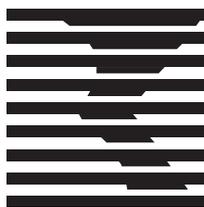


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ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

DISCLOSEABLE TRANSACTIONS ACQUISITION OF 50% EQUITY INTERESTS IN AND SHAREHOLDER LOANS OF JINAN JUNSHENG AND JINAN YAJUN

On 1 September 2022, Jinan Junheng (an indirect wholly-owned subsidiary of the Company), the Vendors and the Target Companies entered into the Equity Transfer Agreements, pursuant to which Jinan Junheng agreed to acquire, and the Vendors agreed to sell, 50% equity interests in and their corresponding shareholder loans of each of Jinan Junsheng and Jinan Yajun (each being a company owned as to 50% by the Group as at the date of this announcement). Upon completion of the Acquisitions, each of Jinan Junsheng and Jinan Yajun will become an indirect wholly-owned subsidiary of the Company.

As one or more applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of each of the Acquisitions, when aggregated, is more than 5% but less than 25%, the Acquisitions therefore constitute discloseable transactions for the Company, which are subject to the announcement requirements but exempt from the shareholders' approval requirements under the Listing Rules.

THE ACQUISITIONS

On 1 September 2022, Jinan Junheng (an indirect wholly-owned subsidiary of the Company), the Vendors and the Target Companies entered into the Equity Transfer Agreements described below.

EQUITY TRANSFER AGREEMENTS

Jinan Junsheng Agreement

Date: 1 September 2022

- Parties:
- (1) Jinan Junheng (as the purchaser)
 - (2) The Vendors (as the sellers):
Beijing Yaxin
Beijing Yajian
 - (3) Jinan Junsheng (as the target company)

Jinan Yajun Agreement

Date: 1 September 2022

- Parties:
- (1) Jinan Junheng (as the purchaser)
 - (2) The Vendors (as the sellers):
Beijing Yaxin
Beijing Yajian
 - (3) Jinan Yajun (as the target company)

Subject Matter:

Jinan Junheng agreed to acquire and the Vendors agreed to sell:

- (i) 50% equity interests (as to 39.44% by Beijing Yaxin and as to 10.56% by Beijing Yajian) in and their corresponding shareholder loans to Jinan Junsheng; and
- (ii) 50% equity interests (as to 38.1% by Beijing Yaxin and as to 11.9% by Beijing Yajian) in and their corresponding shareholder loans to Jinan Yajun.

Consideration

The consideration for the Jinan Junsheng Acquisition payable by Jinan Junheng shall be RMB520.0 million in aggregate. It comprises:

- (i) approximately RMB10.7 million, being the consideration for the acquisition of 50% equity interests in Jinan Junsheng; and
- (ii) approximately RMB509.3 million, being the consideration for the acquisition of shareholder loans provided by the Vendors to Jinan Junsheng.

The consideration for the Jinan Yajun Acquisition payable by Jinan Junheng shall be RMB160.0 million in aggregate. It comprises:

- (iii) RMB5.0 million, being the consideration for the acquisition of 50% equity interests in Jinan Yajun; and
- (iv) RMB155.0 million, being the consideration for the acquisition of shareholder loans provided by the Vendors to Jinan Yajun.

The consideration for the Acquisitions was arrived at arm's length negotiation among the relevant parties. Jinan Junheng agreed on the consideration for the acquisition of 50% equity interests in each of the Target Companies with reference to (i) the appraised net asset value of Jinan Junsheng as at 31 August 2022 attributable to the 50% equity interests in Jinan Junsheng of approximately RMB10.9 million according to the valuation report issued by an independent valuer; and (ii) the appraised net asset value of Jinan Yajun as at 31 August 2022 attributable to the 50% equity interests in Jinan Yajun of approximately RMB5.4 million according to the valuation report issued by an independent valuer. The consideration for the shareholder loans is equal to the face value of the shareholder loans of each of the Target Companies due to the Vendors and to be sold to Jinan Junheng.

Jinan Junheng has paid a sum of RMB470.0 million upon signing of the Jinan Junsheng Agreement and is required to pay the remaining sum of RMB50.0 million before 30 September 2022. Jinan Junheng has paid a sum of RMB80.0 million upon signing of the Jinan Yajun Agreement and is required to pay the remaining sum of RMB80.0 million before 18 October 2022.

The consideration for the Acquisitions is to be paid from the internal resources of the Group.

Completion

The registrations of change in equity ownership in respect of the Acquisitions by the relevant administration of industry and commerce are to take place within two business days of the execution of the Equity Transfer Agreements.

Upon completion of the Acquisitions, each of Jinan Junsheng and Jinan Yajun will become an indirect wholly-owned subsidiary of the Company.

INFORMATION ON THE TARGET COMPANIES

Each of the Target Companies is a company established in the PRC with limited liability with fully paid-up registered capital. Each of the Target Companies was set up as (and remains on the date of signing of the Equity Transfer Agreements) a joint venture company for undertaking the development of one of the Group's two residential projects in Lixia District, Jinan, Shandong Province, the PRC. Jinan Junsheng was owned as to 50%, 39.44% and 10.56%, while Jinan Yajun was owned as to 50%, 38.1% and 11.9%, by Jinan Junheng, Beijing Yaxin and Beijing Yajian, respectively prior to the signing of the Equity Transfer Agreements. The development projects owned by the Target Companies occupy an aggregate site area of approximately 70,000 sq.m. and have an aggregate planned gross floor area of approximately 310,000 sq.m. Construction of these projects have been substantially completed. Certain units in both developments have been pre-sold/sold and delivered, with remaining units having aggregate gross floor area of approximately 133,000 sq.m. as at 30 June 2022 to be launched in the market in due course having regard to local market conditions.

Set out below is a summary of certain financial information of Jinan Junsheng for each of the years ended 31 December 2020 and 2021 prepared in accordance with the generally accepted accounting principles in the PRC (the "PRC GAAP"):

	For the year ended	
	31 December	
	2020	2021
	<i>RMB'million</i>	<i>RMB'million</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Net loss before taxation	10.5	51.0
Net loss after taxation	7.9	51.0

The unaudited net asset value of Jinan Junsheng as at 31 December 2021 under PRC GAAP was approximately RMB20.0 million and the property is booked at cost.

Set out below is a summary of certain financial information of Jinan Yajun for each of the years ended 31 December 2020 and 2021 prepared in accordance with the PRC GAAP:

	For the year ended	
	31 December	
	2020	2021
	<i>RMB'million</i>	<i>RMB'million</i>
	<i>(audited)</i>	<i>(audited)</i>
Net loss before taxation	3.5	36.9
Net loss after taxation	3.5	31.1

The audited net asset value of Jinan Yajun as at 31 December 2021 under PRC GAAP was approximately RMB53.3 million and the property is booked at cost.

INFORMATION ON THE VENDORS

Beijing Yaxin, a company established in the PRC with limited liability. It is principally engaged in, among other things, development of residential properties for sale.

Beijing Yajian, a company established in the PRC with limited liability. It is principally engaged in the provision of corporate management services.

According to publicly available information, Beijing Yaxin is wholly-owned by 廣州番禺雅居樂房地產開發有限公司(Guangzhou Panyu Agile Realty Development Co., Ltd.*), a company established in the PRC with limited liability, and an indirect wholly-owned subsidiary of Agile Group Holdings Limited, the shares of which are listed on the main board of the Stock Exchange (stock code: 3383). According to publicly available information, Beijing Yajian is owned as to 91% by Beijing Yaxin and as to 9% by 曲水廣豐企業管理合夥企業(有限合夥)(Qushui Guangfeng Enterprise Management Partnership (Limited Partnership)*)(“Qushui Guangfeng”). Qushui Guangfeng is owned as to 19.802% by each of five individuals (namely Ding Xiaoying (定曉穎), Zhang Pinting (張聘婷), Xu Yaorong (徐耀榮), Xu Zhi (許智) and Shao Xianmin (邵顯敏)) and as to less than 1% by 廣州廣駿熙企業管理有限公司 (Guangzhou Guangjunxi Enterprise Management Co., Ltd.*) which is in turn owned by two individuals.

To the best of the Directors’ knowledge, information and belief after making all reasonable enquiries, each of Beijing Yaxin, Beijing Yajian and their ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND THE BENEFIT OF THE ACQUISITIONS

Jinan Junheng is an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holding. The Company is an investment holding company and the Group is principally engaged in property development and investment in the PRC and Hong Kong, with a focus on residential developments, investment and asset management businesses, and development, operation and management of toll roads through infrastructure joint ventures in the PRC and Indonesia.

The Acquisitions will allow the Group to unwind the joint venture structures in relation to the underlying development projects of the Target Companies at no premium to the net asset value attributable to the equity interests being purchased and funding advanced by their respective joint venture partners. Following completion of the Acquisitions, the Company will have full control over the marketing, sale and delivery of unsold units in these projects and therefore enjoy the benefit of greater flexibility in managing the revenue and cash flow generated by the projects.

The Directors are of the view that the terms of the Acquisitions under the Equity Transfer Agreements are normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole. None of the Directors has a material interest in respect of each of the Acquisitions and therefore none of them is required to abstain from voting on the Board resolution by which each of the Equity Transfer Agreements was approved.

LISTING RULES IMPLICATIONS

As one or more applicable percentage ratios calculated in accordance with Rule 14.07 of the Listing Rules in respect of each of the Acquisitions, when aggregated, is more than 5% but less than 25%, the Acquisitions therefore constitute discloseable transactions for the Company, which are subject to the announcement requirements but exempt from the shareholders' approval requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Acquisitions”	namely Jinan Junsheng Acquisition and Jinan Yajun Acquisition
“Beijing Yajian”	北京雅建企業管理有限責任公司 (Beijing Yajian Enterprise Management Co., Ltd.*), a company established in the PRC, which holds 10.56% equity interests in Jinan Junsheng and 11.9% equity interests in Jinan Yajun
“Beijing Yaxin”	北京雅信房地產開發有限公司 (Beijing Yaxin Property Development Co., Ltd.*), a company established in the PRC, which holds 39.44% equity interests in Jinan Junsheng and 38.1% equity interests in Jinan Yajun
“Board”	the board of Directors of the Company
“Company”	Road King Infrastructure Limited, a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“Equity Transfer Agreements”	namely Jinan Junsheng Agreement and Jinan Yajun Agreement
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company or its connected persons (as defined in the Listing Rules)

“Jinan Junheng”	濟南雋恒房地產開發有限公司 (Jinan Junheng Properties Developments Co., Ltd.*), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Jinan Junsheng”	濟南雋盛房地產開發有限公司 (Jinan Junsheng Properties Developments Co., Ltd.*), a company established in the PRC which is owned as to 50%, 39.44% and 10.56% by Jinan Junheng, Beijing Yaxin and Beijing Yajian, respectively
“Jinan Junsheng Acquisition”	acquisition of 50% equity interests in Jinan Junsheng and the related shareholder loans from the Vendors by Jinan Junheng pursuant to the terms and conditions of the Jinan Junsheng Agreement
“Jinan Junsheng Agreement”	the equity transfer agreement dated 1 September 2022 entered into among Jinan Junheng, the Vendors and Jinan Junsheng in relation to the Jinan Junsheng Acquisition
“Jinan Yajun”	濟南雅雋房地產開發有限公司 (Jinan Yajun Properties Developments Co., Ltd.*), a company established in the PRC which is owned as to 50%, 38.1% and 11.9% by Jinan Junheng, Beijing Yaxin and Beijing Yajian, respectively
“Jinan Yajun Acquisition”	acquisition of 50% equity interests in Jinan Yajun and the related shareholder loans from the Vendors by Jinan Junheng pursuant to the terms and conditions of the Jinan Yajun Agreement
“Jinan Yajun Agreement”	the equity transfer agreement dated 1 September 2022 entered into among Jinan Junheng, the Vendors and Jinan Yajun in relation to the Jinan Yajun Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“sq.m.”	square metre(s)

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“Target Companies” namely Jinan Junsheng and Jinan Yajun

“Vendors” namely Beijing Yaxin and Beijing Yajian

By Order of the Board
Road King Infrastructure Limited
Zen Wei Peu, Derek
Chairman

Hong Kong, 1 September 2022

As at the date of this announcement, the Board comprises Messrs. Zen Wei Peu, Derek, Ko Yuk Bing, Fong Shiu Leung, Keter and Ng Fun Hung, Thomas as Executive Directors, Ms. Cai Xun and Mr. Xu Enli as Non-executive Directors and Messrs. Lau Sai Yung, Tse Chee On, Raymond, Wong Wai Ho and Ms. Hui Grace Suk Han as Independent Non-executive directors.

* *for identification purpose only*