar the applicable conversion fee (the current levels are set out below) in cash (no cheques or credit card payments will be accepted), except as mentioned in the paragraph headed "Free conversion period for conversion of HKD-traded Shares into RMB-traded Shares" below :-

- | | |
|---|---|
| - If you submit your share certificate to the Hong Kong Share Registrar before 4:30 p.m. on the day of submission, and want to have your new share certificate representing RMB-traded Shares available for pickup from 9:00 a.m. the next business day | HK\$100 per share certificate cancelled or issued, whichever number of certificates cancelled or issued is higher |
| - If you submit your share certificate | HK\$25 per share certificate |

¹ If the share certificate for your HKD-traded Shares is not under your name, you will need to request the Hong Kong Share Registrar to re-register your HKD-traded Shares before your HKD-traded Shares can be converted into RMB-traded Shares. It will take a longer time for you to collect the new certificates. You will also be subject to the re-registration fee charged by the Hong Kong Share Registrar.

to the Hong Kong Share Registrar before 4:30 p.m. on the day of submission, and want to have your new share certificate representing RMB-traded Shares available for pickup from 9:00 a.m. on the second business day after submission

cancelled or issued, whichever number of certificates cancelled or issued is higher

- (C) Get a receipt, with the date for picking up the new share certificate representing RMB-traded Shares specified therein, from the Hong Kong Share Registrar.
- (D) The Company's register of members will be updated to record the relevant conversion on or before the day on which the new share certificate is available for collection.

You may pick up your new share certificate representing RMB-traded Shares at the counter of Hong Kong Share Registrar at the address mentioned above on and after the time specified on your receipt by submitting your receipt to the Hong Kong Share Registrar. If you are unable to pick up the new share certificate in person, you may authorise a representative to collect it on your behalf by signing the authorisation as attached to the receipt. Such representative shall bring the receipt and the authorisation for collecting the new share certificate to the Hong Kong Share Registrar.

If you make a request for the conversion of HKD-traded Shares into RMB-traded Shares before the completion of the Placing, you agree and acknowledge that, in the event the Placing does not proceed to completion, no conversion will take place and new share certificate(s) representing your HKD-traded Shares will be available for your collection at the counter of the Hong Kong Share Registrar at the address mentioned above on or after 12:00 noon on the business day following the date of announcement by the Company that the Placing is not proceeding by presenting the receipt issued to you by the Hong Kong Share Registrar at the time of submission of the request for conversion. If you are unable to pick up the new share certificate in person, you may authorise a representative to collect it on your behalf by signing the authorisation as attached to the receipt. Such representative shall bring the receipt and the authorisation for collecting the new share certificate at the counter of the Hong Kong Share Registrar mentioned above.

(v) *Free conversion period for conversion of HKD-traded Shares into RMB-traded Shares*

To enhance the trading liquidity of RMB-traded Shares on the RMB Counter, Free Conversion Service will be available to Shareholders and investors whereby, during the Free Conversion Period, if you convert your HKD-traded Shares into RMB-traded Shares, you will not be charged by the Hong Kong Share Registrar or HKSCC (as the case may be) the fee which is otherwise payable to them as described in the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above.

In addition, during the Free Conversion Period, if you hold your HKD-traded Shares in physical share certificate form in your own name and submit your share certificates for conversion into RMB-traded Shares to the Hong Kong Share Registrar directly by 4:30 p.m. on the day of submission, you will be able to pick up new share certificates representing RMB-traded Shares at the Hong Kong Share Registrar from 9:00 a.m. the next business day.

However, if you are holding your HKD-traded Shares through a broker or custodian and would like to transfer and convert your HKD-traded Shares into RMB-traded shares, you should contact your broker or custodian to find out when it will begin accepting request for inter-counter transfer of your HKD-traded Shares to RMB-traded Shares and details regarding the procedures, costs and timeline for handling such requests for inter-counter transfer.

Conversion / Inter-counter Transfer of RMB-traded Shares into HKD-traded Shares

If you are an investor holding RMB-traded Shares, and would like to convert / transfer your RMB-traded Shares into HKD-traded Shares, you should follow the same conversion / inter-counter transfer procedure (depending on whether you hold your RMB-traded Shares in physical share certificate form, or through CCASS Clearing Participants or CCASS Custodian Participants, or through CCASS as a CCASS Investor Participant) described under the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above (except you will be submitting RMB-traded Shares and will obtain HKD-traded Shares). The same fees are charged by the Hong Kong Share Registrar and HKSCC for conversion / transfer from RMB-traded Shares to HKD-traded

Shares as described in the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above. **However, no free conversion period will be available at any time for conversions of RMB-traded Shares into HKD-traded Shares.**

INVESTOR AWARENESS

Arrangements involving the Company and the Placing Agent

After the date of this announcement, the Company and the Placing Agent will cooperate to inform the investor community in Hong Kong of the process for conversion / inter-counter transfer between HKD-traded Shares and RMB-traded Shares and any developments or changes thereto. The following measures will be taken to enhance the transparency of the Company and the conversion procedures:

- information, including previous day closing price, trading volume and other relevant historical data of the Shares will be disclosed on the Company’s website; and
- information factsheets on the procedures on the conversion / inter-counter transfer between HKD-traded Shares and RMB-traded Shares as summarised in the paragraph headed “Procedures for Conversion / Inter-counter Transfer” will be posted on the Company’s website.

Other sources of information

Investors may obtain real-time trading information in respect of HKD-traded Shares and (upon listing of the Placing Shares) the RMB-traded Shares through service providers that provide such information at the investors’ own expenses. Such service will be provided on and subject to the terms and conditions of the relevant service provider.

EXPECTED TIMETABLE

Set out below is the expected timetable⁽¹⁾ of key events relating to the Placing:

Commencement of acceptance by the Hong Kong Share Registrar of requests for conversion of HKD-traded Shares into RMB-traded Shares, and of the Free Conversion Period⁽²⁾ 9:00 a.m. on Friday, 26 October 2012

Commencement of acceptance by CCASS of requests for transfer of HKD-traded Shares into RMB-traded Shares or vice versa by way of submitting a Multi-counter Transfer Instruction to HKSCC by CCASS Clearing Participants or CCASS Custodian Participants⁽³⁾ 8:00 a.m. on Monday, 29 October 2012

Commencement of acceptance by CCASS of requests for transfer of HKD-traded Shares into RMB-traded Shares or vice versa by way of submitting a Multi-counter Transfer Instruction to HKSCC by CCASS Investor Participants⁽³⁾ 9:00 a.m. on Monday, 29 October 2012

Commencement of acceptance by the Hong Kong Share Registrar of requests for conversion of RMB-traded Shares into HKD-traded Shares⁽²⁾ 9:00 a.m. on Monday, 29 October 2012

Share certificates for RMB-traded Shares available for collection by Shareholders who have submitted conversion requests to Hong Kong Share Registrar at or before 4:30 p.m. on the date of commencement of the Free Conversion Period⁽³⁾⁽⁴⁾⁽⁵⁾ from 9:00 a.m. on Monday, 29 October 2012

Completion of the Placing and dealings in RMB-traded Shares on the RMB Counter to commence 9:00 a.m. on Monday, 29 October 2012

Latest time for lodging share certificates of HKD-traded Shares to be qualified for the Free Conversion Service⁽⁶⁾ 4:30 p.m. on Friday, 23 November 2012

- (1) All times refer to Hong Kong local time. The Placing is conditional upon fulfilment of certain conditions. Please refer to the paragraph headed “Placing Agreement - Conditions of the Placing” above.
- (2) Please refer to sub-paragraph (iv) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” for details relating to procedures for conversion between HKD-traded Shares and RMB-traded Shares.
- (3) HKSCC will only allow its participants to submit the electronic Multiple-counter Transfer Instruction with effect from 29 October 2012.
- (4) Please refer to sub-paragraph (v) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above for the timing of collection of share certificates issued on conversion / inter-counter transfer request submitted to the Hong Kong Share Registrar between 9:00 a.m. on Friday, 26 October 2012 and 4:30 p.m. on Friday, 23 November 2012.
- (5) Please refer to sub-paragraph (iv) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above for the timing of collection of share certificates issued on conversion request submitted to the Hong Kong Share Registrar after 4:30 p.m. on Friday, 23 November 2012.
- (6) Shareholders who have submitted request for conversion of HKD-traded Shares into RMB-traded Shares to the Hong Kong Share Registrar after the time stated here are required to pay conversion fee to the Hong Kong Share Registrar described in sub-paragraph (iv) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer– Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above.
- (7) The Company’s registers of members will be updated to record the relevant conversion on or before the day on which the share certificates are available for collection.

FINANCIAL INFORMATION

Set out below are the consolidated statement of comprehensive income and consolidated statement of financial position of the Company for the financial year ended 30 June 2012 (without the accompanying notes) presented in HKD (which are extracted from the Annual Report 2011/12 of the Company) and in RMB (which are for reference only):-

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2012

	<u>2011</u> HKD'000	<u>2012</u> HKD'000	<u>2011</u> RMB'000	<u>2012</u> RMB'000
Toll revenue	2,274,571	2,385,666	1,933,905	1,948,671
Revenue on construction	1,536,527	1,512,139	1,276,185	1,239,459
Turnover	3,811,098	3,897,805	3,210,090	3,188,130
Other income and other expense	244,870	246,975	207,096	202,105
Construction costs	(1,536,527)	(1,512,139)	(1,276,185)	(1,239,459)
Provision for resurfacing charges	(21,166)	(26,129)	(17,996)	(21,343)
Toll expressway operation expenses	(244,155)	(231,375)	(207,453)	(188,994)
Depreciation and amortization charges	(434,810)	(485,979)	(369,353)	(396,989)
General and administrative expenses	(107,855)	(122,811)	(92,712)	(100,128)
Finance costs	(240,530)	(273,265)	(203,441)	(223,269)
Profit before tax	1,470,925	1,493,082	1,250,046	1,220,053
Income tax expenses	(433,631)	(451,737)	(368,489)	(369,045)
Profit for the year	1,037,294	1,041,345	881,557	851,008
Other comprehensive income				
Exchange gain arising on translation to presentation currency	413,485	113,043	-	-
Total comprehensive income for the year	1,450,779	1,154,388	881,557	851,008
Profit for the year attributable to:				
Owners of the Company	1,018,481	1,023,218	865,559	836,198
Non-controlling interests	18,813	18,127	15,998	14,810
	1,037,294	1,041,345	881,557	851,008
Total comprehensive income attributable to:				
Owners of the Company	1,431,966	1,136,261	865,559	836,198
Non-controlling interests	18,813	18,127	15,998	14,810
	1,450,779	1,154,388	881,557	851,008
	HK cents	HK cents	RMB cents	RMB cents
Earnings per share				
Basic and diluted	34.39	34.55	29.23	28.23

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2012

	<u>2011</u> HKD'000	<u>2012</u> HKD'000	<u>2011</u> RMB'000	<u>2012</u> RMB'000
ASSETS				
Non-current Assets				
Property and equipment	325,767	379,404	270,571	310,987
Concession intangible assets	14,337,184	15,600,772	11,907,960	12,787,518
Balance with a jointly controlled entity	232,440	299,848	193,056	245,777
Bank deposits	589,960	-	490,000	-
	<u>15,485,351</u>	<u>16,280,024</u>	<u>12,861,587</u>	<u>13,344,282</u>
Current Assets				
Inventories	2,360	2,450	1,960	2,008
Deposits and prepayments	14,214	21,287	11,805	17,448
Interest and other receivables	103,543	116,913	85,999	95,831
Balance with a jointly controlled entity	304,367	20,330	252,797	16,664
Pledged bank balances and deposits of jointly controlled entities	294,836	344,134	244,880	282,077
Bank balances and cash				
- The Group	2,848,925	4,582,018	2,366,217	3,755,752
- Jointly controlled entities	68,564	134,499	56,947	110,245
	<u>3,636,809</u>	<u>5,221,631</u>	<u>3,020,605</u>	<u>4,280,025</u>
Total Assets	<u>19,122,160</u>	<u>21,501,655</u>	<u>15,882,192</u>	<u>17,624,307</u>
EQUITY AND LIABILITIES				
	<u>2011</u> HKD'000	<u>2012</u> HKD'000	<u>2011</u> RMB'000	<u>2012</u> RMB'000
Capital and Reserves				
Share capital	296,169	296,169	260,941	260,941
Share premium and reserves	8,517,986	8,588,095	7,059,784	7,021,242
Equity attributable to owners of the Company	<u>8,814,155</u>	<u>8,884,264</u>	<u>7,320,725</u>	<u>7,282,183</u>
Non-controlling interests	60,386	67,508	50,154	55,335
Total Equity	<u>8,874,541</u>	<u>8,951,772</u>	<u>7,370,879</u>	<u>7,337,518</u>
Non-current Liabilities				
Bank loan of the Group	-	1,220,000	-	1,000,000
Bank and other loans of jointly controlled entities	5,888,041	6,608,583	4,890,400	5,416,871
Balance with a joint venture partner	232,381	299,788	193,008	245,728
Balance with a jointly controlled entity	-	17,836	-	14,620
Corporate bonds	2,383,920	732,000	1,980,000	600,000
Resurfacing obligations	52,518	69,979	43,620	57,360
Deferred tax liabilities	382,033	399,870	317,303	327,762
	<u>8,938,893</u>	<u>9,348,056</u>	<u>7,424,331</u>	<u>7,662,341</u>

Current Liabilities

Provision, other payables, accruals and deposits received	831,489	927,572	690,605	760,305
Balance with a joint venture partner	-	12,200	-	10,000
Balance with a jointly controlled entity	16,398	-	13,620	-
Bank loans				
- The Group	24,700	70,800	20,515	58,033
- Jointly controlled entities	292,095	374,816	242,604	307,226
Corporate bonds	-	1,683,600	-	1,380,000
Other interest payable	30,984	34,449	25,734	28,236
Tax liabilities	113,060	98,390	93,904	80,648
	<u>1,308,726</u>	<u>3,201,827</u>	<u>1,086,982</u>	<u>2,624,448</u>
Total Liabilities	<u>10,247,619</u>	<u>12,549,883</u>	<u>8,511,313</u>	<u>10,286,789</u>
Total Equity and Liabilities	<u>19,122,160</u>	<u>21,501,655</u>	<u>15,882,192</u>	<u>17,624,307</u>

Cash and Cash Equivalents represented by:

Pledged bank balances and deposits of jointly controlled entities	265,940	314,854	220,880	258,077
Bank balances and cash				
- The Group	2,568,007	3,984,218	2,132,896	3,265,752
- Jointly controlled entities	68,564	134,499	56,947	110,245
	<u>2,902,511</u>	<u>4,433,571</u>	<u>2,410,723</u>	<u>3,634,074</u>

The functional currency of the Company is RMB. The consolidated financial statements are presented in HKD.

For the purpose of presenting the audited consolidated financial statements of the Company in RMB, the assets and liabilities for each consolidated statement of financial position are translated into RMB at the closing rate at the date of the statement of financial position. Income and expenses for each consolidated statement of comprehensive income are translated at the average exchange rates for the month of the transactions, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. The share capital, and the share premium and reserves are translated at the exchange rate at the date when the amount was determined (i.e. the rate at the date of transaction for an item measured in terms of the historical cost). The non-controlling interests for each consolidated statement of financial position are translated into RMB at the closing rate at the date of the statement of financial position.

GENERAL

The Group's principal businesses are to initiate, promote, develop and operate strategically important roads, tunnels, bridges, and related infrastructure projects in the PRC, and in particular the Pearl River Delta region bordering Hong Kong.

The Company has not conducted any equity fund raising activity in the past 12 months immediately prior to the date of this announcement.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares has been suspended from 9:00 a.m. on 24 October 2012 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 25 October 2012.

DEFINITIONS

As used in this announcement, the following words and phrases have the same meanings assigned:

“business day”	any day (other than a Saturday or Sunday) on which banks generally are open for business in Hong Kong during normal working hours
“Board”	the board of Directors
“CCASS”	Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“CCASS Clearing Participant”	a person admitted to participate in CCASS as a direct clearing participant or a general clearing participant
“CCASS Custodian Participant”	a person admitted to participate in CCASS as a custodian participant
“CCASS Investor Participant”	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
“CCASS Participant”	a CCASS Clearing Participant or a CCASS Custodian Participant or a CCASS Investor Participant

“Closing Date”	29 October 2012 or such other date as the Company and the Placing Agent may agree in writing
“Company”	Hopewell Highway Infrastructure Limited (stock code: 737), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Designated Exchange Rate”	the buying rate for RMB for telegraphic transfers, as determined by the Hong Kong Monetary Authority on the date of the transaction, which will be published on the HKEx’s website by 11:00 a.m. or earlier on each trading day
“Directors”	the directors of the Company
“Existing Shares”	the Shares already in issue prior to the issue of the Placing Shares
“Free Conversion Period”	the period from (i) for investors holding HKD-traded Shares in the form of physical share certificates, 9:00 a.m. on 26 October 2012 (one day before the expected Closing Date); or (ii) for investors holding HKD-traded Shares through CCASS as CCASS Investor Participants, from 9:00 a.m. on 29 October 2012; or (iii) for investors holding HKD-traded shares through brokers or custodians who are CCASS Clearing Participants or CCASS Custodian Participants, from 8:00 a.m. on 29 October 2012, to, in each case, 4:30 p.m. on 23 November 2012 (both days inclusive)
“Free Conversion Service”	the service which is being offered to Shareholders and investors holding HKD-traded Shares during the Free Conversion Period to have their HKD-traded Shares converted into RMB-traded Shares without having to pay the Hong Kong Share Registrar and HKSCC the required fees as described in sub-paragraph (v) of the paragraph headed “Procedures for Conversion / Inter-counter Transfer – Conversion / Inter-counter Transfer of HKD-traded Shares into RMB-traded Shares” above

“Group”	the Company and its subsidiaries, and any associated companies (if any) and joint venture companies of any of them from time to time
“HHL”	Hopewell Holdings Limited (stock code: 54), a company incorporated in Hong Kong and the shares of which are listed on the Main Board of the Stock Exchange
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKD Counter”	the trading counter for the trading of HKD-traded Shares on the Main Board of the Stock Exchange
“HKD Shareholders”	holders of HKD-traded Shares whose names are registered on the HKD-traded Shares Register
“HKD-traded Shares”	the Shares which are priced, traded and settled in HKD and traded on the HKD Counter (stock code: 737)
“HKD-traded Shares Register”	the register of members of the Company in Hong Kong for recording details of holders of HKD-traded Shares as maintained by the Hong Kong Share Registrar
“HKEx”	Hong Kong Exchanges and Clearing Limited
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Share Registrar”	Computershare Hong Kong Investor Services Limited
“ISIN”	International Securities Identification Number
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Placees”	individual, corporate, institutional or other professional investors selected and procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares by the Placing Agent on behalf of the Company on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	BOCI Asia Limited
“Placing Agreement”	the placing agreement dated 24 October 2012 entered into between the Company and the Placing Agent in respect of the Placing
“Placing Price”	the price of RMB3.22 per Placing Share
“Placing Shares”	120 million RMB-traded Shares to be placed by the Placing Agent on behalf of the Company under the Placing
“PRC”	the People’s Republic of China excluding, for the purposes of this announcement, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“RMB Counter”	the trading counter for the trading of RMB-traded Shares on the Main Board of the Stock Exchange
“RMB Shareholders”	holders of RMB-traded Shares whose names are registered on the RMB-traded Shares Register
“RMB-traded Shares”	the Shares which are priced, traded and settled in RMB and traded on the RMB Counter (stock code: 80737)
“RMB-traded Shares Register”	the register of members of the Company in Hong Kong for recording details of holders of RMB-traded Shares as maintained by the Hong Kong Share Registrar

“SEDOL”	Stock Exchange Daily Official List code assigned by the London Stock Exchange
“Shares”	ordinary shares of HK\$0.10 each in the share capital of the Company
“Shareholders”	registered holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States” or “US”	the United States of America
“%”	per cent.

By Order of the Board
Hopewell Highway Infrastructure Limited
Richard Cho Wa LAW
Company Secretary

Hong Kong, 24 October 2012

As at the date of this announcement, the Board comprises six 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 and Mr. Alan Ming Fai TAM; and four Independent Non-Executive Directors namely, Mr. Kojiro NAKAHARA, Professor Chung Kwong POON, Mr. Yuk Keung IP and Mr. Brian David Man Bun LI.

** For identification purpose only*