

About Road King

Road King Infrastructure Limited is a prominent property developer in Mainland China and Hong Kong focusing on developing quality residential apartments and also a leading toll road investor and operator in Mainland China with over 20 years of experience in the industry. The existing real estates portfolio is mainly located in the Yangtze River Delta, Bohai Rim regions and Pearl River Delta, comprising a land reserve of about 8.48 million square meters. The current toll road portfolio consists of five expressways spanning 340 km in Mainland China.

Business overview of first half 2018

Property sale and the toll road revenue of the Group (including the Company together with its subsidiaries and joint venture companies) were RMB17,225 million and RMB1,470 million respectively, amounting to RMB18,695 million in total.

Overview of property business in first half of 2018

Property sale of the Group (including joint venture projects) for the first half of 2018 was RMB17,225 million. This comprised contracted sales of RMB15,148 million, and outstanding subscribed sales of RMB2,077 million.

Analysis of the contracted sales of Q2 2018:

Regions	Q2 2018 (RMB' million)	YTD 2018 (RMB' million)	Q2 2018 (sqm)	YTD 2018 (sqm)
Yangtze River Delta	6,723	10,008	349,000	559,000
Bohai Rim	2,375	3,364	124,000	171,000
Greater Bay Area	632	1,006	26,000	41,000
Other regions	496	770	59,000	94,000
Total	10,226	15,148	558,000	865,000

The Group, together with the joint venture partner, acquired two pieces of land for residential development in second quarter of 2018.

The first piece of land is located in Wuxi City, which comprises a site area of 45,000 sqm and a floor area of 70,000 sqm. The total consideration of this project is around RMB565 million and the attributable interest for the Group is 60%. The project is expected to launch the pre-sale in the end of 2018.

The second piece of land is located in Changzhou City, which comprises a site area of 61,000 sqm and a floor area of 108,000 sqm. The total consideration of this project is around RMB1,010 million and the attributable interest for the Group is 50%. The project is expected to launch the pre-sale in 2019.

Overview of toll road business in first half of 2018

For the first half of 2018, the average daily traffic ("ADT") volume and toll revenue of the expressways were about 254,000 vehicles and RMB1,470 million, respectively.

Analysis of the ADT volume and toll revenue of Q2 2018:

Projects	Q2 2018 ADT volume (Vehicles)	YTD 2018 ADT volume (Vehicles)	Q2 2018 Toll revenue (RMB' million)	YTD 2018 Toll revenue (RMB' million)
Baojin Expressway	82,700	77,400	249	466
Changyi Expressway	73,900	73,800	176	349
Longcheng Expressway	18,700	18,700	88	167
Machao Expressway	24,900	26,300	64	126
Tangjin Expressway	61,000	57,900	195	362
Total	261,200	254,100	772	1,470

In August 2018, the Group and CVC Capital Partners ("CVC") entered into a subscription agreement in which CVC has agreed to invest USD equivalent of HK \$2,000 million to the expressway business. After the completion of the transaction, the shareholdings of the expressway business for the Group and CVC will be 75% and 25%, respectively. Details of the transaction are published in the announcement dated 2 August 2018.

