ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 DECEMBER 2013

HIGHLIGHTS

	2013	2012
	HK$	*HK$*
Contracted sales from property projects (including a joint venture project)	**15,456 million**	11,865 million
Revenue	**11,456 million**	9,344 million
Profit attributable to owners of the Company	**1,002 million**	818 million
Consolidated earnings before interest, tax, depreciation and amortisation	**3,079 million**	2,856 million
Earnings per share	**1.36**	1.10
Dividend per share (interim and proposed final)	**0.58**	0.46
Net assets per share attributable to owners of the Company	**17.24**	15.90

RESULTS

The Board of Directors (the "Board") of Road King Infrastructure Limited (the "Company") is pleased to announce the audited consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income of the Company and its subsidiaries (the "Group") for the year ended 31 December 2013, and consolidated statement of financial position of the Group as at 31 December 2013 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2013

	NOTES	2013 HK$'000	2012 HK$'000
Revenue	3	**11,456,048**	9,344,130
Cost of sales		**(8,523,007)**	(6,625,755)
Gross profit		**2,933,041**	2,718,375
Interest income		**72,407**	50,141
Other income		**26,317**	21,815
Other gains and losses	5	**467,230**	301,517
Selling expenses		**(405,400)**	(342,195)
Operating expenses		**(517,467)**	(494,001)
Share of results of joint ventures	6	**201,762**	286,636
Finance costs	7	**(257,128)**	(224,551)
Profit before taxation	8	**2,520,762**	2,317,737
Income tax expenses	9	**(1,497,395)**	(1,465,003)
Profit for the year		**1,023,367**	852,734
Profit attributable to:			
Owners of the Company		**1,001,618**	818,179
Non-controlling interests		**21,749**	34,555
		1,023,367	852,734
Earnings per share	11		
– Basic		**HK$1.36**	HK$1.10
– Diluted		**HK$1.35**	HK$1.10

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2013

	2013	2012
	HK$'000	*HK$'000*
Profit for the year	**1,023,367**	852,734
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Exchange differences arising on translation to presentation currency	**290,954**	206,023
Total comprehensive income for the year	**1,314,321**	1,058,757
Total comprehensive income attributable to:		
Owners of the Company	**1,283,593**	1,017,589
Non-controlling interests	**30,728**	41,168
	1,314,321	1,058,757

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2013

	NOTES	**2013** **HK$'000**	2012 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**43,993**	56,983
Investment properties		**2,173,729**	2,210,338
Interests in joint ventures		**3,567,466**	4,021,241
Deferred tax assets		**31,474**	36,575
Loans to a joint venture		**308,924**	302,792
Other receivables		**–**	72,517
		6,125,586	6,700,446
Current assets			
Inventory of properties		**26,382,519**	23,175,850
Prepayment for land leases		**1,925,815**	902,580
Loan to a joint venture		**88,608**	86,849
Other receivables		**34,221**	–
Debtors, deposits and prepayments	*12*	**1,609,859**	806,961
Prepaid income tax		**387,764**	265,392
Other financial assets		**46,785**	–
Pledged bank deposits		**151,091**	168,828
Bank balances and cash		**6,677,215**	5,168,435
		37,303,877	30,574,895
Total assets		**43,429,463**	37,275,341

	NOTES	2013 HK$'000	2012 HK$'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		**73,518**	74,193
Reserves		**12,598,251**	11,718,938
		12,671,769	11,793,131
Non-controlling interests		**691,483**	429,742
Total equity		**13,363,252**	12,222,873
Non-current liabilities			
Bank and other borrowings – due after one year		**7,516,859**	7,990,404
Loans from non-controlling interests of subsidiaries		**410,791**	97,882
Deferred tax liabilities		**583,292**	641,634
		8,510,942	8,729,920
Current liabilities			
Creditors and accrued charges	*13*	**5,551,299**	4,762,500
Deposits from pre-sale of properties		**8,208,965**	6,543,789
Income tax payable		**1,630,564**	1,323,643
Bank and other borrowings – due within one year		**5,896,689**	3,369,967
Loans from non-controlling interests of subsidiaries		**267,752**	274,690
Other financial liabilities		**–**	47,959
		21,555,269	16,322,548
Total equity and liabilities		**43,429,463**	37,275,341

NOTES:

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (the "HKFRS(s)") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments which are measured at fair values.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied, for the first time, the following new and revised Hong Kong Accounting Standards ("HKAS(s)"), the HKFRS(s), amendments and interpretations ("HK(IFRIC) – Int") (hereinafter collectively referred to as the "new and revised HKFRSs") issued by the HKICPA:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle except for the amendments to HKAS 1
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

New and revised standards on consolidation, joint arrangements, associates and disclosures and amendments to HKFRS 10, HKFRS 11 and HKFRS 12

In the current year, the Group has applied for the first time HKFRS 10, HKFRS 11, HKFRS 12 and HKAS 28 (as revised in 2011) together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding the transitional guidance. HKAS 27 (as revised in 2011) is not applicable to these consolidated financial statements as it deals only with separate financial statements.

The impact of the application of these standards is set out below:

Impact of the application of HKFRS 10 "Consolidated Financial Statements"

HKFRS 10 replaces parts of HKAS 27 "Consolidated and Separate Financial Statements" that deal with consolidated financial statements and HK(SIC) – Int 12 "Consolidation – Special Purpose Entities". HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee.

The adoption of HKFRS 10 does not change any of the control conclusions reached by the Group in respect of its involvement with the investees as at 1 January 2013.

Impact of the application of HKFRS 11 "Joint Arrangements"

HKFRS 11 replaces HKAS 31 "Interests in Joint Ventures", and the guidance contained in a related interpretation, HK(SIC) – Int 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers", has been incorporated in HKAS 28 (as revised in 2011). HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified and accounted for. Under HKFRS 11, there are only two types of joint arrangements – joint operations and joint ventures. The classification of joint arrangements under HKFRS 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement.

The initial and subsequent accounting of joint ventures and joint operations are different. Investments in joint ventures are accounted for using the equity method (proportionate consolidation is no longer allowed). Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

As a result of the adoption of HKFRS 11, the directors of the Company (the "Directors") reviewed and assessed the classification of the Group's investments in joint arrangements in accordance with the requirements of HKFRS 11. The Directors concluded that the Group's investments in joint arrangements should be classified as joint ventures under HKFRS 11 and continue to be accounted for using the equity method and therefore the adoption of HKFRS 11 does not have any material impact on the financial position and the financial results of the Group.

Impact of the application of HKFRS 12 "Disclosure of Interests in Other Entities"

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements. The Directors consider that none of the Group's non-wholly owned subsidiaries has material non-controlling interests to the Group.

HKFRS 13 "Fair Value Measurement"

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of HKFRS 13 is broad; the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, subject to a few exceptions.

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application. In accordance with the transitional provisions, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income"

The amendments to HKAS 1 introduce new terminology for statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income" and an "income statement" is renamed as a "statement of profit or loss". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the existing option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

The application of the other new and revised HKFRSs in the current year has had no material impact on the amounts reported and/or disclosures set out in these consolidated financial statements.

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

HKFRS 9	Financial Instruments[3]
HKFRS 14	Regulatory Deferral Accounts[5]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle[2]
Amendments to HKFRS 7 and HKFRS 9	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
HK(IFRIC)-Int 21	Levies[1]

1 Effective for annual periods beginning on or after 1 January 2014.
2 Effective for annual periods beginning on or after 1 July 2014.
3 Available for application – the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.
4 Effective for annual periods beginning on or after 1 July 2014, with limited exception.
5 Effective for annual periods beginning on or after 1 January 2016.

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

3. REVENUE

	2013	2012
	HK$'000	*HK$'000*
Revenue of the Group		
Sale of completed properties held for sale	**11,248,631**	9,166,133
Gross rental income from properties	**49,095**	42,278
Others	**158,322**	135,719
	11,456,048	9,344,130
Group's share of toll revenue of infrastructure joint ventures	**893,301**	839,496
Revenue of the Group and Group's share of toll revenue of infrastructure joint ventures	**12,349,349**	10,183,626

4. SEGMENT INFORMATION

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

Toll road – development, operation and management of toll roads through the infrastructure joint ventures

Property development and investment – development of properties for sale and for rental income potential and/or capital appreciation

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

	2013			2012		
	Toll road	**Property development and investment**	**Total**	Toll road	Property development and investment	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	**–**	**11,456,048**	**11,456,048**	–	9,344,130	9,344,130
Segment profit	**91,006**	**849,352**	**940,358**	166,354	725,063	891,417
Segment assets (including interests in joint ventures)	**4,363,342**	**34,043,399**	**38,406,741**	4,344,976	29,267,108	33,612,084
Segment liabilities	**(36,584)**	**(26,847,917)**	**(26,884,501)**	(31,248)	(22,167,646)	(22,198,894)

	2013			2012		
	Toll road	**Property development and investment**	**Total**	Toll road	Property development and investment	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Other segment information						
Amounts included in the measure of segment profit or segment assets:						
Interest income	**24,175**	**47,451**	**71,626**	14,498	33,371	47,869
Impairment losses on interests in joint ventures	**–**	**–**	**–**	(49,019)	–	(49,019)
Losses on disposal of interests in joint ventures	**(54,599)**	**–**	**(54,599)**	–	–	–
Fair value gains on transfer of completed properties held for sale to investment properties	**–**	**170,688**	**170,688**	–	63,726	63,726
Change in fair value of investment properties	**–**	**27,493**	**27,493**	–	136,029	136,029
Depreciation	**(158)**	**(10,516)**	**(10,674)**	(167)	(9,324)	(9,491)
Finance costs	**(4,490)**	**(175,206)**	**(179,696)**	(3,506)	(150,707)	(154,213)
Income tax expenses	**(15,790)**	**(1,481,605)**	**(1,497,395)**	(12,950)	(1,452,053)	(1,465,003)
Share of results of joint ventures	**196,026**	**5,736**	**201,762**	271,152	15,484	286,636
Interests in joint ventures	**3,537,847**	**29,619**	**3,567,466**	3,948,682	72,559	4,021,241
Additions to non-current assets during the year	**89,383**	**74,415**	**163,798**	22,644	263,650	286,294

(a) Measurement

The accounting policies of the operating segments are the same as the Group's accounting policies.

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

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

Segment assets include property, plant and equipment, investment properties, interests in joint ventures, other receivables, inventory of properties, prepayment for land leases, loans to joint ventures, debtors, deposits and prepayments, prepaid income tax, pledged bank deposits, bank balances and cash and deferred tax assets which are directly attributable to the relevant reportable segment.

Segment liabilities include creditors and accrued charges, deposits from pre-sale of properties, income tax payable, bank and other borrowings, loans from non-controlling interests of subsidiaries and deferred tax liabilities which are directly attributable to the relevant reportable segment.

Additions to non-current assets are the total costs incurred during the year to acquire segment assets that are expected to be used for more than one year and comprise purchase of property, plant and equipment, investment properties and capital contributions to joint ventures directly attributable to the segment.

(b) Reconciliation of total segment profit, total segment assets and total segment liabilities

	2013	2012
	HK$'000	*HK$'000*
Total segment profit	**940,358**	891,417
Unallocated items:		
Interest income	**781**	2,272
Corporate income	**175,553**	51,543
Corporate expenses	**(15,893)**	(22,160)
Finance costs	**(77,432)**	(70,338)
Consolidated profit for the year	**1,023,367**	852,734
Total segment assets	**38,406,741**	33,612,084
Unallocated assets:		
Property, plant and equipment	**1,540**	2,364
Deposits and prepayments	**42,091**	41,631
Other financial assets	**46,785**	–
Bank balances and cash	**4,932,306**	3,619,262
Consolidated total assets	**43,429,463**	37,275,341
Total segment liabilities	**(26,884,501)**	(22,198,894)
Unallocated liabilities:		
Accrued charges	**(179,684)**	(190,938)
Bank and other borrowings	**(3,002,026)**	(2,614,677)
Other financial liabilities	**–**	(47,959)
Consolidated total liabilities	**(30,066,211)**	(25,052,468)

(c) Revenue from major products and services

The Group's revenue for the year mainly comprises sale of completed residential properties developed by the Group for sale purposes and rental income.

(d) Information about geographical areas

All of the Group's revenue is attributable to customers in the People's Republic of China ("PRC") and over 90% of the Group's total non-current assets (excluding deferred tax assets, loans to a joint venture and other receivables) are located in the PRC and the remaining non-current assets are located in Hong Kong.

(e) Information about major customers

In view of the nature of the toll road business, there are no major customers. For the property business, there was no customer who accounted for over 10% of the total revenue generated from property development and investment business.

5. OTHER GAINS AND LOSSES

	2013 HK$'000	2012 HK$'000
Impairment losses on interests in joint ventures	**–**	(49,019)
Losses on disposal of interests in joint ventures	**(54,599)**	–
Reversal of impairment losses on other receivables	**25,000**	–
Gains on disposal of property, plant and equipment	**900**	164
Fair value gains on transfer of completed properties held for sale to investment properties	**170,688**	63,726
Change in fair value of investment properties	**27,493**	136,029
Change in fair value of other financial assets/liabilities	**118,000**	14,921
Net exchange gains	**179,748**	135,696
	467,230	301,517

6. SHARE OF RESULTS OF JOINT VENTURES

	2013 HK$'000	2012 HK$'000
Share of profits of infrastructure joint ventures before amortisation and taxation	**485,739**	574,516
Less share of: Amortisation of toll road operation rights	**(184,362)**	(189,985)
Income tax expenses	**(105,351)**	(113,379)
	196,026	271,152
Share of profit of other joint venture	**5,736**	15,484
	201,762	286,636

7. FINANCE COSTS

	2013 HK$'000	2012 HK$'000
Interest on borrowings		
– wholly repayable within five years	**922,024**	773,891
– not wholly repayable within five years	**13,602**	–
Other finance costs	**132,111**	124,303
	1,067,737	898,194
Less: Capitalised in properties under development for sale	**(810,609)**	(673,643)
	257,128	224,551

Borrowing costs capitalised during the year are calculated by applying an average capitalisation rate of 8.70% (2012: 7.33%) per annum to expenditure on qualifying assets.

8. PROFIT BEFORE TAXATION

	2013	2012
	HK$'000	*HK$'000*
Profit before taxation has been arrived at after charging:		
Depreciation of property, plant and equipment	**13,072**	11,561
Less: Capitalised in properties under development for sale	**(1,536)**	(1,387)
	11,536	10,174
Minimum lease payments paid under operating lease rentals in respect of land and buildings	**17,316**	15,620
Less: Capitalised in properties under development for sale	**(508)**	(1,432)
	16,808	14,188
Salaries and other benefits	**409,978**	335,187
Equity-settled share-based payments	**4,900**	–
Provident fund scheme contributions, net of forfeited contributions of HK$472,000 (2012: HK$366,000)	**68,641**	51,264
Less: Capitalised in properties under development for sale	**(122,008)**	(116,472)
Total staff costs (excluding Directors' emoluments)	**361,511**	269,979
Audit fee	**3,800**	3,800
Cost of inventory of properties recognised as an expense	**8,363,855**	6,494,483
and after crediting:		
Bank interest income	**47,795**	33,402
Rental income in respect of investment properties	**49,095**	42,278

9. INCOME TAX EXPENSES

	2013	2012
	HK$'000	*HK$'000*
Current tax:		
PRC enterprise income tax ("EIT")	**843,333**	670,595
PRC land appreciation tax ("LAT")	**671,099**	665,925
PRC withholding tax	**57,118**	79,835
	1,571,550	1,416,355
Deferred tax:		
LAT	**(82,983)**	21,649
Other	**8,828**	26,999
	1,497,395	1,465,003

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

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

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

10. DIVIDENDS PAID

	2013	2012
	HK$'000	*HK$'000*
2012 final dividend paid of HK$0.30 (2012: 2011 final dividend of HK$0.24) per share	**222,614**	178,064
2013 interim dividend paid of HK$0.18 (2012: 2012 interim dividend of HK$0.16) per share	**132,843**	118,710
	355,457	296,774

Subsequent to the end of the reporting period, a final dividend in respect of 2013 of HK$0.40 per share amounting to a total of approximately HK$294 million has been proposed by the Board on 7 March 2014. The amount has not been included as a liability in the consolidated financial statements as it was not declared before the end of the reporting period.

The amount of the proposed final dividend has been calculated on the basis of 733,867,566 shares in issue as at 7 March 2014.

11. EARNINGS PER SHARE

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

	2013	2012
	HK$'000	*HK$'000*
Earnings for the purposes of basic and diluted earnings per share attributable to owners of the Company	**1,001,618**	818,179

	Number of shares	Number of shares
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**738,942**	741,935
Effect of dilutive potential ordinary shares:		
Share options	**1,633**	–
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**740,575**	741,935

The computation of diluted earnings per share for the year ended 31 December 2012 did not assume the exercise of the Company's share options because the exercise prices of the share options were higher than the average market prices of the shares.

12. DEBTORS, DEPOSITS AND PREPAYMENTS

	2013	2012
	HK$'000	*HK$'000*
Aged analysis of trade debtors, presented based on invoice dates *(note)*:		
Within 60 days	**3,982**	3,362
60 to 90 days	**49**	15
More than 90 days	**3,368**	7,638
	7,399	11,015
Deferred consideration on disposal of interests in joint ventures	**181,875**	–
Refundable tender deposits for acquisition of land and toll road project	**540,798**	24,814
Prepayment of business tax and other taxes	**371,421**	336,309
Other receivables, deposits and prepayments	**508,366**	434,823
	1,609,859	806,961

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

13. CREDITORS AND ACCRUED CHARGES

	2013 *HK$'000*	2012 *HK$'000*
Aged analysis of creditors presented based on invoice date:		
Trade payables		
Within 60 days	**186,187**	56,357
60 to 90 days	**17,755**	17,813
More than 90 days	**269,908**	156,126
	473,850	230,296
Bills payables		
Within 60 days	**8,861**	14,268
60 to 90 days	**–**	13,275
More than 90 days	**11,392**	27,357
	20,253	54,900
Accrued construction costs	**4,082,009**	3,565,433
	4,576,112	3,850,629
Interest payable	**161,974**	183,420
Accrued taxes (other than EIT and LAT)	**47,021**	87,851
Other payables and accrued charges	**766,192**	640,600
	5,551,299	4,762,500

14. TOTAL ASSETS LESS CURRENT LIABILITIES/NET CURRENT ASSETS

The Group's total assets less current liabilities at 31 December 2013 amounted to HK$21,874,194,000 (2012: HK$20,952,793,000). The Group's net current assets at 31 December 2013 amounted to HK$15,748,608,000 (2012: HK$14,252,347,000).

DIVIDEND

The Board has resolved to recommend a final dividend of HK$0.40 (2012: HK$0.30) per share for the year ended 31 December 2013 to the shareholders of the Company (the "Shareholders") whose names appear in the register of members of the Company on Monday, 19 May 2014, subject to approval of the Shareholders at the forthcoming annual general meeting. It is expected that the payment of the final dividend will be made on or before Friday, 30 May 2014, if approved.

CLOSURES OF REGISTER OF MEMBERS

To be eligible to attend and vote at the forthcoming annual general meeting

The register of members of the Company will be closed from Wednesday, 7 May 2014 to Friday, 9 May 2014, both dates inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the forthcoming annual general meeting, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong (to be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from Monday, 31 March 2014) not later than 4:00 p.m. on Monday, 5 May 2014 for registration.

To qualify for the proposed final dividend

The register of members of the Company will also be closed from Friday, 16 May 2014 to Monday, 19 May 2014, both dates inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong (to be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from Monday, 31 March 2014) not later than 4:00 p.m. on Thursday, 15 May 2014 for registration.

BUSINESS REVIEW

Results for 2013

The profit attributable to the owners of the Company for 2013 was HK$1,002 million, and earnings per share was HK$1.36, representing an increase of 24% compared with HK$1.10 per share for 2012. The contracted sales of the property business (including a joint venture project) for the year amounted to RMB12,210 million, representing a growth of 28% compared with RMB9,563 million in 2012. In addition, the Group had outstanding subscribed sales of about RMB700 million at the end of December 2013. The revenue from toll road projects for the year amounted to RMB1,895 million.

Property Business

In 2013, the PRC property market continued to demonstrate a strong performance despite the impact of government policies. By implementing the strategy of deeper exploitation and balancing high turnover and profitability, the Group achieved remarkable results in operation and development. Contracted sales in 2013 increased 28% as compared with those of 2012, while the average selling price was approximately RMB11,060 per sqm, representing a rise of 18% over that of 2012.

Set out below is an analysis of the profit of the Group's property business for 2013 and 2012:

	For the year ended 31 December	
	2013	2012
	HK$'million	*HK$'million*
Revenue	**11,456**	9,344
Gross Profit	**2,933**	2,718
Sales and management fees	**(833)**	(761)
Profit after taxation	**849**	725

The Group has utilised resources effectively and enhanced its management continuously, driving up the Group's sales. In the meantime, the increase in operating expenses remained at a relatively low level, further contributing to the Group's profitability. Revenue which mainly derived from the delivery of properties was HK$11,456 million in 2013, representing a growth of 23% from the previous year, and was mainly contributed by the projects in Yangtze River Delta and the Bohai Rim regions. The total area delivered in 2013 was 913,000 sqm, and the average price was approximately RMB10,430 per sqm, representing a growth of 17% as compared with that in 2012. Given the increase in the delivery of properties and strict control over expenses, the segment profit of the property business increased to HK$849 million.

Set out below is an analysis of the Group's property sales and delivery by region for 2013:

	Sales		Delivery	
Regions	**Amount**	**Area**	**Amount**	**Area**
(Notes)	*RMB'million*	*Sqm*	*RMB'million*	*Sqm*
Yangtze River Delta region	3,943	397,000	3,375	392,000
The Bohai Rim region	4,972	448,000	4,274	354,000
Other major regions	2,932	228,000	1,878	167,000
Subtotal	11,847	1,073,000	9,527	913,000
Joint venture project	363	31,000	81	6,000
Total	12,210	1,104,000	9,608	919,000

Notes:

Yangtze River Delta region comprises Shanghai and Jiangsu Province.
The Bohai Rim region comprises Beijing, Tianjin, Hebei Province and Shandong Province.
Other major regions comprise Guangdong Province and Henan Province.

Land Reserve

For replenishing the land reserve, the Group acquired nine pieces of new land in Shanghai and Jiangsu Province in 2013, with an aggregate floor area of approximately 1,700,000 sqm. In January 2014, the Group secured additional new pieces of land in Suzhou, Wuxi and Changzhou with an aggregate floor area of about 452,000 sqm.

The Group's land reserve includes properties under planning and construction, properties held for sale and properties held for investment. As at 31 December 2013, the Group's land reserve had total saleable area of over 5,600,000 sqm.

Toll Road Business

In 2013, the Group received cash distribution of HK$512 million from the toll road joint ventures. The Group's share of results of toll road joint ventures for 2013 and 2012 are as follows:

	2013	2012
	HK$'million	*HK$'million*
Share of results of joint ventures before amortisation and taxation	**486**	575
Less: Share of amortisation of toll road operation rights and taxation	**(290)**	(303)
Withholding tax	**(16)**	(13)
Share of operating profits of joint ventures	**180**	259

The Group's share of operating profits of toll road joint ventures declined from HK$259 million in 2012 to HK$180 million in 2013, mainly due to the commencement of interest payment by Longcheng Expressway on a full-year basis, coupled with a decrease in the traffic volume of Tangjin Expressway due to the impact of a downturn in local industries in Hebei Province.

The traffic volume and toll revenue of the existing toll roads for 2013 are as follows:

Project	2013 Average Daily Traffic	Increase (Decrease)	2013 Toll Revenue	Increase (Decrease)
	Vehicles	*%*	*RMB'million*	*%*
Expressways				
Baojin Expressway	45,000	16	653	(4)
Tangjin Expressway	36,000	(3)	472	(11)
Changyi Expressway	44,000	27	487	27
Longcheng Expressway	14,000	17	162	118
	139,000	14	1,774	6
Highways	46,000	(7)	111	(20)
Projects disposed	18,000	(13)	10	(26)
	203,000	6	1,895	4

The total traffic volume reached 68 million vehicles and toll revenue was RMB1,895 million in 2013. Toll revenue from expressway projects further increased from 87% of the entire toll road portfolio in 2012 to 94% in 2013. Since Longcheng Expressway in Shanxi Province commenced operation in mid-July 2012, the Group has increased the publicity efforts for the route through joint venture and improved the service facilities (including service stations) along the expressway, driving up the revenue from the project steadily. The distribution percentage of Baojin Expressway in Hebei Province has been increased to 40% in the second half of the year.

In 2013, in line with the Group's strategy to withdraw from Class I/II highway projects and expand the expressway portfolio, the Group disposed of Hehuai Highway and Hefei section of Heye Highway in Anhui Province, and cooperated with the local government to discontinue the Xiushui toll station of Yulin Highway in Guangxi Zhuang Autonomous Region in exchange for government compensation. In January 2014, the Group received the notice of being successfully tendered for 49% equity interest in Machao Expressway in Anhui Province which had just commenced operation recently. The 35.77-kilometre-long Machao Expressway runs from east to west, connecting Lima Expressway in Jiangsu Province to Hechaowu Expressway in Anhui Province and forming an important part of Anhui Province Yan Jiang Bei An Expressway（安徽省沿江北岸高速公路）. The toll collection period granted is 30 years. Approvals for relevant documentations of the project are being obtained and the whole process is expected to be completed within this year.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 December 2013, the equity attributable to the owners of the Company increased to HK$12,672 million (2012: HK$11,793 million). The increase was mainly attributable to the profit generated during the year. Net assets per share attributable to the owners of the Company increased to HK$17.24 (2012: HK$15.90).

As at 31 December 2013, the Group's total assets were HK$43,429 million (2012: HK$37,275 million) and bank balances and cash were HK$6,677 million (2012: HK$5,168 million), of which 94% was denominated in Renminbi and the remaining 6% was mainly denominated in US dollars or HK dollars.

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

During the year, the Group issued RMB2,200 million 6% guaranteed senior notes and obtained several offshore bank loans in Hong Kong as well as project loans in the PRC amounting to HK$4,702 million equivalent in aggregate. These new borrowings were partly offset by the repayment of certain bank loans and redemption of part of US$350 million 9.5% guaranteed senior notes due 2015.

The gearing ratios of the Group are analysed as follows:

	At 31 December	
	2013	2012
Gross gearing ratio*	**106%**	96%
Net gearing ratio*	**52%**	51%

* The gross gearing ratio, representing interest bearing borrowings (but excluding loans from non-controlling interests of subsidiaries) to the equity attributable to the owners of the Company, whereas the net gearing ratio, representing the difference of Group's total interest bearing borrowings (but excluding loans from non-controlling interests of subsidiaries) and the bank balances and cash (including pledged bank deposits) to the owners' equity of the Company.

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

(a) RMB1,300 million (outstanding principal amount of RMB1,272 million as at 31 December 2013) 6% guaranteed senior notes due in 2014, which was redeemed in full in February 2014;

(b) US$350 million (outstanding principal amount of US$163.58 million as at 31 December 2013) 9.5% guaranteed senior notes due in 2015;

(c) RMB2,200 million 6% guaranteed senior notes due in 2016; and

(d) US$350 million 9.875% guaranteed senior notes due in 2017.

Interest coverage for the year under review was 11.98 times (2012: 12.72 times).

Charges on Assets

As at 31 December 2013, bank balances of HK$151 million (2012: HK$169 million) were pledged as security in favour of banks for certain mortgage facilities granted to customers of the Group's property projects and short-term credit facilities granted to the Group. In addition to these charged bank deposits, properties with carrying value of HK$3,400 million (2012: HK$2,639 million) were pledged as securities for certain loan facilities.

Exposure on Foreign Exchange Fluctuations and Interest Rates

The Group's borrowings are mainly denominated in Renminbi and US dollars but the cash flow is generated from projects whose earnings are denominated principally in Renminbi. As a result, the Group is exposed to foreign currency risk on the fluctuation of Renminbi and US dollars.

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

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

Contingent Liabilities

As at 31 December 2013, the Group had provided guarantees of HK$5,328 million (2012: HK$4,214 million) to banks in favour of its customers in respect of the mortgage loans provided by the banks to such customers for purchase of the Group's properties. The guarantees would be released after the customers have pledged their property certificates as securities to the banks for the mortgage loans granted.

Employees

Excluding the staff of joint ventures, the Group had 2,176 employees as at 31 December 2013 (2012: 1,949). Expenditure on staff (excluding Directors' emoluments and share-based payment) amounted to HK$479 million (2012: HK$386 million). Employees are remunerated according to their performance and contribution. Other employee benefits include provident fund, insurance, medical cover and training programs, as well as share option schemes. During the year, 17,400,000 share options were granted to and accepted by the Directors and employees under the Company's share option scheme adopted in May 2013.

PROSPECT

The Group believes that the property business is a livelihood industry in the PRC. It still has substantial growth potential on the back of China's economic development, and is worth for the Group to continue developing and expanding in this industry. After years of implementation and efforts, the Group will continue to adopt the strategy that balances deeper exploitation and profitability. On one hand, the Group is going to enhance the strategic cooperation with its partners and on the other hand, the Group will further refine and implement the products categorisation and standardisation, and optimise product quality and cost structure. In doing so, the Group aims to expand its size, establish long-standing brand recognition and increase return on operation.

The Group believes that the toll road business can provide steady cash flows and returns over the long term. While continuing to dispose of the remaining highway projects, the Group will seek appropriate expressway projects by leveraging its reputation in the industry and management experience obtained over the past two decades, with a view to expanding its expressway portfolio further and creating solid returns for shareholders continuously.

REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE GROUP

(I) Repurchase of Shares

During the year, the Company repurchased a total of 8,715,000 shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") at an aggregate consideration of HK$64,498,910. Details of the repurchases are as follows:

Month of repurchases	Total number of shares repurchased		Price per share Highest	Price per share Lowest	Aggregate consideration
			HK$	*HK$*	*HK$*
June	2,588,000		7.25	6.77	17,945,500
July	1,463,000		7.56	7.08	10,726,480
August	580,000		7.70	7.40	4,402,030
September	2,773,000		8.10	7.48	21,630,430
November	627,000	*(note)*	7.50	7.37	4,675,320
December	684,000	*(note)*	7.60	7.36	5,119,150
	8,715,000				64,498,910

Up to the date of the annual report of the Company, all of the abovementioned shares repurchased were cancelled.

Note: cancelled in 2014.

(II) Repurchase of Notes

RKI Finance (2011) Limited, a wholly-owned subsidiary of the Company, repurchased certain amount of RMB1,300 million 6% guaranteed senior notes due 2014 during the year. Details of the repurchases are as follows:

Month of repurchases	Total principal amount of notes repurchased	Method of repurchases
	RMB	
June	27,000,000	Over the counter
July	1,000,000	
	28,000,000	

All the abovementioned notes repurchased were cancelled in 2013.

(III) Redemption of Notes

During the year, RKI Finance (2010) Limited, a wholly-owned subsidiary of the Company, partially redeemed US$170 million in principal amount of US$350 million 9.5% guaranteed senior notes due 2015 (the "Redeemed Notes") on 30 December 2013 at the redemption price equal to 104.75% of the principal amount of the abovementioned notes plus accrued and unpaid interest.

Subsequent to the redemption, the Redeemed Notes were cancelled and delisted from the official list of the Singapore Exchange Securities Trading Limited.

Save as disclosed above, neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Group's listed securities during the year ended 31 December 2013.

Subsequent to the reporting period and up to the date of the annual report of the Company, RKI Finance (2011) Limited, a wholly-owned subsidiary of the Company, redeemed all the outstanding principal amount of RMB1,272 million of RMB1,300 million 6% guaranteed senior notes due 2014 (the "2014 Notes") on 25 February 2014 at the redemption price equal to 100% of the principal amount of the 2014 Notes plus accrued and unpaid interest.

Subsequent to the redemption, the 2014 Notes were cancelled and delisted from the official list of the Singapore Exchange Securities Trading Limited.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") throughout the year ended 31 December 2013.

REVIEW AND AUDIT OF ACCOUNTS

The consolidated financial statements of the Group for the year ended 31 December 2013 have been reviewed by the Audit Committee of the Company and audited by the Company's external auditor.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held at Jade and Lotus Rooms, 6th Floor, Marco Polo Hongkong Hotel, Harbour City, 3 Canton Road, Tsimshatsui, Kowloon, Hong Kong on Friday, 9 May 2014 at 10:30 a.m. and the notice of annual general meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of the Company (www.roadking.com.hk) and the Stock Exchange (www.hkexnews.hk). The Annual Report containing all the information required by the Listing Rules will be despatched to the Shareholders and published on the aforesaid websites in due course.

APPRECIATION

The Board would like to take this opportunity to express hearty gratitude to all Shareholders, business partners, and loyal and dedicated staff.

By order of the Board
Road King Infrastructure Limited
Zen Wei Pao, William
Chairman

Hong Kong, 7 March 2014

As at the date of this announcement, the Board comprises Messrs. Zen Wei Pao, William, Ko Yuk Bing, Chan Kam Hung, Fong Shiu Leung, Keter, Zen Wei Peu, Derek and Xu Ruxin as Executive Directors, Messrs. Lu Hua and Lam Wai Hon, Patrick as Non-executive Directors and Mr. Lau Sai Yung, Dr. Chow Ming Kuen, Joseph, Ms. Nie Meisheng and Mr. Tse Chee On, Raymond as Independent Non-executive Directors.