新創建 NWS

NWS HOLDINGS LIMITED

STOCK CODE: 659

Interim Report 2018-2019

Connecting Lives • Building Futures

Publicly listed in Hong Kong, NWS Holdings Limited (Stock Code: 659) is the diversified industries flagship of New World Development Company Limited (Stock Code: 17) with a focus on infrastructure and services. It has diverse businesses and investments predominantly in Hong Kong and Mainland China, spanning sectors from toll roads, environmental management, commercial aircraft leasing, to logistics facilities, construction and transport, and facilities management.

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Financial Highlights

	For the six months ended 31 December	
	2018 HK$'m	2017 HK$'m
Revenue	**14,188.0**	18,076.9
Profit attributable to shareholders of the Company	**2,274.3**	2,478.1
Basic Earnings per Share	**HK$0.58**	HK$0.64
Dividend Payout Ratio	**50%**	50%

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Net Debt	**5,539.8**	3,518.0
Total assets	**76,749.6**	78,138.6
Net Assets	**49,434.9**	50,123.8
Shareholders' funds	**49,249.3**	49,950.0
Net Assets per Share	**HK$12.67**	HK$12.86
Net Gearing Ratio	**11%**	7%

Chairman's Statement

Dear Shareholders,

While the musical instruments may be of excellent quality, adjusting or changing their strings can help produce even more beautiful music and optimize the instruments' unique capacities. Similarly, when a large corporate reaches a specific stage, certain adjustments will need to be considered in order to cater for its further developments.

Stability and sustainability are essential to the growth of an enterprise. With the increasingly ever changing and turbulent business environment, corporate leaders at the helm must have a sharp market acumen, as well as being agile and adaptable in order to lead the company to breakthrough from the market norm. In contrast, those who allow themselves to be bound by established norm and limit their scope for future growth will only turn their company into one devoid of exciting prospect and flexibility.

Since the completion of our reorganization in 2003, NWS Holdings Limited (the "Company", together with its subsidiaries, the "Group") has served the Greater China region for over 15 years. The Group's core businesses have generated sustainable and steady recurring cash flow and returns. To elevate our business performance, operational efficiency and contributions, the Group has always been optimizing its business operations with an open mind. We have streamlined our operations to focus on our core businesses while actively identifying new business opportunities with growth potential that are in line with our philosophy. We aspire to further strengthen our corporate value to achieve a sustainable and well balanced development.

We firmly believe that our nation's development outlook is robust and China is well on its way towards reaching the goal of growing into a moderately prosperous society. As suggested in the Belt and Road Initiative, the integration of the Guangdong-Hong Kong-Macau Greater Bay Area and the adherence to Supply-Side Structural Reform will provide an enormous amount of growth opportunities. We will continue to follow through with our prudent and pragmatic management principles to further develop and grow our diverse business portfolio in the Greater China area, with a commitment to creating more value for the Company and our shareholders.

Henry Cheng

Dr Cheng Kar Shun, Henry
Chairman

Hong Kong, 26 February 2019

Management Discussion and Analysis

GROUP OVERVIEW

For the six months ended 31 December 2018 (the "Current Period"), the Group recorded an Attributable Operating Profit ("AOP") of HK$2,431.9 million, representing a decrease of 9% from the six months ended 31 December 2017 (the "Last Period"). Despite healthy growth operationally in all major segments of the Group riding on, among other things, the Greater Bay Area development, and the Belt and Road Initiative as well as the growing fleet size under the commercial aircraft leasing platform, the depreciation of Renminbi, the reclassification of investment in Beijing Capital International Airport Company Limited ("BCIA") from an associated company to a financial asset after its partial disposal by the Group as well as the higher royalty and provision for committed capital expenditure under the new operation agreement of the management and operation of Hong Kong Convention and Exhibition Centre ("HKCEC"), all contributed to the decrease in AOP year-on-year.

Contribution by Division

For the six months ended 31 December

	2018 HK$'m	2017 HK$'m
Infrastructure	**1,968.4**	2,025.3
Services	**463.5**	656.8
Attributable Operating Profit	**2,431.9**	2,682.1
Corporate office and non-operating items		
Gain on fair value of investment properties	**33.7**	55.0
Gain on disposal of projects, net of tax	**180.8**	38.8
Interest income	**20.9**	18.1
Finance costs	**(172.6)**	(126.6)
Expenses and others	**(220.4)**	(189.3)
	(157.6)	(204.0)
Profit attributable to shareholders	**2,274.3**	2,478.1

AOP of the Infrastructure division recorded a mild decrease of 3% year-on-year, which was mainly attributable to the depreciation of Renminbi that has affected the AOP of the Roads segment. Besides, AOP contribution from BCIA only comprised dividend income after the reclassification which has affected the Aviation segment. AOP of the Services division has decreased by 29% year-on-year which was mainly attributable to the impact from the new operation agreement of the management and operation of HKCEC as explained above, the increase in operating expenses coupled with the delay in the expected fare increase for Citybus Limited (Franchise for Hong Kong Island and Cross-Harbour Bus Network) ("CTB F1") and New World First Bus Services Limited ("NWFB") as well as certain one-off items under the Strategic Investments segment.

GROUP OVERVIEW (continued)

During the Current Period, the Group recognized net gain on disposal of projects totaling HK$180.8 million which was mainly attributable to the disposal of Celestial Path Limited ("Celestial Path", together with its subsidiaries and a joint venture, "Hip Seng Group" which mainly acted as the main contractor or project manager for New World Development Company Limited ("NWD") and its associates) to a wholly owned subsidiary of NWD and the disposal of 富城 (北京) 停車管理有限公司 (Urban Parking (Beijing) Limited*) ("Urban Parking Beijing").

The profit attributable to shareholders decreased by 8% to HK$2,274.3 million year-on-year reflecting the above changes in AOP as well as the increase in finance costs. The basic earnings per share was HK$0.58 in the Current Period, down 9% from HK$0.64 in the Last Period. Contributions from the operations in Hong Kong accounted for 30% of the AOP in the Current Period compared with 34% in the Last Period, while Mainland China and other territories contributed 63% and 7% of the AOP respectively in the Current Period, compared with 55% and 11% respectively in the Last Period.

The Group's Net Gearing Ratio increased from 7% as at 30 June 2018 to 11% as at 31 December 2018. As at 31 December 2018, the Group had unutilized committed banking facilities of approximately HK$7.6 billion (not including the bridging loan facility for the acquisition of FTLife Insurance Company Limited ("FTLife")) with total cash and bank balances amounted to HK$7,275.6 million, compared to HK$6,656.6 million as at 30 June 2018. In January 2019, the Group issued US$1.0 billion 5.75% senior perpetual capital securities. The proceeds of the capital securities are for general corporate purposes and the capital securities are listed on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). The steady operational performance and strong cash flow, coupled with the strong financial position, has posed the Group in a very good position for further growth and development.

* *For identification purposes only*

OPERATIONAL REVIEW – INFRASTRUCTURE

The Infrastructure division recorded an AOP of HK$1,968.4 million in the Current Period, representing a decrease of 3% from the Last Period.

AOP Contribution by Segment

For the six months ended 31 December

	2018 HK$'m	2017 HK$'m	Change% Fav./(Unfav.)
Roads	**948.5**	1,027.8	(8)
Environment	**449.6**	293.8	53
Logistics	**338.5**	338.5	–
Aviation	**231.8**	365.2	(37)
Total	**1,968.4**	2,025.3	(3)

Roads

AOP from the Roads segment fell by 8% to HK$948.5 million, which was attributable principally to the fluctuation of Renminbi during the Current Period. Excluding the exchange rate effect, AOP would have risen by 6%, which was in line with the overall increase in toll revenue during the Current Period.

The average daily traffic flow of the Group's four anchor expressways which contributed over 80% of the AOP in the Roads segment historically, namely Hangzhou Ring Road, Tangjin Expressway (Tianjin North Section), Guangzhou City Northern Ring Road and Beijing-Zhuhai Expressway (Guangzhou-Zhuhai Section), all recorded steady growth with the highest growth rate achieved 18% year-on-year. Other expressways in the Greater Bay Area, including Shenzhen-Huizhou Expressway (Huizhou Section), Guangzhou-Zhaoqing Expressway, Guangzhou Dongxin Expressway and Guangzhou City Nansha Port Expressway, continued to register an increase in traffic volume of up to 28% year-on-year.

The Group completed its acquisition of 30% interest in Hubei Suiyuenan Expressway in January 2018 which has contributed AOP immediately while the concession rights of Tate's Cairn Tunnel in Hong Kong were ended in July 2018.

In December 2018, the Group extended its footprint into Hunan Province by completing its acquisition of 40% interest in Hunan Sui-Yue Expressway. This dual 3-lane expressway which is 24.08 km long and fully operational with concession rights ending in 2038 has provided immediate AOP contribution to the Group.

In January 2019, the Group entered into a memorandum of understanding for the proposed acquisition of 25.59% equity interest in 廣西龍光貴梧高速公路有限公司 (Guangxi Logan Guiwu Expressway Co., Ltd.*) which develops and operates an expressway between Wuzhou City and Guigang City in Guangxi Province. The undertaking of the proposed acquisition is subject to the satisfaction or waiver of the matters as set out in the announcement of the Company dated 17 January 2019.

* *For identification purposes only*

OPERATIONAL REVIEW – INFRASTRUCTURE (continued)

Environment

AOP of the Environment segment increased by 53% to HK$449.6 million. The increase was mainly attributable to a one-off fair value gain of HK$232.5 million shared by the Group as a former joint venture of SUEZ NWS Limited ("SUEZ NWS") was accounted for by SUEZ NWS as a subsidiary with effect from July 2018.

Disregarding the one-off gain, SUEZ NWS still delivered steady growth in its business with its average daily waste treatment volume grew by 6% and the overall water and wastewater treatment volume increased by 2% in the Current Period. In addition, SUEZ NWS succeeded to expand its waste management services with daily treatment capacity of 2,000 tonnes in the Jiangsu Province as well as the commencement of hazardous waste-to-energy plants in Jiangsu Province and Taiwan with a total annual treatment capacity of 59,200 tonnes in the Current Period. The first food waste treatment plant of SUEZ NWS in Hong Kong was also become operational in the last quarter of 2018.

Chongqing Derun Environment Co., Ltd. ("Derun Environment") continued to provide stable contribution to the Group. During the Current Period, two new waste-to-energy contracts in Chongqing and Henan Province with a total daily treatment capacity of 1,830 tonnes were secured and it has also successfully extended its footprint outside of Chongqing by being awarded a river remediation contract in Chengdu. In order to meet the growing water demand in Chongqing, Derun Environment has recently mobilized the construction of a new water plant with a daily treatment capacity of 400,000 m^3 which is scheduled to commence operation in 2022.

While the combined AOP from the three energy projects decreased in the Current Period which was principally due to the persistently high coal price, overhaul of generator and lower coal trading volume, the financial impact to the Group as a whole remains to be minimal. With an aim to diversify the Group's energy related investment portfolio and generate long-term growth for the shareholders, the Group has extended its footprint to the renewable energy sector in Europe by partnering with renowned investors and operators in the region with remarkable track record and formed an investment platform named ForVEI II S.r.l. in Italy dedicated to invest in and operate solar power assets mainly in Italy.

Logistics

AOP of the Logistics segment remained steady at HK$338.5 million in the Current Period.

The newly renovated ATL Logistics Centre and growing demand for logistics facilities in Hong Kong have resulted in an increase in the average occupancy from 96.3% to 99.4% year-on-year.

Benefiting from the Belt and Road Initiative, throughput of China United International Rail Containers Co., Limited continued its growth with an increase of 26% year-on-year to 1,720,000 TEUs driven by the development of rail container and sea-rail intermodal transportation, as well as the strong throughput growth momentum of the Urumqi terminal since its commencement of operation in mid-2017. Its AOP, however, decreased due to the cancellation of the special settlement policy of containerized break-bulk cargoes service in January 2018.

As for the ports business, throughput handled by Tianjin Five Continents International Container Terminal Co., Ltd. and Tianjin Orient Container Terminals Co., Ltd. rose by 4% to 1,396,000 TEUs and 5% to 569,000 TEUs, respectively, in the Current Period while Xiamen Container Terminal Group Co., Ltd. dropped slightly by 1% to 4,314,000 TEUs.

OPERATIONAL REVIEW – INFRASTRUCTURE (continued)

Aviation

This segment includes the Group's commercial aircraft leasing business and its investment in BCIA. The partial divestment of BCIA in the second half of FY2018 and its reclassification from an associated company to a financial asset has affected the AOP of this segment year-on-year.

In September 2018, the Group's commercial aircraft leasing platform Goshawk Aviation Limited ("Goshawk", the Group's 50% owned joint venture, together with its subsidiaries, "Goshawk Group") completed the acquisition of Sky Aviation Leasing International Limited ("Sky Aviation"), catapulting Goshawk to top 10 aircraft lessor globally in terms of fleet value. Together with the orders of 40 narrow-body aircraft directly from Airbus and Boeing as well as 10 managed/other committed aircraft, Goshawk's owned, managed and committed fleet reached 216 aircraft as of 31 December 2018 with a combined market value of US$11.1 billion. The acquisition and direct orders accelerated Goshawk's already fast growth trajectory and consolidated Goshawk's foothold in the industry with its strategy in focusing on young and popular narrow-body aircraft with long lease terms. Goshawk will continue to serve as an important growth driver of the Group.

During the Current Period, the Group's aviation portfolio grew from 111 to 166 aircraft with narrow-body aircraft representing 85% of the portfolio and the average age of the aircraft as at 31 December 2018 was 3.7 years, while the customer base was comprised of 62 airlines in 33 countries.

OPERATIONAL REVIEW – SERVICES

The Services division recorded an AOP of HK$463.5 million in the Current Period, representing a decrease of 29% from the Last Period.

AOP Contribution by Segment

For the six months ended 31 December

	2018 HK$'m	2017 HK$'m	Change% Fav./(Unfav.)
Facilities Management	**(146.8)**	(84.4)	(74)
Construction & Transport	**629.4**	606.6	4
Strategic Investments	**(19.1)**	134.6	(114)
Total	**463.5**	656.8	(29)

Facilities Management

The Facilities Management segment mainly comprises the management and operation of HKCEC, the business of Free Duty, the operation of Gleneagles Hong Kong Hospital ("GHK Hospital") and other healthcare related investments.

HKCEC celebrated its 30th anniversary in 2018. During the Current Period, 521 events were held at HKCEC with a total patronage of approximately 5.2 million. While the core exhibition business remained stable, the AOP decreased which was mainly attributable to higher royalty and provision for committed capital expenditure under the new operation agreement which became effective in mid-2018.

While the Free Duty business continued to operate under pressure, the reported loss of this business was stabilized during the Current Period. Apart from implementing multiple sales strategies to increase sales and profit margin, Free Duty is actively seeking opportunities to extend and develop its business and with the recent commencement of the duty free shop at the Hong Kong-Zhuhai-Macao Bridge with a 5-year contract, the management is confident that it will contribute positively to the Free Duty business as a whole.

GHK Hospital, in which the Group has 40% equity interest, was officially opened in late March 2018. While it is still in its ramp-up period, GHK Hospital continued to narrow its operating loss. Both outpatient visits and inpatient admissions have been increasing during the Current Period. More than 1,000 doctors have been accredited at GHK Hospital and more doctors are expected to join including the University of Hong Kong's seconded full time doctors, sessional and visiting doctors who have ramped up their caseload in GHK Hospital. A satellite clinic in Central is planned to be opened in the first quarter of 2019 to provide better access to the hospital services.

The Group, through its associated companies, Healthcare Assets Management Limited and UMP Healthcare China Limited ("UMP China"), operates nine medical centres in Beijing, Shanghai and Shenzhen. The business currently offers (i) outpatient service; (ii) medical check-up service; and (iii) corporate healthcare solution. During the Current Period, UMP China focused on launching family doctor training and successfully developed public-private-partnership co-operation with various public health centres in Guangdong Province.

OPERATIONAL REVIEW – SERVICES (continued)

Construction & Transport

AOP contribution from the Construction business increased notably by 38% to HK$655.4 million in the Current Period, which was mainly attributable to the continuous improvement in gross profit and satisfactory job progress. Major projects during the Current Period included the residential and commercial development "SAVANNAH" at Tseung Kwan O, construction of Home Ownership Scheme Developments at Kiu Cheong Road, Tin Shui Wai and Ngan Kwong Wan Road, Mui Wo, Xiqu Centre at West Kowloon Cultural District as well as Hong Kong Science Park Expansion Stage 1. In addition, new tenders awarded during the Current Period included the design and construction works of Inland Revenue Tower and foundation works for New Acute Hospital at Kai Tak Development Area. As at 31 December 2018, the gross value of contracts on hand for the Construction business was approximately HK$39.1 billion and the remaining works to be completed amounted to approximately HK$22.1 billion.

In December 2018, the Group's 25% owned associated company, Kai Tak Sports Park Limited ("KTSPL"), was awarded a contract for the design, construction and operation of Kai Tak Sports Park (the "DBO Contract") at the total construction contract sum of HK$29.993 billion which will be entirely borne by the Government of the Hong Kong Special Administrative Region (the "Government"). KTSPL will, among other things, bear the costs associated with operating and managing the facilities and venues, and will pay 3% of the gross income share and a total sum of HK$1.724 billion to the Government over the course of the operation period. The construction management services of the project are provided by Hip Hing Engineering Company Limited ("Hip Hing Engineering") at a fixed amount of HK$1.4 billion plus a sharing of project cost savings with KTSPL on a 40:60 basis, which will add to stability in the revenue stream as well as cash flow for the Group's Construction business. Kai Tak Sports Park is one of the most important sports infrastructure in Hong Kong in recent decades. It is planned to be developed into a large complex covering sports, leisure, entertainment, retail and dining facilities. Participation in such a mega-sized and signature infrastructure of Hong Kong will further enhance the reputation of the Group as one of the most renowned construction as well as facility management group in Hong Kong.

During the Current Period, the Group completed the disposal of Hip Seng Group to a wholly owned subsidiary of NWD at a total consideration of HK$168.0 million and a gain on disposal of HK$67.6 million was recognized.

Due to the escalating operating expenses and the delay in the approval of fare increase applications for CTB F1 and NWFB, the Transport business swung into loss in the Current Period. With the approval for average fare increases of 7.0% and 5.6% borne by passengers of CTB F1 and NWFB respectively effective from 20 January 2019 and the mitigating effect from the Franchised Bus Toll Exemption Funds, the overall weighted average fare increase rate is 9.9%. The Group believes that after the fare increase and the continuing ramp-up of ridership of bus routes to and from the Hong Kong-Zhuhai-Macao Bridge Hong Kong Port, the operating results of the Transport business will improve.

Strategic Investments

This segment includes investments which have strategic value to the Group or have growth potential, as well as certain investments which the management believes can enhance and create value for the shareholders. The AOP for the Current Period mainly comprised the share of results and the dividends from certain investments and the negative AOP was mainly attributable to certain one-off items.

BUSINESS OUTLOOK

The risk of economic slowdown has recently been the top priority for governments around the globe as far as economic outlook and regional development are concerned. With the US gradually tightening its monetary policy, economic growth slowing down in Mainland China, weak economic data reported from the European Union, and the UK vacillating over Brexit, all of the above developments have intensified uncertainty and clouded the ability to assess risk for the future.

The January 2019 issue of the International Monetary Fund's World Economic Outlook pointed to a weakening global expansion, increased risks to economic growth and the escalation of trade tensions going beyond those already incorporated in the growth forecasts. Amid the heightened trade tensions and growing risk aversion, emerging markets will feel the crunch.

The China-US trade war is one of the key developments that will affect future economic growth. On 1 December 2018, the two countries announced a 90-day truce and talks were set in motion. While market watchers believe that more discussions are still very much needed for a comprehensive agreement to be reached before 1 March 2019, details that are coming out of current negotiations are mostly positive, which have a stimulating effect on the market.

The Central Government has in recent years adhered to a general course of stable progress by keeping the economy within reasonable and sustainable range while transforming external pressures to fuel its economy upgrade pushing for high-value growth. As a result, China's economic development has been strengthened, as evidenced by a stronger domestic market and accelerated growth momentum to offset the pressure of market uncertainty.

Having served the Greater China Region for over a decade, the Group has been a firm believer in the nation's excellent economic outlook. With our solid business portfolio and excellent project management capability, we have provided many of life's conveniences and in the meantime it has also provided us a steady and sustainable cash flow. Leveraging the team's bold and innovative thinking, the Group is optimizing its business portfolio through acquisitions of quality businesses with robust growth potential and disposition of non-core assets, and we are perfecting our sustainable business framework to offer new services to new clients and build strong growth for the Group.

During the Current Period, the AOP contributions from our businesses were partly offset or affected by the depreciation of Renminbi, as well as changes in operating costs and structures of individual businesses. However, the core operations of our Group remain fundamentally sound, with a solid and steady performance.

For example, the overall traffic flow of the Roads segment recorded steady growth. The Environment segment has been progressing steadily to take the Group into different areas of environmental pursuit and geographical markets. The new projects launched by SUEZ NWS and Derun Environment during the Current Period will lay the foundation for the future growth of the Environment segment. Construction business, another major contributor to the Group, enjoys strong recurring cash flows with a high level of visibility. Our successful bid for the construction management services contract for Kai Tak Sports Park during the Current Period will further strengthen the Construction business going forward.

BUSINESS OUTLOOK (continued)

In recent years, the Group has been assessing different opportunities with an aim to optimize its business portfolio, realize value through asset sales, and improve the efficiency of resources utilization. At the same time, the Group is proactively expanding and exploring into businesses that are compatible with our corporate philosophy to boost future cash flow contributions and sustainable growth prospects, while enhancing our corporate value. In the Aviation segment, the acquisition of Sky Aviation will continue to augment our leadership position in the aircraft leasing business and generate sustainable recurring income for the Group.

In December 2018, the Group entered into a share purchase agreement to acquire the entire issued share capital of FTLife. The Group considers the transaction as a unique opportunity to extend our ecosystem of premium products and services into the highly promising insurance sector.

Potential synergies with FTLife include building greater interaction, stronger connection and cross-promotion opportunities between FTLife's premium customers and our affluent customer base; a stronger partnership with our expanding healthcare business; and leveraging our Group's extensive resources in the Greater Bay Area to expand our business presence in the region. The acquisition is subject to the relevant regulatory approvals and fulfilment and/or waiver of other conditions as set out in the announcement of the Company dated 27 December 2018. Upon completion of the acquisition, FTLife will become an indirect wholly owned subsidiary of the Company.

The uncertainty of the external economic environment and the changing business landscape will pose certain challenges to the future growth of our businesses. The Group believes that pursuing a prudent and balanced approach to development, seeking change and innovation that evolve over time, and injecting new vitality into corporate development, will be an important strategy to achieve sustainable growth for the Group. Our team of professionals is ready and committed to work together to create lasting value for the Group's future.

Independent Auditor's Review Report

pwc 羅兵咸永道

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
TO THE BOARD OF DIRECTORS OF NWS HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 13 to 58, which comprises the condensed consolidated statement of financial position of NWS Holdings Limited (the "Company") and its subsidiaries (together, the "Group") as at 31 December 2018 and the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 26 February 2019

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Condensed Consolidated Income Statement – Unaudited

	Note	For the six months ended 31 December 2018 HK$'m	2017 HK$'m
Revenue	5	**14,188.0**	18,076.9
Cost of sales		**(12,671.4)**	(16,134.5)
Gross profit		**1,516.6**	1,942.4
Other income/gains (net)	6	**476.7**	594.9
General and administrative expenses		**(634.5)**	(720.7)
Operating profit	7	**1,358.8**	1,816.6
Finance costs		**(210.7)**	(165.4)
Share of results of			
Associated companies	5(b)	**596.2**	352.2
Joint ventures	5(b)	**899.9**	909.9
Profit before income tax		**2,644.2**	2,913.3
Income tax expenses	8	**(353.5)**	(409.7)
Profit for the period		**2,290.7**	2,503.6
Attributable to			
Shareholders of the Company		**2,274.3**	2,478.1
Non-controlling interests		**16.4**	25.5
		2,290.7	2,503.6
Earnings per share attributable to the shareholders of the Company	9		
Basic and diluted		**HK$0.58**	HK$0.64

Condensed Consolidated Statement of Comprehensive Income – Unaudited

	For the six months ended 31 December	
	2018 **HK$'m**	2017 HK$'m
Profit for the period	**2,290.7**	2,503.6
Other comprehensive (loss)/income		
Items that will not be reclassified to profit or loss		
Fair value changes on financial assets at fair value through other comprehensive income	**(36.4)**	–
Revaluation of property, plant and equipment upon transfer to investment properties	**–**	26.4
Items that have been reclassified/may be subsequently reclassified to profit or loss		
Fair value changes on available-for-sale financial assets	**–**	91.6
Release of reserve upon disposal of available-for-sale financial assets	**–**	2.7
Release of reserve upon disposal of subsidiaries	**0.1**	–
Release of reserve upon partial disposal of an associated company	**(14.1)**	–
Release of reserve upon deregistration of subsidiaries	**–**	(61.1)
Share of other comprehensive income of associated companies and joint ventures	**6.9**	12.1
Cash flow hedges	**(222.0)**	41.8
Currency translation differences	**(1,316.5)**	1,233.0
Other comprehensive (loss)/income for the period, net of tax	**(1,582.0)**	1,346.5
Total comprehensive income for the period	**708.7**	3,850.1
Total comprehensive income attributable to		
Shareholders of the Company	**696.8**	3,831.1
Non-controlling interests	**11.9**	19.0
	708.7	3,850.1

Condensed Consolidated Statement of Financial Position – Unaudited

	Note	(Unaudited) At 31 December 2018 HK$'m	(Audited) At 30 June 2018 HK$'m
ASSETS			
Non-current assets			
Investment properties	10	**1,726.5**	1,693.3
Property, plant and equipment	11	**5,497.2**	5,370.3
Intangible concession rights	12	**10,556.0**	11,491.9
Intangible assets	13	**735.2**	753.6
Associated companies	14	**14,593.6**	13,763.0
Joint ventures	15	**13,901.0**	15,008.3
Financial assets at fair value through other comprehensive income	16	**3,526.6**	–
Financial assets at fair value through profit or loss	17	**3,241.3**	–
Available-for-sale financial assets	18	**–**	6,556.6
Other non-current assets		**870.8**	870.4
		54,648.2	55,507.4
Current assets			
Inventories		**482.2**	461.9
Trade and other receivables	19	**14,343.6**	12,148.7
Cash and bank balances		**7,275.6**	6,656.6
		22,101.4	19,267.2
Assets held-for-sale	20	**–**	3,364.0
Total assets		**76,749.6**	78,138.6

Condensed Consolidated Statement of Financial Position – Unaudited

	Note	(Unaudited) At 31 December 2018 HK$'m	(Audited) At 30 June 2018 HK$'m
EQUITY			
Share capital	21	**3,902.7**	3,896.5
Reserves	22	**45,346.6**	46,053.5
Shareholders' funds		**49,249.3**	49,950.0
Non-controlling interests		**185.6**	173.8
Total equity		**49,434.9**	50,123.8
LIABILITIES			
Non-current liabilities			
Borrowings	23	**10,081.0**	9,139.6
Deferred tax liabilities		**2,355.1**	2,490.2
Other non-current liabilities		**168.0**	176.9
		12,604.1	11,806.7
Current liabilities			
Borrowings	23	**2,734.4**	1,035.0
Trade and other payables	24	**11,325.9**	11,384.2
Taxation		**650.3**	575.8
		14,710.6	12,995.0
Liabilities directly associated with assets held-for-sale	20	**–**	3,213.1
Total liabilities		**27,314.7**	28,014.8
Total equity and liabilities		**76,749.6**	78,138.6

Condensed Consolidated Statement of Changes in Equity – Unaudited

For the six months ended 31 December 2018

HK$'m	Note	Shareholders' funds: Share capital	Shareholders' funds: Share premium	Shareholders' funds: Revenue reserve	Shareholders' funds: Other reserves	Shareholders' funds: Total	Non-controlling interests	Total
At 30 June 2018		3,896.5	17,629.5	27,518.3	905.7	49,950.0	173.8	50,123.8
Impact on initial adoption of HKFRS 9	3(a)(iii)	–	–	414.0	(104.0)	310.0	–	310.0
At 1 July 2018, restated		3,896.5	17,629.5	27,932.3	801.7	50,260.0	173.8	50,433.8
Total comprehensive income for the period		–	–	2,276.8	(1,580.0)	696.8	11.9	708.7
Contributions by/(distribution to) owners								
Dividend paid to								
Shareholders of the Company	25	–	–	(1,794.7)	–	(1,794.7)	–	(1,794.7)
Non-controlling interests		–	–	–	–	–	(0.1)	(0.1)
Share options								
Nominal value of new shares issued		6.2	–	–	–	6.2	–	6.2
Share premium on new shares issued		–	81.0	–	–	81.0	–	81.0
Transfer		–	–	(2.4)	2.4	–	–	–
Total transactions with owners		6.2	81.0	(1,797.1)	2.4	(1,707.5)	(0.1)	(1,707.6)
At 31 December 2018		3,902.7	17,710.5	28,412.0	(775.9)	49,249.3	185.6	49,434.9

Condensed Consolidated Statement of Changes in Equity – Unaudited

		For the six months ended 31 December 2017						
		Shareholders' funds						
HK$'m	Note	Share capital	Share premium	Revenue reserve	Other reserves	Total	Non-controlling interests	Total
At 1 July 2017		3,888.3	17,521.8	27,002.4	644.6	49,057.1	217.9	49,275.0
Total comprehensive income for the period		–	–	2,480.7	1,350.4	3,831.1	19.0	3,850.1
Contributions by/(distribution to) owners								
Dividend paid to								
Shareholders of the Company	25	–	–	(4,322.9)	–	(4,322.9)	–	(4,322.9)
Non-controlling interests		–	–	–	–	–	(0.1)	(0.1)
Share options								
Nominal value of new shares issued		6.2	–	–	–	6.2	–	6.2
Share premium on new shares issued		–	81.8	–	–	81.8	–	81.8
Repayment of capital to a non-controlling shareholder		–	–	–	–	–	(16.5)	(16.5)
Total transactions with owners		6.2	81.8	(4,322.9)	–	(4,234.9)	(16.6)	(4,251.5)
At 31 December 2017		3,894.5	17,603.6	25,160.2	1,995.0	48,653.3	220.3	48,873.6

Condensed Consolidated Statement of Cash Flows – Unaudited

	Note	For the six months ended 31 December 2018 HK$'m	2017 HK$'m
Cash flows from operating activities			
Net cash generated from operations	28(a)	**1,861.5**	1,654.0
Finance costs paid		**(146.7)**	(134.7)
Interest received		**127.3**	92.4
Hong Kong profits tax paid		**(227.8)**	(216.6)
Mainland China and overseas taxation paid		**(82.3)**	(116.3)
Net cash generated from operating activities		**1,532.0**	1,278.8
Cash flows from investing activities			
Dividends received from associated companies and joint ventures		**946.0**	1,029.0
Increase in investments in and advances to associated companies		**(316.3)**	(233.4)
Increase in investments in and advances to joint ventures		**(2,469.4)**	(494.7)
Additions of intangible concession rights and property, plant and equipment		**(429.9)**	(226.2)
Additions of financial assets at fair value through profit or loss		**(652.8)**	–
Additions of available-for-sale financial assets		**–**	(303.5)
Disposal of financial assets at fair value through profit or loss		**631.4**	–
Disposal of available-for-sale financial assets		**–**	208.0
Disposal of assets held-for-sale	20	**168.0**	–
Disposal of subsidiaries, net of cash disposed	28(c)	**142.9**	–
Disposal of associated companies		**86.8**	–
Disposal of intangible concession rights and property, plant and equipment		**62.7**	2.7
Dividends received from financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss		**64.1**	–
Dividends received from available-for-sale financial assets		**–**	35.2
Decrease in short-term bank deposits maturing after more than three months		**–**	2.5
Net cash (used in)/from investing activities		**(1,766.5)**	19.6

Condensed Consolidated Statement of Cash Flows – Unaudited

	For the six months ended 31 December	
	2018	2017
	HK$'m	HK$'m
Cash flows from financing activities		
Issuance of new shares from share options exercised	**87.2**	88.0
New bank loans and other borrowings	**4,504.7**	3,286.5
Repayment of bank loans and other borrowings	**(1,890.0)**	(425.1)
Capital repayment to a non-controlling shareholder	**–**	(16.5)
Dividends paid to shareholders of the Company	**(1,794.7)**	(4,322.9)
Dividends paid to non-controlling interests	**(0.1)**	(0.1)
Decrease in loans from non-controlling interests	**(2.3)**	(8.5)
Net cash from/(used in) financing activities	**904.8**	(1,398.6)
Net increase/(decrease) in cash and cash equivalents	**670.3**	(100.2)
Cash and cash equivalents at the beginning of the period	**6,643.2**	6,436.8
Currency translation differences	**(51.3)**	70.1
Cash and cash equivalents at the end of the period	**7,262.2**	6,406.7
Analysis of cash and cash equivalents		
Cash and bank balances	**7,275.6**	6,420.8
Short-term bank deposits maturing after more than three months	**(13.4)**	(14.1)
	7,262.2	6,406.7

Notes to Condensed Consolidated Interim Financial Statements

1. GENERAL INFORMATION

NWS Holdings Limited is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The principal activity of the Company is investment holding.

The principal activities of its subsidiaries include:

(a) the development, investment, operation and/or management of roads, environmental projects, commercial aircraft leasing as well as ports and logistics facilities; and

(b) the investment in and/or operation of facilities, duty free shops, healthcare, construction, transport and strategic investments.

The Company has its listing on the Main Board of the Hong Kong Stock Exchange.

The unaudited condensed consolidated interim financial statements (the "interim financial statements") were approved for issuance by the board of directors of the Company (the "Board") on 26 February 2019.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and Appendix 16 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules"). The interim financial statements should be read in conjunction with the annual financial statements for the year ended 30 June 2018 ("FY2018").

The accounting policies used in the preparation of the interim financial statements are consistent with those set out in the annual report for FY2018 except as described in note 2(a) and (b) below.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

(a) Adoption of new standard, amendments to standards and interpretation

During the Current Period, the Group has adopted the following new standard, amendments to standards and interpretation which are relevant to the Group's operations and are mandatory for the financial year ending 30 June 2019 ("FY2019"):

HKFRS 9	Financial Instruments
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment Transactions
HKFRS 4 (Amendments)	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
HKFRS 15 (Amendments)	Clarification to HKFRS 15
HKAS 40 (Amendments)	Transfers of Investment Property
HK (IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
HKFRSs Amendments	Annual Improvements to HKFRSs 2014-2016 Cycle

Except for HKFRS 9 as detailed in note 2(b) below, the adoption of the above amendments to standards and interpretation has no material effect on the results and financial position of the Group.

(b) Adoption of Hong Kong Financial Reporting Standard 9 "Financial Instruments"

Hong Kong Financial Reporting Standard 9 "Financial Instruments" ("HKFRS 9") replaces the multiple classification and measurement models in HKAS 39 "Financial Instruments: Recognition and Measurement" ("HKAS 39") with a single model that has three classification categories: amortized cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss ("FVPL").

Classification of debt assets will be driven by the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. A debt instrument is measured at amortized cost if (i) the objective of the business model is to hold the financial asset for the collection of the contractual cash flows; and (ii) the contractual cash flows under the instrument solely represent payments of principal and interest. All other debt and equity instruments either measured at cost less impairment losses or fair value under HKAS 39 must now be recognized at fair value and their gains and losses will either be recorded in profit or loss or other comprehensive income ("OCI"). For investment in debt instruments, the classification will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, the classification will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investments at FVOCI.

The Group adopted transitional provisions which do not require to restate comparative figures. The reclassifications and adjustments arising from implementation of new standard are therefore not reflected in the condensed consolidated statement of financial position as at 30 June 2018, but are recognized in the opening condensed consolidated statement of financial position as at 1 July 2018. Details of the change in accounting policy are set out in note 3.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

(c) Standards, amendments to standards and interpretation which are not yet effective

The following new standards, amendments to standards and interpretation are mandatory for accounting period beginning on or after 1 July 2019 or later periods but which the Group has not early adopted:

HKFRS 16	Leases
HKFRS 17	Insurance Contracts
HKFRS 3 (Amendments)	Business Combinations
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
HKAS 19 (Amendments)	Employee Benefits
HKAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments
HKAS 1 and HKAS 8 (Amendments)	Amendments to Definition of Material
HKFRSs Amendments	Annual Improvements to HKFRSs 2015-2017 Cycle
Conceptual Framework for Financial Reporting 2018	Revised Conceptual Framework for Financial Reporting

The Group has already commenced an assessment of the likely impact of adopting the above new standards, amendments to standards and interpretation, in which the preliminary assessment of HKFRS 16 "Leases" ("HKFRS 16") is detailed below.

HKFRS 16 addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. A key change arising from HKFRS 16 is that most operating leases will be accounted for on the statements of financial position for lessees. The Group is a lessee of certain premises and properties which are currently classified as operating leases. HKFRS 16 provides a new provision for the accounting treatment of leases when the Group is the lessee, almost all leases should be recognized in the form of an asset (for the right-of-use) and a financial liability (for the payment obligation). Short-term leases of less than 12 months and leases of low-value assets are exempt from the reporting obligation.

The new standard will therefore result in an increase in assets and financial liabilities in the statements of financial position. As for the financial performance impact in the statements of comprehensive income, straight-line depreciation expenses on the right-of-use assets and the interest expenses on the financial liabilities are recognized and no rental expenses will be recognized. The combination of a straight-line depreciation of the right-of-use assets and the effective interest rate method applied to the financial liabilities will result in a higher total charge to income statements in the initial years of the lease, and decreasing expenses during the latter part of the lease term.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (continued)

(c) Standards, amendments to standards and interpretation which are not yet effective (continued)

The Group conducted preliminary assessment and estimated that the adoption of HKFRS 16 would result in recognition of right-of-use assets and financial liabilities primarily arising from leases of premises and properties in relation to the Group's various businesses. The Group will continue to assess the impact in more details.

The Group has already commenced an assessment of the impact of other new standards, amendments to standards and interpretation, certain of which may be relevant to the Group's operations and may give rise to changes in accounting policies, changes in disclosures and remeasurement of certain items in the consolidated financial statements.

3. CHANGE IN ACCOUNTING POLICY

As explained in note 2(b) above, the Group has adopted HKFRS 9 which resulted in change in accounting policy used in the preparation of the consolidated financial statements. As allowed in the transitional provision in HKFRS 9 (2014), comparative figures are not restated.

(a) Investments and other financial assets

(i) Classification and measurement at initial recognition

From 1 July 2018, the Group classifies its financial assets as those to be measured subsequently at fair value (either through OCI, or through profit or loss) and those to be measured at amortized cost. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in OCI or profit or loss. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classifies its debt instruments as FVOCI where assets that are held for collection of contractual cash flows and for selling the financial assets which cash flows represent solely payments of principal and interest. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest income and foreign exchange gains or losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is recognized in profit or loss using the effective interest rate method. The Group classifies its debt instruments at FVPL if the instruments do not meet the criteria for amortized cost or FVOCI. A gain or loss on a debt instrument is recognized in profit or loss in the period in which it arises.

3. CHANGE IN ACCOUNTING POLICY (continued)

(a) Investments and other financial assets (continued)

(ii) Subsequent measurement (continued)

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains or losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends income from such investments is recognized in profit or loss when the Group's right to receive payments is established. Changes in fair value of financial assets at FVPL are recognized in profit or loss.

(iii) The following table shows the adjustments recognized for each individual financial statement line item. Financial statement line items that were not affected by the changes have not been included.

		As at 30 June 2018 HK$'m	Upon adoption of HKFRS 9 HK$'m	As at 1 July 2018 HK$'m
Condensed consolidated statement of financial position (extract)				
Non-current assets				
Available-for-sale financial assets	(note)	6,556.6	(6,556.6)	–
Financial assets at FVPL	(note)	–	3,305.5	3,305.5
Financial assets at FVOCI	(note)	–	3,561.1	3,561.1
Equity				
Reserves	(note)	46,053.5	310.0	46,363.5
– Investment revaluation reserve		(874.8)	874.8	–
– FVOCI reserve		–	(978.8)	(978.8)
– Revenue reserve		27,518.3	414.0	27,932.3

Note: On 1 July 2018, the Group reclassified its equity and debt instruments (previously classified as available-for-sale financial assets under HKAS 39) to either financial assets at FVPL or financial assets at FVOCI as shown above. The reclassification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Certain listed securities were reclassified from available-for-sale financial assets to financial assets at FVOCI. Fair value losses previously recognized in investment revaluation reserve were reclassified to FVOCI reserve or revenue reserve. In addition, impairment losses of HK$410.4 million previously recognized in revenue reserve were reclassified to FVOCI reserve. Fair value gains of HK$310.0 million were recognized in FVOCI reserve on 1 July 2018 upon the adoption of HKFRS 9.

Apart from the above, certain equity investments (primarily relating to investment funds) previously classified as equity securities are reclassified as debt securities upon adoption of HKFRS 9.

3. CHANGE IN ACCOUNTING POLICY (continued)

(b) Impairment of financial assets

From 1 July 2018, the Group assesses on a forward looking basis the expected credit losses associated with trade and other receivables, amounts receivables from associated companies and joint ventures. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The adoption of new impairment model has no material effect on the results of operations and financial position of the Group.

(c) Hedging

The new hedge accounting rules align hedge accounting more closely with common risk management practices. As a general rule, it will be easier to apply hedge accounting going forward. The adoption of new hedge accounting rules has no material impact on the Group's accounting for hedging relationship.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (interest rate risk, foreign exchange risk and price risk), credit risk and liquidity risk.

The interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's FY2018 annual financial statements.

There has been no significant change in any risk management policies since the last year end.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION (continued)

(b) Fair value estimation

The carrying amounts and fair value disclosures of the financial instruments of the Group are as follows:

(i) Listed investments are stated at market prices. The quoted market price used for financial assets held by the Group is the bid price at the end of the reporting period. Unlisted investments are stated at fair values which are estimated using other prices observed in recent transactions or valuation techniques when the market is not readily available.

(ii) The fair value of long-term financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

(iii) The carrying values of bank balances, receivables, payables and short-term borrowings approximate their fair values due to the short-term maturities of these assets and liabilities.

(iv) The following table presents the Group's financial instruments that are measured at fair value at 31 December 2018 and 30 June 2018 respectively:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION (continued)

(b) Fair value estimation (continued)

(iv) (continued)

At 31 December 2018:

HK$'m	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Financial assets at FVOCI				
Equity securities	**2,971.3**	**321.2**	**–**	**3,292.5**
Debt securities	**234.1**	**–**	**–**	**234.1**
Financial assets at FVPL				
Equity securities	**–**	**48.5**	**210.1**	**258.6**
Debt securities	**–**	**1,406.0**	**1,576.7**	**2,982.7**
Derivative financial instruments	**–**	**1.1**	**–**	**1.1**
	3,205.4	**1,776.8**	**1,786.8**	**6,769.0**
Liabilities				
Derivative financial instruments	**–**	**(46.4)**	**(10.2)**	**(56.6)**

At 30 June 2018:

HK$'m	Level 1	Level 2	Level 3	Total
Assets				
Financial assets at FVPL				
Trading securities	0.1	–	–	0.1
Available-for-sale financial assets				
Equity securities	3,009.6	1,194.7	1,197.6	5,401.9
Debt securities	234.2	704.2	216.3	1,154.7
Derivative financial instruments	–	16.4	–	16.4
	3,243.9	1,915.3	1,413.9	6,573.1
Liabilities				
Derivative financial instruments	–	(4.9)	(13.1)	(18.0)

There were no transfers of financial assets between Level 1 and Level 2 fair value hierarchy classifications.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUE ESTIMATION (continued)

(b) Fair value estimation (continued)

(iv) (continued)

The following table presents the changes/transfers in Level 3 financial instruments for the Current Period:

HK$'m	Available-for-sale financial assets	Financial assets at FVOCI	Financial assets at FVPL	Derivative financial liabilities
At 30 June 2018	1,413.9	–	–	(13.1)
Impact on initial adoption of HKFRS 9	(1,413.9)	317.3	1,406.6	–
At 1 July 2018, restated	–	317.3	1,406.6	(13.1)
Transfer (to)/from Level 2	–	(317.3)	415.9	–
Translation differences	–	–	(8.3)	–
Additions	–	–	652.8	–
Disposals	–	–	(631.4)	–
(Loss)/gain recognized in the condensed consolidated income statement	–	–	(48.8)	2.9
At 31 December 2018	–	–	1,786.8	(10.2)

5. REVENUE AND SEGMENT INFORMATION

The Group's revenue is analyzed as follows:

	For the six months ended 31 December	
	2018 **HK$'m**	2017 HK$'m
Roads	**1,288.5**	1,328.3
Aviation	**161.6**	–
Facilities Management	**2,093.7**	3,577.4
Construction & Transport	**10,644.2**	13,171.2
	14,188.0	18,076.9

Management has determined the operating segments based on the reports reviewed by the Executive Committee of the Company that are used to make strategic decisions. The Executive Committee reviews the Group's internal reporting in order to assess performance and allocate resources. The Executive Committee considers the businesses of the Group from product and service perspectives, which comprised (i) Roads; (ii) Environment; (iii) Logistics; (iv) Aviation; (v) Facilities Management; (vi) Construction & Transport; and (vii) Strategic Investments.

The Executive Committee assesses the performance of the operating segments based on a measure of attributable operating profit (including share of results from associated companies and joint ventures). This measurement basis excludes the effects of corporate office and non-operating items. Corporate interest income, finance costs and expenses are not allocated to segments.

5. REVENUE AND SEGMENT INFORMATION (continued)

(a) The information of the reportable segments provided to the Executive Committee for the Current Period is as follows:

HK$'m	Roads	Environment	Logistics	Aviation	Facilities Management	Construction & Transport		Strategic Investments	Total	
For the six months ended 31 December 2018										
Total revenue	1,288.5	–	–	161.6	2,095.6	10,644.2		–	14,189.9	
Inter-segment	–	–	–	–	(1.9)	–		–	(1.9)	
Revenue – external	1,288.5	–	–	161.6	2,093.7	10,644.2	(i)	–	14,188.0	
Recognized at a point in time	1,288.5	–	–	161.6	1,391.6	1,732.1		–	4,573.8	
Recognized over time	–	–	–	–	702.1	8,912.1		–	9,614.2	
Attributable operating profit										
Company and subsidiaries	515.7	15.6	–	44.0	27.4	389.5	(i)	(48.1)	944.1	
Associated companies	92.4	376.5	71.7	–	(183.9)	238.2		9.6	604.5	(b)
Joint ventures	340.4	57.5	266.8	187.8	9.7	1.7		19.4	883.3	(b)
	948.5	449.6	338.5	231.8	(146.8)	629.4		(19.1)	2,431.9	
Reconciliation – corporate office and non-operating items										
Gain on fair value of investment properties									33.7	
Gain on disposal of projects, net of tax									180.8	
Interest income									20.9	
Finance costs									(172.6)	
Expenses and others									(220.4)	
Profit attributable to shareholders									2,274.3	

(i) The amounts include revenue of HK$1,825.5 million and attributable operating loss of HK$26.0 million from the Group's Transport business.

Notes to Condensed Consolidated Interim Financial Statements

5. REVENUE AND SEGMENT INFORMATION (continued)

(a) The information of the reportable segments provided to the Executive Committee for the Current Period is as follows (continued):

HK$'m	Roads	Environment	Logistics	Aviation	Facilities Management	Construction & Transport	Strategic Investments	Segment Total	Corporate	Consolidated
For the six months ended 31 December 2018										
Depreciation	13.5	-	-	-	52.9	216.7	-	283.1	3.0	286.1
Amortization of intangible concession rights	416.3	-	-	-	-	-	-	416.3	-	416.3
Amortization of intangible assets	-	-	-	-	15.6	0.9	-	16.5	-	16.5
Additions to non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets	28.2	-	-	-	50.6	347.4	-	426.2	3.7	429.9
Interest income	22.1	29.8	-	1.0	28.5	10.3	24.4	116.1	20.9	137.0
Finance costs	-	-	-	-	0.4	37.7	-	38.1	172.6	210.7
Income tax expenses	220.5	9.9	0.1	2.9	26.8	91.7	0.8	352.7	0.8	353.5
As at 31 December 2018										
Company and subsidiaries	12,208.3	405.1	-	8,568.8	4,623.4	13,514.5	4,647.7	43,967.8	4,287.2	48,255.0
Associated companies	2,434.8	5,022.4	2,011.8	-	1,232.4	2,024.4	1,864.3	14,590.1	3.5	14,593.6
Joint ventures	4,635.9	2,970.5	2,985.7	2,049.6	17.0	2.2	1,279.7	13,940.6	(39.6)	13,901.0
Total assets	19,279.0	8,398.0	4,997.5	10,618.4	5,872.8	15,541.1 (i)	7,791.7	72,498.5	4,251.1	76,749.6
Total liabilities	2,991.0	41.4	0.3	0.4	1,123.6	10,660.4 (i)	40.7	14,857.8	12,456.9	27,314.7

(i) The balances include total assets of HK$5,898.8 million and total liabilities of HK$1,789.9 million from the Group's Transport business.

5. REVENUE AND SEGMENT INFORMATION (continued)

(a) The information of the reportable segments provided to the Executive Committee for the Current Period is as follows (continued):

HK$'m	Roads	Environment	Logistics	Aviation	Facilities Management	Construction & Transport		Strategic Investments	Total	
For the six months ended 31 December 2017										
Total revenue	1,328.3	–	–	–	3,578.7	13,171.2		–	18,078.2	
Inter-segment	–	–	–	–	(1.3)	–		–	(1.3)	
Revenue – external	1,328.3	–	–	–	3,577.4	13,171.2	(i)	–	18,076.9	
Recognized at a point in time	1,328.3	–	–	–	2,850.1	1,660.3		–	5,838.7	
Recognized over time	–	–	–	–	727.3	11,510.9		–	12,238.2	
Attributable operating profit										
Company and subsidiaries	616.1	7.0	–	–	102.2	542.6	(i)	42.2	1,310.1	
Associated companies	36.7	216.3	73.8	154.2	(181.8)	64.0		81.5	444.7	(b)
Joint ventures	375.0	70.5	264.7	211.0	(4.8)	–		10.9	927.3	(b)
	1,027.8	293.8	338.5	365.2	(84.4)	606.6		134.6	2,682.1	
Reconciliation – corporate office and non-operating items										
Gain on fair value of investment properties									55.0	
Gain on disposal of projects, net of tax									38.8	
Interest income									18.1	
Finance costs									(126.6)	
Expenses and others									(189.3)	
Profit attributable to shareholders									2,478.1	

(i) The amounts included revenue of HK$1,750.1 million and attributable operating profit of HK$131.0 million from the Group's Transport business.

5. REVENUE AND SEGMENT INFORMATION (continued)

(a) The information of the reportable segments provided to the Executive Committee for the Current Period is as follows (continued):

HK$'m	Roads	Environment	Logistics	Aviation	Facilities Management	Construction & Transport		Strategic Investments	Segment Total	Corporate	Consolidated
For the six months ended 31 December 2017											
Depreciation	11.9	–	–	–	49.5	213.6		–	275.0	2.6	277.6
Amortization of intangible concession rights	427.4	–	–	–	–	–		–	427.4	–	427.4
Amortization of intangible assets	–	–	–	–	15.6	0.9		–	16.5	–	16.5
Additions to non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets	19.6	–	–	–	34.5	170.6		–	224.7	1.5	226.2
Interest income	26.4	6.5	–	0.1	19.6	2.9		26.5	82.0	18.5	100.5
Finance costs	1.7	–	–	–	0.4	36.7		0.1	38.9	126.5	165.4
Income tax expenses	224.9	48.4	–	4.4	27.3	104.2		0.2	409.4	0.3	409.7
As at 30 June 2018											
Company and subsidiaries	12,665.1	396.5	21.3	5,888.5	4,594.5	18,431.3		4,759.6	46,756.8	2,610.5	49,367.3
Associated companies	1,880.8	4,172.7	2,046.1	–	1,194.6	1,956.1		2,508.1	13,758.4	4.6	13,763.0
Joint ventures	5,205.6	3,157.6	3,021.8	2,240.5	7.4	2.5		1,354.8	14,990.2	18.1	15,008.3
Total assets	19,751.5	7,726.8	5,089.2	8,129.0	5,796.5	20,389.9	(i)	8,622.5	75,505.4	2,633.2	78,138.6
Total liabilities	2,530.9	37.7	2.4	167.1	1,199.1	14,008.6	(i)	17.6	17,963.4	10,051.4	28,014.8

(i) The balances included total assets of HK$5,441.2 million and total liabilities of HK$1,566.5 million from the Group's Transport business.

5. REVENUE AND SEGMENT INFORMATION (continued)

(b) Reconciliation of attributable operating profit from associated companies and joint ventures to the condensed consolidated income statement:

	Associated companies		Joint ventures	
	For the six months ended 31 December		For the six months ended 31 December	
HK$'m	**2018**	2017	**2018**	2017
Attributable operating profit	**604.5**	444.7	**883.3**	927.3
Corporate and non-operating items	**(8.3)**	(92.5)	**16.6**	(17.4)
Share of results of associated companies and joint ventures	**596.2**	352.2	**899.9**	909.9

(c) Information by geographical areas:

	Revenue		Non-current assets other than financial instruments, deferred tax assets and post-employment benefits assets	
	For the six months ended 31 December			
HK$'m	**2018**	2017	**At 31 December 2018**	At 30 June 2018
Hong Kong	**12,365.8**	16,407.1	**7,768.3**	7,628.5
Mainland China	**1,331.4**	1,381.5	**10,671.6**	11,598.9
Global and others	**490.8**	288.3	**75.0**	81.7
	14,188.0	18,076.9	**18,514.9**	19,309.1

The operations of the Group's Infrastructure division in Mainland China are undertaken mainly through associated companies and joint ventures, the results of which are accounted for by the equity method of accounting.

5. REVENUE AND SEGMENT INFORMATION (continued)

(c) Information by geographical areas (continued):

The Group's share of revenue of associated companies and joint ventures are as follows:

	Associated companies		Joint ventures	
	For the six months ended 31 December		For the six months ended 31 December	
HK$'m	**2018**	2017	**2018**	2017
Hong Kong	**1,570.2**	1,393.2	**363.9**	425.7
Mainland China	**1,053.6**	1,267.9	**4,424.4**	5,105.0
Global and others	**660.6**	629.5	**2,622.9**	1,942.0
	3,284.4	3,290.6	**7,411.2**	7,472.7

6. OTHER INCOME/GAINS (NET)

		For the six months ended 31 December	
	Note	**2018 HK$'m**	2017 HK$'m
Profit on disposal of subsidiaries	28(b)	**140.1**	–
Profit on disposal of assets held-for-sale	20	**67.6**	–
Profit on disposal of financial assets at FVPL		**60.4**	–
Gain on fair value of investment properties	10	**33.7**	55.0
Gain on fair value of derivative financial instruments		**–**	106.8
Profit on disposal of available-for-sale financial assets		**–**	46.8
Interest income		**137.0**	100.5
Other income		**107.9**	86.6
Dividend income		**64.1**	35.2
Machinery hire income		**37.4**	48.0
Net exchange gain		**14.1**	116.0
Loss on fair value of financial assets at FVPL		**(109.2)**	–
Impairment loss on other receivables		**(22.2)**	–
Loss on partial disposal of an associated company		**(54.2)**	–
		476.7	594.9

7. OPERATING PROFIT

Operating profit of the Group is arrived at after crediting and charging the following:

	Note	For the six months ended 31 December 2018 HK$'m	2017 HK$'m
Crediting			
Gross rental income from investment properties		**31.2**	30.0
Less: outgoings		**(7.2)**	(7.4)
		24.0	22.6
Charging			
Cost of inventories sold		**1,188.4**	1,191.8
Cost of services rendered		**11,483.0**	14,942.7
Depreciation	11	**286.1**	277.6
Amortization of intangible concession rights	12	**416.3**	427.4
Amortization of intangible assets	13	**16.5**	16.5
Operating lease rental expenses — properties		**133.2**	129.1

8. INCOME TAX EXPENSES

Hong Kong profits tax is provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits for the Current Period. Taxation on Mainland China and overseas profits has been calculated on the estimated taxable profits for the Current Period at the rates of tax prevailing in the countries in which the Group operates. These rates range from 12% to 25% (2017: 12% to 25%). Withholding tax on dividends is mainly provided at the rate of 5% or 10% (2017: 5% or 10%).

The amount of income tax charged to the condensed consolidated income statement represents:

	For the six months ended 31 December 2018 HK$'m	2017 HK$'m
Current income tax		
Hong Kong profits tax	**121.0**	118.6
Mainland China and overseas taxation	**289.6**	264.7
Deferred income tax (credit)/charge	**(57.1)**	26.4
	353.5	409.7

Share of taxation of associated companies and joint ventures of HK$73.8 million (2017: HK$65.6 million) and HK$206.1 million (2017: HK$237.5 million) respectively are included in the condensed consolidated income statement as share of results of associated companies and joint ventures respectively.

Dividends withholding tax of HK$57.3 million (2017: HK$51.2 million) is included in the above income tax charge.

9. EARNINGS PER SHARE

The calculation of basic earnings per share for the Current Period is based on earnings of HK$2,274.3 million (2017: HK$2,478.1 million) and on the weighted average of 3,898,457,613 (2017: 3,891,289,900) ordinary shares outstanding during the Current Period.

The calculation of diluted earnings per share for the Current Period is as follows:

	For the six months ended 31 December	
	2018 HK$'m	2017 HK$'m
Profit attributable to shareholders of the Company and for calculation of basic and diluted earnings per share	**2,274.3**	2,478.1

	Number of shares For the six months ended 31 December	
	2018	2017
Weighted average number of shares for calculating basic earnings per share	**3,898,457,613**	3,891,289,900
Effect of dilutive potential ordinary shares		
Share options	**2,246,547**	1,199,867
Weighted average number of shares for calculating diluted earnings per share	**3,900,704,160**	3,892,489,767

10. INVESTMENT PROPERTIES

HK$'m	Note	**Commercial properties in Hong Kong**	**Commercial properties in Macau**	**Residential properties in Mainland China**	**Total**
At 1 July 2018		**1,648.0**	**30.9**	**14.4**	**1,693.3**
Fair value changes	6	**33.0**	**0.7**	**–**	**33.7**
Translation differences		**–**	**–**	**(0.5)**	**(0.5)**
At 31 December 2018		**1,681.0**	**31.6**	**13.9**	**1,726.5**

The investment properties were revalued on 31 December 2018 by independent, professionally qualified valuers, Savills Valuation and Professional Services Limited and Savills (Macau) Limited. Valuations for properties were based on market value assessment or the income approach.

11. PROPERTY, PLANT AND EQUIPMENT

HK$'m	Note	Land and properties	Other plant and equipment	Construction in progress	Buses, vessels and other motor vehicles	Total
Cost						
At 1 July 2018		**1,359.6**	**2,363.9**	**85.4**	**3,586.0**	**7,394.9**
Additions		**–**	**70.3**	**164.1**	**195.5**	**429.9**
Disposals		**–**	**(31.4)**	**–**	**(21.1)**	**(52.5)**
Disposal of subsidiaries	28(b)	**–**	**(2.6)**	**–**	**–**	**(2.6)**
Transfers		**–**	**0.7**	**(91.2)**	**90.5**	**–**
Translation differences		**–**	**(7.0)**	**–**	**(0.1)**	**(7.1)**
At 31 December 2018		**1,359.6**	**2,393.9**	**158.3**	**3,850.8**	**7,762.6**
Accumulated depreciation and impairment						
At 1 July 2018		**113.4**	**1,446.6**	**–**	**464.6**	**2,024.6**
Depreciation	7	**31.1**	**100.2**	**–**	**154.8**	**286.1**
Disposals		**–**	**(29.8)**	**–**	**(9.9)**	**(39.7)**
Disposal of subsidiaries	28(b)	**–**	**(1.6)**	**–**	**–**	**(1.6)**
Translation differences		**–**	**(3.9)**	**–**	**(0.1)**	**(4.0)**
At 31 December 2018		**144.5**	**1,511.5**	**–**	**609.4**	**2,265.4**
Net book value						
At 31 December 2018		**1,215.1**	**882.4**	**158.3**	**3,241.4**	**5,497.2**
At 30 June 2018		1,246.2	917.3	85.4	3,121.4	5,370.3

12. INTANGIBLE CONCESSION RIGHTS

	Note	HK$'m
Cost		
At 1 July 2018		**19,143.8**
Disposals		**(125.5)**
Translation differences		**(761.9)**
At 31 December 2018		**18,256.4**
Accumulated amortization and impairment		
At 1 July 2018		**7,651.9**
Amortization	7	**416.3**
Disposals		**(64.4)**
Translation differences		**(303.4)**
At 31 December 2018		**7,700.4**
Net book value		
At 31 December 2018		**10,556.0**
At 30 June 2018		11,491.9

13. INTANGIBLE ASSETS

HK$'m	Note	Goodwill	Operating right and others	Total
Cost				
At 1 July 2018		**424.0**	**636.4**	**1,060.4**
Disposals		**(1.9)**	**–**	**(1.9)**
At 31 December 2018		**422.1**	**636.4**	**1,058.5**
Accumulated amortization and impairment				
At 1 July 2018		**15.4**	**291.4**	**306.8**
Amortization	7	**–**	**16.5**	**16.5**
At 31 December 2018		**15.4**	**307.9**	**323.3**
Net book value				
At 31 December 2018		**406.7**	**328.5**	**735.2**
At 30 June 2018		408.6	345.0	753.6

14. ASSOCIATED COMPANIES

	Note	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Group's share of net assets			
Listed shares – Hong Kong	(a)	**2,544.3**	2,303.2
Listed shares – Overseas	(a)	**864.7**	875.3
Unlisted shares	(b), (c), (d)	**8,442.5**	8,374.9
		11,851.5	11,553.4
Goodwill		**374.6**	390.2
Amounts receivable		**2,367.5**	1,819.4
	(e)	**14,593.6**	13,763.0

(a) As at 31 December 2018, the carrying amount represents the Group's investments in Wai Kee Holdings Limited, Shougang Concord International Enterprises Company Limited ("Shougang Concord") and Tharisa plc. The share of market value of the Group's listed associated companies amounts to HK$1,748.1 million (30 June 2018: HK$1,648.6 million).

(b) As at 31 December 2018, the carrying amount mainly represents the Group's investments in various infrastructure, ports, healthcare, strategic investments and other projects. Among which the Group has participating interests and holds for investment purpose in certain investment companies amounted to HK$341.5 million (30 June 2018: HK$1,148.9 million), whose assets mainly comprise financial assets at FVPL, loans and receivables. The Group's share of attributable operating loss of these investment companies for the Current Period amounted to HK$9.9 million (2017: attributable operating profit of HK$71.2 million).

(c) As at 31 December 2018, the Group has provided a pledge over its 30% equity interest in Hubei Suiyuenan Expressway with carrying amount of approximately HK$1.4 billion as security for a bank loan of Hubei Suiyuenan Expressway.

(d) The share of results for the Current Period included a share of a one-off fair value gain from SUEZ NWS, an associated company of the Group, amounted to approximately HK$232.5 million arising from remeasurement of interests previously held in a joint venture of SUEZ NWS. Such joint venture has been accounted by SUEZ NWS as a subsidiary with effect from July 2018.

(e) Management regularly reviews whether there are any indications of impairment of the Group's investments in associated companies. Management is of the view that there is no impairment of the Group's investments in associated companies as at 31 December 2018.

15. JOINT VENTURES

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Co-operative joint ventures		
Cost of investment less provision	**1,398.9**	1,480.6
Goodwill	**86.2**	86.2
Share of undistributed post-acquisition results	**1,945.5**	2,106.8
Amounts receivable	**16.7**	20.5
	3,447.3	3,694.1
Equity joint ventures		
Group's share of net assets	**4,525.7**	4,862.0
Goodwill	**87.2**	87.2
	4,612.9	4,949.2
Companies limited by shares		
Group's share of net assets	**3,270.6**	3,414.2
Goodwill	**156.5**	163.5
Amounts receivable	**2,638.2**	3,011.2
Amounts payable	**(224.5)**	(223.9)
	5,840.8	6,365.0
	13,901.0	15,008.3

As at 31 December 2018, the carrying amount mainly represents the Group's investments in various infrastructure, ports, logistics, commercial aircraft leasing and other projects. Management is of the view that there is no impairment of the Group's investment in joint ventures as at 31 December 2018.

16. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Equity securities listed in Hong Kong	**2,971.3**	–
Debt securities listed in Hong Kong	**234.1**	–
Unlisted equity securities	**321.2**	–
	3,526.6	–

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Unlisted equity securities	**258.6**	–
Unlisted debt securities	**2,982.7**	–
	3,241.3	–

18. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Equity securities listed in Hong Kong	**–**	3,009.6
Debt securities listed in Hong Kong	**–**	234.2
Unlisted equity securities	**–**	2,392.3
Unlisted debt securities	**–**	920.5
	–	6,556.6

19. TRADE AND OTHER RECEIVABLES

	Note	**At 31 December 2018 HK$'m**	At 30 June 2018 HK$'m
Trade receivables	(a)	**1,826.7**	2,451.2
Other receivables, deposits and prepayments	(b)	**3,663.1**	3,522.4
Retention money receivables		**1,668.4**	1,891.4
Contract assets		**128.3**	36.9
Derivative financial instruments		**1.1**	16.4
Amounts due from associated companies		**16.3**	51.3
Amounts due from joint ventures		**7,039.7**	4,179.1
		14,343.6	12,148.7

(a) The ageing analysis of trade receivables based on invoice date is as follows:

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Under 3 months	**1,669.9**	2,305.6
4 to 6 months	**53.5**	33.0
Over 6 months	**103.3**	112.6
	1,826.7	2,451.2

The Group has various credit policies for different business operations depending on the requirements of the markets and businesses in which the subsidiaries operate. Retention money receivables in respect of construction services are settled in accordance with the terms of respective contracts.

(b) The balance includes construction related receivables amounted to HK$2,880.5 million (30 June 2018: HK$2,469.8 million) which have not yet been billed at period/year end.

20. ASSETS HELD-FOR-SALE/LIABILITIES DIRECTLY ASSOCIATED WITH ASSETS HELD-FOR-SALE

On 8 June 2018, NWS CON Limited ("NWS CON", an indirect wholly owned subsidiary of the Company) entered into a conditional sale and purchase agreement ("SP Agreement") with Sherman Drive Limited ("Sherman Drive", a direct wholly owned subsidiary of NWD) in respect of the sale of Hip Seng Group by NWS CON to Sherman Drive through the sale of the entire issued share capital of Celestial Path on and subject to the terms and conditions contained in the SP Agreement. Total consideration for the disposal was HK$168.0 million and the gain on disposal was HK$67.6 million (note 6). Completion of the disposal took place on 21 August 2018. Assets and liabilities of the Hip Seng Group were reclassified as held-for-sale as at 30 June 2018.

21. SHARE CAPITAL

	Ordinary shares	
	No. of shares	**HK$'m**
Authorized		
At 1 July 2018 and 31 December 2018	**6,000,000,000**	**6,000.0**
Issued and fully paid		
At 1 July 2018	**3,896,506,451**	**3,896.5**
Exercise of share options	**6,169,989**	**6.2**
At 31 December 2018	**3,902,676,440**	**3,902.7**

Share Option Scheme

The share option scheme of the Company (the "Share Option Scheme"), which was adopted on 21 November 2011, is valid and effective for a period of ten years from the date of adoption. The Board may, at their discretion, grant options to any eligible participant as defined under the Share Option Scheme to subscribe for the shares of the Company. The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme must not in aggregate exceed 10% of the share capital of the Company in issue as at 21 November 2011, i.e. 3,388,900,598 shares.

21. SHARE CAPITAL (continued)

Share Option Scheme (continued)

Movements in the number of share options during the Current Period are as follows:

	Number of options
At 1 July 2018	**41,241,393**
Exercised	**(6,169,989)**
At 31 December 2018	**35,071,404**

(a) On 9 March 2015, 55,470,000 share options were granted to directors and certain eligible participants at the exercise price of HK$14.16 per share, which represents the average closing price of the Company's shares in the daily quotations sheets of the Hong Kong Stock Exchange for the five consecutive trading days immediately preceding 9 March 2015. Such share options will expire on 8 March 2020.

(b) Pursuant to the Share Option Scheme, the number of unexercised share options and the exercise price may be subject to adjustment in case of alteration in the capital structure of the Company. Due to the distribution of dividends of the Company in scrip form in prior years, several adjustments had been made to the number and the exercise price of outstanding share options in accordance with the Share Option Scheme in prior years. With effect from 15 May 2017, the exercise price per share of the share options granted was adjusted to HK$14.12.

(c) The share options were vested according to the Share Option Scheme and the terms of grant provided that for the vesting to occur the grantee has to remain as an eligible participant on such vesting date.

Notes to Condensed Consolidated Interim Financial Statements

22. RESERVES

HK$'m	Note	Share premium	Special reserves	Investment revaluation reserve	FVOCI reserve	Exchange reserve	Revenue reserve	Total
At 30 June 2018		17,629.5	797.6	(874.8)	–	982.9	27,518.3	46,053.5
Impact on initial adoption of HKFRS 9	3(a)(iii)	–	–	874.8	(978.8)	–	414.0	310.0
At 1 July 2018, restated		17,629.5	797.6	–	(978.8)	982.9	27,932.3	46,363.5
Profit attributable to the shareholders		–	–	–	–	–	2,274.3	2,274.3
Dividend paid to shareholders of the Company	25	–	–	–	–	–	(1,794.7)	(1,794.7)
Release of reserve upon disposal of subsidiaries		–	–	–	–	0.1	–	0.1
Release of reserve upon partial disposal of an associated company		–	–	–	–	(14.1)	–	(14.1)
Fair value changes on financial assets at FVOCI								
Group		–	–	–	(35.3)	–	–	(35.3)
Associated company		–	–	–	1.8	–	–	1.8
Joint ventures		–	–	–	(2.9)	–	–	(2.9)
Currency translation differences								
Group		–	–	–	–	(502.7)	–	(502.7)
Associated companies		–	–	–	–	(355.1)	–	(355.1)
Joint ventures		–	–	–	–	(454.2)	–	(454.2)
Share options								
Share premium on new shares issued		81.0	–	–	–	–	–	81.0
Share of other comprehensive income of associated companies and joint ventures		–	4.4	–	–	–	2.5	6.9
Cash flow hedges								
Group		–	(57.0)	–	–	–	–	(57.0)
Joint ventures		–	(165.0)	–	–	–	–	(165.0)
Transfer		–	2.4	–	–	–	(2.4)	–
At 31 December 2018		**17,710.5**	**582.4**	**–**	**(1,015.2)**	**(343.1)**	**28,412.0**	**45,346.6**

Special reserves include statutory reserves which are created in accordance with the relevant laws of the People's Republic of China and/or terms of the joint venture agreements of subsidiaries and joint ventures established in Mainland China and are required to be retained in the financial statements of these subsidiaries and joint ventures for specific purposes. Special reserves also include capital redemption reserve, share option reserve, property revaluation reserve and cash flow hedges reserve arising from foreign exchange forward, interest rate and fuel price swaps.

23. BORROWINGS

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Non-current		
Unsecured long-term bank loans	**10,080.7**	9,139.2
Unsecured other borrowings	**0.3**	0.4
	10,081.0	9,139.6
Current		
Current portion of unsecured long-term bank loans	**2,360.8**	834.9
Unsecured short-term bank loans	**373.5**	200.0
Unsecured other borrowings	**0.1**	0.1
	2,734.4	1,035.0
	12,815.4	10,174.6

24. TRADE AND OTHER PAYABLES

	Note	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Trade payables	(a)	**597.0**	1,266.4
Other payables and accruals	(b)	**7,308.8**	5,814.9
Retention money payables		**1,270.5**	1,206.5
Contract liabilities		**1,947.7**	2,867.3
Amounts due to non-controlling interests		**153.0**	191.3
Derivative financial instruments		**36.5**	–
Amounts due to associated companies		**11.6**	37.6
Amounts due to joint ventures		**0.8**	0.2
		11,325.9	11,384.2

(a) The ageing analysis of trade payables based on invoice date is as follows:

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Under 3 months	**537.4**	1,200.1
4 to 6 months	**2.3**	10.3
Over 6 months	**57.3**	56.0
	597.0	1,266.4

(b) The balance includes construction related accruals and provisions amounted to HK$4,655.9 million (30 June 2018: HK$3,449.9 million).

25. DIVIDEND

A final dividend of HK$1,794.7 million (2017: final dividend of HK$1,518.9 million and special final dividend of HK$2,804.0 million) that related to FY2018 were paid in December 2018.

On 26 February 2019, the Board has resolved to declare an interim dividend of HK$0.29 per share (2017: paid of HK$0.32 per share) for FY2019, which is payable on or about 12 April 2019 to shareholders whose names appear on the register of members of the Company on 25 March 2019. This interim dividend, amounting to HK$1,132.3 million (2017: HK$1,246.9 million), has not been recognized as liability in this interim financial information. It will be recognized in shareholders' equity in FY2019.

26. COMMITMENTS

(a) The outstanding commitments for capital expenditure are as follows:

	Note	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Contracted but not provided for			
Property, plant and equipment		**480.7**	402.3
Acquisition of a subsidiary	(i)	**21,500.0**	–
Capital contributions to/acquisitions of associated companies and joint ventures	(ii)	**1,490.0**	2,872.9
Other investments		**55.4**	523.0
		23,526.1	3,798.2

(i) On 27 December 2018, Earning Star Limited, an indirect wholly owned subsidiary of the Company, entered into a share purchase agreement to acquire the entire issued share capital of FTLife at a total consideration of HK$21.5 billion (subject to adjustments). The consideration for the acquisition will be funded by a combination of internal resources of the Group and the committed external financing from banks. FTLife is a life insurance company in Hong Kong engaged in provision for protection and savings-related life and medical insurance products. Upon completion of the acquisition, FTLife will become an indirect wholly owned subsidiary of the Company and the financial statements of FTLife will be consolidated into the financial statements of the Group.

(ii) The Group has committed to acquire or to provide sufficient funds in the form of advances, capital and loan contributions to certain associated companies and joint ventures to finance relevant projects. The Group estimates that the share of projected funds requirements of these projects would be approximately HK$1,490.0 million (30 June 2018: HK$2,872.9 million) which represents the attributable portion of the capital and loan contributions to be made to the associated companies and joint ventures.

(b) The Group's share of commitments for capital expenditure committed by the joint ventures not included above are as follows:

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Contracted but not provided for		
Property, plant and equipment	**9,958.7**	9,651.3
Intangible concession right	**9.7**	–
	9,968.4	9,651.3

27. FINANCIAL GUARANTEE CONTRACTS

The Group's financial guarantee contracts are as follows:

	At 31 December 2018 HK$'m	At 30 June 2018 HK$'m
Guarantees for credit facilities granted to		
Associated companies	**1,706.8**	1,824.8
Joint ventures	**2,145.0**	2,136.8
	3,851.8	3,961.6

In addition, as at 31 December 2018, the Group and NWD, through their respective wholly owned subsidiaries, namely NWS Sports Development Limited ("NWS Sports") and New World Sports Development Limited ("New World Sports"), have undertaken to provide the guarantee in favour of the Government and the guarantee has been entered into as at the date of this report. Pursuant to the guarantee, NWS Sports and New World Sports jointly and severally guaranteed to the Government, as a primary obligation, the punctual, true and faithful performance and observance by KTSPL of the obligations, terms, conditions and liabilities to be performed, observed and assumed by KTSPL under the DBO Contract and any further agreement entered into between the Government and KTSPL in connection with the DBO Contract. NWS Sports, the Company, New World Sports and NWD have also entered into a deed of counter-indemnity, under which the Group's guarantee towards KTSPL is up to the extent of 25% or amounts to approximately HK$7.5 billion. KTSPL, which is held as to 25% by NWS Sports and as to 75% by New World Sports, is an associated company of the Group.

28. NOTES TO CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of operating profit to net cash generated from operations:

	For the six months ended 31 December	
	2018	2017
	HK$'m	HK$'m
Operating profit	**1,358.8**	1,816.6
Depreciation and amortization	**718.9**	721.5
Interest income	**(137.0)**	(100.5)
Gain on fair value of derivative financial instruments	**–**	(106.8)
Gain on fair value of investment properties	**(33.7)**	(55.0)
Profit on disposal of subsidiaries	**(140.1)**	–
Profit on disposal of assets held-for-sale	**(67.6)**	–
Profit on disposal of financial assets at FVPL	**(60.4)**	–
Loss on partial disposal of an associated company	**54.2**	–
Loss on fair value of financial assets at FVPL	**109.2**	–
Impairment loss on other receivables	**22.2**	–
Profit on disposal of available-for-sale financial assets	**–**	(46.8)
Dividend income from financial assets at FVOCI and financial assets at FVPL	**(64.1)**	–
Dividend income from available-for-sale financial assets	**–**	(35.2)
Net exchange loss/(gain)	**9.1**	(61.8)
Other non-cash items	**(22.3)**	8.7
Operating profit before working capital changes	**1,747.2**	2,140.7
Decrease in security deposits	**19.6**	–
(Increase)/decrease in inventories	**(20.3)**	91.8
Decrease/(increase) in trade and other receivables	**569.1**	(1,415.4)
(Decrease)/increase in trade and other payables	**(375.2)**	793.5
Changes in balances with associated companies and joint ventures	**(33.7)**	3.9
Decrease in amounts due to non-controlling interests	**(33.5)**	(1.8)
Others	**(11.7)**	41.3
Net cash generated from operations	**1,861.5**	1,654.0

28. NOTES TO CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Disposal of subsidiaries

	Note	For the six months ended 31 December 2018 HK$'m
Net assets disposed		
Property, plant and equipment	11	**1.0**
Joint ventures		**56.1**
Trade and other receivables		**3.4**
Cash and bank balances		**19.2**
Trade and other payables		**(13.6)**
Tax payable		**(0.1)**
Exchange reserves		**0.1**
		66.1
Net profits on disposal	6	**140.1**
		206.2
Represented by		
Cash consideration received		**162.1**
Consideration settled by additional equity interest in an associated company of the Group	29(d)	**33.5**
Cash consideration receivable		**10.6**
		206.2

28. NOTES TO CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Analysis of net inflow of cash and cash equivalents in respect of the disposal of subsidiaries:

	For the six months ended 31 December 2018 HK$'m
Cash consideration received	**162.1**
Cash and bank balances disposed of	**(19.2)**
	142.9

29. RELATED PARTY TRANSACTIONS

(a) Except for those disclosed, the following is a summary of significant related party transactions during the Current Period carried out in the normal course of the Group's business:

		For the six months ended 31 December	
	Note	**2018 HK$'m**	2017 HK$'m
Transactions with affiliated companies	(i)		
Provision of construction work services	(ii)	**7.0**	–
Provision of other services	(iii)	**0.5**	1.7
Interest income	(iv)	**64.4**	42.4
Management fee income	(v)	**2.5**	4.3
Rental and other related expenses	(vi)	**(4.5)**	(3.4)
Other expenses	(viii)	**(126.5)**	(235.4)
Transactions with other related parties	(i)		
Provision of construction work services	(ii)	**580.0**	5,191.3
Provision of other services	(iii)	**22.3**	29.0
Rental and other related expenses	(vi)	**(15.2)**	(27.2)
Mechanical and electrical engineering services	(vii)	**(534.7)**	(261.0)
Other expenses	(viii)	**(71.6)**	(74.1)

29. RELATED PARTY TRANSACTIONS (continued)

(a) (continued)

(i) Affiliated companies include associated companies and joint ventures of the Group. Related parties are subsidiaries, associated companies and joint ventures of NWD and Chow Tai Fook Enterprises Limited ("CTF Enterprises") as well as Mr Doo Wai Hoi, William ("Mr Doo") and his associates which are not companies within the Group. NWD is the ultimate holding company of the Company and CTF Enterprises is a substantial shareholder of NWD. Mr Doo is a Vice-chairman and a non-executive director of NWD and is the father of Mr William Junior Guilherme Doo, a non-executive director of the Company.

(ii) Revenue from the provision of construction work services was charged in accordance with the relevant contracts.

(iii) The Group provided various kinds of services including facilities management, property management and other services to certain affiliated companies and related parties. The services were provided and charged in accordance with the relevant contracts.

(iv) Interest income was charged at relevant interest rates on the outstanding balances due from the affiliated companies.

(v) Management fee was charged at rates in accordance with the relevant contracts.

(vi) Rental and other related expenses were charged at rates in accordance with the respective tenancy agreements.

(vii) Mechanical and electrical engineering services were charged in accordance with the relevant contracts.

(viii) Other expenses include purchase of construction materials, laundry, security and guarding, landscaping, cleaning, property management and other services. The services were charged in accordance with the relevant contracts.

(b) Key management compensation

The aggregate amounts of emoluments of the directors of the Company are as follows:

	For the six months ended 31 December	
	2018 HK$'m	2017 HK$'m
Remuneration	**50.8**	34.9

29. RELATED PARTY TRANSACTIONS (continued)

(c) Disposal of Hip Seng Group to NWD as detailed in note 20.

(d) On 1 November 2018, Urban Parking Limited (an indirect wholly owned subsidiary of the Company) entered into an agreement with, among others, Shougang Concord (an associated company of the Company) and 首中投資管理有限公司 (Shouzhong Investment Management Co., Ltd.*) ("Shouzhong Investment", a wholly owned subsidiary of Shougang Concord) to dispose its entire equity interest in Urban Parking Beijing (an indirect wholly owned subsidiary of the Company) to Shouzong Investment at a consideration to be settled in cash of RMB9.98 million and by the issue of 177,425,528 ordinary shares of Shougang Concord. The completion of the disposal took place on 28 December 2018. The Company recognized HK$39.4 million disposal gain (net of tax and professional fees) for the Current Period. Upon completion, the Group's shareholding in Shougang Concord increased from approximately 10.47% to approximately 11.14%.

(e) On 28 December 2018, KTSPL, which is held as to 75% by New World Sports and 25% by NWS Sports, was awarded the DBO Contract at the total construction contract sum of HK$29.993 billion. On the same day, NWD, New World Sports, the Group and NWS Sports entered into the shareholders' agreement to regulate the respective rights and obligations of New World Sports and NWS Sports towards the operation and management of KTSPL for the purpose of jointly undertaking of the Kai Tak Sports Park project. The estimated maximum funding commitment of NWS Sports in relation to KTSPL is approximately HK$0.5 billion.

As detailed in note 27, the Group provided a guarantee in favour of the Government for the obligations of KTSPL in respect of the Kai Tak Sports Park project. The Group's guarantee towards KTSPL is up to the extent of 25% or amounts to approximately HK$7.5 billion after taking into account the deed of counter-indemnity entered into between NWS Sports, the Company, New World Sports and NWD.

Further, another deed of counter-indemnity has been entered into between the Company and NWD as at the date of this report in relation to the provision of indemnity by the Company to NWD from all liabilities and claims suffered or incurred by NWD under a guarantee provided by NWD in favour of the Government for the obligations of KTSPL to the extent proportionate to 25%.

To facilitate the construction of the Kai Tak Sports Park, KTSPL and Hip Hing Engineering (an indirect wholly owned subsidiary of the Company) entered into a construction management agreement subsequent to the end of the reporting period, pursuant to which Hip Hing Engineering will provide the construction management services to KTSPL for the Kai Tak Sports Park project. The fee payable to Hip Hing Engineering as compensation for the performance of the construction management services will be a fixed amount equal to HK$1.4 billion plus a sharing by Hip Hing Engineering with KTSPL of project cost savings on a 40:60 basis.

* *For identification purposes only*

29. RELATED PARTY TRANSACTIONS (continued)

(f) The total amounts receivable from associated companies and joint ventures are HK$12,078.4 million (30 June 2018: HK$9,081.5 million). These balances are unsecured, of which HK$2,854.4 million (30 June 2018: HK$2,243.0 million) are interest bearing. These balances also include an amount of HK$197.5 million (30 June 2018: HK$197.5 million) which has been subordinated to certain indebtedness of a joint venture. The total amounts payable to associated companies, joint ventures and non-controlling interests are HK$425.1 million (30 June 2018: HK$492.1 million). These balances are unsecured and interest free.

30. EVENT SUBSEQUENT TO PERIOD END

In January 2019, the Group issued US$1.0 billion 5.75% senior perpetual capital securities. The proceeds of the capital securities are for general corporate purpose and the capital securities are listed on the Hong Kong Stock Exchange. The senior perpetual capital securities have no maturity date and the Group has the right to redeem the securities from the holders and the payments of distribution can be deferred at the discretion of the Group. The securities will be classified as equity in the consolidated financial statements of the Group.

31. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the Current Period's presentation.

Financial Resources

TREASURY MANAGEMENT AND CASH FUNDING

The Group's funding and treasury policy is designed to maintain a diversified and balanced debt profile and financing structure. The Group continues to monitor its cash position, cash flow and debt profile to optimize its funding cost-efficiency with a centralized treasury function. In order to maintain our financial flexibility and adequate liquidity for the Group's operations, potential investments and growth plans, the Group has built a strong base of funding resources and will continue to review and optimize our capital structure and expand our source of funding from time to time. As at 31 December 2018, the Group had unutilized committed banking facilities of approximately HK$7.6 billion (not including the bridging loan facility for the acquisition of FTLife).

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2018, the Group's total cash and bank balances which were mainly denominated in Hong Kong Dollar and Renminbi amounted to HK$7,275.6 million, compared with HK$6,656.6 million as at 30 June 2018. The Group's net debt as at 31 December 2018 was HK$5,539.8 million, compared with HK$3,518.0 million as at 30 June 2018. The increase in net debt was mainly due to investments/advances to joint ventures and associated companies, payment of final dividends, net of operating cash inflows and dividends received. The capital structure of the Group was 21% debt and 79% equity as at 31 December 2018, compared with 17% debt and 83% equity as at 30 June 2018. The Group's Net Gearing Ratio, increased from 7% as at 30 June 2018 to 11% as at 31 December 2018.

Fuel price swap contracts are used to hedge against fuel price rises, and foreign exchange forward contracts are used to hedge against foreign currency exposures of the Group's Transport business and Infrastructure division.

Certain joint ventures and associated companies have local currency project loans in place, these are naturally hedged against the investments in the same local currency of the entity concerned.

DEBT PROFILE AND MATURITY

As at 31 December 2018, the Group's total debt increased to HK$12,815.4 million from HK$10,174.6 million as at 30 June 2018. The Group has managed to evenly distribute its debt maturity profile to reduce refinancing risks. Amongst the non-current portion of the long-term loans and borrowings of HK$10,081.0 million as at 31 December 2018, 29% will mature in the second year, 71% will mature in the third to fifth year. Bank loans were denominated in Hong Kong Dollar or United States Dollar and mainly bearing interest at floating rates. Interest rate swaps are used to hedge against part of the Group's underlying interest rate exposures. The Group did not have any material exposure to exchange risk other than Renminbi during the Current Period. As at 31 December 2018, the Group has provided a pledge over its 30% equity interest in the project company which owns and operates the Hubei Suiyuenan Expressway as security for a bank loan made to the project company.

COMMITMENTS

The Group's total commitment for capital expenditures was HK$23,526.1 million as at 31 December 2018, compared with HK$3,798.2 million as at 30 June 2018. These comprised commitments for acquisition of the entire issued share capital of FTLife at a total consideration of HK$21,500.0 million (subject to adjustments), the acquisitions of/capital contributions to certain associated companies, joint ventures and other investments of HK$1,545.4 million as well as additions of properties and equipment of HK$480.7 million. FTLife is a life insurance company incorporated in Hong Kong which engaged in the business of provision for protection and savings-related life and medical insurance products. Sources of funds for capital expenditures include internal resources of the Group and committed external financing from reputable international banks.

FINANCIAL GUARANTEE CONTRACTS

Financial guarantee contracts of the Group were HK$3,851.8 million as at 31 December 2018, compared with HK$3,961.6 million as at 30 June 2018. These comprised guarantees for banking facilities of associated companies and joint ventures.

In addition, as at 31 December 2018, the Group and NWD, through their respective wholly owned subsidiaries, namely NWS Sports and New World Sports, have undertaken to provide the guarantee in favour of the Government and the guarantee has been entered into as at the date of this report. Pursuant to the guarantee, NWS Sports and New World Sports jointly and severally guaranteed to the Government, as a primary obligation, the punctual, true and faithful performance and observance by KTSPL of the obligations, terms, conditions and liabilities to be performed, observed and assumed by KTSPL under the DBO Contract and any further agreement entered into between the Government and KTSPL in connection with the DBO Contract. NWS Sports, the Company, New World Sports and NWD have also entered into a deed of counter-indemnity, under which the Group's guarantee towards KTSPL is up to the extent of 25% or amounts to approximately HK$7.5 billion. KTSPL, which is held as to 25% by NWS Sports and as to 75% by New World Sports, is an associated company of the Group.

Interim Dividend

The Board has resolved to declare an interim dividend for FY2019 (the "Interim Dividend") of HK$0.29 per share (in cash) to the shareholders whose names appear on the register of members of the Company on 25 March 2019. It is expected that the Interim Dividend will be paid on or about 12 April 2019.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders' entitlement to the Interim Dividend, the register of members of the Company will be closed. Details of such closure are set out below:

Latest time to lodge transfer documents for registration	4:30 pm on 22 March 2019
Closure of register of members	25 March 2019
Record date	25 March 2019
Interim Dividend payment date	on or about 12 April 2019

On the abovementioned closure date, no transfer of shares will be registered. In order to qualify for the Interim Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than the aforementioned latest time.

Disclosure Pursuant to Rules 13.20 and 13.22 of the Listing Rules

The information as required to disclose under Rules 13.20 and 13.22 of the Listing Rules in relation to the Company's advances to entities and the financial assistance and guarantees to affiliated companies provided by the Company are as follows:

(a) ADVANCES TO ENTITIES

As at 31 December 2018, the Group has made advances to Goshawk Group in the aggregate amount of HK$8,438.6 million for financing its purchase of aircraft (including the acquisition of Sky Aviation). Such advances include the sum of HK$6,293.6 million due from Goshawk Group, which is interest free, unsecured and is repayable within the next 12 months from the end of the reporting period and a guarantee provided by the Group up to the amount of HK$2,145.0 million as security for a banking facility granted to the Goshawk Group (together, the "Advance to Goshawk Group"). These advances represent approximately 11.2% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules.

As at 31 December 2018, the Group and NWD, through their respective wholly owned subsidiaries, namely NWS Sports and New World Sports, have undertaken to provide the guarantee in favour of the Government and the guarantee has been entered into as at the date of this report. Pursuant to the guarantee, NWS Sports and New World Sports jointly and severally guaranteed to the Government, as a primary obligation, the punctual, true and faithful performance and observance by KTSPL of the obligations, terms, conditions and liabilities to be performed, observed and assumed by KTSPL under the DBO Contract and any further agreement entered into between the Government and KTSPL in connection with the DBO Contract. NWS Sports, the Company, New World Sports and NWD have also entered into a deed of counter-indemnity, under which the Group's guarantee towards KTSPL is up to the extent of 25% and amounts to approximately HK$7.5 billion (the "Advance to KTSPL"). KTSPL, which is held as to 25% by NWS Sports and as to 75% by New World Sports, is an associated company of the Group. This advance represents approximately 9.9% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules.

(b) FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

As at 31 December 2018, including the Advance to Goshawk Group and the Advance to KTSPL above, the Group has provided financial assistance, by way of shareholders' loans or advances, in the aggregate amount of HK$12,078.4 million to its affiliated companies, guarantees given for bank loans and other credit facilities for the benefit of the affiliated companies and the guarantee towards KTSPL in the aggregate amount of HK$11,351.8 million and contracted to provide an aggregate amount of HK$1,178.9 million in capital and/or loans to affiliated companies. The said amounts, in aggregate, represent approximately 32.5% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules. Affiliated companies include associated companies and joint ventures of the Group.

(b) FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES (continued)

The advances are unsecured, interest free and have no definite repayment terms except for (i) an aggregate amount of HK$104.7 million which carries interest at 8% per annum; (ii) an amount of HK$16.7 million which carries interest at Hong Kong prime rate; (iii) an amount of HK$1,600.0 million which carries interest at 6-month Hong Kong Interbank Offered Rate ("HIBOR") plus a margin of 1.3% per annum and is not repayable within the next 12 months from the end of the reporting period; (iv) an amount of HK$280.8 million which carries interest at 12-month London Interbank Offered Rate plus a margin of 12.15% per annum and is repayable on demand; (v) an amount of HK$228.6 million which carries interest at 90% of 5-year Renminbi benchmark lending rate published by People's Bank of China and is not repayable within the next 12 months from the end of the reporting period; (vi) an amount of HK$604.8 million which carries interest at one-month HIBOR plus a margin of 1.025% per annum and is not repayable within the next 12 months from the end of the reporting period; (vii) an amount of HK$18.8 million which carries interest at 4% per annum; and (viii) an aggregate amount of HK$6,570.6 million which is interest free and is repayable within the next 12 months from the end of the reporting period. The advances also include an amount of HK$197.5 million which has been subordinated to certain indebtedness of an affiliated company. Contracted capital and loan contributions to affiliated companies would be funded by internally generated resources and banking facilities of the Group.

Pursuant to Rule 13.22 of the Listing Rules, a proforma combined statement of financial position of those affiliated companies with financial assistance from the Group and the Group's attributable interest in those affiliated companies as at 31 December 2018 are presented as follows:

	Proforma combined statement of financial position HK$'m	**Group's attributable interest** HK$'m
Non-current assets	98,786.0	48,138.0
Current assets	14,497.9	5,710.8
Current liabilities	(26,459.8)	(13,617.5)
Non-current liabilities	(64,350.5)	(31,041.7)
	22,473.6	9,189.6

The proforma combined statement of financial position of the affiliated companies is prepared by combining their statements of financial position, after making adjustments to conform with the Group's significant accounting policies and re-grouping into significant classification in the statement of financial position, as at 31 December 2018.

Additional Information

CORPORATE GOVERNANCE PRACTICES

The Board firmly believes that good corporate governance is fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and stakeholders, and enhance shareholder value. Maintaining a high standard of corporate governance has been and remains one of the core missions of the Company. The Board devotes considerable effort to identify and formalize best practices for adoption by the Company.

Throughout the Current Period, the Company has complied with all the applicable code provisions under the Corporate Governance Code as contained in Appendix 14 of the Listing Rules.

DEALINGS IN THE COMPANY'S SECURITIES BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules (the "Model Code") as its own code of conduct for securities transactions by directors. Specific enquiry was made with all directors of the Company and it was established that they had all complied with the required standard of the Model Code during the Current Period.

The Company has also adopted the "Code for Securities Transactions by Relevant Employees", which is no less exacting than the Model Code, for governing the securities transactions of specified employees ("Relevant Employees") who, because of their positions, are likely to come across unpublished inside information. Following specific enquiry by the Company, all Relevant Employees had confirmed that they complied with the standard set out in the "Code for Securities Transactions by Relevant Employees" during the Current Period.

UPDATE ON DIRECTORS' INFORMATION

Changes in the information of directors of the Company since the disclosure made in the 2018 annual report of the Company and up to the date of this report, that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, are set out below:

1. Mr Ma Siu Cheung was appointed as a member of the Corporate Governance Committee, the Remuneration Committee and the Nomination Committee of the Company on 16 November 2018. He was also appointed as the Chief Executive Officer of the Company and the Chairman of the Sustainability Committee of the Company on 1 January 2019, and since then, he was no longer the Chief Operating Officer of the Company.

2. Mr Cheung Chin Cheung was appointed as a member of the Corporate Governance Committee of the Company on 16 November 2018.

3. Mr Cheng Chi Ming, Brian was appointed as a director of PBA International Pte. Ltd. on 4 January 2019.

4. Mr Ho Gilbert Chi Hang was appointed as a non-executive director of Wai Kee Holdings Limited, a listed public company in Hong Kong, on 31 December 2018.

5. Mr Chow Tak Wing was appointed as a member of the Corporate Governance Committee of the Company on 16 November 2018.

UPDATE ON DIRECTORS' INFORMATION (continued)

6. Mr Tsang Yam Pui ceased to be a member of the Nomination Committee of the Company on 16 November 2018. He also resigned as a non-executive director of Wai Kee Holdings Limited, a listed public company in Hong Kong, on 31 December 2018. Mr Tsang was re-designated from an executive director to a non-executive director of the Company on 1 January 2019 and retired from his position as the Chief Executive Officer of the Company on the same day. In addition, he ceased to be the Chairman and a member of the Sustainability Committee of the Company, and a member of the Executive Committee and the Remuneration Committee of the Company on 1 January 2019. He also resigned as a director of GHK Hospital Limited on 21 December 2018. As at the date of this report, Mr Tsang no longer acts as director of any subsidiary of the Group.

7. Mr Kwong Che Keung, Gordon was appointed as the Chairman of the Corporate Governance Committee of the Company on 16 November 2018.

8. Mrs Oei Fung Wai Chi, Grace was appointed as a member of the Corporate Governance Committee of the Company on 16 November 2018.

9. Mr Wong Kwai Huen, Albert was appointed as a member of the Corporate Governance Committee of the Company on 16 November 2018. He ceased to be a board member of the Hospital Authority on 1 December 2018.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Audit Committee of the Company was set up by the Board with specific terms for the purpose of reviewing and providing supervision over the Group's financial reporting process, and risk management and internal control. It currently comprises four independent non-executive directors and a non-executive director of the Company. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated interim financial statements of the Group for the Current Period with the management and the external auditor. The Audit Committee has also reviewed this interim report.

The unaudited consolidated interim results of the Group for the Current Period have been reviewed by the Company's external auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

Additional Information

DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2018, the directors of the Company had the following interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register maintained by the Company pursuant to Section 352 of the SFO:

(a) Long position in shares

	Number of shares				Approximate percentage of shareholding as at 31.12.2018
	Personal interests	Family interests	Corporate interests	Total	
The Company					
(Ordinary shares of HK$1.00 each)					
Dr Cheng Kar Shun, Henry	18,349,571	–	12,000,000(1)	30,349,571	0.778%
Mr Tsang Yam Pui	180,000	–	–	180,000	0.005%
Mr Lam Wai Hon, Patrick	1,446,207	–	7,608(2)	1,453,815	0.037%
Mr William Junior Guilherme Doo	–	–	128,869(3)	128,869	0.003%
Mr Kwong Che Keung, Gordon	1,207,077	–	–	1,207,077	0.031%
Dr Cheng Wai Chee, Christopher	2,875,786	–	–	2,875,786	0.074%
NWD					
(Ordinary shares)					
Mr Cheung Chin Cheung	124,400	–	–	124,400	0.001%
Mr William Junior Guilherme Doo	–	40,000(4)	–	40,000	0.000%
Mr Kwong Che Keung, Gordon	40,000	–	–	40,000	0.000%

Notes:

(1) The shares were held by a company wholly owned by Dr Cheng Kar Shun, Henry.

(2) The shares were held by a company wholly owned by Mr Lam Wai Hon, Patrick.

(3) The shares were held by a company wholly owned by Mr William Junior Guilherme Doo.

(4) The shares were held by the spouse of Mr William Junior Guilherme Doo.

DIRECTORS' INTERESTS IN SECURITIES (continued)

(b) Long position in underlying shares – share options

(i) The Company

The following directors of the Company had personal interests in options to subscribe for shares of the Company:

Name	Date of grant	Exercisable period (Note)	Number of share options: Balance as at 01.07.2018	Granted during the period	Exercised during the period	Reclassified during the period	Balance as at 31.12.2018	Exercise price per share HK$
Dr Cheng Kar Shun, Henry	9 March 2015	(1)	7,420,739	–	–	–	7,420,739	14.120
Mr Cheung Chin Cheung	9 March 2015	(1)	3,710,368	–	–	–	3,710,368	14.120
Mr Cheng Chi Ming, Brian	9 March 2015	(1)	3,710,368	–	–	–	3,710,368	14.120
Mr Chow Tak Wing	9 March 2015	(1)	–	–	–	508,212[2]	508,212	14.120
Mr To Hin Tsun, Gerald	9 March 2015	(1)	701,960	–	–	–	701,960	14.120
Mr Dominic Lai	9 March 2015	(1)	701,960	–	–	–	701,960	14.120
Mr Tsang Yam Pui	9 March 2015	(1)	3,710,368	–	–	–	3,710,368	14.120
Mr Lam Wai Hon, Patrick	9 March 2015	(1)	2,740,368	–	–	–	2,740,368	14.120
Mr Kwong Che Keung, Gordon	9 March 2015	(1)	1,403,922	–	–	–	1,403,922	14.120
Dr Cheng Wai Chee, Christopher	9 March 2015	(1)	1,403,922	–	–	–	1,403,922	14.120
Mr Shek Lai Him, Abraham	9 March 2015	(1)	1,403,922	–	–	–	1,403,922	14.120
Mr Lee Yiu Kwong, Alan	9 March 2015	(1)	889,922	–	–	–	889,922	14.120

Notes:

(1) 60% of the share options granted are exercisable from 9 May 2015 to 8 March 2020 while the remaining 40% of the share options granted are divided into 2 tranches exercisable from 9 March 2016 and 9 March 2017 respectively to 8 March 2020.

(2) The interest in the share options of Mr Chow Tak Wing, who was appointed as an executive director of the Company on 9 July 2018, was reclassified from eligible participant's interest to director's interest on the date of his appointment.

(3) The cash consideration paid by each of the directors for the grant of share options was HK$10.

DIRECTORS' INTERESTS IN SECURITIES (continued)

(b) Long position in underlying shares – share options (continued)

(ii) NWD

Under the share option scheme of NWD, the holding company of the Company, the following director of the Company had personal interest in options to subscribe for shares of NWD. Details of the share options of NWD granted to him are as follows:

			Number of share options				
Name	Date of grant	Exercisable period (Note)	Balance as at 01.07.2018	Granted during the period	Exercised during the period	Balance as at 31.12.2018	Exercise price per share HK$
Dr Cheng Kar Shun, Henry	10 June 2016	(1)	10,675,637	–	–	10,675,637	7.540
	3 July 2017	(2)	2,000,000	–	–	2,000,000	10.036

Notes:

(1) Divided into 4 tranches exercisable from 10 June 2016, 10 June 2017, 10 June 2018 and 10 June 2019 respectively to 9 June 2020.

(2) Divided into 4 tranches exercisable from 3 July 2017, 3 July 2018, 3 July 2019 and 3 July 2020 respectively to 2 July 2021.

(3) The cash consideration paid by the director for each grant of the share options was HK$10.

(c) Long position in debentures

(i) New World China Land Limited ("NWCL")

The following director of the Company had interest in the debentures issued by NWCL, a fellow subsidiary of the Company, which included the US$900,000,000 5.375% notes due 2019 under its US$1,500,000,000 medium term note programme, and the US$600,000,000 4.75% guaranteed notes due 2027. Details of his interest in such debentures are as follows:

	Amount of debentures in HK$				
Name	Personal interests	Family interests	Corporate interests	Total	Approximate percentage to the total amount of debentures in issue as at 31.12.2018
Mr William Junior Guilherme Doo	–	–	15,600,000 (Note)	15,600,000	0.123%

Note: The debentures were held by a company wholly owned by Mr William Junior Guilherme Doo and were issued in US$ and had been translated into HK$ using the rate of US$1 = HK$7.8.

DIRECTORS' INTERESTS IN SECURITIES (continued)

(c) Long position in debentures (continued)

(ii) Fita International Limited

The following director of the Company had interest in the US$750,000,000 7.00% guaranteed bonds due 2020 issued by Fita International Limited, a fellow subsidiary of the Company. Details of his interest in such debentures are as follows:

Name	Amount of debentures in US$				Approximate percentage to the total amount of debentures in issue as at 31.12.2018
	Personal interests	Family interests	Corporate interests	Total	
Mr William Junior Guilherme Doo	–	–	3,000,000 (Note)	3,000,000	0.400%

Note: The debentures were held by a company wholly owned by Mr William Junior Guilherme Doo.

(iii) NWD (MTN) Limited

The following director of the Company had interest in the debentures issued under the medium term notes programme of NWD (MTN) Limited, a fellow subsidiary of the Company. Details of his interest in such debentures are as follows:

Name	Amount of debentures in US$				Approximate percentage to the total amount of debentures in issue as at 31.12.2018
	Personal interests	Family interests	Corporate interests	Total	
Mr William Junior Guilherme Doo	–	–	2,000,000 (Note)	2,000,000	0.071%

Note: The debentures were held by a company wholly owned by Mr William Junior Guilherme Doo.

DIRECTORS' INTERESTS IN SECURITIES (continued)

(c) Long position in debentures (continued)

(iv) NWD Finance (BVI) Limited

The following director of the Company had interest in the US$1,200,000,000 5.75% guaranteed senior perpetual capital securities issued by NWD Finance (BVI) Limited, a fellow subsidiary of the Company. Details of his interest in such debentures are as follows:

Name	Amount of debentures in US$				Approximate percentage to the total amount of debentures in issue as at 31.12.2018
	Personal interests	Family interests	Corporate interests	Total	
Mr William Junior Guilherme Doo	–	–	1,310,000 (Note)	1,310,000	0.109%

Note: The debentures were held by a company wholly owned by Mr William Junior Guilherme Doo.

Save as disclosed above, as at 31 December 2018, none of the directors or chief executive of the Company had or was deemed to have any interest or short position in the shares, underlying shares and debentures of the Company and any of its associated corporations as defined in the SFO that were required to be entered into the register kept by the Company pursuant to Section 352 of the SFO or were required to be notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

During the Current Period, movement of share options granted by the Company under the Share Option Scheme is as follows:

(1) Details of the movement of share options granted to directors of the Company are disclosed under the section headed "Directors' Interests in Securities" above.

(2) Details of the movement of share options granted to other eligible participants are as follows:

Date of grant	Exercisable period (Note)	Number of share options: Balance as at 01.07.2018	Granted during the period	Exercised during the period[2]	Reclassified during the period	Lapsed during the period	Balance as at 31.12.2018	Exercise price per share HK$
9 March 2015	(1)	13,443,574	–	(6,169,989)	(508,212)[3]	–	6,765,373	14.120

Notes:

(1) 60% of the share options granted are exercisable from 9 May 2015 to 8 March 2020 while the remaining 40% of the share options granted are divided into 2 tranches exercisable from 9 March 2016 and 9 March 2017 respectively to 8 March 2020.

(2) The exercise price was HK$14.120 per share. The weighted average closing price of the shares of the Company immediately before the dates on which the share options were exercised was approximately HK$15.688 per share.

(3) The interest in the share options of Mr Chow Tak Wing, who was appointed as an executive director of the Company on 9 July 2018, was reclassified from eligible participant's interest to director's interest on the date of his appointment.

(4) The cash consideration paid by each eligible participant for the grant of share options was HK$10.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 December 2018, so far as are known to the directors, the following parties (other than a director or chief executive of the Company) were recorded in the register kept by the Company under Section 336 of the SFO as being directly or indirectly interested or deemed to be interested in 5% or more of the issued share capital of the Company:

Name	Number of shares Beneficial interests	 Corporate interests	 Total	Approximate percentage to the issued share capital of the Company as at 31.12.2018
Cheng Yu Tung Family (Holdings) Limited	–	2,477,530,362[(1)]	2,477,530,362	63.48%
Cheng Yu Tung Family (Holdings II) Limited	–	2,477,530,362[(2)]	2,477,530,362	63.48%
Chow Tai Fook Capital Limited	–	2,477,530,362[(3)]	2,477,530,362	63.48%
Chow Tai Fook (Holding) Limited	–	2,477,530,362[(4)]	2,477,530,362	63.48%
CTF Enterprises	97,034,424	2,380,495,938[(5)]	2,477,530,362	63.48%
NWD	1,588,468,276	792,027,662[(6)]	2,380,495,938	60.99%
Mombasa Limited	718,384,979	–	718,384,979	18.41%

Notes:

(1) Cheng Yu Tung Family (Holdings) Limited held approximately 48.98% direct interest in Chow Tai Fook Capital Limited ("CTFC") and was accordingly deemed to have an interest in the shares deemed to be interested by CTFC.

(2) Cheng Yu Tung Family (Holdings II) Limited held approximately 46.65% direct interest in CTFC and was accordingly deemed to have an interest in the shares deemed to be interested by CTFC.

(3) CTFC held approximately 81.03% direct interest in Chow Tai Fook (Holding) Limited ("CTFH") and was accordingly deemed to have an interest in the shares deemed to be interested by CTFH.

(4) CTFH held 100% direct interest in CTF Enterprises and was accordingly deemed to have an interest in the shares interested by or deemed to be interested by CTF Enterprises.

(5) CTF Enterprises, together with its subsidiaries, held more than one-third of the issued shares of NWD and was accordingly deemed to have an interest in the shares interested by or deemed to be interested by NWD.

(6) NWD held 100% indirect interest in Mombasa Limited and was accordingly deemed to have an interest in the shares held by Mombasa Limited in the Company. NWD was also deemed to be interested in 2,979,975 shares held by Financial Concepts Investment Limited, 35,331,354 shares each held by Hing Loong Limited and Fine Reputation Incorporated respectively, all of them being subsidiaries of NWD.

(7) All the interests stated above represented long positions.

Save as disclosed above, there was no other interest recorded in the register that was required to be kept under Section 336 of the SFO as at 31 December 2018.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2018, approximately 27,200 staff were employed by entities under the Group's management of which approximately 9,800 staff were employed in Hong Kong. Total staff related costs including provident funds, staff bonus and deemed share option benefits but excluding directors' remunerations during the Current Period were HK$2.099 billion (2017: HK$2.557 billion). Remuneration packages including salaries, bonuses and share options are granted to employees according to individual performance and are reviewed according to general market conditions every year. Structured training programmes were provided to employees on an ongoing basis.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Current Period.

Dr Cheng Kar Shun, Henry
Chairman

Hong Kong, 26 February 2019

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr Cheng Kar Shun, Henry *(Chairman)*
Mr Ma Siu Cheung *(Chief Executive Officer)*
Mr Cheung Chin Cheung
Mr Cheng Chi Ming, Brian
Mr Ho Gilbert Chi Hang
Mr Chow Tak Wing

Non-executive Directors

Mr To Hin Tsun, Gerald
Mr Dominic Lai
Mr Tsang Yam Pui
Mr Lam Wai Hon, Patrick
Mr William Junior Guilherme Doo

Independent Non-executive Directors

Mr Kwong Che Keung, Gordon
Dr Cheng Wai Chee, Christopher
The Honourable Shek Lai Him, Abraham
Mr Lee Yiu Kwong, Alan
Mrs Oei Fung Wai Chi, Grace
Mr Wong Kwai Huen, Albert

BOARD COMMITTEES

Executive Committee

Dr Cheng Kar Shun, Henry *(Chairman)*
Mr Ma Siu Cheung
Mr Cheung Chin Cheung
Mr Cheng Chi Ming, Brian
Mr Ho Gilbert Chi Hang
Mr Chow Tak Wing

Audit Committee

Mr Kwong Che Keung, Gordon *(Chairman)*
Mr Dominic Lai
Dr Cheng Wai Chee, Christopher
The Honourable Shek Lai Him, Abraham
Mr Lee Yiu Kwong, Alan

Remuneration Committee

The Honourable Shek Lai Him, Abraham *(Chairman)*
Mr Ma Siu Cheung
Mr Kwong Che Keung, Gordon
Dr Cheng Wai Chee, Christopher

Nomination Committee

Dr Cheng Kar Shun, Henry *(Chairman)*
Mr Ma Siu Cheung
Mr Kwong Che Keung, Gordon
Dr Cheng Wai Chee, Christopher
The Honourable Shek Lai Him, Abraham

Sustainability Committee

Mr Ma Siu Cheung *(Chairman)*
Mr Cheung Chin Cheung
Mr Cheng Chi Ming, Brian
Mr Dominic Lai
Mr Lam Wai Hon, Patrick
Mr William Junior Guilherme Doo
Mr Lee Yiu Kwong, Alan
Mrs Oei Fung Wai Chi, Grace
Ms Lam Yuet Wan, Elina
Ms Tang Cheung Yi

Corporate Governance Committee

Mr Kwong Che Keung, Gordon *(Chairman)*
Mr Ma Siu Cheung
Mr Cheung Chin Cheung
Mr Chow Tak Wing
Mrs Oei Fung Wai Chi, Grace
Mr Wong Kwai Huen, Albert

COMPANY SECRETARY

Mr Chow Tak Wing

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MUFG Fund Services (Bermuda) Limited
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69 Pitts Bay Road
Pembroke HM08
Bermuda

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Standard Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
22/F, Prince's Building
Central
Hong Kong

PRINCIPAL BANKERS

Bank of America, N.A.
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd. Hong Kong Branch
BNP Paribas Hong Kong Branch
China Construction Bank (Asia) Corporation Limited
Crédit Agricole Corporate & Investment Bank
DBS Bank Ltd. Hong Kong Branch
Hang Seng Bank Limited
Mizuho Bank, Ltd. Hong Kong Branch
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Sumitomo Mitsui Banking Corporation
  Hong Kong Branch
MUFG Bank, Ltd. Hong Kong Branch
The Hongkong and Shanghai Banking
  Corporation Limited

WEBSITE

www.nws.com.hk

Where the English and the Chinese texts conflict, the English text prevails.

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