



Stock Codes: 737 (HKD counter) & 80737 (RMB counter)

# HOPEWELL HIGHWAY INFRASTRUCTURE LTD

合和公路基建有限公司



**ANNUAL RESULTS**

**2014/15**

2014/15 財政年度全年業績

**26 August 2015**

Presentation slides are available on  
[www.hopewellhighway.com](http://www.hopewellhighway.com)

➤ **HHI's net profit bottomed out in FY15 at RMB520m**

合和公路基建的淨溢利在2015財年已見底，錄得人民幣5.2億元

➤ **FY15 total dividend per share RMB34.80 cents (final DPS: RMB8.40 cents; special final DPS: RMB18.00 cents; interim DPS: RMB8.40 cents). Projects' performances and financial restructuring provide strong base for strong dividend**

2015財年的全年股息每股人民幣34.80分（末期股息每股人民幣8.40分；特別末期股息每股人民幣18.00分；中期股息每股人民幣8.40分）。項目業績和財務重整提供強勁基礎，以派付豐厚的股息

➤ **PBOC lending rate cuts will lower WDR's finance cost**

中國人民銀行下調貸款息率，將減低西岸幹道的利息支出

➤ **GS resumed growth, average daily toll rebounded 2% yoy in 2HFY15**

廣深高速回復增長，日均路費收入在2015財年下半年按年回升2%

➤ **WDR's net toll revenue up 9% yoy in FY15**

西岸幹道的淨路費收入在2015財年按年上升9%

# Results Highlights 業績摘要

**GS' average daily toll rebounded 2% yoy in 2HFY15, 1 year after full opening of Coastal Expressway. Diversion impact fully realised**

廣深高速在沿江高速全綫通車一年後，日均路費收入在2015財年下半年按年回升2%。分流的影響已全面反映

**WDR targets to achieve profit breakeven in FY16. PBOC lending rate cuts will lower its interest expenses. EBITDA (JV level) targets to grow by ~RMB100m/year until HZM Bridge opens in 2017\***

西岸幹道目標在2016財年達到收支平衡。中國人民銀行下調貸款息率將減低其利息支出。合營企業層面的除利息、稅項、折舊及攤銷前溢利目標每年增長約人民幣1億元，直到港珠澳大橋在2017年開通

**No further capex needed for HHI. JV's financial positions strengthened by (i) Loan rescheduling of GS and Phase I West and (ii) Phase II West's new financial plan**

合和公路基建毋須投入更多的資本開支。(i) 重整廣深高速和西綫I期的貸款安排及(ii) 西綫II期的新財務計劃，進一步鞏固合營企業的財務狀況

# Results Highlights 業績摘要

For the year ended 30-Jun 截至6月30日止年度	2014 RMB'm	2015 RMB'm	% change 變動	Major reasons
<b>Net toll revenue</b> 淨路費收入	1,916	1,919	+0.1%	<ul style="list-style-type: none"> <li>• GS ↓ 3% to RMB1,438m due to full opening of Coastal Expy in Dec 2013 <i>offset by</i></li> <li>• WDR ↑ 9% to RMB481m Phase I ↑ 5% to RMB93m Phase II ↑ 6% to RMB292m Phase III ↑ 24% to RMB96m</li> </ul>
<b>EBITDA of toll expressways</b> 收費高速公路除利息、稅項、折舊及攤銷前溢利	1,627	1,602	-1%	<ul style="list-style-type: none"> <li>• ↑ Opex mainly GS' asphalt road surface repair RMB12m (FY14: capitalised) &amp; one-off Phase III finalising project cost RMB5m</li> </ul>
<b>Net profit of toll expressways</b> 收費高速公路淨溢利	535	507	-5%	<ul style="list-style-type: none"> <li>• GS' net profit ↓ 7% to RMB547m due to ↓ toll revenue, ↑ Opex &amp; ↑ depreciation</li> </ul>
<b>Corporate profit/(loss) (before net exchange gain)</b> 公司層面溢利／(虧損) (不計及匯兌收益淨額)	24	19	-21%	<ul style="list-style-type: none"> <li>• ↓ Net interest income:               <ul style="list-style-type: none"> <li>- ↓ Deposits &amp; interest income due to                   <ol style="list-style-type: none"> <li>(1) ↓ Shareholder's loan to Phase II from RMB1b to RMB788m given repayment</li> <li>(2) Repaid RMB600m corporate bond in May-14 &amp; RMB500m bank loan in May-15</li> </ol> </li> <li>- <i>offset</i> ↓ finance cost due to (2) above</li> </ul> </li> </ul>
<b>Net exchange gain</b> 匯兌收益淨額	5	4	-20%	<ul style="list-style-type: none"> <li>• RMB appreciated slightly by 0.6% in FY15</li> </ul>
<b>Profit attributable to owners of the Company</b> 公司股東應佔溢利	553	520	-6%	<ul style="list-style-type: none"> <li>• ↓ Net profit of toll expressway and ↓ net interest income at corporate level</li> </ul>

# HHI's Results

合和公路基建的業績



For the year ended 30-Jun 截至6月30日止年度 (RMB'M) (人民幣百萬元)	Net Toll Revenue 淨路費收入		EBITDA 除利息、稅項、折舊及攤銷前溢利		Depreciation & Amortisation 折舊及攤銷		Interest & Tax 利息及稅項開支		Results 業績	
	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
GS Superhighway <sup>N1</sup> 廣深高速公路	1,475	1,438	1,266	1,209	(384)	(394)	(291)	(268)	591	547
Western Delta Route 西岸幹道	441	481	361	393	(135)	(153)	(282)	(280)	(56)	(40)
Phase I West 西綫 I 期	88	93	66	72	(17)	(18)	(16)	(16)	33	38
Phase II West 西綫 II 期	276	292	233	249	(81)	(92)	(144)	(139)	8	18
Phase III West 西綫 III 期	77	96	62	72	(37)	(43)	(122)	(125)	(97)	(96)
<b>Sub-total 小計</b>	1,916	1,919	1,627	1,602	(519)	(547)	(573)	(548)	535	507
		+0.1%		-1%		+5%		-4%		-5%
<b>Corporate results: 公司層面業績:</b>										
Bank deposits interest income 銀行存款利息收入									42	31
Shareholder's loan Interest income 股東貸款利息收入									63	57
Other income 其他收入									2	3
General and administrative expenses 一般及行政費用									(38)	(39)
Finance costs 財務成本									(35)	(24)
Income tax expenses 所得稅開支									(10)	(9)
<b>Sub-total 小計</b>									24	19
Net exchange gain 匯兌收益淨額									5	4
<b>Profit for the year 本年度溢利</b>									564	530
Minority interests 少數股東權益應佔溢利									(11)	(10)
<b>Profit attributable to owners of the Company 公司股東應佔溢利</b>									553	520
										-6%

N1: Excl. exchange differences from USD & HKD loans and related tax  
GS was subject to impact from Coastal Expressway which fully opened in Dec 2013

# Financial Highlights

財務摘要



For the year ended 30-Jun 截至6月30日止年度		2014	2015	% change 變動
<b>EPS</b> 每股溢利	RMB cents	17.94	<b>16.86</b>	<b>-6%</b>
<b>DPS - Interim</b> 每股中期股息	RMB cents	9.80	<b>8.40</b>	
	HKD cents	12.4590	10.6376 <sup>N1</sup>	
<b>DPS - Final</b> 每股末期股息	RMB cents	8.10	<b>8.40</b>	
	HKD cents	10.1806	10.1665 <sup>N2</sup>	
<b>DPS - Special Final</b> 每股特別末期股息	RMB cents	-	<b>18.00</b>	
	HKD cents	-	21.7854 <sup>N2</sup>	
<b>DPS - Total</b> 每股合計股息	RMB cents	17.90	<b>34.80</b>	
	HKD cents	22.6396	42.5895	

N1: Based on PBOC exchange rate RMB1 = HK\$1.26638 (5 Jan 2015)

N2: Based on PBOC exchange rate RMB1 = HK\$1.21030 (26 Aug 2015)

■ **Declared dividend in RMB, with the option to receive dividends in RMB or HKD or combination of RMB and HKD**

以人民幣宣派股息，並提供以人民幣或港幣或以人民幣結合港幣的組合收取股息的選擇

# HHI's Dividend History

合和公路基建的股息往績

- **Target approx. 100% dividend payout ratio on full-year basis, in light of HHI's strong financial position**

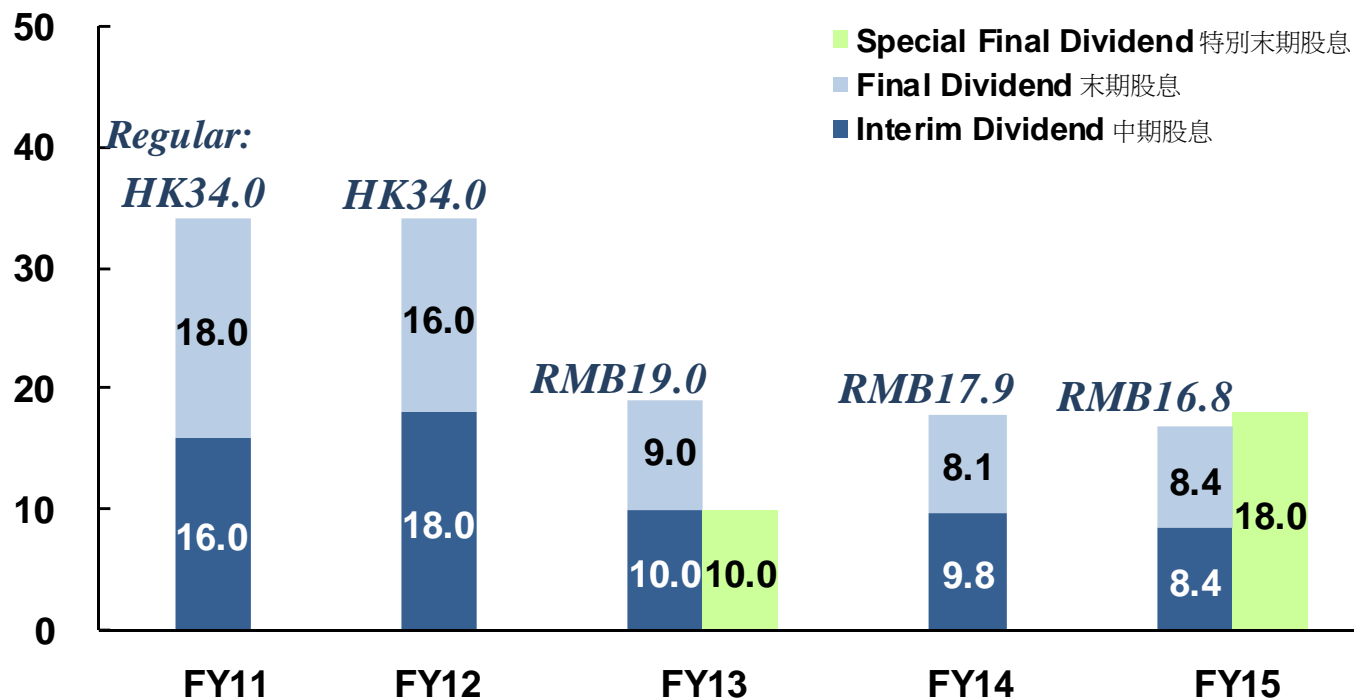
合和公路基建的財政穩健，目標派息比率按全年計約100%

- **Approx. 100% target dividend payout sustainable**

約100%的目標派息比率可持續

## HHI Dividend

(HK cent / RMB cent per share)



Regular Dividend Payout Ratio	FY11	FY12	FY13	FY14	FY15
	98.9%	98.4%	97.5% <sup>N1</sup>	99.8%	99.6% <sup>N1</sup>

N1: Payout ratio excluded special dividend

# Solid Financial Position

財政狀況穩健

## ■ PBOC lending rate cuts (Nov-14, Feb, May, Jun & Aug-15)

在2014年11月、2015年2月、5月、6月及8月，中國人民銀行宣布下調貸款息率

### ◆ Lower WDR's interest expense by ~RMB39m (FY16) and ~RMB50m (FY17) (HHI's share)

減少合和公路基建分佔西岸幹道的利息支出。2016財年：約人民幣3,900萬元；2017財年：約人民幣5,000萬元

## ■ As at 30 Jun 2015, net cash on hand at HHI corporate level (ex-JVs) and shareholder's loan receivable from Phase II West (net of registered capital injection) amounted to **RMB913m**

在2015年6月30日，合和公路基建公司層面的手頭淨現金 (不包括合營企業) 和應收西綫 II 期的股東貸款 (扣除須投入的註冊資本) 為人民幣9.13億元



# Summary of JV's Sound Financial Plans

## 合營企業穩健的財務計劃摘要

### ■ JV's financial positions strengthened by:

合營企業的財務狀況進一步鞏固：

#### ◆ GS and Phase I West loan rescheduling

重整廣深高速和西綫 I 期的貸款安排

#### ◆ Phase II West's new financial plan

西綫 II 期的新財務計劃

- Reduces JV's debt

減低合營企業的債務

- RMB682m net shareholder's loan full repayment to HHI expected by Oct 2015

預期在2015年10月前，全數償還股東貸款淨額人民幣6.82億元予合和公路基建

### ■ Benefits:

益處：

#### ◆ No further capex needed for HHI on WDR

合和公路基建毋須就西岸幹道投入更多的資本開支

#### ◆ WDR is financially self-sufficient until FY18, even if assuming no growth in average daily toll revenue during the period

即使假設西岸幹道的日均路費收入直到2018財政年度並無任何增長，西岸幹道在此期間亦能在財務上自給自足

# GS and Phase I West's Loan Rescheduling

廣深高速和西綫I期重整貸款的安排

- **Accelerate GS' dividend distributions to HHI (accelerate ~RMB200m/year in CY15-CY19)**

加快廣深高速分派股息予合和公路基建 (在2015至2019年每年加快分派約人民幣2億元)

- **Enhance HHI's liquidity and WDR's financing flexibility**

加強合和公路基建的資金流動性及西岸幹道的融資靈活性

## Loan Rescheduling Plan

JV Level	Bank Loan	Original Maturity	New Maturity	↓ Principal repay't / year CY15-CY19
GS	USD403m; HKD417m (RMB2,792m equivalent)	CY2018 & CY2019	CY2025	RMB471m
Phase I West	RMB576m	CY2019	CY2024	RMB102m

## Debt Maturity Profile (Share of JV)

	30 Jun 2015		Pro forma*	
	RMB'm	%	RMB'm	%
Repayable within 1 year	365	7%	124	2%
Repayable between 1 and 5 years	2,181	40%	1,142	21%
Repayable beyond 5 years	2,829	53%	4,109	77%
<b>Total</b>	<b>5,375</b>	<b>100%</b>	<b>5,375</b>	<b>100%</b>

\* Upon completion of loan rescheduling of GS and Phase I West

# Phase II West's New Financial Plan\* (in progress)

西綫II期的新財務計劃 (進行中)

- Phase II West's increase in registered capital: 1<sup>st</sup> and 2<sup>nd</sup> tranches completed in Feb and Jul 2015 respectively, 3<sup>rd</sup> tranche targets to complete in 3Q2015**  
 西綫 II 期增加註冊資本：第一筆及第二筆分別在2015年2月及7月完成，第三筆目標在2015年第3季完成
- HHI received RMB212m out of RMB682m net shareholder's loan repayment from JV as of 16 Aug 2015. Remaining RMB470m expects to be received by Oct 2015 (full repayment)**  
 截至2015年8月16日，合和公路基建已收取合營企業償還股東貸款淨額人民幣6.82億元中的人民幣2.12億元。預期在2015年10月前收取餘下的人民幣4.7億元 (全數償還)
- JV signed agreements to borrow RMB615m bank loan in Aug 2015 to settle outstanding shareholder's loan from HHI and project payments**  
 合營企業在2015年8月簽訂人民幣6.15億元的銀行貸款協議，用作償還合和公路基建的股東貸款及未付項目餘款
- JV's financial position will improve given less debt. HHI no longer needs to inject shareholder's loan into WDR JV**  
 債務減少將有助改善合營企業的財務狀況。合和公路基建毋須再投入股東貸款予西岸幹道合營企業

## Phase II West's New Financial Plan (In stages)

Before		After	
(JV level)	RMB'm	(JV level)	RMB'm
HHI Shareholder's loan	1,000	HHI's new registered capital	318
Outstanding project payments	251	PRC partner's new registered capital	318
		New project bank loans	615
	<b>1,251</b>		<b>1,251</b>

**Net shareholder's loan repayment to HHI:**

**RMB682m**  
 (of which RMB212m was received as of 16.8.2015)

\* Based on the current planning and subject to the approvals of the relevant PRC authorities  
 Under new capital regulation, application to increase investment in Phase II West has been delegated to be approved at the provincial level instead of the national level **B.11**

# Cash and Debt: HHI Corporate Level vs Share of JV

現金和債務：合和公路基建公司層面與分佔合營企業的份額

- **Solid financial position at HHI corporate level** 合和公路基建公司層面的財務狀況穩健
- **Project loans: non-recourse to HHI** 項目貸款：對合和公路基建並無追索權

## HHI Corporate Level

(RMB'm)

As at 30-Jun	2014	2015	As at 30-Jun	2014	2015
<b>Bank balances, cash and shareholder's loans to JV</b>			<b>Corporate debt</b>		
• Bank balances and cash	814	574	• RMB bank loan	500	-
• Shareholder's loan receivable from JV <sup>N1</sup>	1,000	788	• HKD bank loan	198	237
- by HHI	1,000 <sup>N2</sup>	576			
- for HHI's registered capital injection in Phase II West	- <sup>N2</sup>	212			
	1,814	1,362		698	237
<b>Net cash<sup>N3</sup>: RMB337m (30 Jun 14: RMB116m)</b>					
<b>Net cash &amp; shareholder's loan receivable from JV (net of registered capital injection): RMB913m (30 Jun 14: RMB1,116m)</b>					

RMB500m loan repaid in May-15

Phase II West repaid RMB212m (of which RMB106m used as registered capital)

## Share of JV Companies

(RMB'm)

As at 30-Jun	2014	2015	As at 30-Jun	2014	2015
<b>Bank balances and cash</b>			<b>Bank loans and shareholder's loan</b>		
• Bank balances and cash	201	273	• GS Superhighway	1,595	1,340
			• Western Delta Route	4,488	4,422
			Phase I West	307	288
			Phase II West	2,318	2,196
			Phase III West	1,863	1,938
	201	273		6,083	5,762
<b>Net debt<sup>N3</sup>: RMB5,489m (30 Jun 14: RMB5,882m)</b>					

Partial repayment of shareholder's loan to HHI

N1: Shareholder's loan to Phase II West as interim financing due to inability of JV to borrow from PRC banks before the official approval for its increased investment

N2: Phase II West's new financial plan was under planning as at 30 Jun 2014

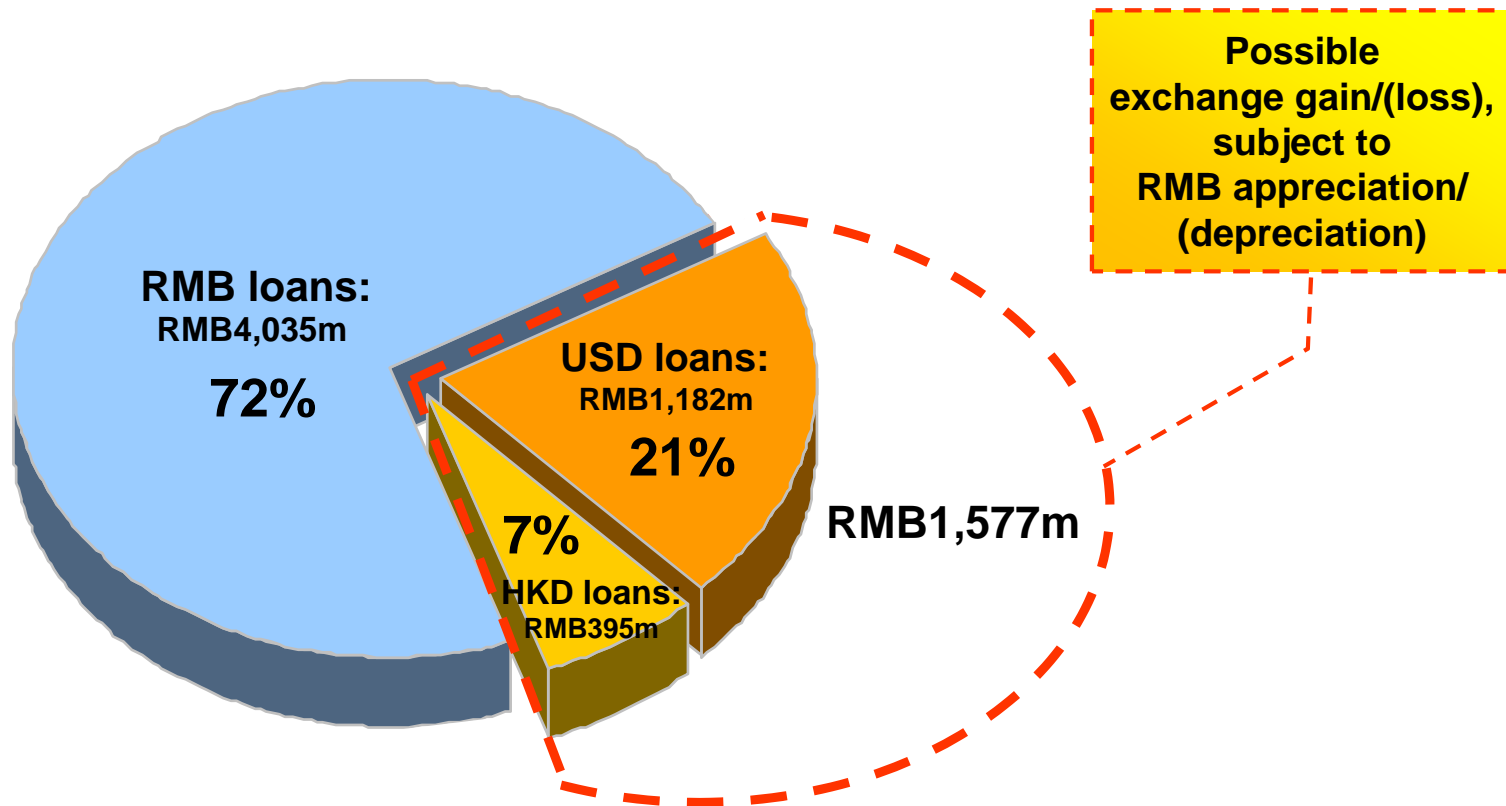
N3: Bank balances and cash less debt

# Breakdown of HHI's Bank Loans by Currency (Corporate and Share of JV Loans\*)

按貨幣種類劃分的合和公路基建銀行貸款 (公司層面及分佔合營企業份額的貸款)

## HHI's Share

(As at 30 Jun 2015)



\* Represent HHI's share of JVs' bank and other borrowings of RMB5,375m together with HHI corporate bank loans of RMB237m, but excluding shareholder's loan to JVs

# Operation Highlights:

## GS & WDR's Aggregate Net Toll Revenue\* (HHI's Share)

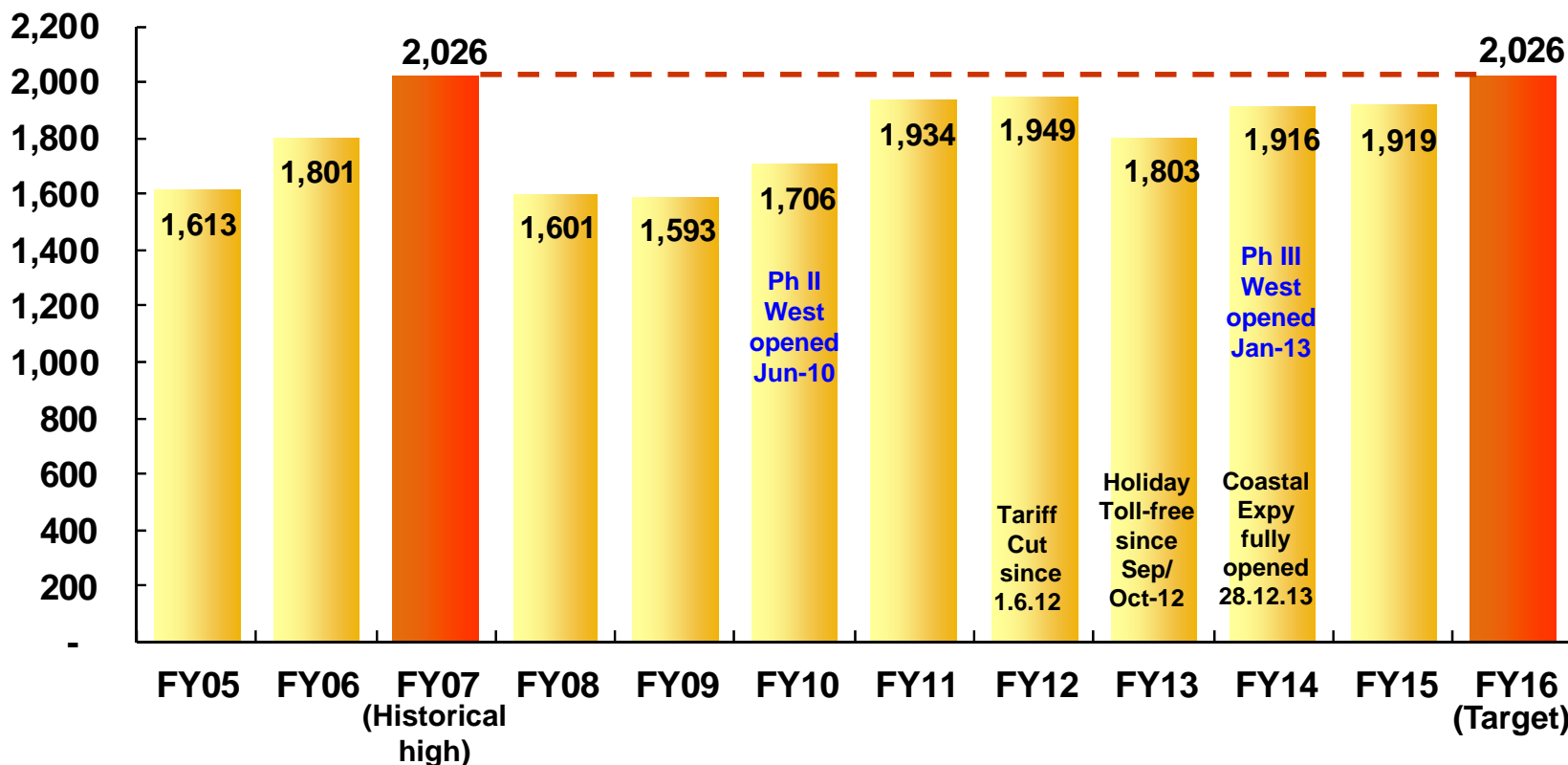
營運摘要：廣深高速和西岸幹道合計路費收入淨額(合和公路基建分佔的份額)

- Target FY16 GS & WDR's aggregate net toll revenue\* (HHI's share) to reach historical high of RMB2,026m recorded in FY07

廣深高速和西岸幹道目標2016財政年度的合計路費收入淨額(合和公路基建分佔的份額)，達到2007財政年度歷史高位的人民幣20.26億元

### GS & WDR's Aggregate Net Toll Revenue\* (HHI's Share)

(RMB in million)



\* After business tax

# Operation Highlights: GS Superhighway

- Coastal Expressway fully opened (89km) since 28 Dec 2013\*

營運摘要：廣深高速 – 沿江高速自2013年12月28日全綫通車(89公里)

■ **The Company believes diversion impact has fully been realised**

公司相信分流的影響已全面反映

■ **GS' average daily toll revenue rebounded 2% yoy to RMB8.3m in 2HFY15 vs ↓6% yoy in 1HFY15**

廣深高速在2015財政年度下半年的日均路費收入按年回升2%至人民幣830萬元，相比2015財政年度上半年按年下跌6%

◆ **Had not returned to RMB8.6m recorded in 2HFY13 (before full opening of Coastal Expressway) mainly due to moderating growth of PRC economy**

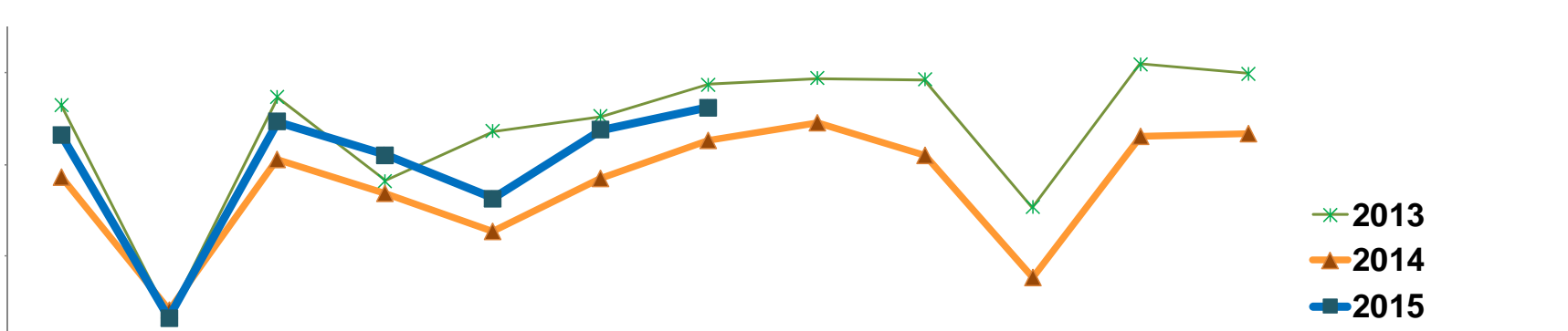
尚未返回2013財政年度下半年錄得的人民幣860萬元(即沿江高速全綫開通前)，主要受到中國經濟增長放緩影響

## GS Average Daily Toll Revenue

(RMB '000)

10,000

6,500



◆ 2013  
▲ 2014  
■ 2015

	Jan + Feb (Lunar New Year)	Mar	Apr (Ching Ming Festival)	May (Labour Holiday)	Jun	Jul	Aug	Sep + Oct (National Holiday)	Nov	Dec	CY yearly avg.	yoy change	
												Jan- Jun	Jul- Dec
◆ 2013	8,055	9,228	8,321	8,860	9,023	9,371	9,440	8,717	9,592	9,492	8,913		
▲ 2014	7,770	8,657	8,276	7,868	8,438	8,857	9,046	8,017 (GZ N. RR closure)	8,903	8,933	8,384	-5%	-6%
■ 2015	7,774	8,867	8,505	8,025	8,775	9,017						+2%	
<b>yoy change</b>	<b>+0%</b>	<b>+2%</b>	<b>+3%</b>	<b>+2%</b>	<b>+4%</b>	<b>+2%</b>							

\* 18km of Coastal Expressway resumed tolling starting 1 Aug 2014 (Toll-free since full opening of Coastal Expressway on 28 Dec 2013)

# Operation Highlights: GS Superhighway

## – Average Daily Full-Length Equivalent Traffic

營運摘要：廣深高速 – 日均折合全程車流量

■ **Average daily full-length equivalent traffic ↓2% yoy to 88k vehicles in FY15**

2015財政年度的日均折合全程車流量按年下跌2%至8.8萬架次

◆ **Mainly due to full opening of Coastal Expressway**

主要受沿江高速全綫開通的影響

■ **Still room to grow**

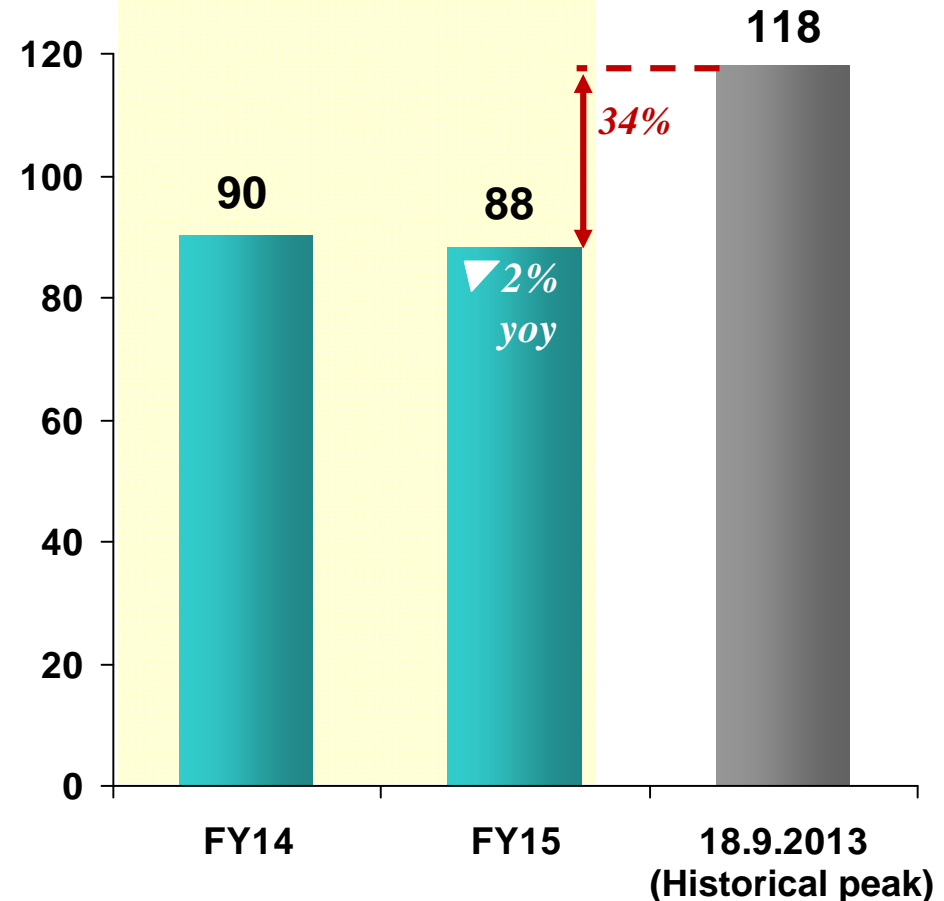
仍有增長空間

◆ **FY15 average daily full-length equivalent traffic: 34% room to grow vs historical peak at 118k vehicles on 18 Sep 2013**

2015財政年度日均折合全程車流量相對2013年9月18日的歷史高位11.8萬架次，有34%上升空間

**GS – Avg Daily Full-Length Equivalent Traffic\***

(No. of vehicles '000)



\* =  $\frac{\text{Total distance travelled by all vehicles on the expressway}}{\text{Full length of the expressway} \times \text{no. of days in the review period}}$



# Key Highlights: Western Delta Route (“WDR”)

重點摘要：西岸幹道

- **Average daily toll revenue ↑9% yoy to RMB2.7m in FY15**

2015財政年度的日均路費收入按年上升9%至人民幣270萬元

- **Target EBITDA (JV level) to grow by approx. RMB100m/year until HZM Bridge opens in 2017\* (FY15: ~RMB800m)**

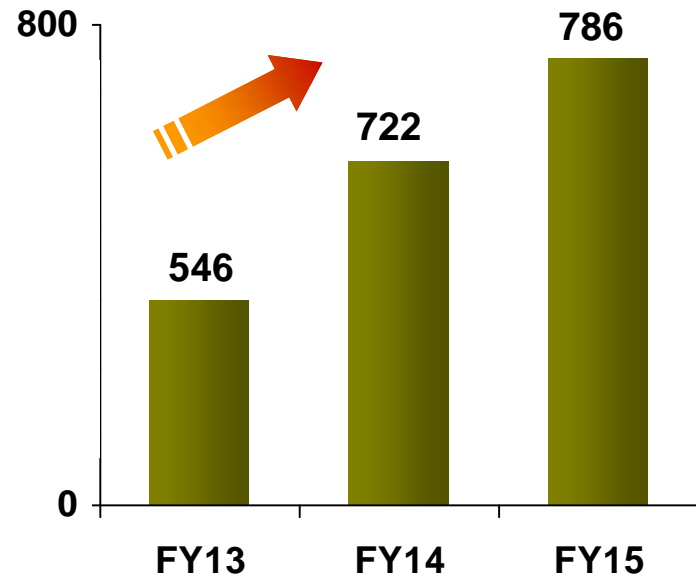
除利息、稅項、折舊及攤銷前溢利 (合營企業層面) 目標每年增長約人民幣1億元，直到港珠澳大橋在2017年開通 (2015財政年度：約人民幣8億元)

- **Target profit breakeven in FY16**

目標在2016財政年度達到收支平衡

WDR – EBITDA (JV Level)

(RMB'm)



\* As reported by media

## ■ HHI's net profit bottomed out in FY15 given:

合和公路基建的淨溢利在2015財政年度已見底，基於：

- ◆ **GS' average daily toll revenue rebounded in 2HFY15**  
廣深高速的日均路費收入在2015財政年度下半年已回升
- ◆ **WDR's healthy toll revenue growth. Target profit breakeven in FY16**  
西岸幹道的路費收入健康增長。目標在2016財政年度達到收支平衡
- ◆ **PBOC lending rate cuts\* will benefit WDR**  
中國人民銀行宣布下調貸款息率，將有利西岸幹道
- ◆ **Phase II West's new financial plan reduces debt and interest expense**  
西綫 II 期新財務計劃有助減少債務及利息支出

## WDR'S Net Profit (50% HHI Level)

RMB'M	1H	2H	Total	Positive factors
<b>FY15</b>				
<b>WDR</b>	<b>(23)</b>	<b>(17)</b>	<b>(40)</b>	i) WDR's net toll revenue growth ii) PBOC lending rate cuts*: ↓ <b>RMB0.9m interest expense</b> iii) Net loss narrowed to RMB40m (FY14: net loss RMB56m)
<i>Phase I West (opened Apr-04)</i>	19	19	<b>38</b>	
<i>Phase II West (opened Jun-10)</i>	8	10	<b>18</b>	
<i>Phase III West (opened Jan-13)</i>	(50)	(46)	<b>(96)</b>	
<b>FY16</b>	<b>Target profit breakeven</b>			i) WDR's net toll revenue growth ii) PBOC lending rate cuts*: ↓ <b>~RMB39m interest expense</b>
<b>FY17</b>				i) WDR's net toll revenue growth ii) PBOC lending rate cuts*: ↓ <b>~RMB50m interest expense</b>

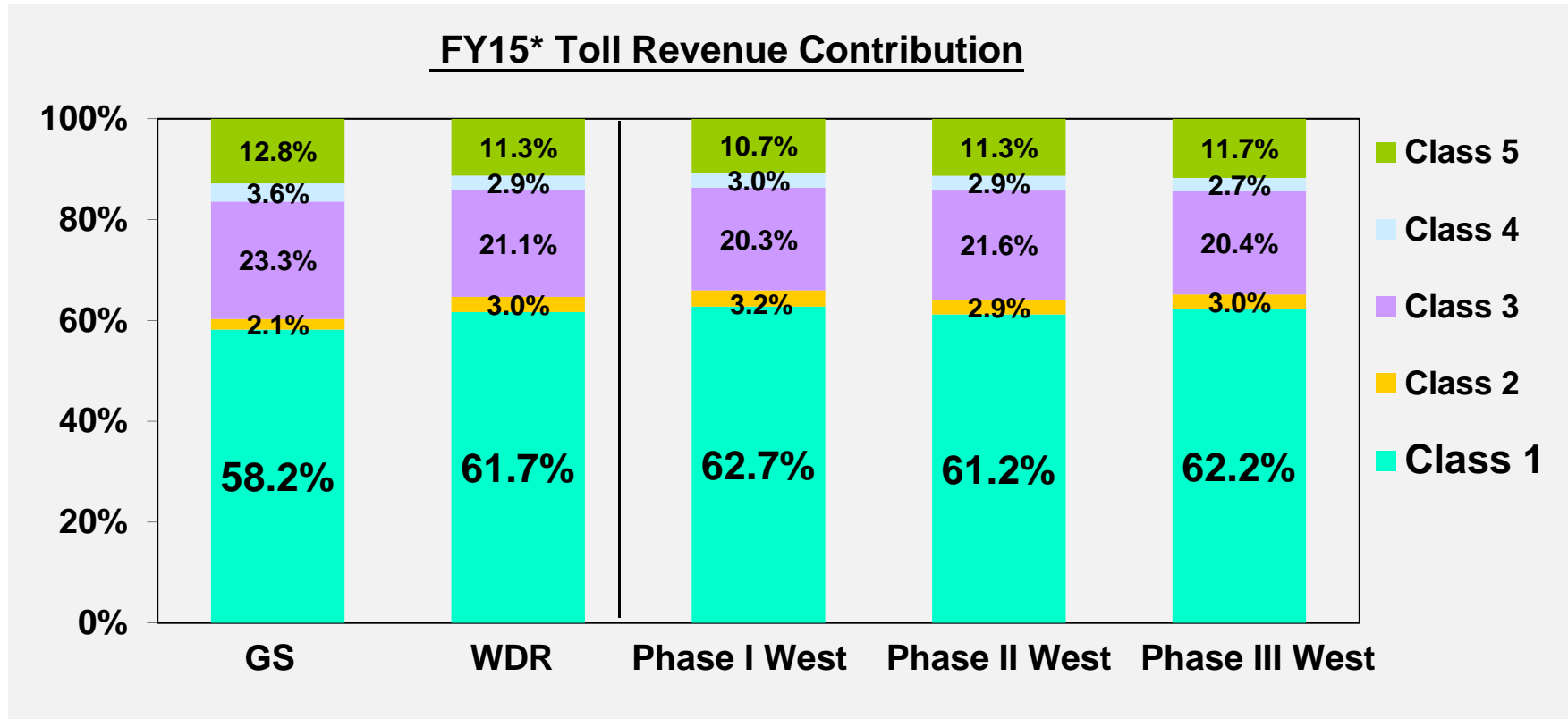
\* Announced In Nov-14, Feb, May, Jun & Aug-15

# Class 1 Vehicles as Major Contributor to Toll Revenue

一類車是路費收入的主要來源

■ **Class 1 small cars contributed over 50% toll revenue to each project**

一類小車於各項目路費收入的佔比均超過50%



\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015

# Guangdong's Strong Demand for Toll Roads

廣東省對收費高速公路的強大需求

## Guangdong's growth in toll road demand doubled that of supply

廣東省對收費公路的需求增長是供應量的兩倍

## Guangdong's registered car population:

廣東省的註冊汽車數量

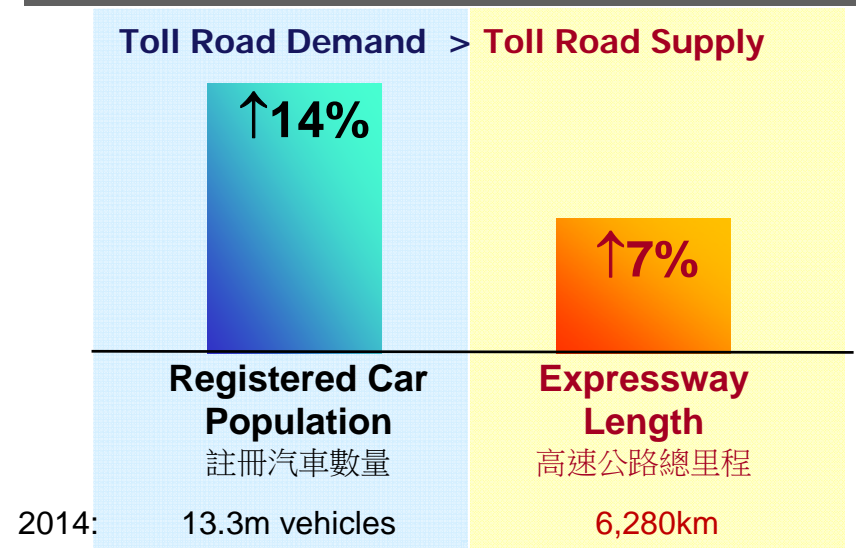
### ↑13% yoy to 13.3m vehicles in 2014

2014年按年增長13%至1,330萬輛

### ↑~800,000 vehicles in 1H2015

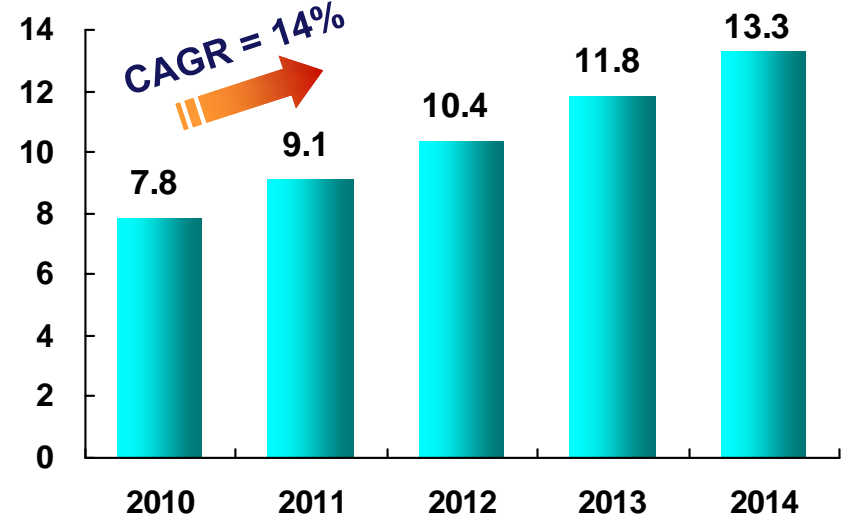
2015年上半年增加約80萬輛

Statistics in Guangdong, 2010-2014 CAGR (%)



Guangdong's Registered Car Population

(No. of vehicles in million)



# Average Daily Traffic

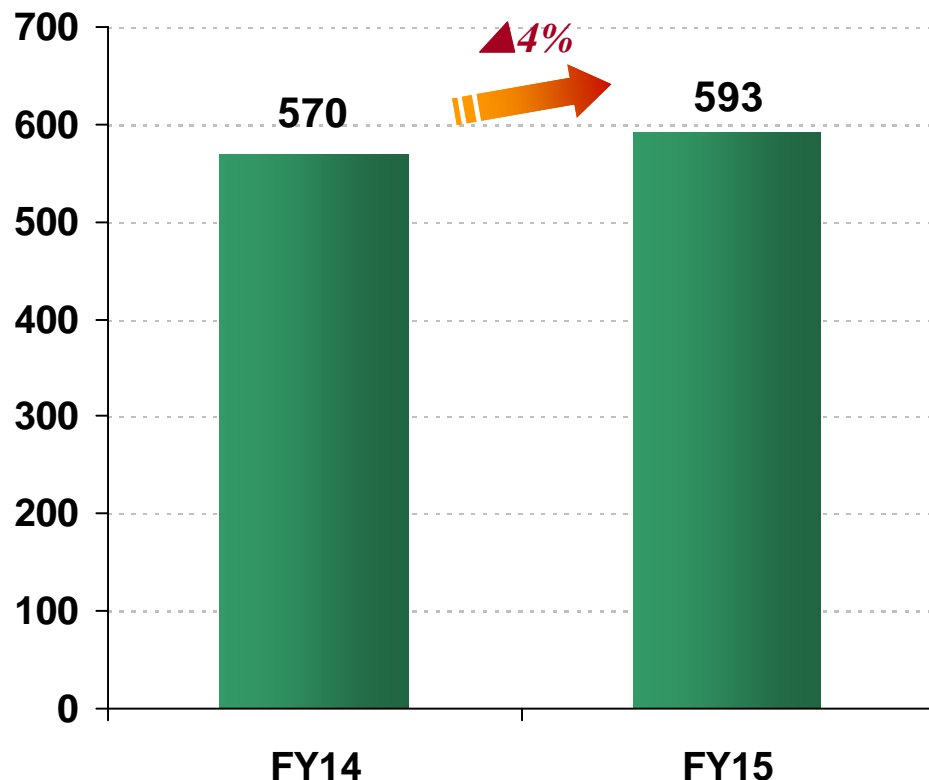
日均車流量

## FY15 aggregate average daily traffic of GS and WDR\* ↑4% to 593k vehicles

在2015財政年度，廣深高速和西岸幹道的合計日均車流量上升4%至59.3萬架次

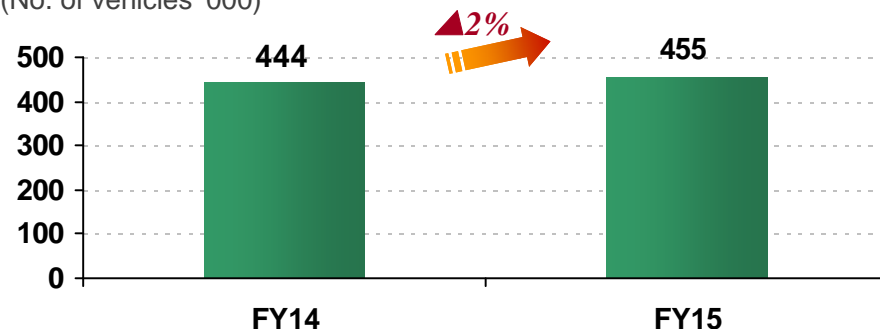
### GS & WDR Aggregate Average Daily Traffic

(No. of vehicles '000)



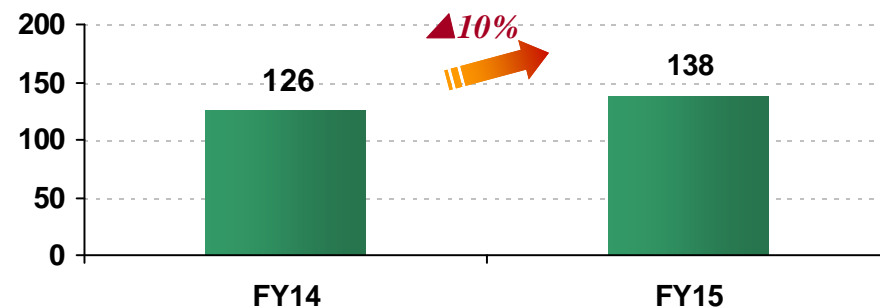
### GS Average Daily Traffic

(No. of vehicles '000)



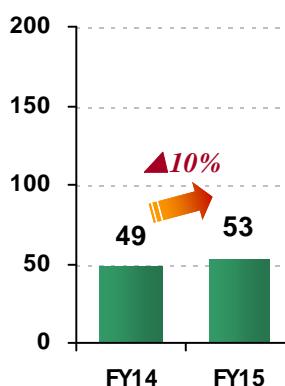
### WDR Average Daily Traffic\*

(No. of vehicles '000)



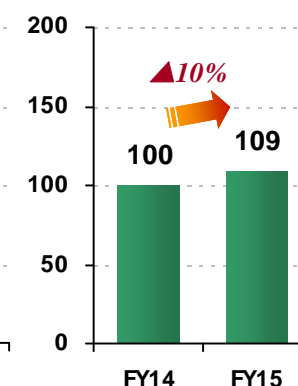
#### Phase I West

('000)



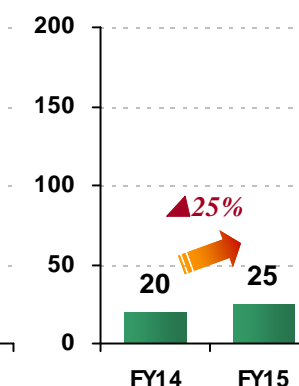
#### Phase II West

('000)



#### Phase III West

('000)



\* WDR's traffic figure was smaller than the sum of Phases I, II and III West as each vehicle which travelled across different phases was counted as one vehicle

# Average Daily Toll

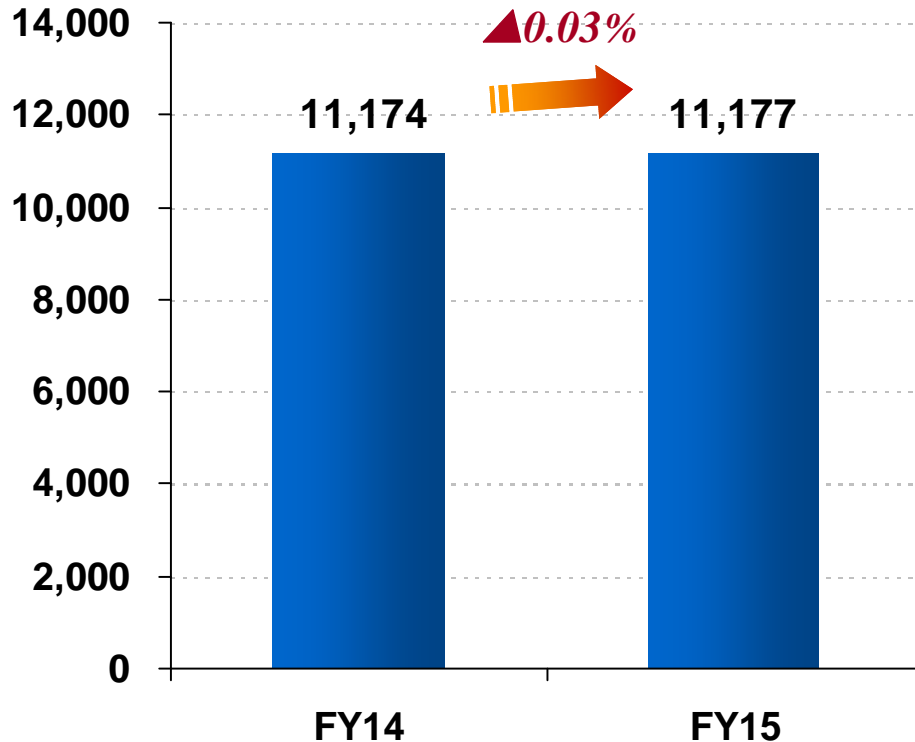
日均路費收入

## FY15 aggregate average daily toll of GS and WDR flat yoy at RMB11.2m

在2015財政年度，廣深高速和西岸幹道的合計日均路費收入與去年相若，錄得人民幣1,120萬元

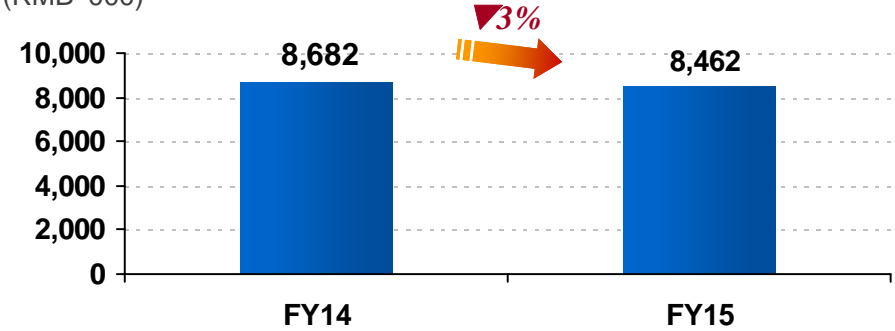
### GS & WDR Aggregate Average Daily Toll

(RMB '000)



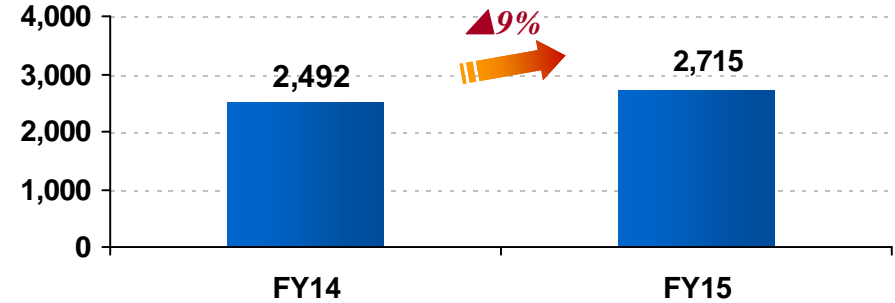
### GS Average Daily Toll

(RMB '000)



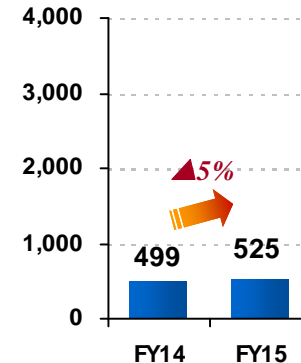
### WDR Average Daily Toll

(RMB '000)



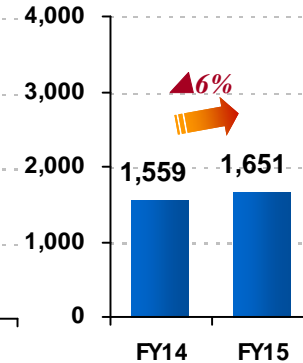
#### Phase I West

(RMB'000)



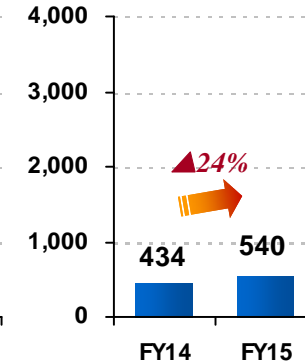
#### Phase II West

(RMB'000)



#### Phase III West

(RMB'000)



**Guangzhou Northern Ring Road and Guangzhou ESW Ring Road started maintenance works since mid Jun-15 and planned to complete by Aug-15 & mid Jun-16 respectively**

廣州北環和廣州東南西環高速公路自2015年6月中進行維修工程，計劃分別在2015年8月及2016年6月中完工

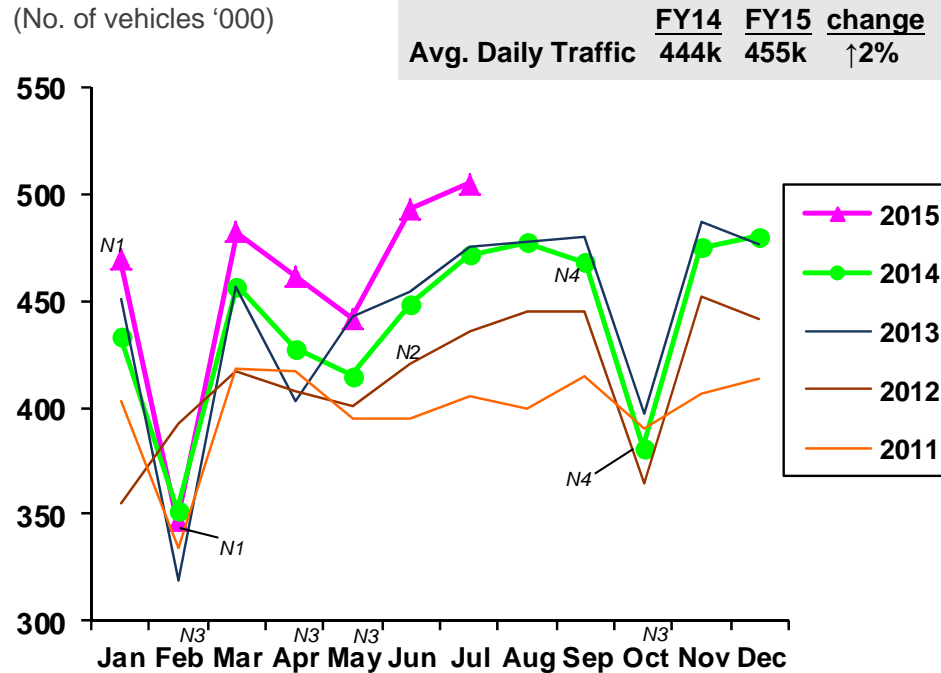
**Insignificant impact to GS** 對廣深高速的影響輕微

**Jul 2015 average daily toll and traffic ↑2% and ↑7% yoy respectively**

2015年7月的日均路費收入和車流量分別較去年同期上升2%和7%

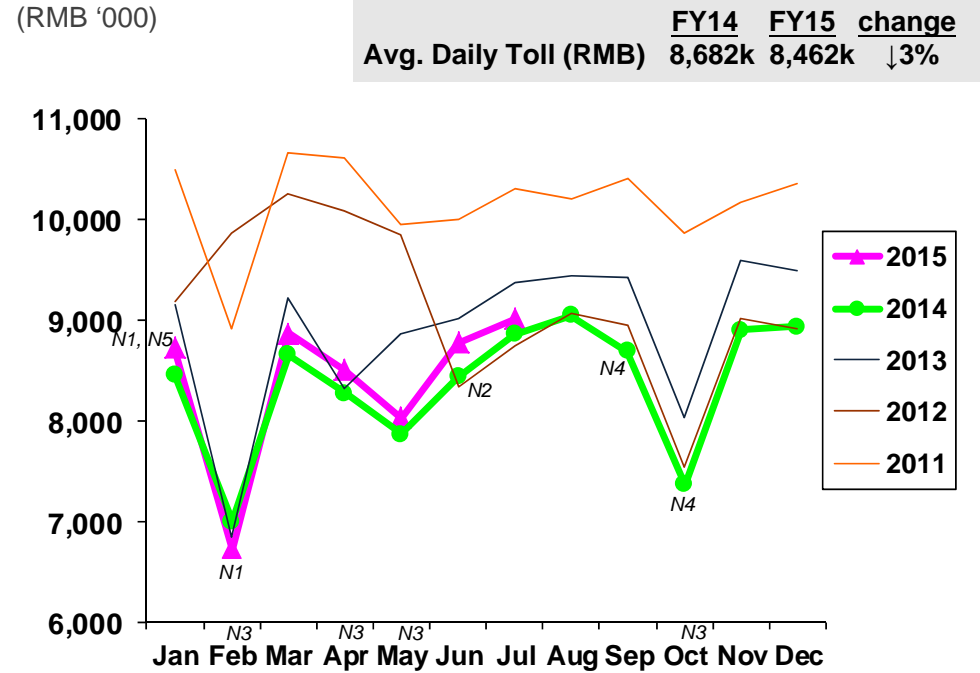
### GS – Average Daily Traffic# (no. of tickets)

(No. of vehicles '000)



### GS – Average Daily Toll Revenue

(RMB '000)



# Excludes toll-free traffic

N1: Chinese New Year started on 19 Feb in year 2015 and started on 31 Jan in year 2014 (Holiday Toll-Free Policy was implemented)

N2: Tariff cut became effective on 1 Jun 2012

N3: Holiday Toll-free Policy was implemented

N4: Guangzhou Northern Ring Road (westbound) closed for maintenance work from 10 Sep 2014 to 24 Oct 2014, traffic diversion measures have been implemented by police from Huocun to Guangdan section during the period

N5: Jan 2015 average daily toll revenue of GS Superhighway was affected by the public holiday on 1-3 Jan 2015

# GS Superhighway – Classes 1, 4 and 5 Toll

廣深高速公路：一、四及五類車的路費收入

- **Class 1 toll ↓1% yoy and Classes 4 & 5 toll ↓1% yoy in FY15 mainly due to full opening of Coastal Expressway**

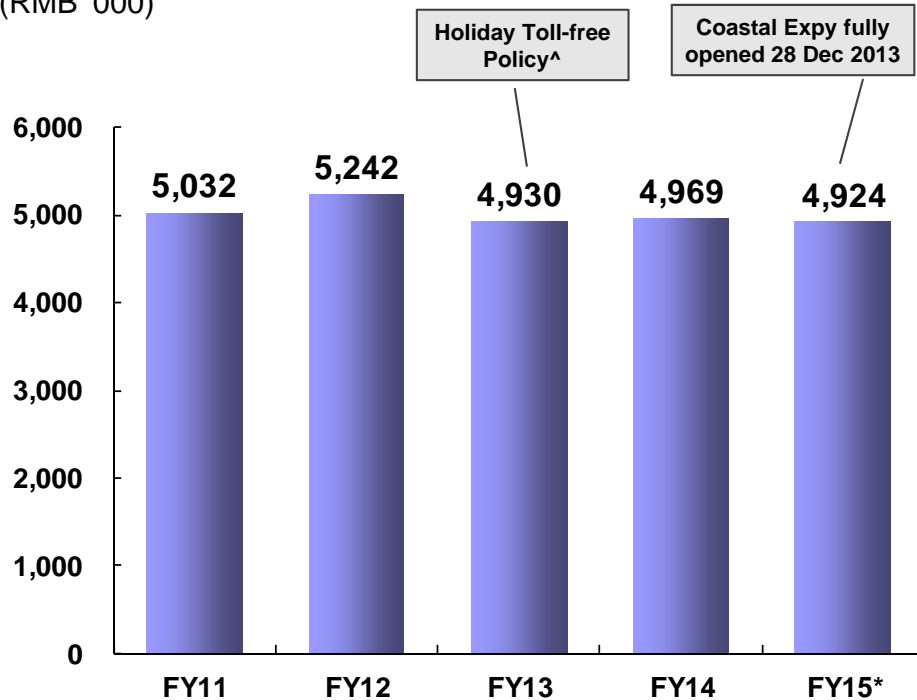
2015財政年度的一類車、四及五類車的路費收入均按年下跌1%，主要由於沿江高速全綫開通

- **Class 1 contributed 58.2% of GS' toll revenue (FY14: 57.2%)**

一類車佔廣深高速路費收入58.2% (2014財政年度：57.2%)

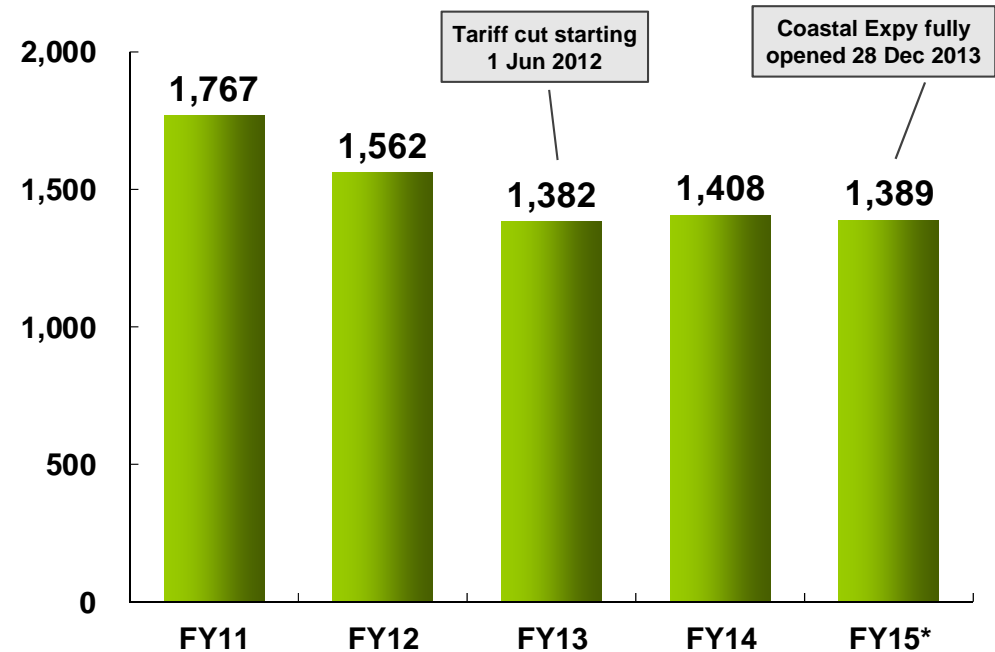
## Class 1 – Avg. Daily Toll Revenue (FY11-FY15)

(RMB '000)



## Classes 4 & 5 – Avg. Daily Toll Revenue (FY11-FY15)

(RMB '000)



^ Holiday Toll-free Policy was implemented since Sep/Oct 2012

\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015



# Western Delta Route (Phases I, II and III West)

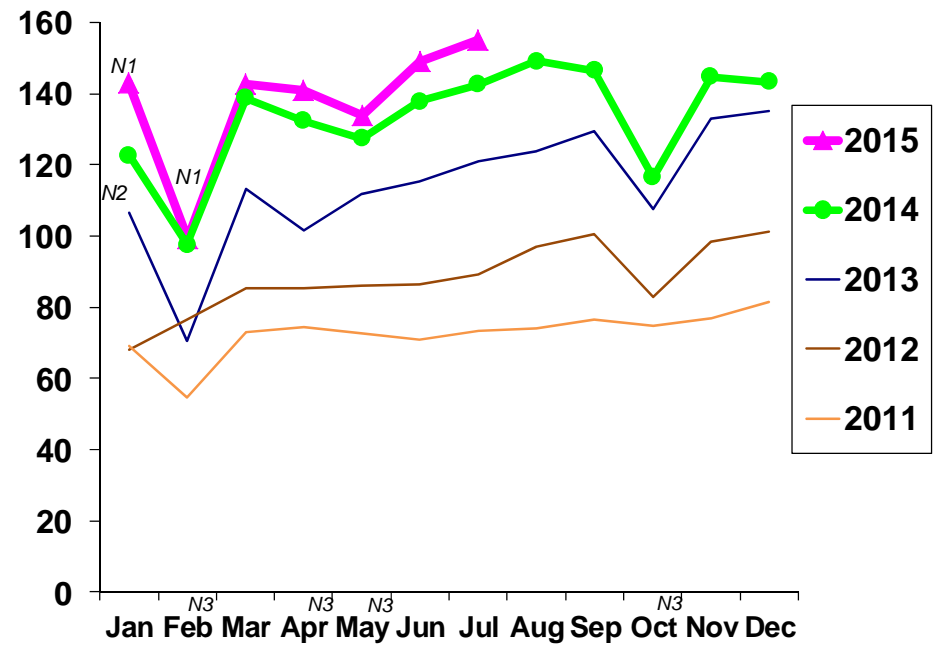
西岸幹道 (西綫I、II及III期)

## Traffic and toll revenue grew healthily in FY15

2015財政年度的車流量和路費收入均健康地增長

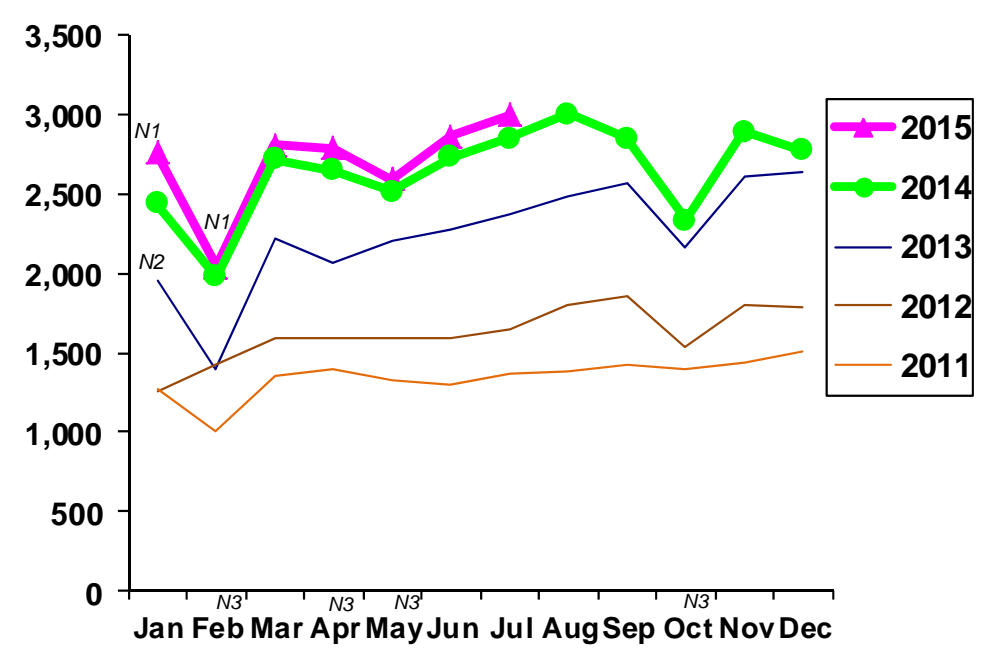
### WDR – Average Daily Traffic# (no. of tickets)

(No. of vehicles '000)	FY14	FY15	change
Avg. Daily Traffic	126k	138k	↑10%



### WDR – Average Daily Toll Revenue

(RMB '000)	FY14	FY15	change
Avg. Daily Toll (RMB)	2,492k	2,715k	↑9%



# Excludes toll-free traffic and traffic figure was smaller than the sum of Phases I, II and III West as each vehicle which travelled across different phases was counted as one vehicle under the traffic for Western Delta Route

N1: Chinese New Year started on 19 Feb in year 2015 and started on 31 Jan in year 2014 (Holiday Toll-Free Policy was implemented)  
 N2: Phase III West commenced operation on 25 Jan 2013  
 N3: Holiday Toll-free Policy was implemented

# Western Delta Route (Phases I, II & III West)

## – Profit Breakeven Target

西岸幹道 (西綫I、II和III期): 收支平衡目標

**Average daily toll revenue level for profit breakeven lowered to below RMB3m from RMB3.2m, mainly due to lower interest expense given:**

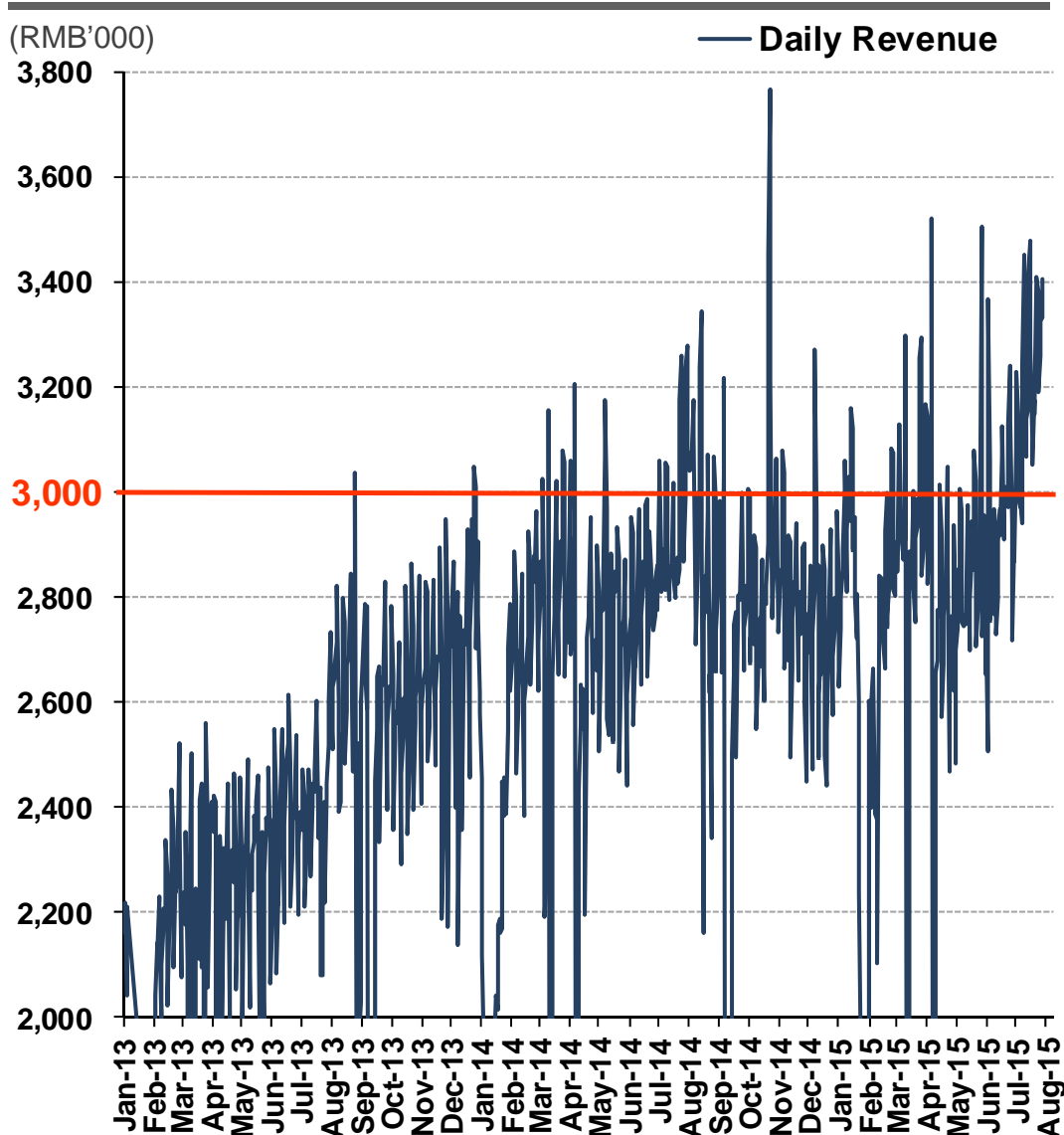
達到收支平衡的日均路費收入水平，由人民幣320萬元調低至少於人民幣300萬元，主要因為利息支出減少，基於：

- ◆ **Phase II West’s new financial plan**  
西綫 II 期新財務計劃
- ◆ **PBOC lending rate cuts**  
中國人民銀行宣布下調貸款息率

**WDR targets profit breakeven in FY16**

西岸幹道目標在2016財政年度達到收支平衡

WDR – Daily Toll Revenue\*



\* Data from 25 Jan 2013 (when Phase III West commenced operation); Holiday Toll-free Policy was implemented during 9-15 Feb 2013, 4-6 Apr 2013, 29 Apr-1 May 2013, 1-7 Oct 2013, 31 Jan-6 Feb 2014, 5-7 Apr 2014, 1-3 May 2014, 1-7 Oct 2014, 18-24 Feb 2015, 4-6 Apr 2015, 1-3 May 2015

# Western Delta Route – Annual Toll Revenue per km **WHI**

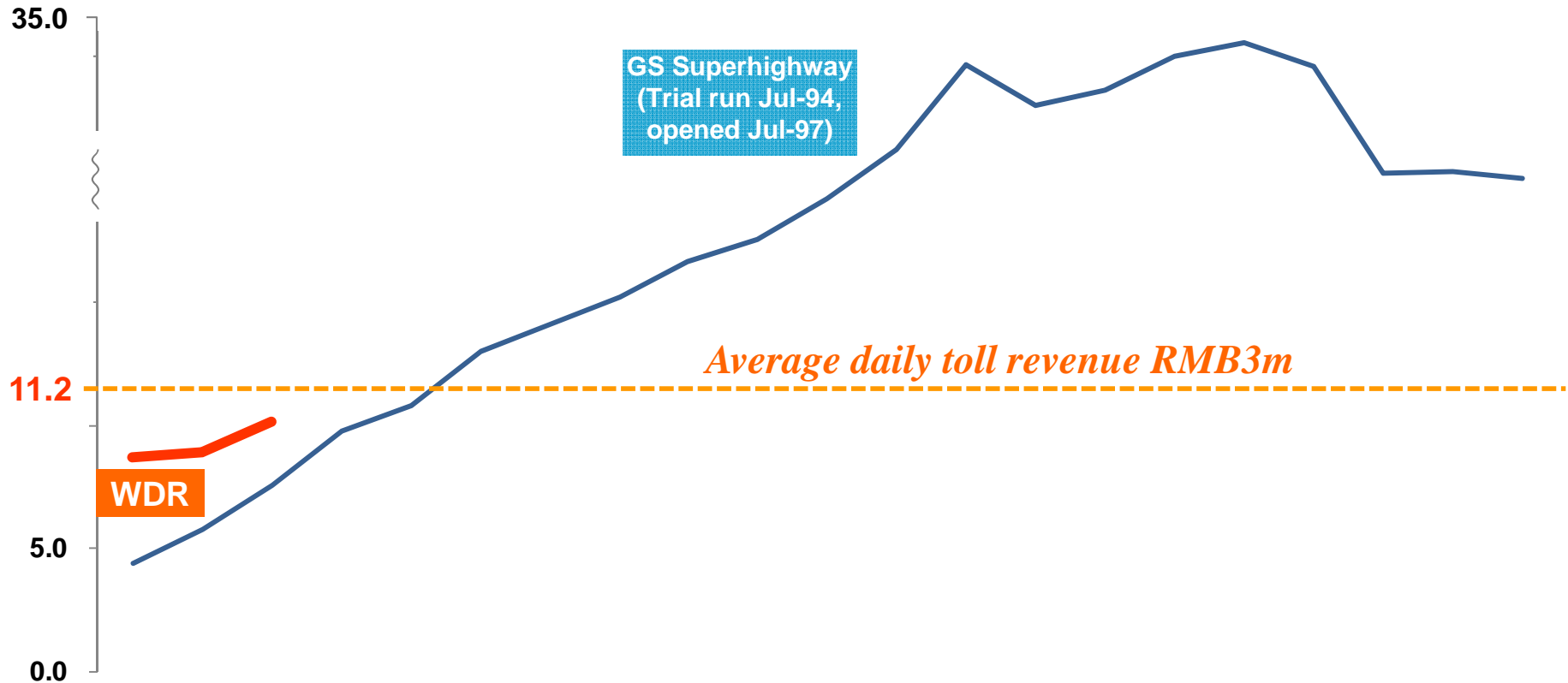
西岸幹道：全年每公里路費收入

## ■ Encouraging revenue generation since opening

全綫開通後帶來令人鼓舞的收入貢獻

### Annual Toll Revenue per km

(RMB'm)



Opening Yr RMB'm	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21
GS (FY95)	4.4	5.8	7.5	9.8	10.8	13.1	14.4	15.4	17.2	20.6	24.2	26.2	29.8	26.0	26.6	28.5	30.1	29.5	25.7	25.8	25.2
WDR (FY13)	9.1	9.3	10.1																		

# Future Developments in Macau & Hengqin

## to Benefit WDR 澳門和橫琴的未來發展有利西岸幹道

### ■ Healthy GDP growth of Guangzhou, Foshan, Zhongshan and Zhuhai (1H CY2015: ↑8% – 9%)

廣州、佛山、中山和珠海的本地生產總值均健康增長 (2015上半年：上升8% - 9%)

### ■ Hengqin in Zhuhai as a new growth hub for business and tourism

位於珠海的橫琴成為一個新的商業及旅遊業增長樞紐

- ◆ **Macau Cotai-Hengqin border crossing started 24-hour opening since 18 Dec 2014**  
自2014年12月18日起，澳門路氹-橫琴口岸實施24小時通關
- ◆ **Chimelong Int'l Ocean Tourist Resort Phase 2 (construction started Jan 2015)**  
長隆國際海洋度假區第二期已在2015年1月開始興建

### ■ Macau's new gaming resorts and hotels:

澳門的新博彩娛樂渡假村及酒店：

- ◆ **Galaxy Macau Phase II (opened in May 2015)**  
澳門銀河二期 (已於2015年5月開業)
- ◆ **Studio City (target grand opening in Oct 2015)**  
新濠影滙 (計劃在2015年10月開業)

**~3,000 new hotel rooms**  
新酒店房間約3,000間

### ■ WDR will link up with:

西岸幹道將連接到：

	Completion*
<b>Second Hengqing Bridge</b> 橫琴二橋	late 2015
<b>Guangzhou-Gaoming Expressway</b> 廣明高速公路	2015
<b>Guangzhou-Zhongshan-Jiangmen Expressway</b> 廣中江高速公路	2016
<b>HK-Zhuhai-Macau Bridge</b> 港珠澳大橋	2017
<b>Humen Second Bridge</b> 虎門二橋	2018
<b>Shenzhen-Zhongshan Corridor</b> 深中通道	2020

\* According to media

# Western Delta Route will connect with Second Hengqing Bridge end-2015

2015年底西岸幹道將連接至橫琴二橋



— In operation  
- - Under construction

Project	Length	Owner
Phase IV West Extension	~ 5km	Zhuhai Section of Guangdong Western Coastal Expressway Co Ltd
Second Hengqin Bridge	~ 6.8km	Zhuhai Communication Group

\* According to media

# Sound Financial Plan: Well-arranged Funding for Project

穩健的財務計劃：妥善的項目融資安排

As at 30 Jun 2015 (JV Level)	Planned Investment	Estimated Outstanding Project Payments
Phase III West	RMB5,980m*	Not more than RMB187m

\* Previous estimate: RMB6,150m

- **Sufficiently funded by available PRC bank loans and West Route JV's cashflow from operation**

國內銀行貸款及西岸幹道合營企業的營運現金流將提供足夠的資金

- **No further shareholder's loan injection from HHI is needed**

合和公路基建毋須再投入股東貸款

# Change of Vehicle Classification to National Standard and Total Weight Basis for Trucks in Guangdong

## - For National Integration of ETC Network (end 2015)

廣東省採用國家標準車型分類及貨車全計重收費：配合2015年底全國電子不停車收費聯網

### ■ Starting from 26 Jun 2015, Guangdong has implemented:

由2015年6月26日起，廣東省已實施：

#### 1) Vehicle classification under national standard

國家標準的車型分類

##### ◆ Passenger vehicles: based on number of seats

乘用客車：按座位數量

##### ◆ Trucks: based on loading weight in tonnage

貨車：按載重噸數

#### 2) Toll for trucks based on their total weights

貨車全計重收費

### ■ Impact on GS and WDR's toll revenue expected to be neutral

預期對廣深高速和西岸幹道的路費收入影響中性

##### ◆ GS and WDR's toll revenue ↑2% and ↑5% yoy in Jul 2015 respectively (in line with growth in 2HFY15)

在2015年7月，廣深高速及西岸幹道的路費收入分別按年上升2%及5% (與2015財政年度下半年的增長相若)

### ■ National integration of ETC network

全國電子不停車收費聯網

##### ◆ Launch nationwide by end 2015

於2015年底全國推行

##### ◆ Guangdong integrated into National ETC network in Jun 2015

廣東省在2015年6月已併入全國電子不停車收費聯網

**~ End of Presentation ~**



# Supplementary Information

補充資料



# Assets and Liabilities – HHI Corporate and JVs



資產和負債：合和公路基建公司層面與合營企業

(RMB'M)	30-Jun-14	30-Jun-15	30-Jun-14	30-Jun-15
<b>Assets</b>			<b>Liabilities</b>	
<b>HHI Corporate Level</b>			<b>HHI Corporate Level</b>	
Bank balances and cash	814	574	RMB bank loan	500
The Company's shareholder's loan to JV company <sup>N1</sup>	1,000	788	HKD bank loan	198
Other assets	16	32	Other liabilities	10
	1,830	1,394		708
<b>NAV of HHI Corporate</b>	<b>1,122</b>	<b>1,144</b>		<b>250</b>
<b>GS Superhighway JV (HHI's shared portion)</b>			<b>GS Superhighway JV (HHI's shared portion)</b>	
Bank balances and cash	133	143	Bank loans	
Concession intangible assets	5,920	5,600	- USD	1,411
Property and equipment	224	214	- HKD	184
Other assets	67	78	Other liabilities	698
	6,344	6,035		2,293
<b>NAV of GS Superhighway JV</b>	<b>4,051</b>	<b>3,975</b>		<b>2,060</b>
<b>West Route JV (HHI's shared portion)</b>			<b>West Route JV (HHI's shared portion)</b>	
Bank balances and cash	68	130	RMB Bank loans	3,988
Concession intangible assets	6,726	6,555	Shareholder's loan from the company <sup>N1</sup>	500
Property and equipment	245	259	Other liabilities	463
Other assets	25	23		4,951
	7,064	6,967		4,787
<b>NAV of West Route JV</b>	<b>2,113</b>	<b>2,180</b>		
<b>Total Assets<sup>N2</sup></b>	<b>15,238</b>	<b>14,396</b>	<b>Total Liabilities</b>	<b>7,952</b>
<b>Total NAV</b>	<b>7,286</b>	<b>7,299</b>	<b>Equity attributable to owners of the Company</b>	<b>7,236</b>
			<b>Minority interests</b>	<b>50</b>
			<b>Total Equity and Liabilities</b>	<b>15,238</b>
				<b>14,396</b>

N1: The Company's shareholder's loan was made to the West Route JV for Phase II West as interim financing due to inability of the West Route JV to borrow from PRC banks for Phase II West before the official approval for its increased investment

N2: Excluding elimination of the Company's proportionate share of the shareholder's loan to JV company and corresponding shareholder's loan interest receivable, and balance with JV company prepared under proportionate consolidation method

# Debt Maturity Profile

貸款還款期概況

## HHI Corporate Level

As at	30 Jun 2014		30 Jun 2015	
	RMB'm	%	RMB'm	%
Repayable within 1 year*	500	72%	237	100%
Repayable between 1 and 5 years	198	28%	-	-
<b>Total:</b>	<b>698</b>	<b>100%</b>	<b>237</b>	<b>100%</b>

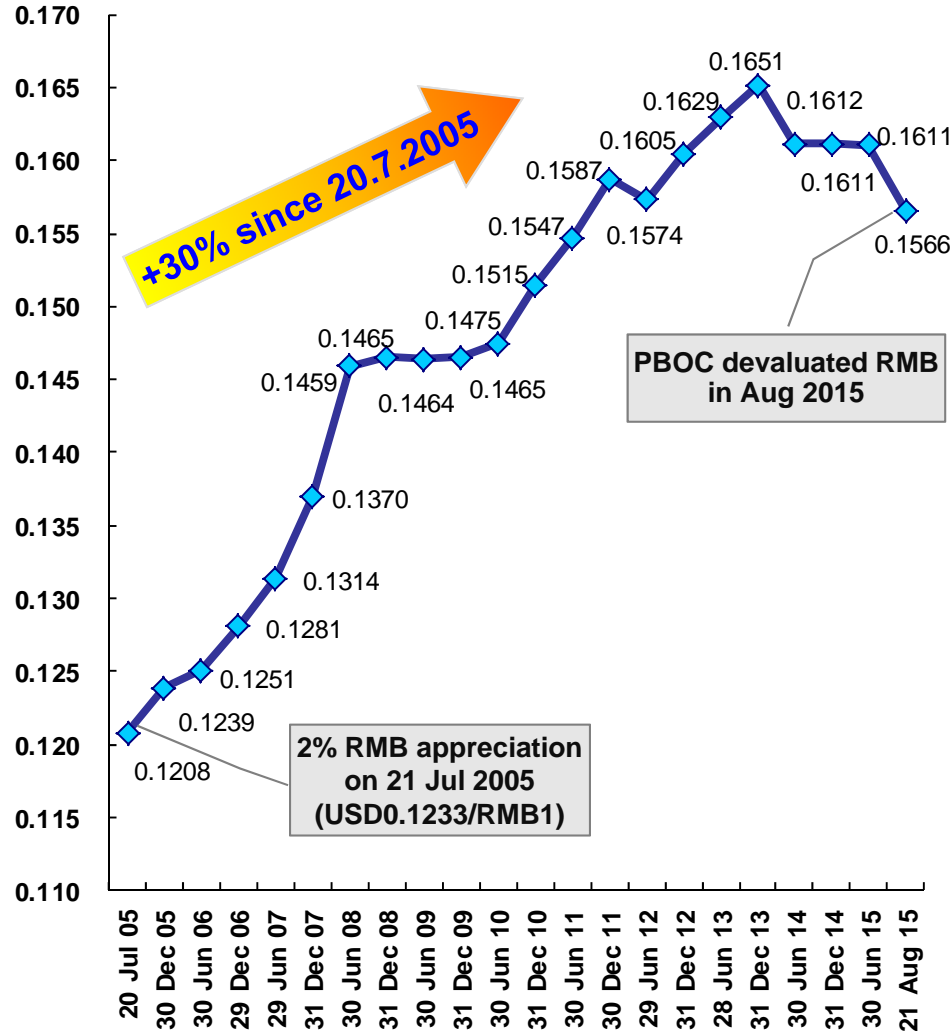
\* RMB term loan of RMB500m due in May 2015

# Exchange Rate Movement

匯率走勢

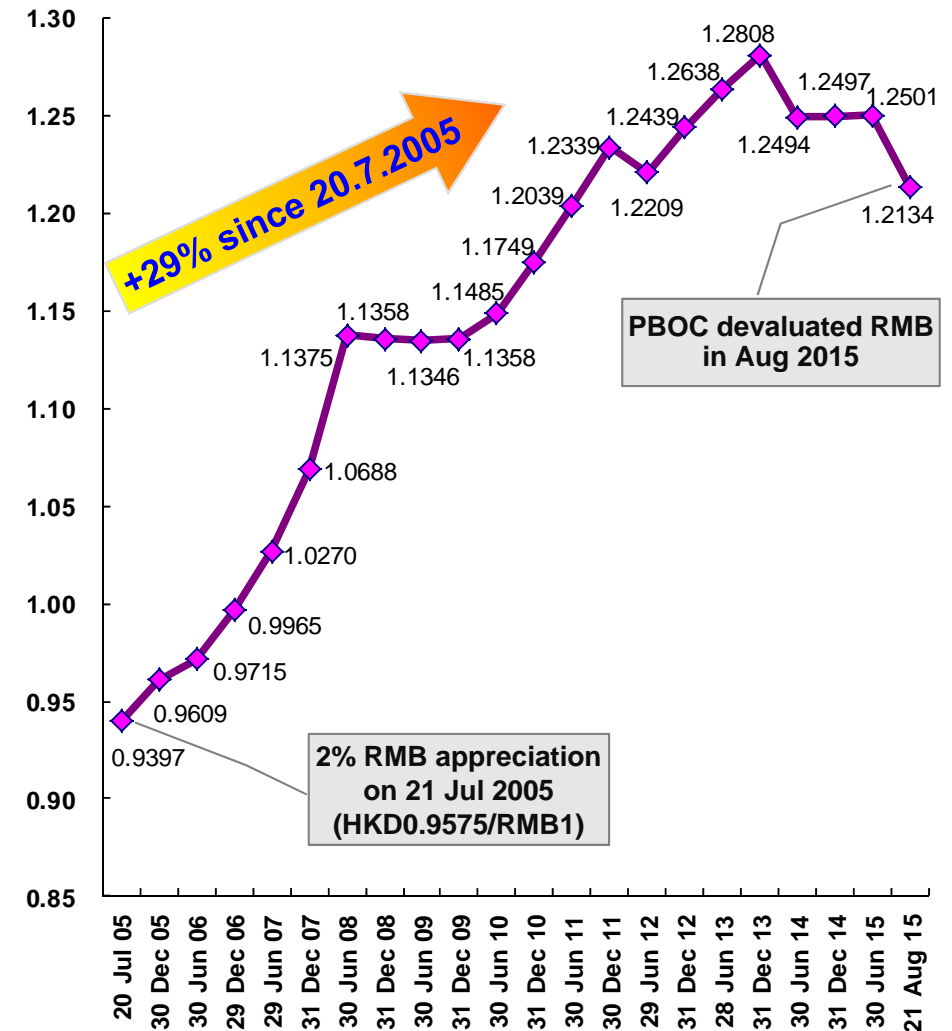
## USD/RMB Exchange Rate 美元兌人民幣的匯率

(USD/RMB)



## HKD/RMB Exchange Rate 港元兌人民幣的匯率

(HKD/RMB)



# Step-up of PRC Income Tax<sup>^</sup>

## 中國利得稅的增加

- **Phase II West income tax rate maintains at 12.5% from 2013 to 2015, will rise to 25% from 2016**  
西綫 II 期的利得稅率由2013至2015年維持在12.5%的水平，由2016年起將上升至25%
- **Phase III West is exempted from income tax from 2013 to 2015, will rise to 12.5% from 2016 to 2018**  
西綫 III 期由2013年至2015年獲豁免利得稅，2016年至2018年間將上升至12.5%

Income Tax Rate	GS Superhighway		Phase I West		Phase II West		Phase III West		Sino-foreign JV in PRC
CY2008	9%*		9%*						18%
CY2009	10%*	FY09	10%*	FY09					20%
CY2010	22%	FY10	11%*	FY10					22%
CY2011	24%	FY11	24%	FY11	0%*				24%
CY2012		FY12		FY12					
CY2013		FY13		FY13					
CY2014		FY14		FY14	12.5%*		0%*		25%**
CY2015	25% (until end of JV)	FY15	25% (until end of JV)	FY15					
CY2016		FY16		FY16					
CY2017		FY17		FY17	25% (until end of JV)		12.5%*		
CY2018		FY18		FY18					
CY2019 onwards							25% (until end of JV)		

<sup>^</sup> Announced in Mar 2007 and effective from 1 Jan 2008

\* Enjoying tax holiday

\*\* Previous terminal tax rate was 18%

Source: 國務院關於實施企業所得稅過渡優惠的通知，HHI

# GS Superhighway – Classes 1, 4 & 5 Traffic

廣深高速公路：一、四及五類車流量

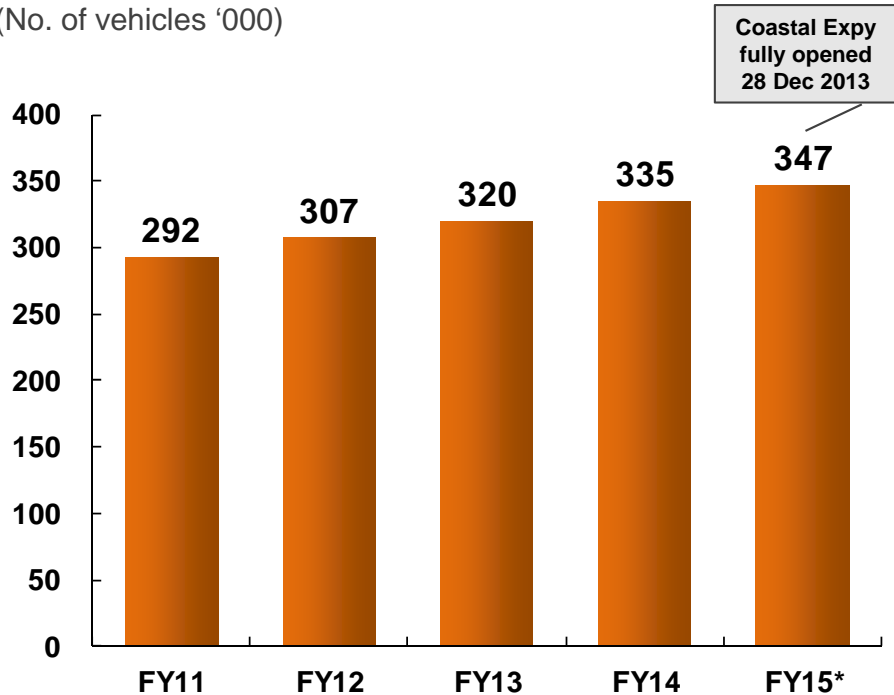
## ■ FY15 average daily traffic reached historical high level of 455k vehicles

2015財政年度日均車流量達歷史高位的45.5萬架次

- ◆ **Class 1 – traffic ↑4% yoy, accounted for 76.3% of GS' traffic**  
一類車的車流量按年上升4%，佔廣深高速車流量的76.3%
- ◆ **Classes 4 and 5 – traffic ↑1% yoy**  
四類及五類車的車流量按年上升1%

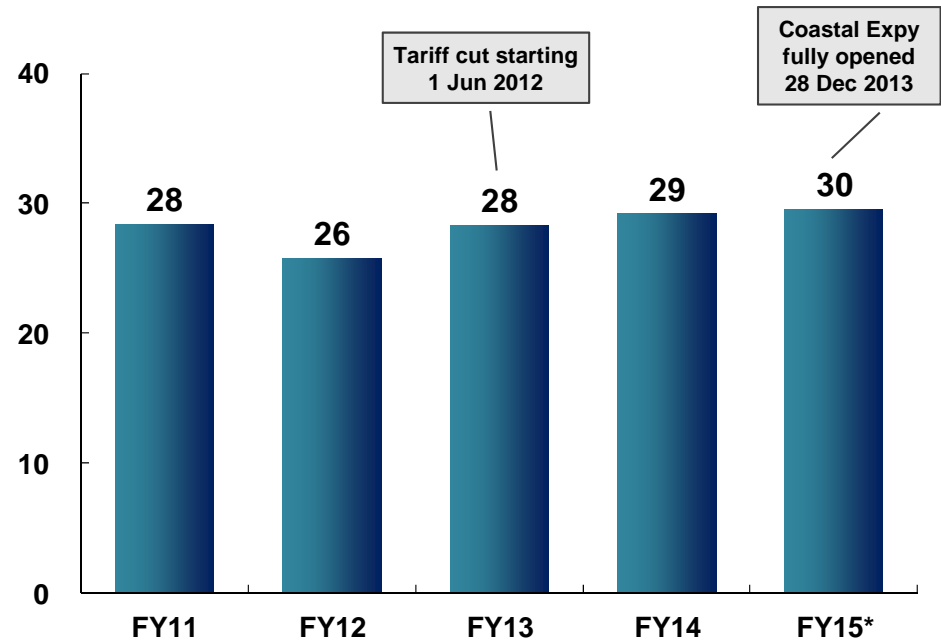
### Class 1 – Average Daily Traffic (FY11-FY15)

(No. of vehicles '000)



### Classes 4 & 5 – Average Daily Traffic (FY11-FY15)

(No. of vehicles '000)

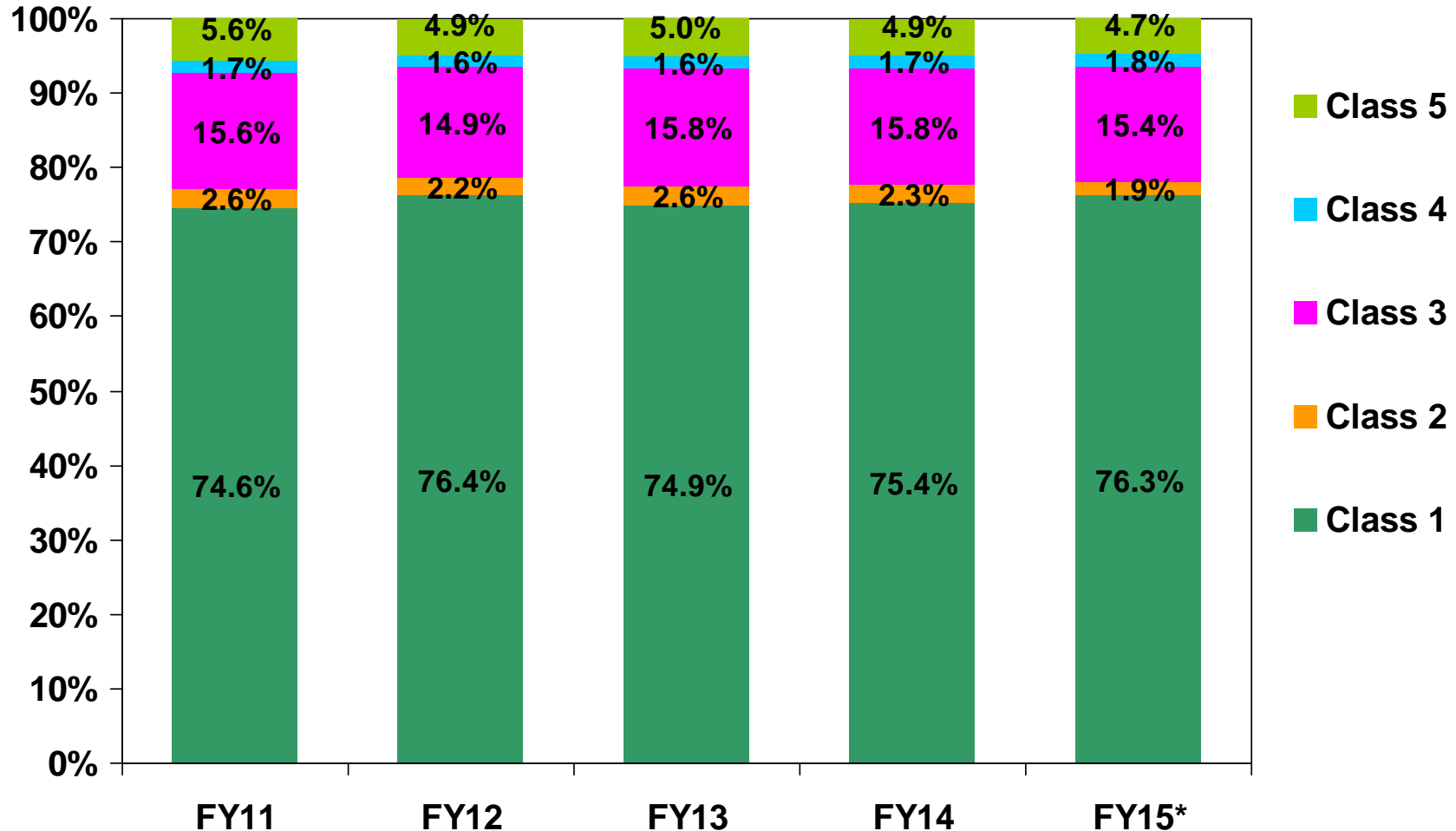


\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015

# GS Superhighway – Traffic by Class of Vehicles

廣深高速公路：按車輛類別劃分的車流量

## GS – Traffic by Class of Vehicles



\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015

Note: Holiday Toll-free Policy was implemented in FY13, FY14, FY15

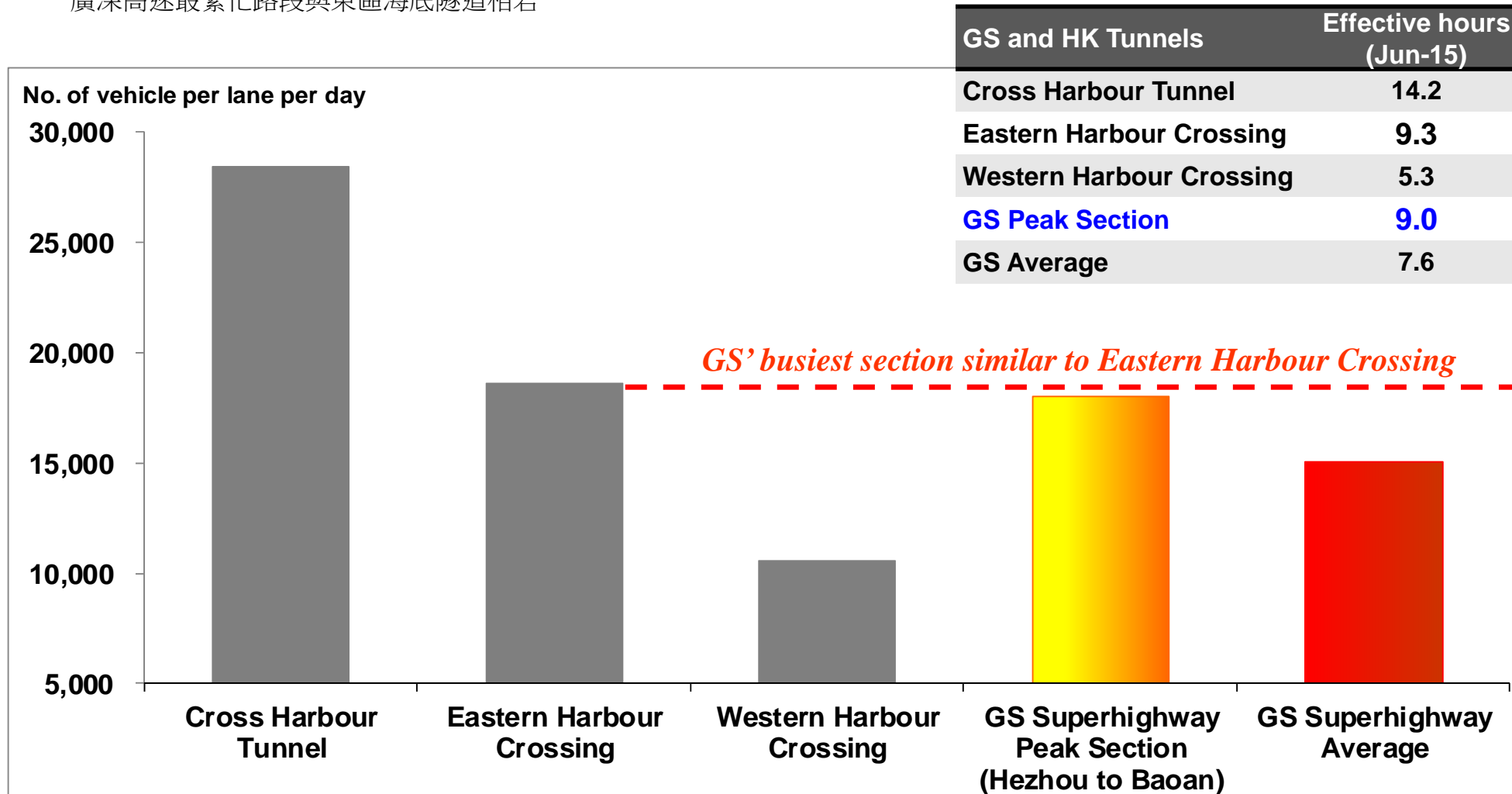
# GS Superhighway – Average Daily Cross Sectional Traffic per lane and Effective Hour



廣深高速公路：日均斷面車流量（每車道）及有效小時

## ■ GS' busiest section is similar to Eastern Harbour Crossing

廣深高速最繁忙路段與東區海底隧道相若



Remarks:

- (1) Effective hour = no. of vehicles per lane / 2000 cars per hour per lane
- (2) 10 lanes in dual directions in Wudianmei to Taiping and Hezhou to Fuyong section after expansion for GS Superhighway
- (3) Average daily traffic of HK tunnels (May-15): Cross Harbour Tunnel 114,000, Eastern Harbour Crossing 74,000, Western Harbour Crossing 63,000
- (4) Average daily traffic of GS Superhighway (Jun-15)



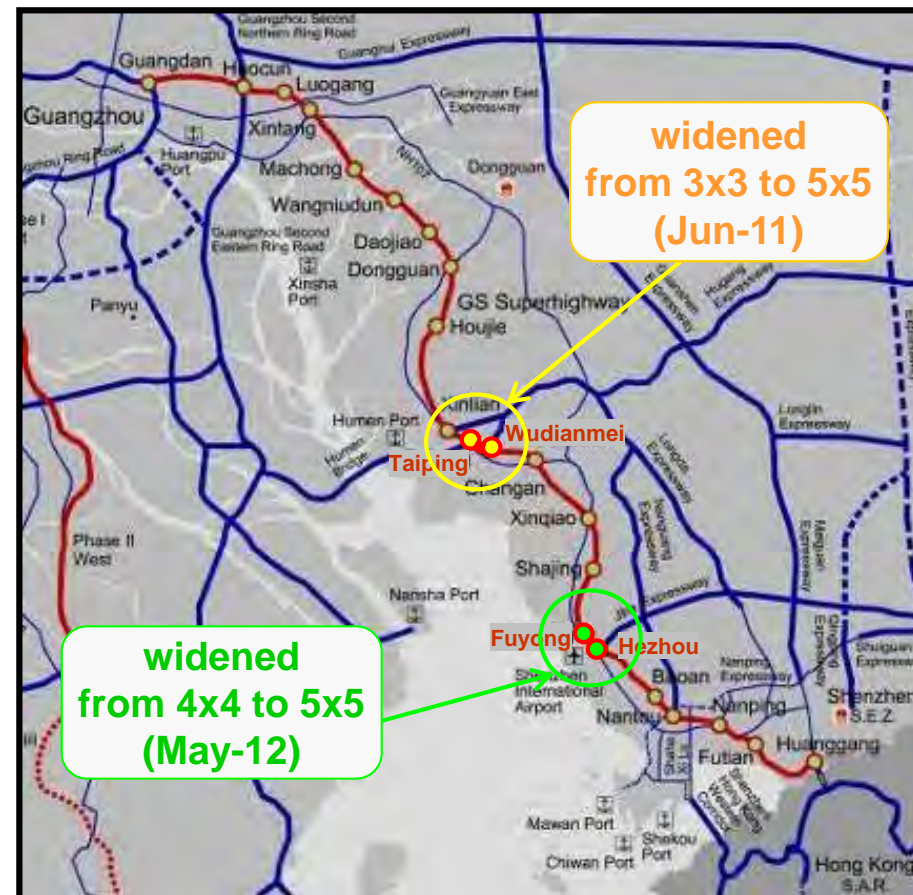
# GS Superhighway - Proactive Traffic Management

廣深高速公路：主動的交通管理

- Proactively monitors traffic flow and adopts effective measures to raise efficiency

主動監察車流量及採取有效措施以提高效率

Locations 位置	Status of Widening 擴寬狀況
<b>Hezhou to Fuyong (~2 km)</b> 鶴州至福永 (約2公里)	<b>Already widened from 3x3 to 4x4 in 2003</b> 已在2003年完成由雙向共六車道擴寬至雙向共八車道
<b>Wudianmei to Taiping (3.5km)</b> 五點梅至太平 (3.5公里)	<b>Already widened from 3x3 to 5x5 in Jun 2011</b> 已在2011年6月完成由雙向共六車道擴寬至雙向共十車道
<b>Hezhou to Fuyong (~2 km)</b> 鶴州至福永 (約2公里)	<b>Already widened from 4x4 to 5x5 in May 2012</b> 已在2012年5月完成由雙向共八車道擴寬至雙向共十車道



# Measures to Control Operating Costs and Enhance Operational Efficiency

控制營運成本及提高經營效率的措施

## ■ Automation on GS

廣深高速推行自動化

- ◆ **~67% toll lanes at entrance have Electronic Toll Collection (“ETC”) or automatic card-issuing machines**

約67%的入口車道已設置電子不停車收費系統或自動發卡機

## ■ Energy Saving on GS

廣深高速實行能源節省措施

- ◆ **LED lights installed at all toll plazas and along entire main alignment**

在所有收費廣場及整條主綫安裝LED照明燈

# Coastal Expressway

## 沿江高速公路

### ■ Fully opened: 28 Dec 2013

在2013年12月28日全綫通車

### ■ GS is competitive

廣深高速具有競爭力

- ◆ Connects to populous downtowns and major expressways with 22 toll stations  
全程設22個收費站，連接多個大城市及主要高速公路
- ◆ Professional patrol and rescue team  
專業的巡邏和救援團隊
- ◆ About 5% difference in travelling distance (HK to Guangzhou) vs Coastal Expressway (incl. connecting roads at both ends of Coastal Expressway)  
由香港至廣州的行程與沿江高速相差約5% (計及沿江高速起點和終點兩端的接駁路)
- ◆ Same tariff rate as Coastal Expressway  
與沿江高速的收費費率相同



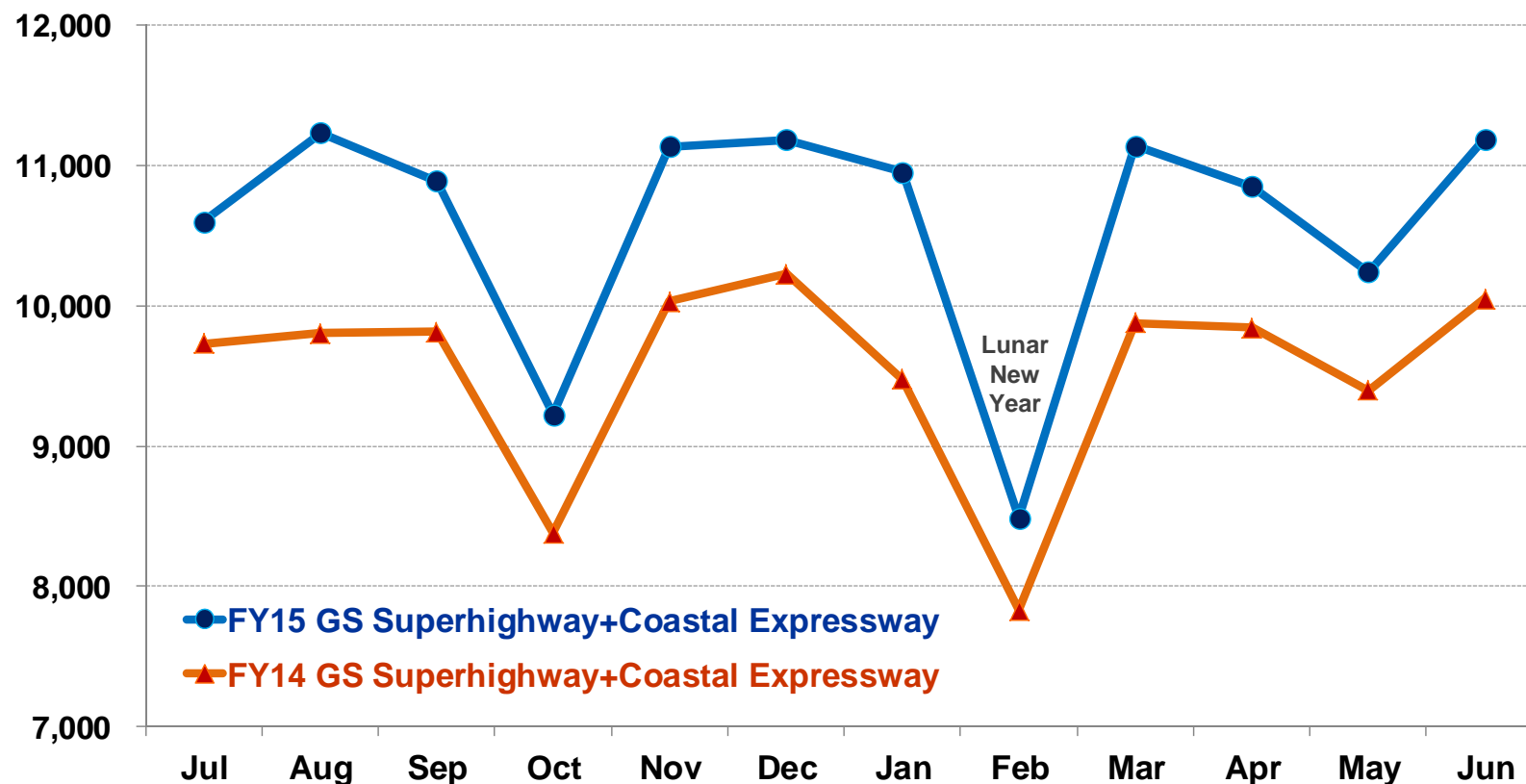
# GS Superhighway and Coastal Expressway Combined Market

廣深高速和沿江高速的整體市場

- The market comprising GS and Coastal Expressway grew around 11%\* in FY15  
在2015財政年度，綜合廣深高速和沿江高速的整體市場增長約11%

### GS + Coastal Expressway: Average Daily Toll Revenue (Monthly)

(RMB '000)



\* Based on average daily toll revenue

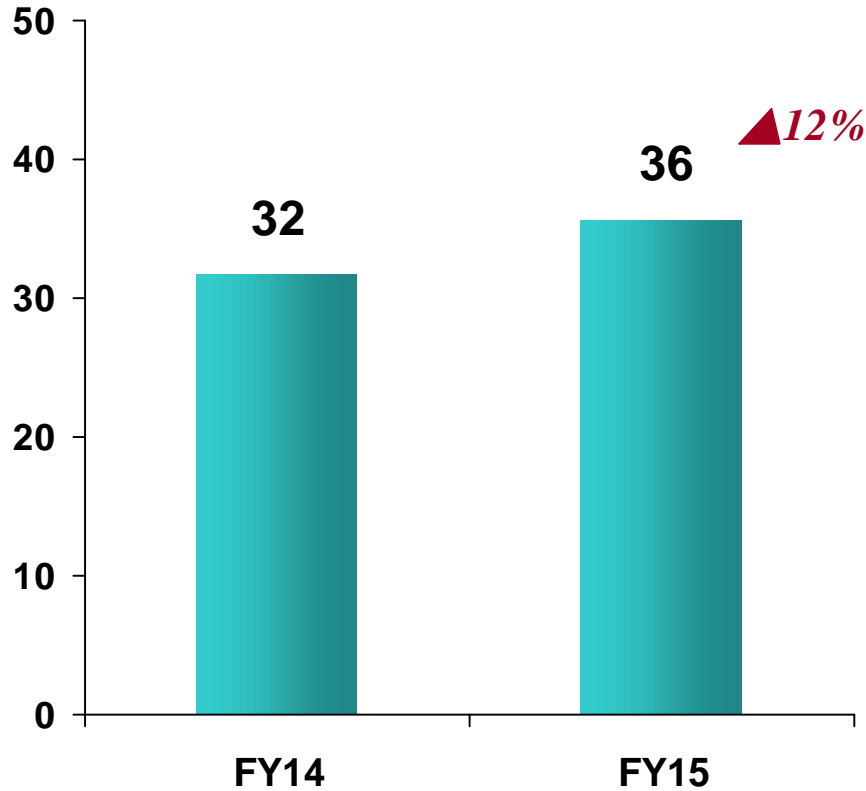
# Western Delta Route

## – Average Daily Full-Length Equivalent Traffic

西岸幹道 (西綫I、II及III期): 日均折合全程車流量

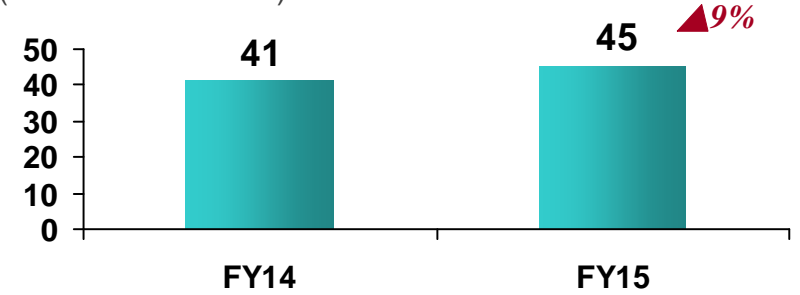
### WDR – Avg. Daily Full-Length Equivalent Traffic\*

(No. of vehicles '000)



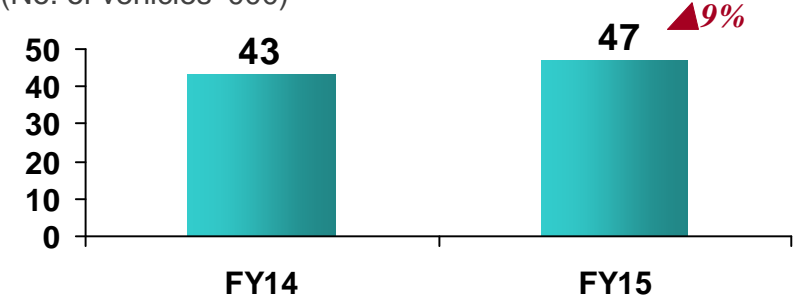
### Phase I – Avg Daily Full-Length Equiv. Traffic\*

(No. of vehicles '000)



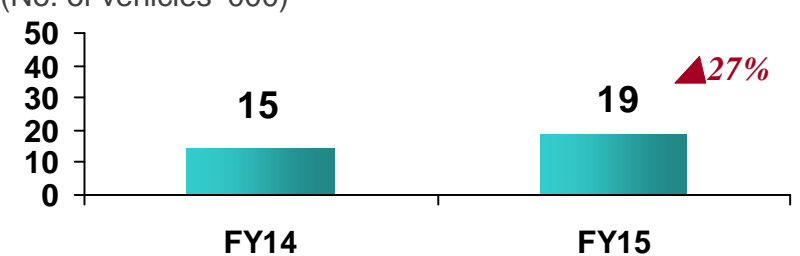
### Phase II – Avg Daily Full-Length Equiv. Traffic\*

(No. of vehicles '000)



### Phase III – Avg Daily Full-Length Equiv. Traffic\*

(No. of vehicles '000)

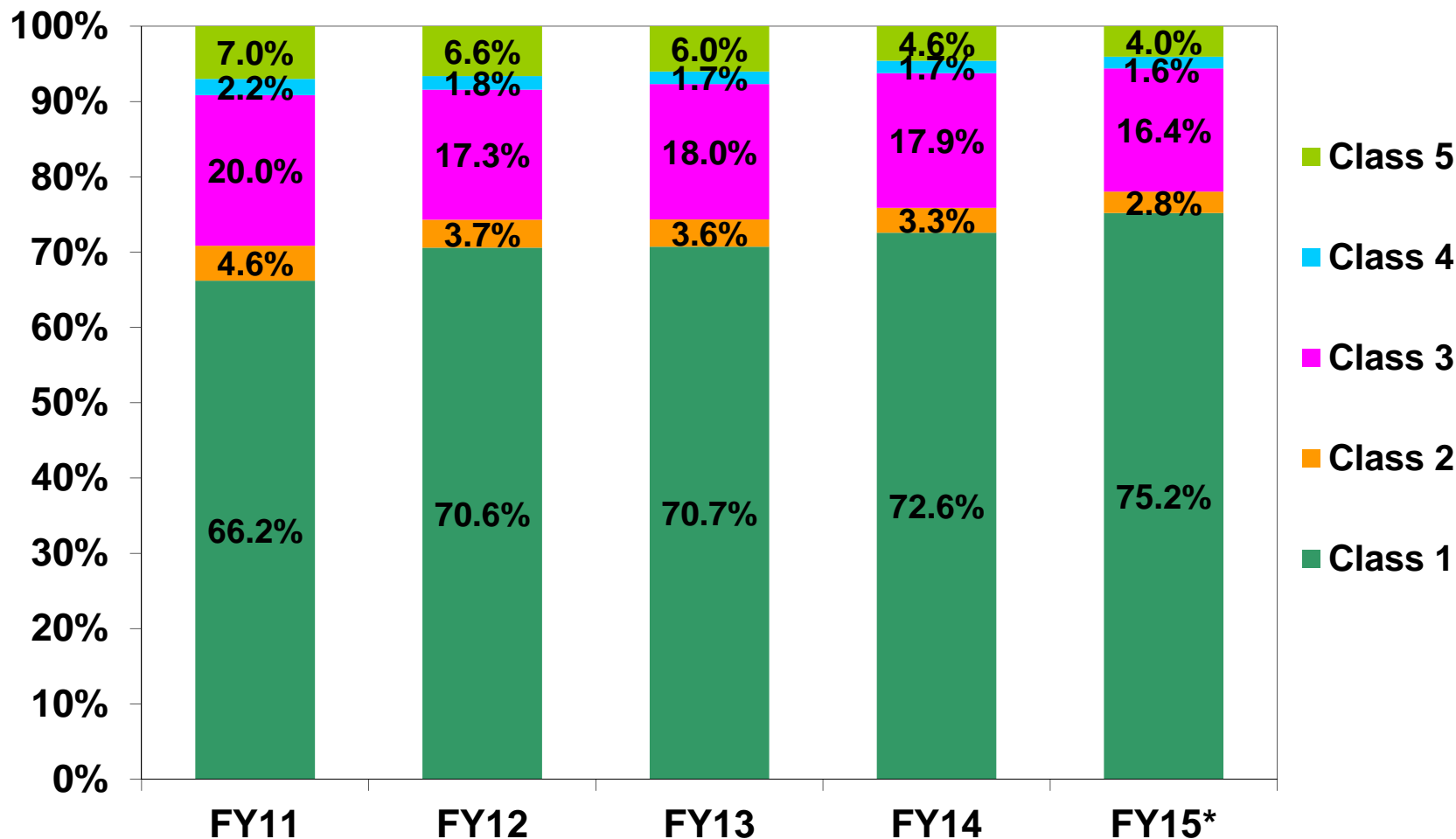


\* =  $\frac{\text{Total distance travelled by all vehicles on the expressway}}{\text{Full length of the expressway} \times \text{no. of days in the review period}}$

# Western Delta Route – Traffic by Class of Vehicles

西岸幹道（西綫I、II及III期）：按車輛類別劃分的車流量

## Western Delta Route – Traffic by Class of Vehicles



\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015

Note: Holiday Toll-free Policy was implemented in FY13, FY14, FY15

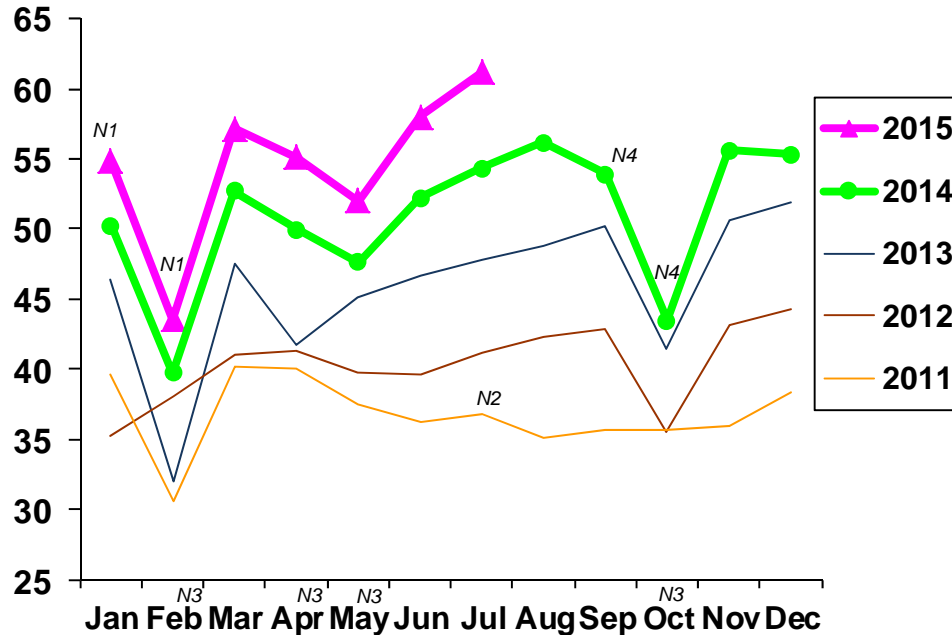
### ■ Healthy growth in traffic and toll revenue in FY15

2015財政年度的車流量和路費收入均健康增長

#### Phase I West – Avg. Daily Traffic# (no. of tickets)

(No. of vehicles '000)

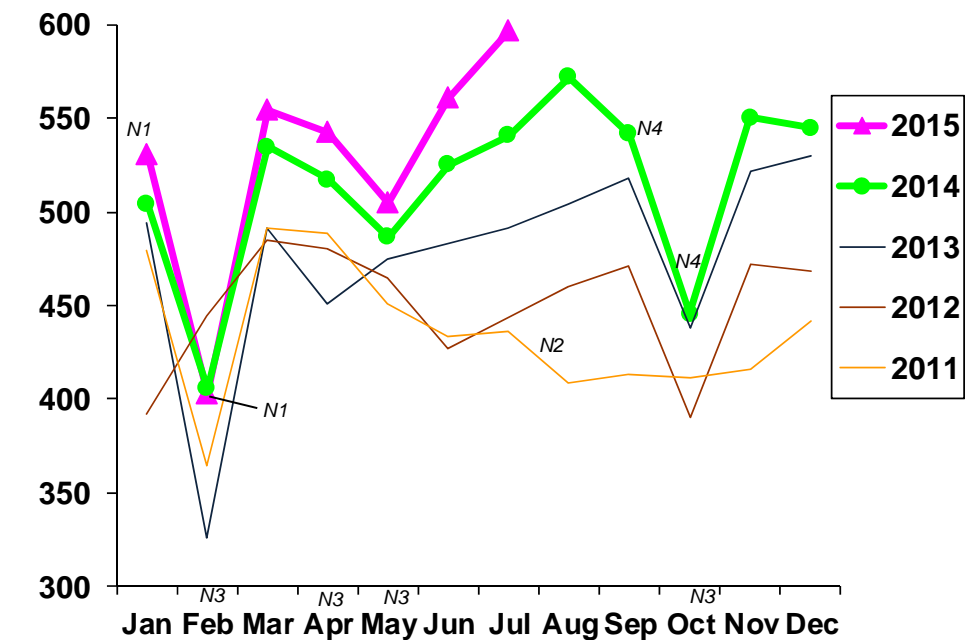
	FY14	FY15	change
Avg. Daily Traffic	49k	53k	↑10%



#### Phase I West – Average Daily Toll Revenue

(RMB '000)

	FY14	FY15	change
Avg. Daily Toll (RMB)	499k	525k	↑5%



# Excludes toll-free traffic

N1: Chinese New Year started on 19 Feb in year 2015 and started on 31 Jan in year 2014 (Holiday Toll-Free Policy was implemented)

N2: Traffic restriction for Yajisha Bridge on ESW Ring Road maintenance Jan10-Dec11 (intensified since mid Jul 2011)

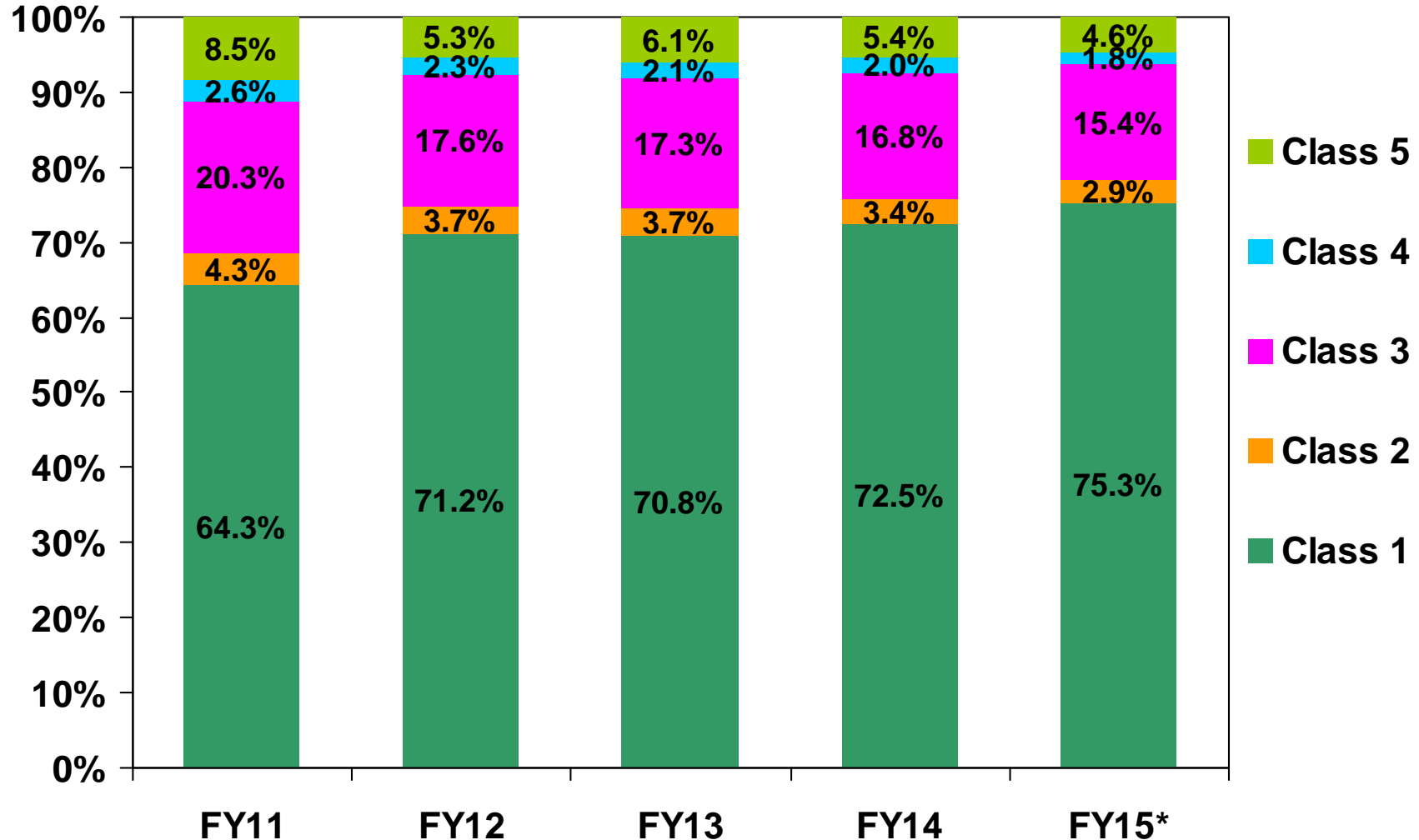
N3: Holiday Toll-free Policy was implemented

N4: Guangzhou Northern Ring Road (westbound) closed for maintenance work from 10 Sep 2014 to 24 Oct 2014, traffic entering Nanya station of the Western Delta Route has been reduced during the period

# Phase I West – Traffic by Class of Vehicles

西綫I期：按車輛類別劃分的車流量

Phase I West – Traffic by Class of Vehicles



\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015

Note: Holiday Toll-free Policy was implemented in FY13, FY14, FY15

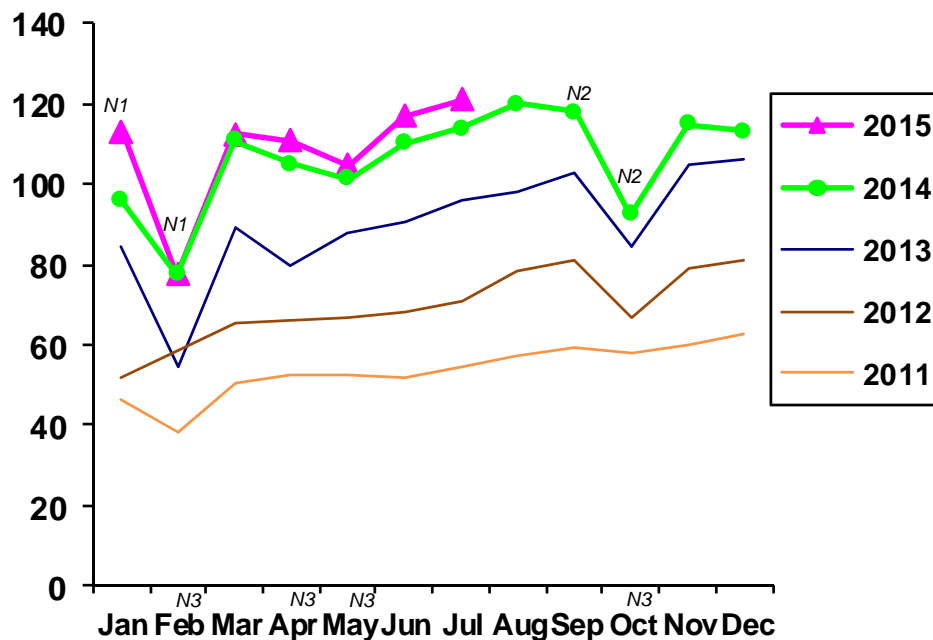


### ■ Traffic and toll revenue recorded mild growth in FY15 mainly due to upgrading work of NH105 completed in Oct 2014

2015財政年度的車流量及路費收入均錄得溫和增長，主要由於105國道的改善工程在2014年10月完成

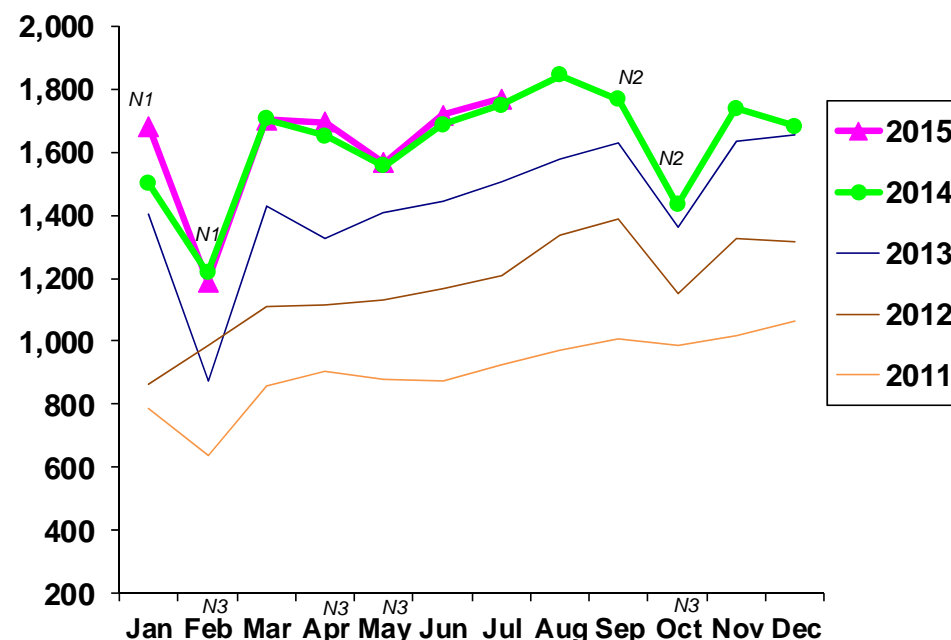
#### Phase II West – Avg. Daily Traffic# (no. of tickets)

(No. of vehicles '000)	FY14	FY15	change
Avg. Daily Traffic	100k	109k	↑10%



#### Phase II West – Average Daily Toll Revenue

(RMB '000)	FY14	FY15	change
Avg. Daily Toll (RMB)	1,559k	1,651k	↑6%



# Excludes toll-free traffic

N1: Chinese New Year started on 19 Feb in year 2015 and started on 31 Jan in year 2014 (Holiday Toll-Free Policy was implemented)

N2: Guangzhou Northern Ring Road (westbound) closed for maintenance work from 10 Sep 2014 to 24 Oct 2014, traffic entering Nanya station of the Western Delta Route has been reduced during the period

N3: Holiday Toll-free Policy was implemented

# Phase II West – Traffic by Class of Vehicles

西綫II期：按車輛類別劃分的車流量

## Phase II West – Traffic by Class of Vehicles



\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015

Note: Holiday Toll-free Policy was implemented in FY13, FY14, FY15

# Phase III West

西綫III期

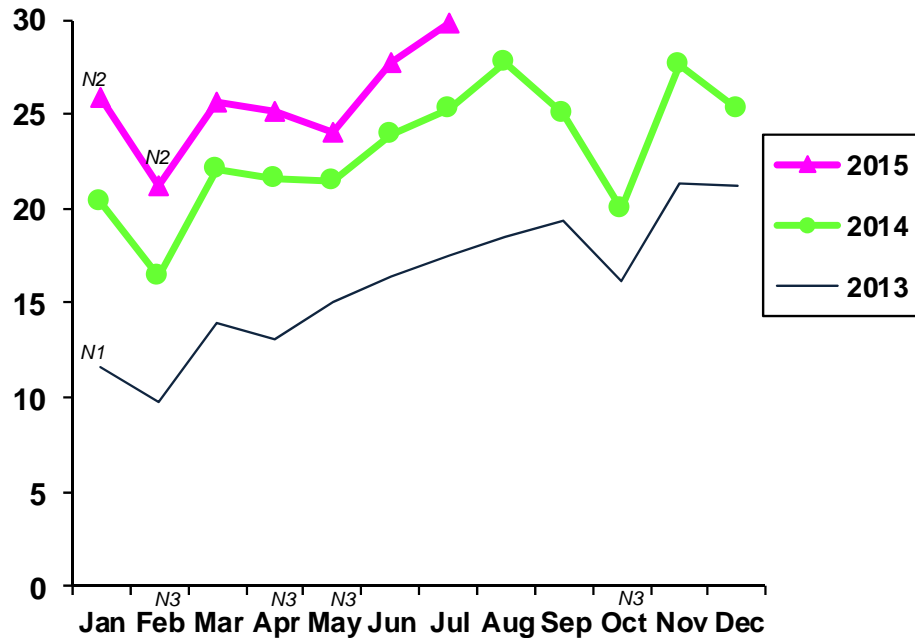
## Traffic and toll revenue continued to ramp up

車流量和路費收入持續上揚

### Phase III West – Avg. Daily Traffic# (no. of tickets)

(No. of vehicles '000)

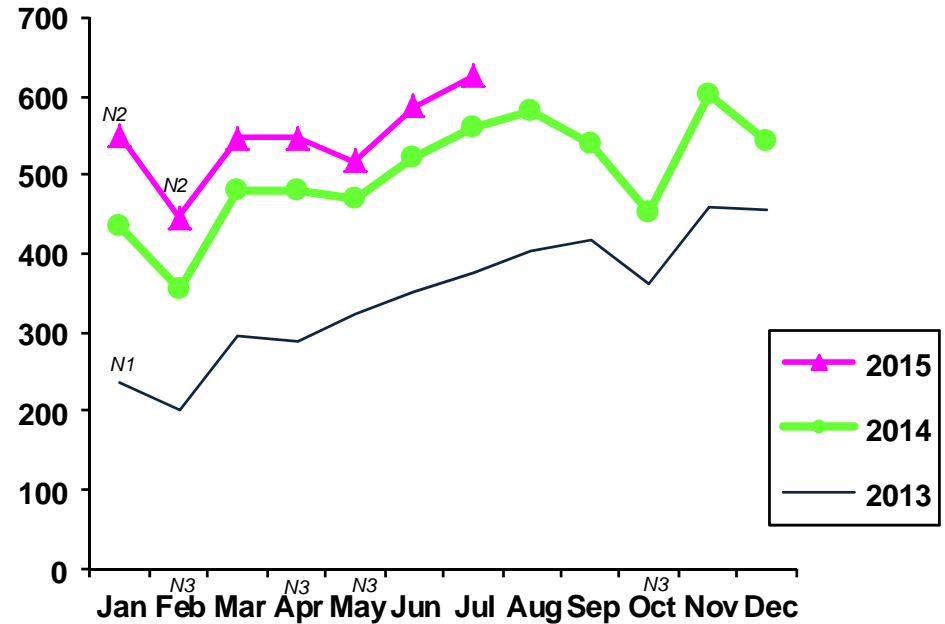
	FY14	FY15	change
Avg. Daily Traffic	20k	25k	↑25%



### Phase III West – Average Daily Toll Revenue

(RMB '000)

	FY14	FY15	change
Avg. Daily Toll (RMB)	434k	540k	↑24%



# Excludes toll-free traffic

N1: Operation commenced on 25 Jan 2013

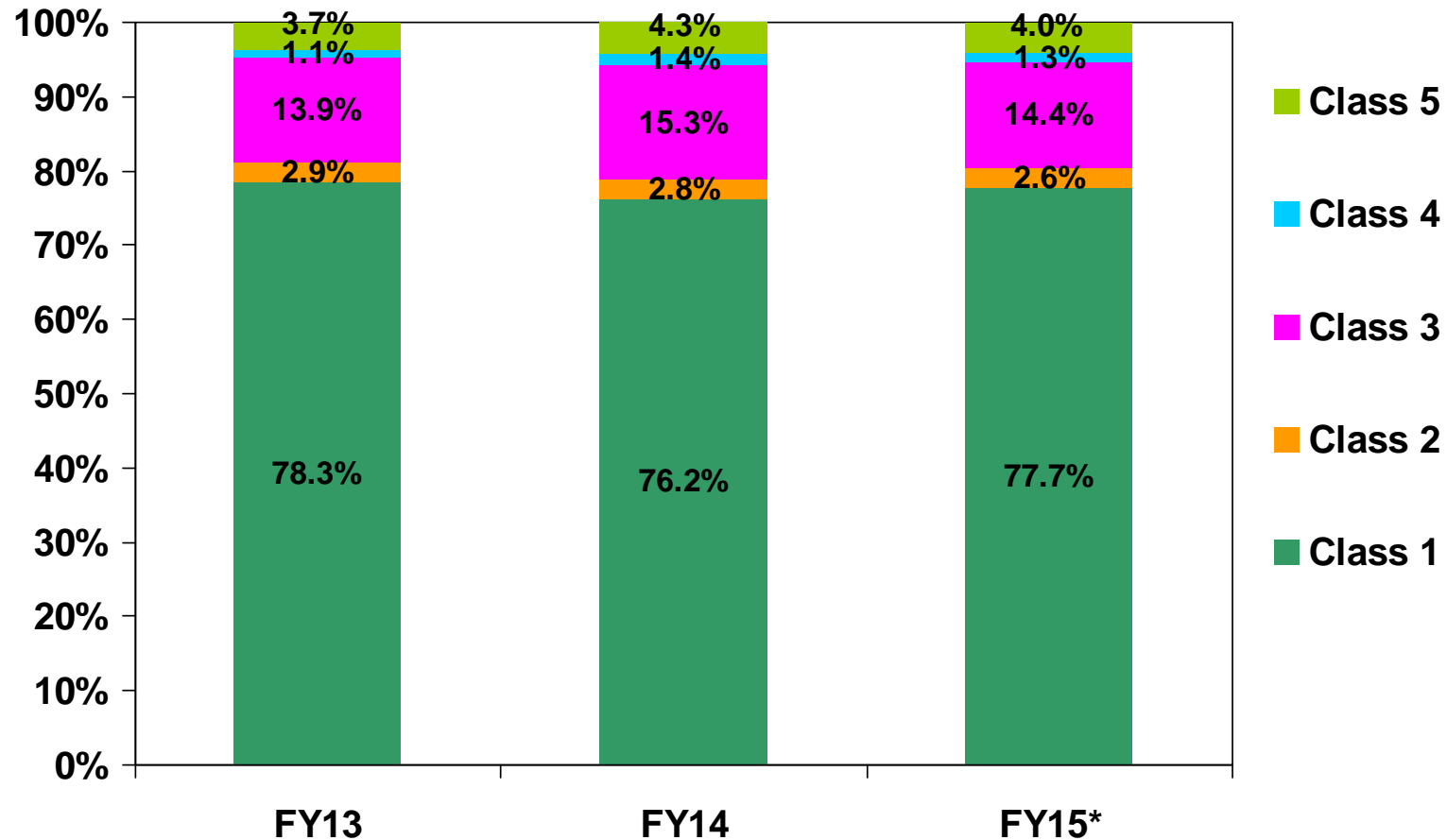
N2: Chinese New Year started on 19 Feb in year 2015 and started on 31 Jan in year 2014 (Holiday Toll-Free Policy was implemented)

N3: Holiday Toll-free Policy was implemented

# Phase III West – Traffic by Class of Vehicles

西綫III期：按車輛類別劃分的車流量

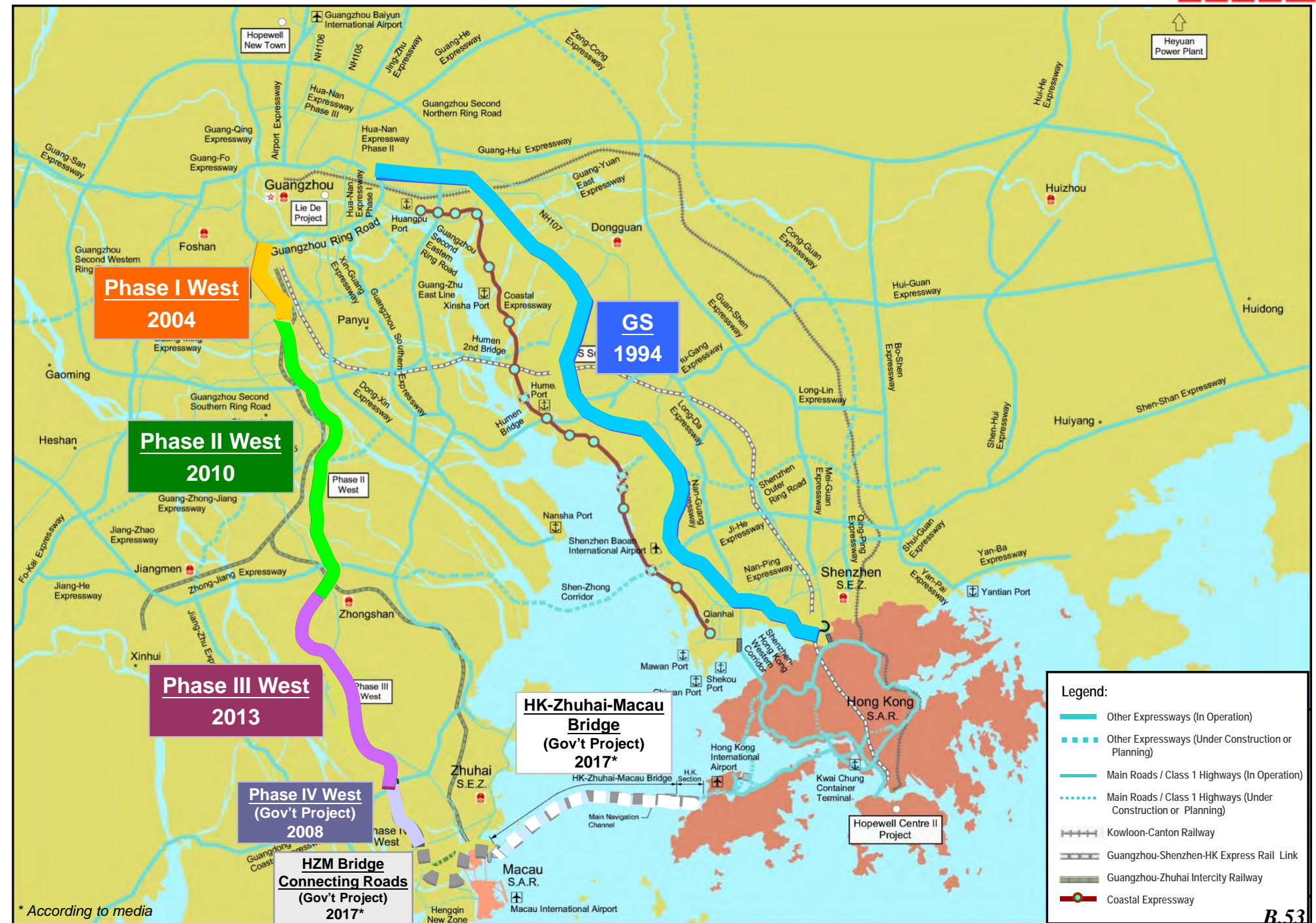
## Phase III West – Traffic by Class of Vehicles



\* Data up to 25 Jun 2015 as change of vehicle classification to national standard became effective since 26 Jun 2015

Note: - Operation commenced on 25 Jan 2013

- Holiday Toll-free Policy was implemented in FY13, FY14, FY15



**Legend:**

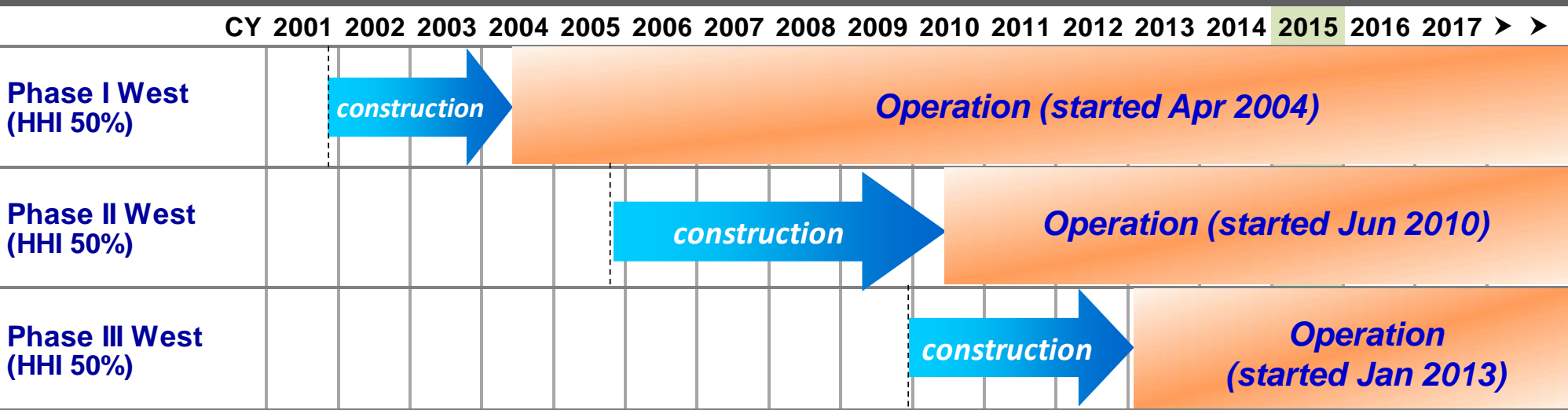
- Other Expressways (In Operation)
- - - Other Expressways (Under Construction or Planning)
- Main Roads / Class 1 Highways (In Operation)
- - - Main Roads / Class 1 Highways (Under Construction or Planning)
- - - Kowloon-Canton Railway
- - - Guangzhou-Shenzhen-HK Express Rail Link
- - - Guangzhou-Zhuhai Intercity Railway
- Coastal Expressway

\* According to media

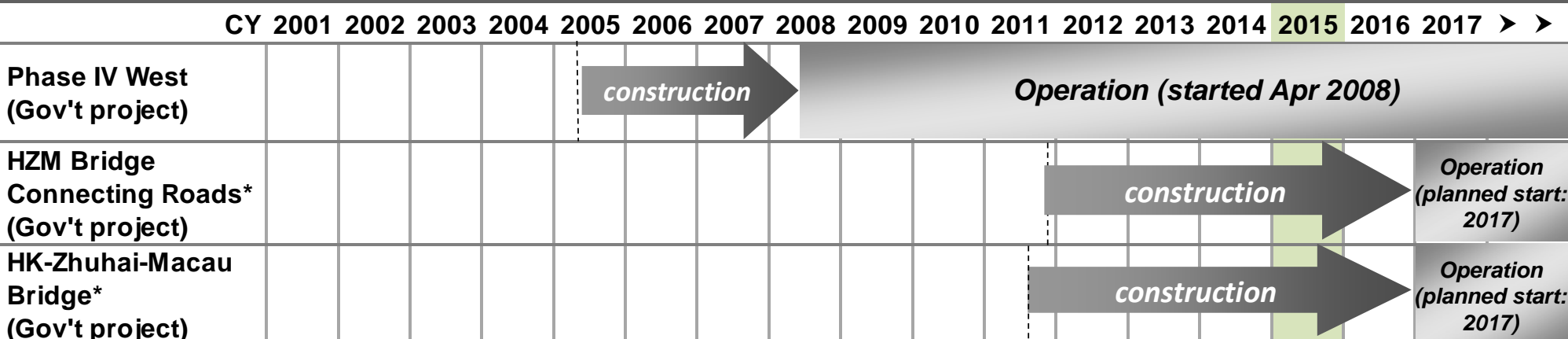
# Construction Timeline 工程進度時間表

■ **Total length of toll expressways invested by HHI amounts to around 220km**  
 合和公路基建投資的收費高速公路總長度約220公里

## HHI Projects



## Non-HHI Projects



\* Present planning, subject to change  
 Sources: Company, Newspaper

# HHI's Toll Structure

## 合和公路基建的路費架構

### Old

舊有路費架構

#### ■ All vehicles are classified according to:

所有車輛按下列分類

- ◆ **No. of axles and wheels** 軸數及輪數
- ◆ **Height of vehicle at first axle** 車頭高度
- ◆ **Distance between 2 axles** 軸距

#### ■ **Classes 1-5**

一類至五類車

Class	<u>Old</u> classification parameters for passenger vehicles and trucks in Guangdong			
	No. of axles	No. of wheels	Height of vehicle at first axle (in metres)	Distance between 2 axles (in metres)
1	2	2-4	<1.3	<3.2
2	2	4	≥1.3	≥3.2
3	2	6	≥1.3	≥3.2
4	3	6-10	≥1.3	≥3.2
5	>3	>10	≥1.3	≥3.2

### New (Effective since 26 Jun 2015)

新路費架構 (自2015年6月26日起生效)

#### Passenger vehicles

乘用客車

#### ■ **Charge based on no. of seats**

收費按座位數量

#### Trucks

貨車

#### ■ **Charge based on total weight of truck (tonne)**

收費按貨車總重量(噸)

#### ■ **Basic tariff rate: RMB0.12/tonne/km (≥ 3x3 expy)**

基本收費：每公里每噸人民幣0.12元 (六車道或以上高速公路)

#### ■ **Penalty on overloaded trucks**

對超載貨車徵收罰款

Class	<u>National classification</u>		Tariff rate* (RMB per km)
	Passenger vehicles	Trucks	
	Number of seats	Loading weight (tonnes)	
1	≤7	≤2	0.60
2	8-19	2-5 (include 5)	0.90
3	20-39	5-10 (include 10)	1.20
4	≥40	10-15 (include 15) and 20ft. container	1.80
5	-	>15 and 40ft. container	2.10

\* Tariff rate under the national classification standard for trucks will be used only when the weighing equipment is out of order

# Guangdong Province: Toll Integration and Toll-by-weight Scheme

廣東省實施聯網收費及計重收費方案

## Toll Integration (since 29 Jun 2014)

自2014年6月29日起實施聯網收費

- **All adjacent expressways in Guangdong are connected without toll stations in-between**  
廣東省所有鄰接的高速公路相互連接，中途不設收費站
- **Increase traffic smoothness and tolling efficiency**  
提升交通暢順度及收取路費的效率
- **Toll system upgraded with radio frequency identification technology or “RFID”**  
收費系統已升級至無線射頻辨識技術或 “RFID”

## Toll-by-weight Scheme\* (since 29 Jun 2014)

*- Replaced by total weight basis since 26 Jun 2015*

自2014年6月29日起實施計重收費方案 – 由2015年6月26日起被全計重所取代

- **Implemented on trucks in all toll expressways in Guangdong**  
廣東省所有高速公路對貨車實施計重收費方案
- **Insignificant impact on GS and West Route**  
對廣深高速和西綫的影響輕微
  - ◆ **Traffic and toll revenue of trucks remained at stable level in FY15**  
在2015財政年度，貨車的車流量和路費收入維持在穩定的水平
- **Help reduce number of overloaded trucks and damages caused**  
有助減少超載貨車數目和降低對高速公路的損耗

\* Central District, where GS & WDR situate, implemented toll-by-weight since 29 Jun 2014, following Northern District in 2009 and Eastern & Western Districts in 2011



# Tariff Cut and Holiday Toll-free Policy

## 路費減價及節假日免費通行方案

### Tariff Cut in Guangdong

(since 1 Jun 2012)<sup>N1</sup>

廣東省自2012年6月1日起實施路費減價

#### 1) Standardization of Tariff for Expressways 統一高速公路的收費標準

- **No change in basic toll rate at RMB0.6/km**  
基本收費率人民幣0.6元/車公里將維持不變
- **Reduction in multipliers for Classes 2, 3, 4 and 5**  
降低二、三、四及五類車的收費系數

Class	Multiplier		Toll Rate (RMB/km)		
	Before	After	Before	After	Change
1	1	1	0.6	0.6	0%
2	2	1.5	1.2	0.9	-25%
3	3	2	1.8	1.2	-33%
4	4	3	2.4	1.8	-25%
5	4.5	3.5	2.7	2.1	-22%

- **Insignificant impact on Phases I and II West (new tariff since opening)**  
對西綫 I 及 II 期的影響輕微 (自開通後已採用新路費)

#### 2) Toll Distance between entry/exit plaza 互通立交匝道里程的收費計算

- **50% cut in the toll distance between the entry/exit plaza and the junction of the entry ramp/exit ramp with the main alignment**  
高速公路主綫的進出口匝道接合點至出入口收費廣場之間的路段之收費長度，將減少50%計入收費里程

#### 3) Tariff rounding 收費標準以四捨五入計算

- **Tariff will be rounded up/down to the nearest yuan**  
收費標準以一元為單位四捨五入取整

### Holiday Toll-free Policy

(since National Day Sep/Oct 2012)

節假日免費通行方案自2012年9月/10月國慶節開始實施

#### Notice 公布

- **State Council issued notice on Holiday Toll-free Policy for all provinces on 2 Aug 2012**  
在2012年8月2日，國務院公布在各省份執行節假日免費通行方案

#### Time period 假日時段

- **Major statutory holidays: 20 days in a year**  
重大法定節假日：每年20日
- **Lunar New Year, Ching Ming Festival, Labour Day, National Day**  
農曆新年、清明節、勞動節、國慶節

#### Vehicles 車類

- **Small passenger vehicles ≤ 7 seats\***  
7座位或以下的乘用客車

\* Including motorcycles permitted on toll roads

N1: Toll structure in Guangdong changed from vehicle classification to national standard and from Toll-by-weight scheme to total weight basis since 26 Jun 2015

# Steady Growth in PRC & Guangdong Car Population **WHI**

中國及廣東省汽車數目增長穩定

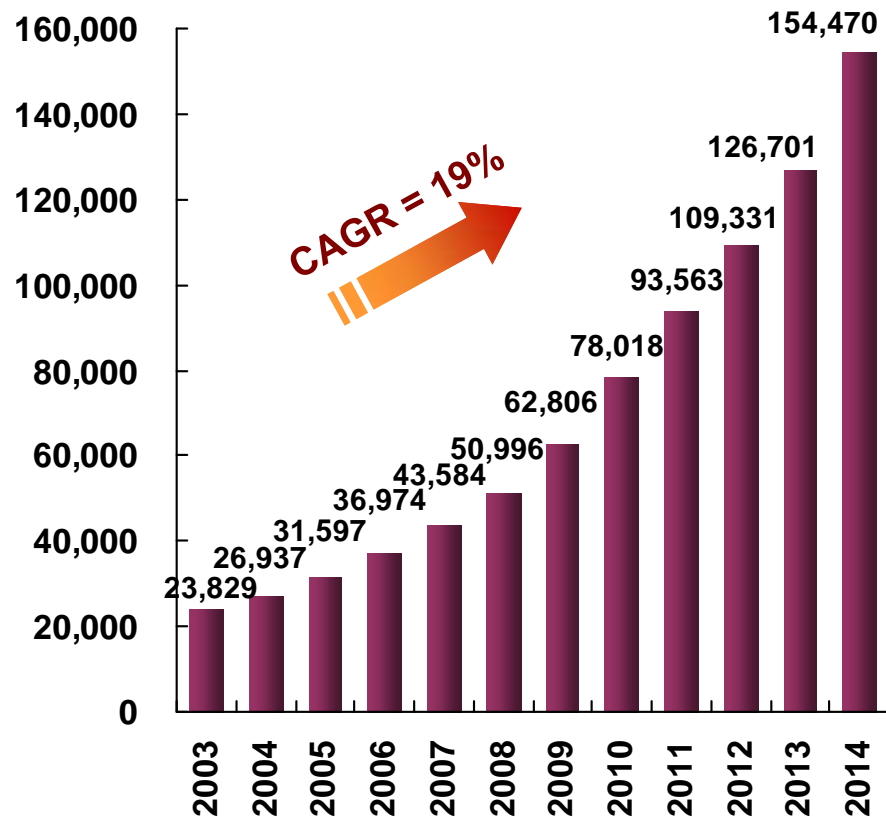
## ■ Driven mainly by passenger car sales

主要由乘用客車銷售帶動

### PRC's Total Motor Vehicles\*

中國汽車總數

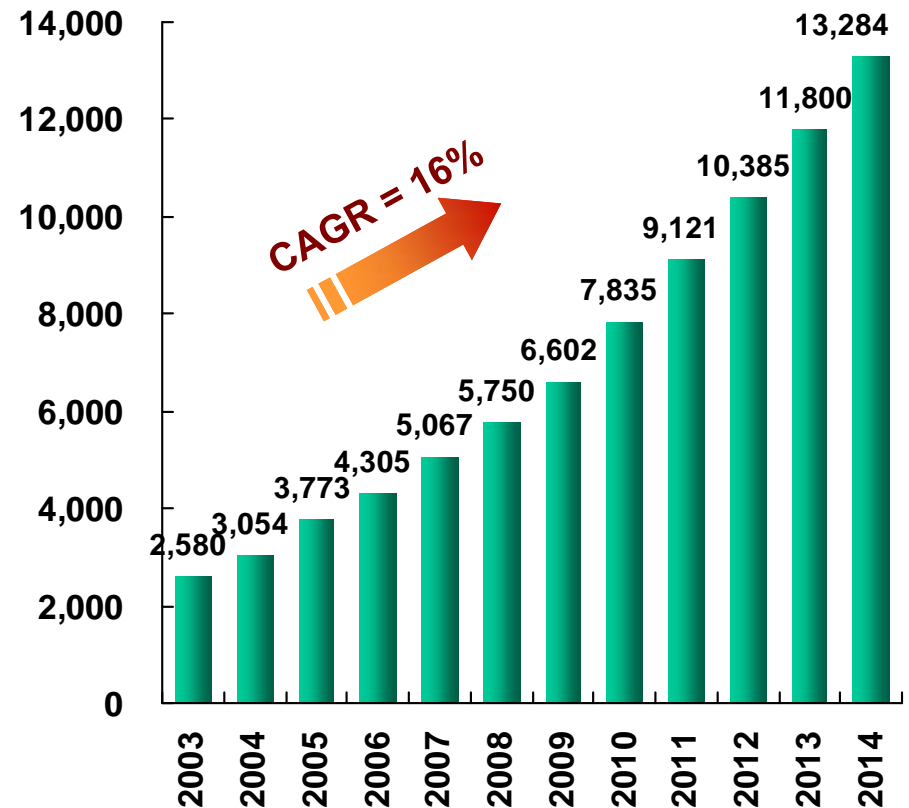
(No. of Vehicles '000)



### Guangdong's Total Motor Vehicles\*

廣東省汽車總數

(No. of Vehicles '000)



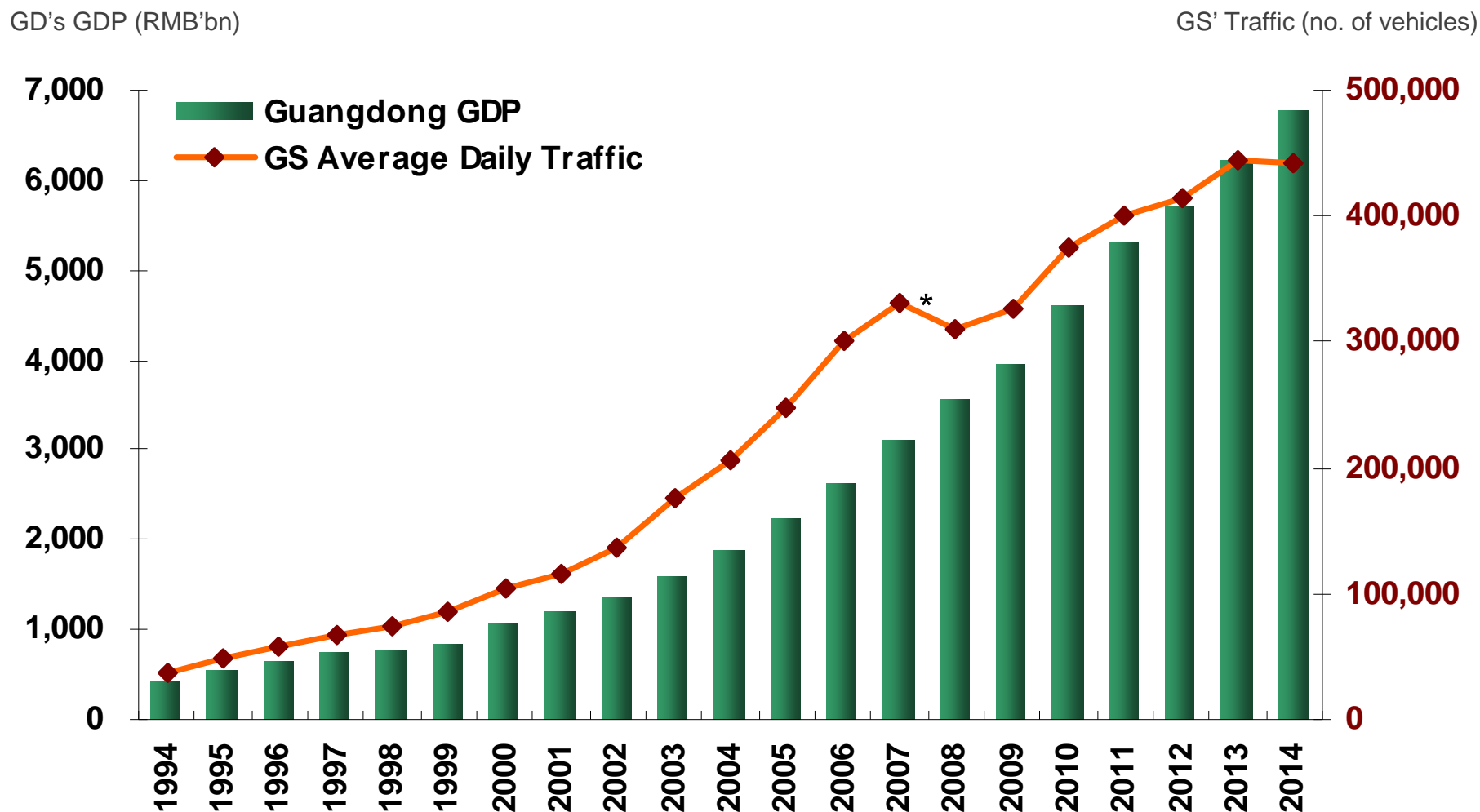
\* Incl. passenger & commercial vehicles but excl. motorcycles & truckers

Source: Statistics Bureau of Guangdong ([www.gdstats.gov.cn](http://www.gdstats.gov.cn)), National Bureau of Statistics of China ([www.stats.gov.cn](http://www.stats.gov.cn)), China Association of Automobile Manufacturers ([www.caam.org.cn](http://www.caam.org.cn)), CEIC

# Strong Correlation between GS' Traffic and Guangdong's GDP

廣深高速的車流量與廣東省本地生產總值有顯著的關連性

## Guangdong's GDP and GS' Traffic



\* A section of the GS Superhighway's Xintang to Dongguan toll station (approximately 22.2km) was closed for maintenance/improvement works from 18 Oct 2007 to 9 Jul 2008

Source: Guangdong Statistics Bureaus, GD Statistical Yearbooks, CEIC and Company data

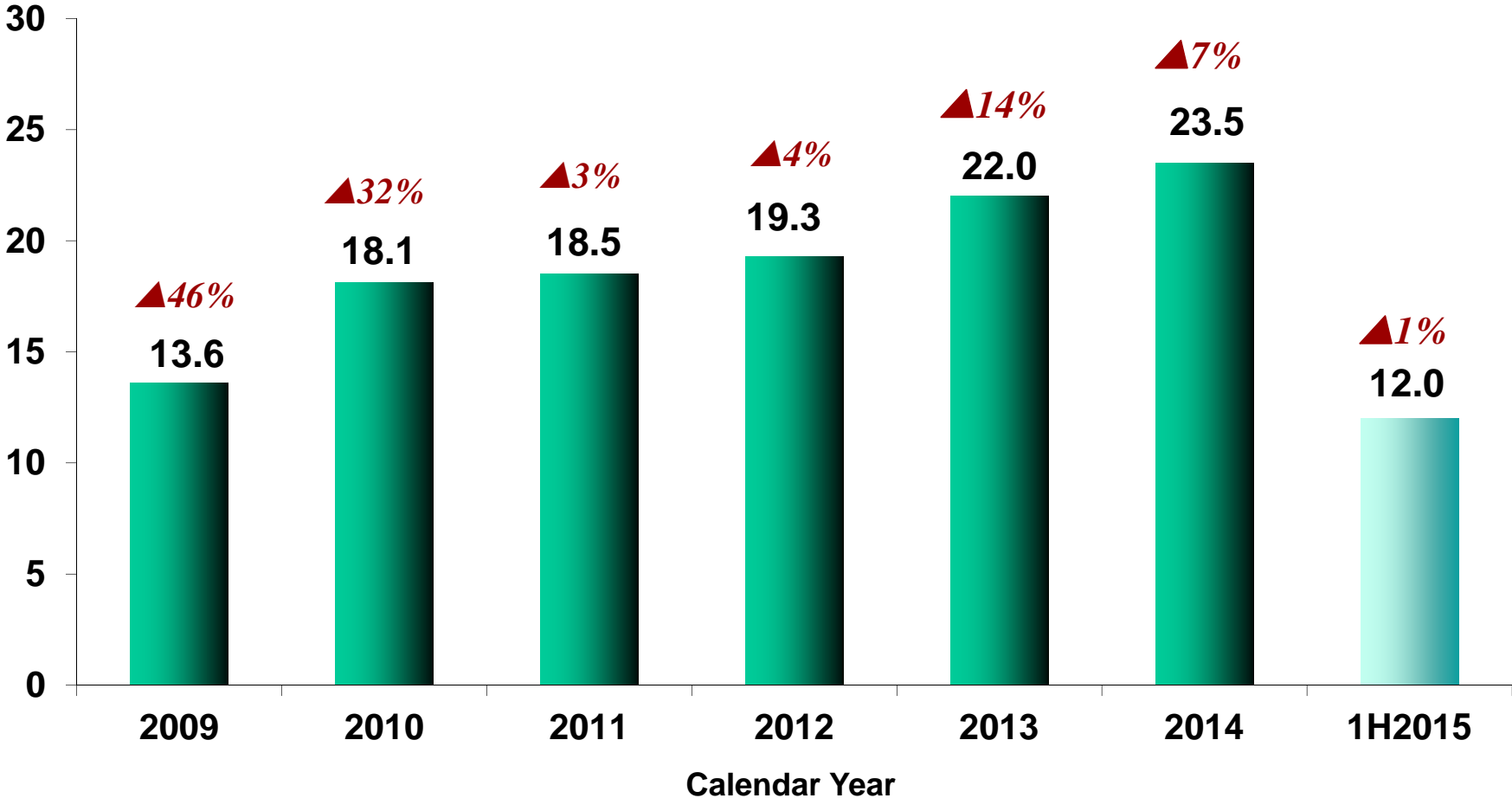
# China Sold 12m Vehicles in 1H2015

- World's largest market for the 6<sup>th</sup> consecutive year in 2014

中國於2015年上半年售出1,200萬輛汽車：2014年已是連續第6年成為全球最大汽車銷售市場

## Vehicles Sales in China

(No. of vehicles in million)



Source: China Association of Automobile Manufacturers (中國汽車工業協會)

# China – World’s Largest Vehicle Sales Market in 2014

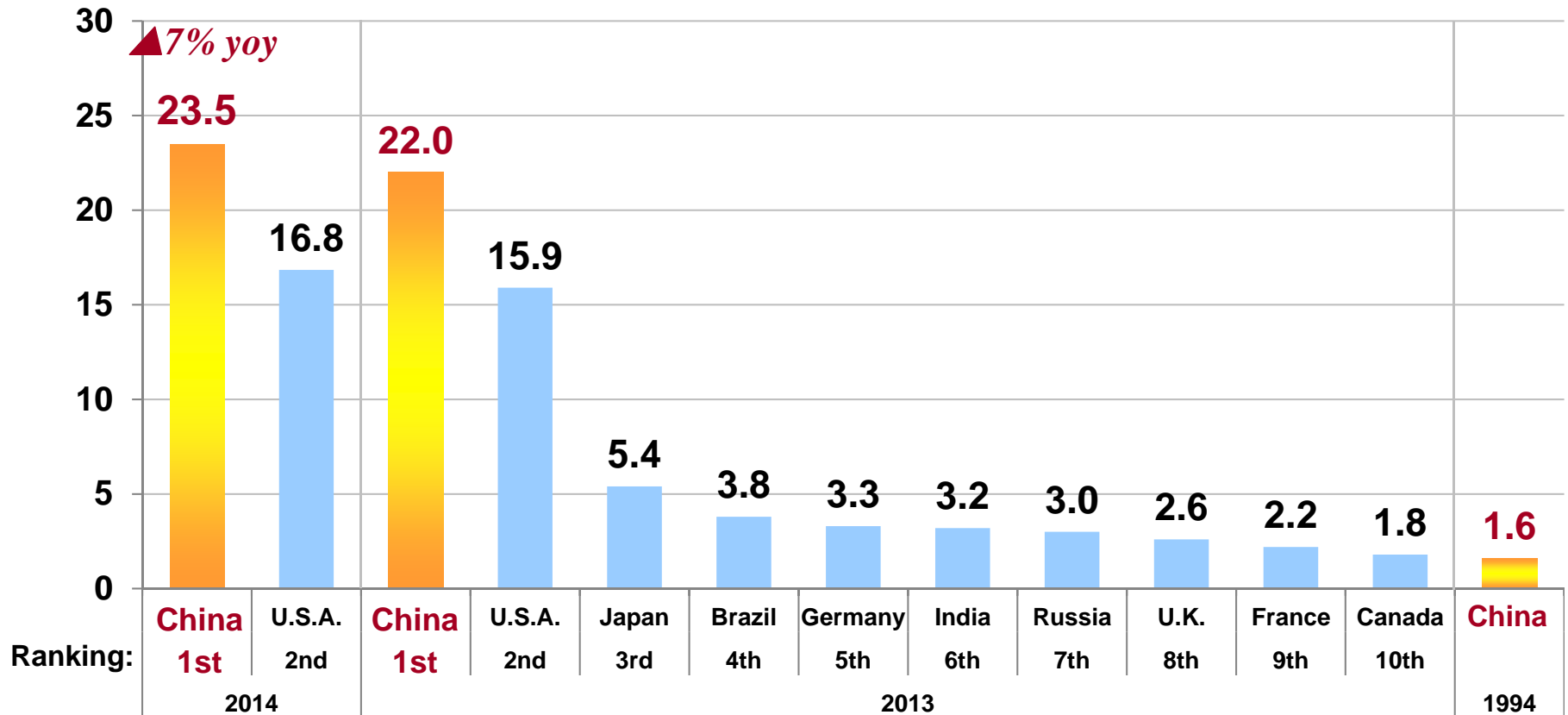
中國在2014年是世界最大汽車銷售市場

## ■ China has been the world’s largest vehicle sales market since 2009

自2009年起，中國已是世界最大的汽車銷售市場

### Motor Vehicle\* Sales (Top 10 Countries)

(No. of vehicles in million)



\* Include passenger and commercial vehicles, but exclude motorcycles  
 Source: CAAM, CEIC, Thomson Reuters & various car manufacturer associations

~ End ~