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ROAD KING INFRASTRUCTURE LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1098)

MAJOR DISPOSAL IN RELATION TO PROPOSED SPIN-OFF AND SEPARATE LISTING OF RKE INTERNATIONAL HOLDINGS LIMITED ON THE MAIN BOARD OF THE STOCK EXCHANGE

PUBLICATION OF THE PROSPECTUS

PREFERENTIAL OFFERING

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

PUBLICATION OF THE PROSPECTUS

RKE published the Prospectus on 27 June 2017, which is available for download from the websites of RKE at <http://www.rkeinternational.com> and the Stock Exchange at <http://www.hkexnews.hk>. Printed copies of the Prospectus and the related application forms may be obtained, free of charge, at designated locations specified in (a) the formal notice issued by RKE on 27 June 2017; and (b) the Prospectus, during normal business hours from 9:00 a.m. on Tuesday, 27 June 2017 until 12:00 noon on Friday, 30 June 2017.

PREFERENTIAL OFFERING

The BLUE Application Forms together with copies of the Prospectus will be despatched to all RKI Qualifying Shareholders on 27 June 2017 to their respective addresses recorded on the register of members of RKI at 4:30 p.m. on the Record Date.

Shareholders are reminded that this announcement is not intended to and does not constitute an offer or an invitation to apply for their Assured Entitlement under the Preferential Offering. Such offer or invitation will only be made through the Prospectus and the information in this announcement in relation to the Preferential Offering is purely for general information purposes only and may be subject to change. Shareholders should refer to the Prospectus for details of the offer and the invitation to them under the Preferential Offering.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

In anticipation of the Proposed Listing and to avoid any conflict of interest following the Proposed Listing, Mr. Wong Wai Ho has tendered resignation as an Independent non-executive Director of the Company, such resignation to take effect from the date of Proposed Listing (if it proceeds).

GENERAL

The timetable for the Global Offering, including the Preferential Offering, has been set out in the Prospectus. The Company will make further announcement(s) in relation to the Proposed Spin-off and the Proposed Listing in accordance with the requirements of the Listing Rules as and when appropriate.

The implementation of the Proposed Spin-off and the Proposed Listing is dependent on a number of factors and subject to a number of conditions, which may or may not be satisfied, including the final decision of the Board, market conditions and other considerations. The Global Offering (including the Preferential Offering) is subject to, among other things, the obligations of the Underwriters under the Underwriting Agreements (as set out in the Prospectus) becoming unconditional and not having been terminated in accordance with the respective terms of the agreements. There is no certainty as to whether, and if so when, the Proposed Spin-off and the Proposed Listing will take place. Accordingly, Shareholders, holders of other securities of the Group and potential investors in the Shares and other securities of the Group should exercise caution when dealing in or investing in the Shares or other securities of the Group and are recommended to consult their professional advisers if they are in any doubt about their positions.

INTRODUCTION

Reference is made to the announcements of the Company dated 7 April 2017, 17 May 2017, 7 June 2017, 9 June 2017 and 21 June 2017 (the “**Announcements**”) and the circular of the Company dated 18 May 2017 (the “**Circular**”) in respect of the Proposed Spin-off. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as ascribed to them in the Announcements and the Circular.

PUBLICATION OF THE PROSPECTUS

RKE published the Prospectus on 27 June 2017, which is available for download from the websites of RKE at <http://www.rkeinternational.com> and the Stock Exchange at <http://www.hkexnews.hk>. Printed copies of the Prospectus and the related application forms may be obtained, free of charge, at designated locations specified in (a) the formal notice issued by RKE on 27 June 2017; and (b) the Prospectus, during normal business hours from 9:00 a.m. on Tuesday, 27 June 2017 until 12:00 noon on Friday, 30 June 2017.

Intended Use of Proceeds

Assuming that the Offer Price is HK\$4.75 per RKE Share (being the mid-point of the stated range of the Offer Price of between HK\$4.00 and HK\$5.50 per RKE Share) and the Over-allotment Option is not exercised, it is estimated that (i) the Remaining RKE Group will receive net proceeds of approximately HK\$502.7 million from the Global Offering after deducting the underwriting commissions payable by the Selling Shareholder and any applicable stamp duty in connection with the sale of the Sale Shares in the Global Offering (excluding the discretionary incentive fee); and (ii) RKE will receive net proceeds of approximately HK\$1,391.1 million from the Global Offering after deducting the underwriting commissions and other estimated expenses (excluding the discretionary incentive fee) in connection with the Global Offering payable by RKE.

The Company currently intends to use the net proceeds from the Global Offering payable to the Remaining RKE Group mainly for general corporate purposes.

In line with the business strategies of the RKE Group, the RKE Group intends to use the net proceeds from the Global Offering as follows:

- a) HK\$1,252.0 million, representing approximately 90% of the total net proceeds to the RKE Group from the Global Offering, will be used to acquire new expressway projects and planned expansion of existing expressway projects in a 60:40 ratio (HK\$751.2 million for acquisition and HK\$500.8 million for expansion). The RKE Group will focus on acquiring expressway projects in China, where it believes expressways may become more attractive due to the increased traffic flow as a result of the “One Belt, One Road” initiative. The RKE Group will also look into opportunities in other developing countries in South East Asia that will benefit from the “One Belt, One Road” initiative. As at the date of this announcement, the RKE Group had not identified the projects that it intends to acquire; and

- b) HK\$139.1 million, representing approximately 10% of the total net proceeds to the RKE Group from the Global Offering, will be used to fund working capital of the RKE Group and for general corporate purposes.

In the event the net proceeds to be used to acquire new expressway projects and planned expansions of existing expressway projects as described above are still not deployed by the time of RKE's first distribution following the Proposed Listing, unused net proceeds of between HK\$270.0 million and HK\$370.0 million may be used to fund RKE's first distribution following the Proposed Listing to shareholders of RKE. This distribution is expected to be paid by the RKE Group no later than 30 June 2018 after the announcement of the results of the RKE Group for the year ending 31 December 2017.

The Over-allotment Option is expected to be granted by the Selling Shareholder. If the Over-allotment Option is exercised in full, after deducting the underwriting commissions (excluding the discretionary incentive fee) payable by the Selling Shareholder and any applicable stamp duty in connection with the exercise of the Over-allotment Option, it is estimated that the net proceeds which the Remaining RKE Group will receive from such exercise of the Over-allotment Option will be approximately HK\$290.9 million assuming that the Offer Price is HK\$4.75 per RKE Share (being the mid-point of the stated range of the Offer Price of between HK\$4.00 and HK\$5.50 per RKE Share).

To the extent that the net proceeds of the Global Offering are not immediately required for the aforesaid purposes and to the extent permitted by the applicable laws and regulations, the RKE Group may hold such funds on short-term deposits as the directors of RKE consider to be in interests of the RKE Group and those of shareholders of RKE taken as a whole.

The above intended use of net proceeds from the Global Offering is indicative only and is subject to change. Further information on the application of the net proceeds from the Global Offering are set forth in the Prospectus.

Underwriting Agreements and Stock Borrowing Agreement

Underwriting Agreements

The Company has entered into the Hong Kong Underwriting Agreement in relation to the Hong Kong Public Offering with RKE, the Selling Shareholder, the Joint Sponsors, the Joint Global Coordinators and the Hong Kong Underwriters. The Company will also enter into the International Underwriting Agreement relating to the International Offering with RKE, the Selling Shareholder and the International Underwriters. The Offer Shares will be underwritten by the Underwriters subject to the terms set out in the Underwriting Agreements.

Lock-up

Pursuant to Rule 10.07 of the Listing Rules, each of the Company and Selling Shareholder (as controlling shareholders of RKE) has undertaken to RKE and to the Stock Exchange, except pursuant to the Global Offering (including pursuant to the Over-allotment Option or, if applicable, the stock borrowing arrangement that may be entered into with the Stabilising Manager or any of

its associates or any person acting for it), that it will not, and shall procure that any other registered holder(s) (if any) will not, without the prior written consent of the Stock Exchange or unless otherwise in compliance with applicable requirements of the Listing Rules:

- a) in the period commencing on the date of the Prospectus and ending on the date which is six months from the Listing Date (the “**First Six-month Period**”), dispose of, or enter into any agreement to dispose of, or create an encumbrance over any RKE Shares or other equity securities of RKE; and
- b) in the period of six months immediately following the expiry of the First Six-month Period, dispose of, nor enter into any agreement to dispose of or otherwise create any equity options, rights, interests or encumbrances in respect of, any of the RKE Shares or equity securities of RKE if, immediately following such disposal or upon the exercise or enforcement of such options, rights, interests or encumbrances, it would cease to be a “controlling shareholder” (as defined in the Listing Rules) of RKE.

Further details about the Hong Kong Underwriting Agreement are set out in the Prospectus.

Stock Borrowing Agreement

It is expected that the Selling Shareholder may enter into a stock borrowing agreement with the Stabilising Manager. Further details about the stock borrowing arrangement are set out in the Prospectus.

PREFERENTIAL OFFERING

As disclosed in the announcement of the Company dated 21 June 2017, in order to enable the Shareholders to participate in the Share Offer on a preferential basis as to allocation only, subject to the Stock Exchange granting approval for the listing of, and permission to deal in, the Offer Shares on the Main Board of the Stock Exchange and the Proposed Spin-off becoming unconditional, RKI Qualifying Shareholders are invited to apply for about 10.5% of the RKE Shares initially available under the Global Offering, assuming that the Over-allotment Option is not exercised. The Reserved Shares are offered out of the International Offer Shares under the International Offering and are not subject to reallocation.

The basis of the Assured Entitlement is one Reserved Share for every integral multiple of 17 Shares held by RKI Qualifying Shareholders as at 4:30 p.m. on the Record Date.

The Assured Entitlements of RKI Qualifying Shareholders to Reserved Shares are not transferrable. There will be no trading in nil-paid entitlements on the Stock Exchange.

The BLUE Application Forms together with copies of the Prospectus will be despatched to all RKI Qualifying Shareholders on 27 June 2017 to their respective addresses recorded on the register of members of RKI at 4:30 p.m. on the Record Date.

In addition to any application for Reserved Shares made on a BLUE Application Form, RKI Qualifying Shareholders will be entitled to make one application for Hong Kong Offer Shares in respect of which RKI Qualifying Shareholders will receive no preference as to entitlement or allocation.

Further details on the procedures for application under and the terms and conditions of the Preferential Offering are set out in the Prospectus and on the BLUE Application Forms despatched to the RKI Qualifying Shareholders.

Shareholders are reminded that this announcement is not intended to and does not constitute an offer or an invitation to apply for their Assured Entitlement under the Preferential Offering. Such offer or invitation will only be made through the Prospectus and the information in this announcement in relation to the Preferential Offering is purely for general information purposes only and may be subject to change. Shareholders should refer to the Prospectus for details of the offer and the invitation to them under the Preferential Offering.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

As mentioned in the Circular, in anticipation of the Proposed Listing and to avoid any conflict of interest following the Proposed Listing, Mr. Wong Wai Ho (“**Mr. Wong**”) has tendered resignation as an Independent non-executive Director of the Company, such resignation to take effect from the date of Proposed Listing (if it proceeds).

Mr. Wong confirmed to the Company that he has no disagreement with the Board and that there is no matter with respect to his resignation as an Independent non-executive Director that needs to be brought to the attention of the Shareholders.

GENERAL

The timetable for the Global Offering, including the Preferential Offering, has been set out in the Prospectus. The Company will make further announcement(s) in relation to the Proposed Spin-off and the Proposed Listing in accordance with the requirements of the Listing Rules as and when appropriate.

In connection with the Global Offering, the price of the RKE Shares may be stabilised in accordance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). Details of any intended stabilisation and how it will be regulated under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) are contained in the Prospectus.

The implementation of the Proposed Spin-off and the Proposed Listing is dependent on a number of factors and subject to a number of conditions, which may or may not be satisfied, including the final decision of the Board, market conditions and other considerations. The Global Offering (including the Preferential Offering) is subject to, among other things, the obligations of the Underwriters under the Underwriting Agreements (as set out in the Prospectus) becoming unconditional and not having been terminated in accordance with the respective terms of the agreements. There is no certainty as to whether, and if so when, the Proposed Spin-off and the Proposed Listing will take place. Accordingly, Shareholders,

holders of other securities of the Group and potential investors in the Shares and other securities of the Group should exercise caution when dealing in or investing in the Shares or other securities of the Group and are recommended to consult their professional advisers if they are in any doubt about their positions.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

- “controlling shareholder(s)” has the meaning ascribed to it under the Listing Rules
- “Group” means the Company and its subsidiaries before the Proposed Spin-off including the RKE Group
- “Hong Kong Offer Shares” means the 41,850,000 RKE Shares initially offered by RKE for subscription at the Offer Price pursuant to the Hong Kong Public Offering
- “Hong Kong Underwriters” means J.P. Morgan Securities (Asia Pacific) Limited, The Hongkong and Shanghai Banking Corporation Limited, DBS Asia Capital Limited, Prestige Securities Limited, First Shanghai Securities Limited and Quam Securities Company Limited
- “Hong Kong Underwriting Agreement” means the underwriting agreement dated 26 June 2017 relating to the Hong Kong Public Offering and entered into by the Company, RKE, the Selling Shareholder, the Joint Sponsors, the Joint Global Coordinators and the Hong Kong Underwriters, as further described in the Prospectus
- “International Offer Shares” means the 376,650,000 RKE Shares initially offered by RKE for subscription and offered by the Selling Shareholder for sale (including 43,900,000 RKE Shares being offered under the Preferential Offering) pursuant to the International Offering together with, where relevant, any additional RKE Shares which may be sold by the Selling Shareholder pursuant to the exercise of the Over-allotment Option (subject to adjustment as described the Prospectus)
- “International Underwriters” means the group of international underwriters, led by the Joint Global Coordinators, that is expected to enter into the International Underwriting Agreement to underwrite the International Offering

“International Underwriting Agreement”	means the underwriting agreement expected to be entered into on or around 30 June 2017 by, among others, the Company, RKE, the Selling Shareholder and the International Underwriters in respect of the International Offering including the Preferential Offering, as further described in the Prospectus
“Joint Global Coordinators”	means J.P. Morgan Securities (Asia Pacific) Limited, The Hongkong and Shanghai Banking Corporation Limited and DBS Asia Capital Limited
“Joint Sponsors”	means J.P. Morgan Securities (Far East) Limited, HSBC Corporate Finance (Hong Kong) Limited and DBS Asia Capital Limited
“Listing Date”	means the date on which dealings in the RKE Shares first commence on the Main Board of the Stock Exchange
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“New Shares”	means the 310,000,000 new RKE Shares to be offered for subscription by RKE under the Global Offering (subject to adjustment as described in the Prospectus)
“Offer Price”	means the final price for each Offer Share (exclusive of brokerage fee of 1.0%, SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%) at which the Hong Kong Offer Shares are to be subscribed, and to be determined in the manner described in the Prospectus
“Offer Share(s)”	means the Hong Kong Offer Shares and the International Offer Shares (including the Reserved Shares), comprising both the New Shares and the Sale Shares together with, where relevant, any additional RKE Shares which may be sold by the Selling Shareholder pursuant to the exercise of the Over-allotment Option
“Over-allotment Option”	means the option expected to be granted by the Selling Shareholder to the International Underwriters, exercisable by the Joint Global Coordinators (on behalf of the International Underwriters) pursuant to the International Underwriting Agreement, pursuant to which the Selling Shareholder may be required to sell up to an aggregate of 62,775,000 additional RKE Shares at the Offer Price, details of which are set out in the Prospectus
“Prospectus”	means the prospectus issued by RKE on 27 June 2017 for the Global Offering

“Reserved Share(s)”	means the 43,900,000 RKE Shares being offered to RKI Qualifying Shareholders (representing approximately 10.5% of the RKE Shares initially being offered under the Global Offering), pursuant to the Preferential Offering as an Assured Entitlement, which are to be allocated out of the RKE Shares being offered under the International Offering
“Sale Shares”	means the 108,500,000 Offer Shares to be offered for sale by the Selling Shareholder under the Global Offering together with, where relevant, up to an additional 62,775,000 RKE Shares which may be sold by the Selling Shareholder pursuant to any exercise of the Over-allotment Option
“Share Offer”	means the Public Offer and the Placing
“Shareholder(s)”	means the holder(s) of the Share(s)
“Stabilising Manager”	means J.P. Morgan Securities (Asia Pacific) Limited
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Underwriters”	means the Hong Kong Underwriters and the International Underwriters
“Underwriting Agreements”	means the Hong Kong Underwriting Agreement and the International Underwriting Agreement

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

Hong Kong, 27 June 2017

As at the date of this announcement, the Board comprises Messrs. Zen Wei Pao, William, Zen Wei Peu, Derek, Ko Yuk Bing and Fong Shiu Leung, Keter as Executive Directors, Messrs. Mou Yong and Dong Fang as Non-executive Directors and Mr. Lau Sai Yung, Dr. Chow Ming Kuen, Joseph, Mr. Tse Chee On, Raymond, Mr. Wong Wai Ho and Mr. Zhang Yongliang as Independent Non-executive Directors.